This Preliminary Limited Offering Memorandum is in a form "deemed final" by the City, but is subject to revision, amendment and completion in a final Limited Offering Memorandum. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sales of these Series 2026 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the laws of any such jurisdiction.

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED AUGUST 4, 2026

NEW ISSUE - BOOK-ENTRY ONLY **NOT RATED**
LIMITED OFFERING

In the opinion of Howell Linkous & Nettles, LLC, Bond Counsel to the City, under existing law, assuming continuing compliance by the City with certain covenants and the accuracy of certain representations, interest on the Series 2026 Bonds is excludable from gross income for federal and South Carolina income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under the Internal Revenue Code of 1986, as amended (the "Code"). Such interest is, however, taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on certain corporations. See "TAX TREATMENT" herein for a brief description of these and other tax considerations.

CITY OF HARDEEVILLE, SOUTH CAROLINA
$30,000,000*
HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2026

Dated: Date of Delivery **Due: As shown on inside front cover**

The $30,000,000* Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series 2026 (the "*Series 2026 Bonds*") are being issued by the City of Hardeeville, South Carolina (the "*City*") in fully registered form, without coupons. The Series 2026 Bonds will be issued initially in denominations of $100,000 and any integral multiple of $5,000 in excess thereof; provided, that on and after any date on which Moody's Investors Services, Inc. shall have rated the Series 2026 Bonds "Baa" or higher, S&P Global Ratings shall have rated the Series 2026 Bonds "BBB" or higher, or Fitch Ratings Inc. shall have rated the Series 2026 Bonds "BBB" or higher, without regard to plus (+) or minus (-) or comparable designations, and upon compliance with applicable securities laws, the Series 2026 Bonds shall thereafter be transferable or exchangeable in denominations of $5,000 or any integral multiple thereof, notwithstanding any subsequent downgrade, suspension, or withdrawal of such rating. The Series 2026 Bonds will bear interest at the fixed rates set forth on the inside front cover page hereof, calculated on the basis of a 360-day year consisting of twelve 30-day months, payable semi-annually on each May 1 and November 1, commencing November 1, 2026. The Series 2026 Bonds, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("*DTC*"). Purchases of beneficial interests in the Series 2026 Bonds will be made in book-entry form. Accordingly, principal of and interest on the Series 2026 Bonds will be paid by the Trustee (as defined herein) from the Trust Estate (as defined herein) directly to DTC as the registered owner thereof. Disbursements of such payments to the Direct Participants (as defined in Appendix K hereto) is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the Direct Participants and the Indirect Participants (as defined in Appendix K hereto), as more fully described herein. Any purchaser of a beneficial interest in a Series 2026 Bond must maintain an account with a broker or dealer who is, or acts through, a Direct Participant to receive payment of the principal of and interest on such Series 2026 Bond. See "DESCRIPTION OF THE SERIES 2026 BONDS—Book-Entry Only System" herein and Appendix K attached hereto.

The Series 2026 Bonds have been authorized by an ordinance enacted on November 6, 2025, by the City Council of the City (the "*City Council*"), pursuant to the authorization of the Municipal Improvements Act of 1999 (codified at Title 5, Chapter 37 of the Code of Laws of South Carolina 1976, as amended). The Hilton Head Lakes West Tract Improvement District (the "*District*") was created by an ordinance enacted by the City Council on October 16, 2025, as amended and restated by an ordinance enacted by the City Council on January 22, 2026. The Series 2026 Bonds are being issued by the City pursuant to a Master Trust Indenture dated as of August 1, 2026 (the "*Master Indenture*"), as supplemented by the First Supplemental Trust Indenture dated as of August 1, 2026 (the "*First Supplemental Indenture*" and together with the Master Indenture, the "*Indenture*"), each by and between the City and U.S. Bank Trust Company, National Association, as trustee (the "*Trustee*").

The Series 2026 Bonds and any Series of Additional Bonds (as defined herein, and together with the Series 2026 Bonds, the "*Bonds*") hereafter issued will be equally and ratably payable from and secured by a pledge of and lien upon the Trust Estate, which includes the Pledged Funds and Pledged Revenues (as such terms are defined herein), provided that any Series Account (as defined in the Master Indenture) established for the Series 2026 Bonds or any Series of Additional Bonds shall be pledged only to the payment of such Series of Bonds.

Pursuant to the Indenture, the Series 2026 Bonds are subject to optional, extraordinary mandatory and mandatory sinking fund redemption at the times, in the amounts and at the redemption prices as more fully described herein under the caption "DESCRIPTION OF THE SERIES 2026 BONDS—Redemption Provisions."

The Series 2026 Bonds will be issued to (i) defray the cost of acquisition of certain infrastructure within the District (the "*2026 Project*," as more particularly defined and described herein); (ii) fund interest on the Series 2026 Bonds through November 1, 2027; (iii) fund the Series 2026 Debt Service Reserve Account (as defined herein); and (iv) pay certain costs and expenses relating to the issuance of the Series 2026 Bonds and the administration of the District. See "ESTIMATED SOURCES AND USES OF SERIES 2026 BOND PROCEEDS" herein.

THE SERIES 2026 BONDS ARE NOT RATED. AN INVESTMENT IN THE SERIES 2026 BONDS IS SPECULATIVE IN NATURE, INVOLVES A SIGNIFICANT DEGREE OF RISK AND IS NOT APPROPRIATE FOR UNSOPHISTICATED INVESTORS. A BONDHOLDER IS ADVISED TO READ THE ENTIRE LIMITED OFFERING MEMORANDUM, INCLUDING THE APPENDICES HERETO. SPECIAL REFERENCE IS MADE TO THE SECTIONS "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS" AND "BONDHOLDERS' RISKS" HEREIN FOR A DISCUSSION OF CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE SERIES 2026 BONDS.

UNTIL SUCH TIME AS THE MINIMUM AUTHORIZED DENOMINATION IS REDUCED TO $5,000, THE SERIES 2026 BONDS MAY BE SOLD (INITIALLY OR IN THE SECONDARY MARKET) ONLY TO QUALIFIED INSTITUTIONAL BUYERS WITHIN THE MEANING OF RULE 144A OF THE SECURITIES ACT, OR ACCREDITED INVESTORS AS DEFINED IN RULE 501(A)(1), (2), (3), (7), (8), (9), (12), OR (13) OF REGULATION D OF THE SECURITIES ACT ("INSTITUTIONAL ACCREDITED INVESTORS"). SEE "NOTICE TO INVESTORS" HEREIN. EACH INITIAL PURCHASER MUST EXECUTE A LETTER SUBSTANTIALLY IN THE FORM SET FORTH IN APPENDIX J – "FORM OF INITIAL INVESTOR LETTER" IN CONNECTION WITH ITS RESPECTIVE PURCHASE OF THE SERIES 2026 BONDS.

THE SERIES 2026 BONDS ARE SPECIAL OBLIGATIONS OF THE CITY. NEITHER THE SERIES 2026 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION (OTHER THAN ARTICLE X, SECTION 14(10) OF THE CONSTITUTION OF THE STATE OF SOUTH CAROLINA AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A SOURCE OF REVENUES DERIVED OTHER THAN FROM A TAX OR LICENSE). THE SERIES 2026 BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE CITY OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY. NO BONDHOLDER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE CITY OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, FIRST SUPPLEMENTAL INDENTURE OR THE SERIES 2026 BONDS. DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, FIRST SUPPLEMENTAL INDENTURE OR THE SERIES 2026 BONDS SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY THE TRUST ESTATE, ALL AS PROVIDED IN THE INDENTURE.

This cover page contains certain information for quick reference only. It is not a summary of the Series 2026 Bonds. Prospective investors in the Series 2026 Bonds should read this entire Limited Offering Memorandum, including the Appendices hereto.

The Series 2026 Bonds are offered for delivery when, as and if issued by the City and accepted by Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri (the "*Underwriter*") and subject to the receipt of the approving legal opinion of Howell Linkous & Nettles, LLC, Charleston, South Carolina, Bond Counsel to the City. Certain legal matters will be passed upon for the Underwriter by its counsel, Pope Flynn, LLC, Columbia, South Carolina; for LK Development Group, LLC, a Delaware limited liability company, and Lennar Carolinas, LLC, a Delaware limited liability company, by their counsel, Maynard Nexsen PC, Charleston, South Carolina; and for the City by Prina Maines, Esq., Hardeeville, South Carolina. It is expected that the Series 2026 Bonds will be delivered in book-entry form through the facilities of DTC on or about August __, 2026.

Stifel

Dated: _____, 2026

* Preliminary, subject to change.

CITY OF HARDEEVILLE, SOUTH CAROLINA
$30,000,000[*]
HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2026

MATURITY SCHEDULE

$_____[*] ___% Term Bonds due _____ 1, 20__, Price ____%, Yield _____%, CUSIP[†] _____

$_____[*] ___% Term Bonds due _____ 1, 20__, Price ____%, Yield _____%, CUSIP[†] _____

[*] Preliminary, subject to change.

[†] Copyright, American Bankers Association (the "*ABA*"). CUSIP data herein are provided by CUSIP Global Services, operated on behalf of the ABA by FactSet Research Systems Inc. The CUSIP numbers listed above are being provided solely for the convenience of bondholders only at the time of issuance of the Series 2026 Bonds and neither the Underwriter nor the City make any representation with respect to such numbers nor undertake any responsibility for their accuracy now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2026 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2026 Bonds.

NOTICE TO INVESTORS

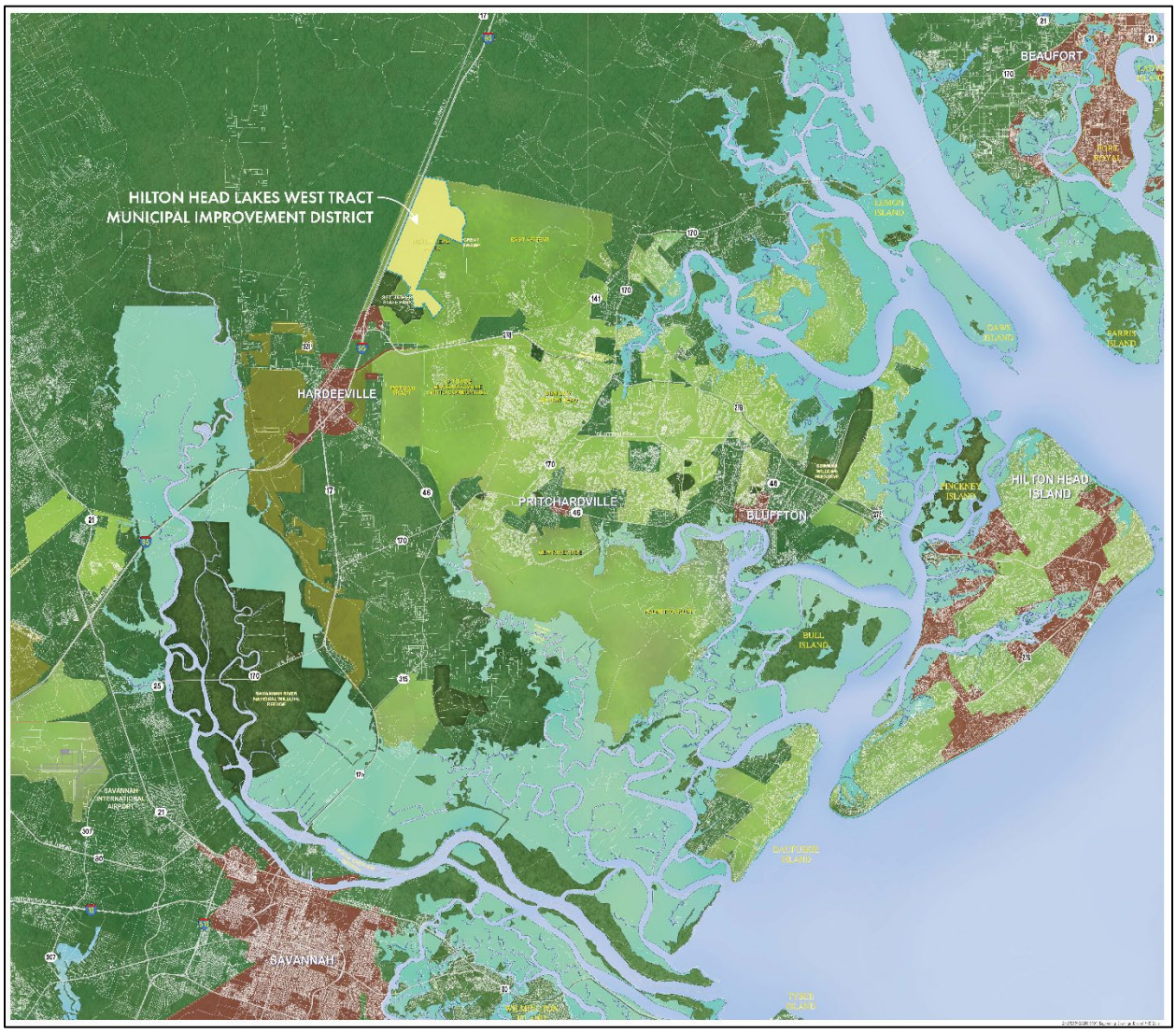
BECAUSE OF THE FOLLOWING RESTRICTIONS, PURCHASERS OF THE SERIES 2026 BONDS ARE ADVISED TO CONSULT LEGAL COUNSEL PRIOR TO MAKING ANY OFFER, RESALE, PLEDGE, OR OTHER TRANSFER OF THE SERIES 2026 BONDS. THE INDENTURE REQUIRES THAT, UNTIL SUCH TIME AS THE MINIMUM AUTHORIZED DENOMINATION IS REDUCED TO $5,000 (SEE "DESCRIPTION OF THE SERIES 2026 BONDS—AUTHORIZED DENOMINATIONS" HEREIN), (I) THE SERIES 2026 BONDS AND BENEFICIAL INTERESTS THEREIN MAY BE SOLD OR TRANSFERRED (INITIALLY OR IN THE SECONDARY MARKET) ONLY TO QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("*RULE 144A*") OR TO ACCREDITED INVESTORS (AS DEFINED IN RULE 501(A)(1), (2), (3), (7), (8), (9), (12), OR (13) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("*INSTITUTIONAL ACCREDITED INVESTOR*" AND "*REG D*") AND (II) EACH PURCHASER AND BENEFICIAL OWNER OF THE SERIES 2026 BONDS SHALL ACQUIRE SUCH SERIES 2026 BONDS FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER OR INSTITUTIONAL ACCREDITED INVESTOR AND NOT WITH A VIEW TO THE FURTHER DISTRIBUTION THEREOF, BUT SHALL HAVE THE EXPRESS LIMITED RIGHT TO SELL OR TRANSFER SUCH SERIES 2026 BONDS. EACH INITIAL PURCHASER MUST EXECUTE A LETTER SUBSTANTIALLY IN THE FORM SET FORTH IN APPENDIX J – "FORM OF INITIAL INVESTOR LETTER" IN CONNECTION WITH ITS RESPECTIVE PURCHASE OF THE SERIES 2026 BONDS.

The Indenture also requires that, until such time as the minimum Authorized Denominations of the Series 2026 Bonds is reduced to $5,000, each purchaser and beneficial owner of the Series 2026 Bonds will be deemed to have represented and warranted as follows (terms used below that are defined in Rule 144A and Rule 501(a)(1), (2), (3), (7), (8), (9), (12), or (13) of Reg D are as defined therein):

> Each purchaser and beneficial owner (1) is an institutional accredited investor or qualified institutional buyer, (2) acquiring such Series 2026 Bonds for its own account or for the account of an institutional accredited investor or a qualified institutional buyer, as the case may be, but expressly reserves the right to sell the Series 2026 Bonds, and (3) until such restriction does not apply, it will sell or transfer Series 2026 Bonds only to institutional accredited investors or qualified institutional buyers. A purchaser and beneficial owner who is an institutional accredited investor or qualified institutional buyer may sell all or a portion of the Series 2026 Bonds to a broker-dealer and any resale by such broker-dealer must be to an institutional accredited investor or qualified institutional buyer. The Series 2026 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance on the exemption provided by Section 3(a)(2) therein.

LOCATION MAP

The map below shows the location of the Hilton Head Lakes West Tract Improvement District (the "*District*") and is provided to give investors the location of the District relative to nearby Hilton Head Island, South Carolina, Savannah, Georgia, and other surrounding areas.



REGARDING USE OF THIS LIMITED OFFERING MEMORANDUM

No dealer, broker, salesperson or other person has been authorized by the City of Hardeeville, South Carolina (the "*City*") to give any information or to make any representation, other than those contained in this Limited Offering Memorandum, and if given or made, such other information or representations must not be relied upon as having been authorized by the City. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any of the Series 2026 Bonds (as defined herein) and there shall be no offer, solicitation, or sale of the Series 2026 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth herein has been obtained from the City, LK Development Group, LLC ("*LK Development*" or the "*Developer*"), a Delaware limited liability company, and Lennar Carolinas, LLC, a Delaware limited liability company ("*Lennar Homes*"), public documents, records, and other sources, which sources are believed to be reliable but which information is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the underwriter named on the cover page of this Limited Offering Memorandum (the "*Underwriter*"). The Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein contained are subject to change without notice and neither the delivery of this Limited Offering Memorandum, nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the City, the Developer, or Lennar Homes, or in the status of the District or the 2026 Project (as such terms are defined herein) since the date hereof.

No broker, dealer, salesperson, or other person has been authorized by the City, the State of South Carolina, or the Underwriter to give any information or to make any representations, other than those contained in this Limited Offering Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2026 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

Except for information with respect to U.S. Bank Trust Company, National Association, as trustee (the "*Trustee*"), the Trustee has not provided, or undertaken to determine the accuracy of, any of the information contained in this Limited Offering Memorandum, and the Trustee makes no representation or warranty, express or implied, as to (i) the accuracy or completeness of such information, (ii) the validity of the Series 2026 Bonds, or (iii) the tax-exempt status of the interest on the Series 2026 Bonds.

LK Development has not provided, or undertaken to determine the accuracy of, any of the information contained in this Limited Offering Memorandum, except for information in the sections and subsections of this Limited Offering Memorandum entitled "INTRODUCTION—The District and the Hilton Head Lakes West Development"; "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT" (excluding the first paragraph under "—Report of Developer Engineer; Public Improvements" and the information under "—Acquisition Agreement; Disbursement of Bond Proceeds"); "THE DISTRICT" (excluding, "—Lennar Homes' Development of Pod I," "—Contracts for Sale and Development of Pod H-1—Information Provided by Mungo," and "—Information Provided by Toll"; "THE DEVELOPER AND LANDOWNERS—LK Development"; and "CONTINUING DISCLOSURE—The Developer."

Lennar Homes has not provided, or undertaken to determine the accuracy of, any of the information contained in this Limited Offering Memorandum, except for information in the sections and subsections of this Limited Offering Memorandum entitled "THE DISTRICT—Lennar Homes' Development of Pod I"; "THE DEVELOPER AND LANDOWNERS—Lennar Homes and its Land Banks"; and "CONTINUING DISCLOSURE—Lennar Homes."

The Series 2026 Bonds have not been registered with the U.S. Securities and Exchange Commission under the Securities Act of 1933, as amended, nor has the Indenture (as defined herein) been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions set forth in such Acts. The registration, qualification or exemption of the Series 2026 Bonds in accordance with the applicable securities law provisions of any jurisdictions wherein these securities have been or will be registered, qualified, or exempted should not be regarded as a recommendation thereof. Each initial purchaser must execute a letter substantially in the form set forth in "Appendix J—Form of Initial Investor Letter" in connection with its respective purchase of the Series 2026 Bonds. Neither the City, the State of South Carolina, nor any other political

subdivisions thereof has guaranteed or passed upon the merits of the Series 2026 Bonds, upon the probability of any earnings thereon or upon the accuracy or adequacy of this Limited Offering Memorandum.

This Limited Offering Memorandum is being provided to prospective purchasers either in bound printed form ("*original bound format*") or in electronic format on the following websites: www.munios.com and www.emma.msrb.org. This Limited Offering Memorandum may be relied upon only if it is in its original bound format or as printed in its entirety directly from such websites.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not intended to be active hyperlinks or incorporated into, and are not part of, this Limited Offering Memorandum.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

"Forward-looking statements" are used in this document by using forward looking words such as "may," "will," "should," "intends," "expects," "believes," "anticipates," "estimates," "forecasts," or others, including, without limitation, certain statements and information under the captions "ASSESSMENT PROCEEDINGS; ASSESSMENTS—Assessment District Proceedings and Procedures—Assessment Imposition and Assumptions"; "ASSESSMENT REVENUE REPORT; ESTIMATED ASSESSMENT REVENUES"; "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT—Pod Development Costs; and "THE DISTRICT—Overview," "—Land Acquisition and Existing Development," "—Development Budget," "—Current Development Status and Plan—*Overview*" (table only) and "—*Plan of Development*," "—Lennar Homes' Development of Pod I," "—Contract for Sale of Pods F-1 and G to Lennar Homes," "—Contracts for Sale and Development of Pod H-1—*Pod H-1 – Mungo Homes, Inc.*—Information Provided by Mungo," and "—Contracts for Sale and Development of Pod H-1—Pod H-1 – *Toll Southeast LP Company, Inc.*—Information Provided by Toll"; and "—Projected Absorption." The reader is cautioned that forward-looking statements are subject to a variety of uncertainties that could cause actual results to differ from the projected results. Those risks and uncertainties include general economic and business conditions, conditions in the financial markets and real estate market, the collection of the Assessments by Jasper County (as defined herein), and various other factors which may be beyond the City's, the Developer's, and Lennar Homes' control. Because the City, the Developer, and Lennar Homes cannot predict all factors that may affect future decisions, actions, events, or financial circumstances, what actually happens may be different from what is included in forward-looking statements. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The City, the Developer, and Lennar Homes do not plan to issue any updates or revisions to those forward-looking statements if or when any of its expectations or events, conditions or circumstances on which such statements are based occur, other than as described under "CONTINUING DISCLOSURE" herein.

TABLE OF CONTENTS

INTRODUCTION 1

The District and the Hilton Head Lakes West Development 1
The Assessments 2
Authorization for Series 2026 Bonds 3
Use of Proceeds of Series 2026 Bonds 3
Security for and Source of Payment of the Series 2026 Bonds 3
No Obligation of City with Respect to the Series 2026 Bonds 3
Municipal Advisor and District Administrator 4
Bondholders' Risks 4
General Information Relating to Series 2026 Bonds 4
Secondary Market Disclosure 4
Tax Treatment 4
Additional Information 5

DESCRIPTION OF THE SERIES 2026 BONDS 5

General Description 5
Authorized Denominations 6
Redemption Provisions 6
Notice of Redemption 8
Additional Information Concerning the Series 2026 Bonds 8
Investor Letter 8
Book-Entry Only System 8

SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS 9

General 9
Additional Bonds 10
Debt Service Reserve Fund 11
Other Funds and Accounts Created Under the Indenture 12
Deposit and Application of the Pledged Revenues and Prepayments 13
Certain Covenants of the City 15

ESTIMATED SOURCES AND USES OF SERIES 2026 BOND PROCEEDS 16

THE 2026 PROJECT 16

DEBT SERVICE REQUIREMENTS 17

ASSESSMENT PROCEEDINGS; ASSESSMENTS 18

General 18
Assessment District Proceeding and Procedures 18

COLLECTION PROCEDURES 22

Billing and Collection 22
Delinquencies; Enforcement; Foreclosure 23

ASSESSMENT REVENUE REPORT; ESTIMATED ASSESSMENT REVENUES 25

INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT 28

General 28
Report of Developer Engineer; Public Improvements 28
Other Development Improvements 31
Pod Development Costs 33
Acquisition Agreement; Disbursement of Bond Proceeds 34

THE DISTRICT 34

Overview 35
Land Acquisition and Existing Development 42

Development Budget 42
Current Development Status and Plan 44
Lennar Homes' Development of Pod I 46
Contract for Sale of Pods F-1 and G to Lennar Homes....48
Contracts for Sale and Development of Pod H-1 49
Other Lot and Bulk Land Purchase Contracts....52
Projected Absorption 53
Amenities....55
General Competition of the District....56
Nearby Schools....56
Entitlements and Zoning....56
Development Approvals and Permitting....57
Environmental....58
Utilities 58
Homeowners' Association Fees....59
Property Taxes....59

THE DEVELOPER AND LANDOWNERS....59

LK Development....59
Lennar Homes and its Land Banks 61

MARKET STUDY 63

Supply and Demand....64
Estimated Mix and Floor Plan Sizes....64

APPRAISAL 64

BONDHOLDERS' RISKS....65

Dependence on Assessments 65
Inadequacy of Series 2026 Debt Service Reserve Account 66
Concentration of Ownership; Bankruptcy 66
Assessment Delinquencies; Potential Delay and Limitations in Foreclosure Proceedings....66
Payment of Annual Payments after Bank Foreclosure....67
Impact of Environmental Conditions and Events on Value....67
Uncertainty of Collection; Collection of Annual Payments....67
Failure to Develop the District....68
Commercial Failure of the District; Market Supportability 68
Limited Resources of LK Development 68
Limited Resources of Lennar Homes and Other Homebuilders and Third-Party Developers 69
Limited Sources of Funds for Future Infrastructure and Land Development Costs....69
Financial Condition of the Developer Entities....69
Direct and Overlapping Indebtedness, Assessments and Taxes....69
Limited Secondary Market for Series 2026 Bonds 70
No Acceleration Provision....70
Loss of Tax Exemption....70
IRS Examination and Audit Risk....70
Cybersecurity....70
Federal Tax Reform 71

TAX TREATMENT....71

Federal and South Carolina Income Tax Treatment of Interest on the Series 2026 Bonds....71
[Original Issue Discount]....72
[Original Issue Premium]....72
Other Federal Income Tax Considerations Affecting the Series 2026 Bonds....72
Reporting and Withholding Requirements....73
Limitation on South Carolina Tax Exemption 73

SUITABILITY FOR INVESTMENT 73

ENFORCEABILITY OF REMEDIES 73
LITIGATION 73
NO RATING 74
MUNICIPAL ADVISOR AND DISTRICT ADMINISTRATOR 74
CONTINUING DISCLOSURE 74
Continuing Disclosure Agreements 74
The City 74
The Developer 74
Lennar Homes 75
UNDERWRITING 75
RELATIONSHIP AMONG PARTIES 75
LEGAL MATTERS 75
MISCELLANEOUS 76

Appendix A	RATE AND METHOD OF APPORTIONMENT OF ASSESSMENTS AND ORIGINAL ASSESSMENT ROLL AND REPORT ON THE REASONABLE BASIS OF ASSESSMENTS
Appendix B	FORMS OF INDENTURE
B-1	FORM OF MASTER TRUST INDENTURE
B-2	FORM OF FIRST SUPPLEMENTAL INDENTURE
Appendix C	FORM OF APPROVING OPINION OF BOND COUNSEL
Appendix D	FORMS OF CONTINUING DISCLOSURE AGREEMENTS
D-1	CITY CONTINUING DISCLOSURE AGREEMENT
D-2	DEVELOPER CONTINUING DISCLOSURE AGREEMENT
D-3	LENNAR HOMES CONTINUING DISCLOSURE AGREEMENT
Appendix E	INFORMATION REGARDING THE CITY OF HARDEEVILLE, SOUTH CAROLINA AND JASPER COUNTY, SOUTH CAROLINA
Appendix F	HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT ASSESSMENT REVENUE REPORT
Appendix G	ENGINEER'S REPORT
Appendix H	MARKET STUDY
Appendix I	APPRAISAL
Appendix J	FORM OF INITIAL INVESTOR LETTER
Appendix K	DTC AND BOOK-ENTRY-ONLY SYSTEM

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CITY OF HARDEEVILLE, SOUTH CAROLINA
$30,000,000*
HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2026

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover pages and Appendices hereto, is to set forth certain information in connection with the offer and sale by the City of Hardeeville, South Carolina (the "*City*") of its $30,000,000* Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series 2026 (the "*Series 2026 Bonds*").

THE SERIES 2026 BONDS INVOLVE A DEGREE OF RISK (SEE "BONDHOLDERS' RISKS" HEREIN) AND ARE NOT SUITABLE FOR ALL INVESTORS (SEE "SUITABILITY FOR INVESTMENT" HEREIN). THE UNDERWRITER IS LIMITING THE INITIAL OFFERING AND SALE OF THE SERIES 2026 BONDS TO QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("*RULE 144A*")) OR TO ACCREDITED INVESTORS AS DEFINED IN RULE 501(A)(1), (2), (3), (7), (8), (9), (12), OR (13) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("*INSTITUTIONAL ACCREDITED INVESTOR*" AND "*REG D*"). THE SALE OF THE SERIES 2026 BONDS IN THE SECONDARY MARKET IS ALSO LIMITED TO QUALIFIED INSTITUTIONAL BUYERS OR INSTITUTIONAL ACCREDITED INVESTORS UNTIL SUCH TIME AS THE MINIMUM AUTHORIZED DENOMINATION OF THE SERIES 2026 BONDS IS REDUCED TO $5,000. AUTHORIZED POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2026 BONDS. SEE "NOTICE TO INVESTORS," "DESCRIPTION OF THE SERIES 2026 BONDS—Authorized Denominations," AND "NO RATING" HEREIN.

The forms of (i) the Master Trust Indenture (the "*Master Indenture*") between the City and U.S. Bank Trust Company, National Association, as trustee (the "*Trustee*"), dated as of August 1, 2026, and (ii) the First Supplemental Trust Indenture (the "*First Supplemental Indenture*" and together with the Master Indenture, the "*Indenture*"), between the City and the Trustee, dated as of August 1, 2026, are attached hereto as Appendices B-1 and B-2, respectively. Unless otherwise defined herein, capitalized terms used throughout this Limited Offering Memorandum are defined in the Indenture.

This introduction briefly describes the contents of this Limited Offering Memorandum and is qualified by reference to the entire contents hereof, including the Appendices hereto, as well as the documents summarized or described herein.

The District and the Hilton Head Lakes West Development

The Hilton Head Lakes West Tract Improvement District (the "*District*") was established by an ordinance enacted on October 16, 2025, as amended and restated on January 22, 2026 (as further defined herein, the "*District Ordinance*"), by the City Council of the City (the "*City Council*"), the governing body of the City. The District was created to provide a means for funding public improvements consisting of roads, sewer infrastructure, including sewer lines and regional pump stations, and water infrastructure (as described more fully herein, the "*Public Improvements*") within or serving the District. The principal landowner and master developer of land in the District is LK Development Group, LLC ("*LK Development*" or the "*Developer*"), a Delaware limited liability company created specifically to manage the development of the District by entities affiliated with Lennar Corporation and The Kolter Group, LLC. Through the operating agreements of LK Development and affiliated entities, employees of Brookfield Kolter Land Partners, LLC are responsible for the management of LK Development. See "THE DEVELOPER AND LANDOWNERS—LK Development" herein for a description of the ownership structure and management of the Developer.

* Preliminary, subject to change.

The District consists of approximately 2,606 acres in the City. The land within the District encompasses substantially all of the developable land within the Hilton Head Lakes West development, and the remaining undevelopable land is largely held within a conservation easement. The City and the District are located in the southeastern part of the State of South Carolina (the "*State*") in Jasper County, South Carolina (the "*County*" or "*Jasper County*"). The District is located approximately 20 miles from Hilton Head Island, approximately 27 miles from the City of Beaufort, South Carolina, and approximately 24 miles from the City of Savannah, Georgia and the Savannah/Hilton Head International Airport. The land within the District has nearly three miles of frontage on the eastern side of U.S. Interstate 95, north of its intersection with U.S. Highway 278.

The land within the District is divided by wetlands into two major areas of development that are expected to be connected by a bridge. See "THE DISTRICT—Overview" and the map of the District therein. The southern portion of the District is referred to herein as the "*South Section*," and the northern portion of the District is referred to herein as the "*North Section*." The Developer expects to develop and market distinct areas within the District (referred to herein as "*Pods*") for sale to third-party developers and homebuilders. The Developer currently is developing and marketing the Pods in the South Section (other than Pod I) and, as discussed below, Lennar Homes (as defined herein) currently is developing Pod I. Development in, and marketing of, the North Section has not commenced at this time and is expected to begin in 2029. See "THE DISTRICT—Current Development Status and Plan—*Overview*."

Land consisting of approximately 378 acres within the District, known as Pod I, is owned by Lennar Carolinas, LLC, a Delaware limited liability company ("*Lennar Homes*") and certain land banking entities for Lennar Homes; namely, TPG AG EHC III (LEN) Multi State 1, LLC, a Delaware limited liability company ("*TPG EHC*"), and Millrose Properties South Carolina, LLC, a South Carolina limited liability company ("*Millrose*" and, together with TPG EHC, the "*Land Banks*" and each a "*Land Bank*").

The Developer has entered into two Lot Sale Agreements (as defined herein) for the sale of 245 finished lots within Pod H-1, located in the South Section of the District. The Developer has entered into these Lot Sale Agreements with Clayton Properties Group, Inc. for the purchase of 145 lots in total and Toll Southeast LP Company, Inc. for the purchase of 100 lots in total. Under these Lot Sale Agreements, LK Development will develop Pod H-1 as necessary to deliver finished lots to these Builders (as defined herein). The Developer will deliver finished lots to these Builders in phased takedowns, which the Developer expects will begin in April 2027. These Lot Sale Agreements are summarized and further discussed in "THE DISTRICT—Contracts for Sale and Development of Pod H-1" herein.

In addition, the Developer has entered into a Bulk Sale Agreement (as defined herein) for the sale of land in Pods F-1 and G to Lennar Homes. Under the Lennar Bulk Sale Agreement (as defined herein), Lennar Homes will purchase the land for all 308 planned lots in Pod F-1 and for all 539-564 planned lots in Pod G. This purchase will occur over five phased takedowns, the first of which the Developer expects will occur in November 2026. The Lennar Bulk Sale Agreement is discussed in further detail in "THE DISTRICT—Contract for Sale of Pods F-1 and G to Lennar Homes" herein.

A portion of the proceeds of the Series 2026 Bonds will be used to reimburse the Developer for the cost of certain Public Improvements completed to date which support the development of Pods within the South Section of the District. See "INFRASTRUCTURE AND LAND DEVELOPMENT COSTS; 2026 PROJECT" herein. Additional Bonds (as defined herein) are expected to be issued in the future to reimburse the cost of additional Public Improvements within the District. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS—Additional Bonds" herein.

The Assessments

The Rate and Method (as defined herein) sets forth the process for determining the Annual Revenue Requirement (as defined herein) and the apportionment of the Assessments (as defined herein) to property within the District. As set forth in the Rate and Method, the annual billing and collection of Assessments for parcels in the District will begin the first year after Bonds are issued. For assessment purposes, property within the District is classified as "Platted Property" (lots with a final recorded plat that are ready for development) and "Unplatted Property" (all other parcels in the District). For a parcel to be considered Platted Property on the updated Assessment Roll (as defined herein), it must have been subdivided by December 31 of the previous year; otherwise, it remains Unplatted Property.

Each parcel's Annual Payment includes a "Bond Annual Payment" and an "Administrative Expenses Annual Payment." The Bond Annual Payment is initially $600 per year for Platted Property, increasing annually by 3%, until all the Series 2026 Bonds and all Series of Additional Bonds (as defined herein) that may be issued under the Assessment Proceedings (as defined herein) have been issued. After that, the payment is recalculated based on each parcel's share of remaining bond debt, which may be less but not more than the Maximum Annual Installment. See "ASSESSMENT PROCEEDINGS; ASSESSMENTS—Assessment District Proceedings and Procedures—*Assessment Imposition and Related Assumptions*" herein for a discussion of the maximum amount of the Total Assessment (as defined herein) for the District, which would ultimately determine the total amount of Bonds that may be issued. Under the Assessment Proceedings, the maximum amount of Assessments that may be collected from any single parcel of Platted Property over the life of the District is $28,545.

If the total Bond Annual Payments from parcels of Platted Property fall short of the Annual Revenue Requirement, the difference is billed to parcels of Unplatted Property, pro-rata based on acreage. See "ASSESSMENT PROCEEDINGS; ASSESSMENTS" herein.

Authorization for Series 2026 Bonds

The Series 2026 Bonds have been authorized by an ordinance enacted by the City Council on November 6, 2025 (the "*Bond Ordinance*"), pursuant to the authorization of the Municipal Improvements Act of 1999 (the "*Act*"), which is codified at Title 5, Chapter 37 of the Code of Laws of South Carolina 1976, as amended (the "*South Carolina Code*"). Under the Bond Ordinance, the City Council has authorized the issuance of the Series 2026 Bonds in an aggregate principal amount not to exceed $30,000,000, and a total aggregate principal amount of Bonds, including the Series 2026 Bonds, in an aggregate principal amount not to exceed $47,100,000. The Series 2026 Bonds are being issued by the City pursuant to the Master Indenture, as supplemented by the First Supplemental Indenture.

Use of Proceeds of Series 2026 Bonds

The Series 2026 Bonds will be issued to (i) defray the cost of acquisition of those components of Public Improvements within or serving the District that are included in the 2026 Project (as more particularly described in "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT—The District and the Hilton Head Lakes West Development"); (ii) fund interest on the Series 2026 Bonds through November 1, 2027; (iii) fund the Series 2026 Debt Service Reserve Account (as defined herein); and (iv) pay certain costs and expenses relating to the issuance of the Series 2026 Bonds and the administration of the District. See "ESTIMATED SOURCES AND USES OF SERIES 2026 BOND PROCEEDS" herein.

Security for and Source of Payment of the Series 2026 Bonds

The Series 2026 Bonds and any Series of bonds hereafter issued under the Master Indenture, as supplemented ("*Additional Bonds*" and, together with the Series 2026 Bonds, the "*Bonds*"), will be equally and ratably payable from and secured by a pledge of and lien upon the Trust Estate, which includes the Pledged Funds and Pledged Revenues (as such terms are defined herein), provided that any Series Account within the Pledged Funds established for the Series 2026 Bonds or any Series of Additional Bonds shall be pledged only to the payment of such Series of Bonds.

No Obligation of City with Respect to the Series 2026 Bonds

THE SERIES 2026 BONDS ARE SPECIAL OBLIGATIONS OF THE CITY. NEITHER THE SERIES 2026 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION (OTHER THAN ARTICLE X, SECTION 14(10) OF THE STATE CONSTITUTION AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A SOURCE OF REVENUES DERIVED OTHER THAN FROM A TAX OR LICENSE). THE SERIES 2026 BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE CITY OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY. NO BONDHOLDER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY *AD VALOREM* TAXING POWER OF THE CITY OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE FIRST

SUPPLEMENTAL INDENTURE, OR THE SERIES 2026 BONDS. DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE FIRST SUPPLEMENTAL INDENTURE, OR THE SERIES 2026 BONDS SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE TRUST ESTATE, INCLUDING THE PLEDGED REVENUES AND THE PLEDGED FUNDS, ALL AS PROVIDED IN THE INDENTURE. SEE "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS" HEREIN.

Municipal Advisor and District Administrator

PFM Financial Advisors LLC, Orlando, Florida, is acting as municipal advisor to the City in connection with the issuance of the Series 2026 Bonds. MuniCap, Inc., Columbia, Maryland, a public finance advisory firm ("*MuniCap*"), has been selected by the City to serve as the administrator of the District (the "*District Administrator*") and continues to serve in that role.

Bondholders' Risks

The purchase of the Series 2026 Bonds involves investor risks. Payment of debt service on the Series 2026 Bonds may be dependent, among other things, upon the commercial success of the development of the District and upon timely payment of the Assessments (as defined herein). There can be no assurance that these or any other risks will not affect the willingness or ability of the owners of real property in the District to make timely payment of the Assessments. See "BONDHOLDERS' RISKS" and "SUITABILITY FOR INVESTMENT" herein for a discussion of certain risk factors which should be considered, in addition to the matters set forth herein, when evaluating the investment quality of the Series 2026 Bonds.

General Information Relating to Series 2026 Bonds

The Series 2026 Bonds will be dated the date of their delivery, will be issued in one Series and will mature in the years and amounts and will bear interest (based on a 360-day year consisting of twelve 30-day months) from their date of delivery at the rates, payable semiannually on May 1 and November 1 (each, an "*Interest Payment Date*"), commencing November 1, 2026, set forth on the inside front cover page of this Limited Offering Memorandum, to the holders of record as of the fifteenth day of the calendar month next-preceding each Interest Payment Date (each a "*Record Date*"). Initially, a single bond for each maturity shall be issued and, when issued, will be registered to Cede & Co., as nominee for The Depository Trust Company ("*DTC*"). Purchases of beneficial interests in the Series 2026 Bonds will be made in book-entry form only. See "DESCRIPTION OF THE SERIES 2026 BONDS—Book-Entry Only System" herein and Appendix K attached hereto.

The Series 2026 Bonds are initially issuable as fully registered bonds in book-entry form in Authorized Denominations (as defined herein) of $100,000 and any integral multiple of $5,000 in excess thereof , until such time as the Series 2026 Bonds may receive an Investment Grade Rating (as defined herein), at which time the minimum Authorized Denominations of the Series 2026 Bonds will be $5,000, or any integral multiple thereof. See "DESCRIPTION OF THE SERIES 2026 BONDS—Authorized Denominations" and "NO RATING" herein.

Secondary Market Disclosure

The City, the Developer, and Lennar Homes have agreed to provide certain financial information, operating information and notice of the occurrence of certain events with respect to the Series 2026 Bonds. See "CONTINUING DISCLOSURE" herein and the following appendices hereto: "Appendix D-1—Forms of Continuing Disclosure Agreements—City Continuing Disclosure Agreement," "Appendix D-2—Forms of Continuing Disclosure Agreements—Developer Continuing Disclosure Agreement," and "Appendix D-3—Forms of Continuing Disclosure Agreements—Lennar Homes Continuing Disclosure Agreement."

Tax Treatment

In the opinion of Howell Linkous & Nettles, LLC, Bond Counsel to the City, under existing law, assuming continuing compliance by the City with certain covenants and the accuracy of certain representations, interest on the Series 2026 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under the Internal Revenue Code of 1986, as amended (the

"*Code*"). Such interest is, however, taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on certain corporations. In the opinion of Bond Counsel, the Series 2026 Bonds and the interest thereon are exempt from all State, county, municipal, school district, and other taxes and assessments imposed within the State of South Carolina, except estate, transfer, and certain franchise taxes. See "TAX TREATMENT" herein for a description of these and other tax considerations.

Additional Information

Prospective investors in the Series 2026 Bonds should read this entire Limited Offering Memorandum, including the Appendices hereto. The Appendices to this Limited Offering Memorandum constitute an integral part of this Limited Offering Memorandum and contain information which all potential investors should read in conjunction with the other parts of this Limited Offering Memorandum. This Limited Offering Memorandum speaks only as of its date and the information contained herein is subject to change.

DESCRIPTION OF THE SERIES 2026 BONDS

General Description

The Series 2026 Bonds will be issued as fully registered bonds in book-entry form and in initial Authorized Denominations of $100,000 and any integral multiple of $5,000 in excess thereof, until such time as the Series 2026 Bonds may receive an Investment Grade Rating, at which time the minimum Authorized Denominations of the Series 2026 Bonds will be $5,000, or any integral multiple thereof. See "—Authorized Denominations" and "NO RATING" herein. The Series 2026 Bonds may be transferred and exchanged in accordance with the Indenture. Until such time as the minimum Authorized Denomination of the Series 2026 Bonds is reduced to $5,000, the Series 2026 Bonds may be sold (initially or in the secondary market) only to qualified institutional buyers within the meaning of Rule 144A or institutional accredited investors as defined in Rule 501(a)(1), (2), (3), (7), (8), (9), (12), or (13) of Reg D. See "NOTICE TO INVESTORS" and "NO RATING" herein.

Prior to the time at which the Authorized Denominations for the Series 2026 Bonds is reduced to $5,000, if a particular Series 2026 Bond has been redeemed in part in accordance with the provisions of the Indenture and, following such partial redemption, such unredeemed portion of such Series 2026 Bond is less than $100,000, such Series 2026 Bond may be transferred only to qualified institutional buyers or institutional accredited investors, as described in the paragraph above, in such Outstanding principal amount.

The Series 2026 Bonds will be dated their date of issuance, and will bear interest, payable to the holder of record thereof as of the applicable Record Date, at the fixed rates per annum set forth on the inside front cover page hereof from the Interest Payment Date to which interest has been paid next preceding their date of authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such Series 2026 Bond has been paid, in which event such Series 2026 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the Series 2026 Bonds, in which event, such Series 2026 Bond shall bear interest from its date. Interest on the Series 2026 Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Series 2026 Bonds will mature, subject to redemption as provided in the Indenture, on the dates and in the amounts set forth on the inside front cover page hereof.

The Series 2026 Bonds will be initially issued in the form of a single-fully registered certificate for each maturity thereof. Upon initial issuance, the ownership of the Series 2026 Bonds will be registered in the registration books kept by the Trustee, acting in its capacity of Registrar (the "*Registrar*"), in the name of Cede & Co., as nominee of DTC, the initial bond depository. All of the Outstanding Series 2026 Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC. See "—Book-Entry Only System" herein and Appendix K attached hereto.

During the period for which Cede & Co. is the registered owner of the Series 2026 Bonds, any notices to be provided to owners of Series 2026 Bonds will be provided to Cede & Co. DTC shall be responsible for notices to Direct Participants (as such term is defined in Appendix K) and Direct Participants shall be responsible for notices to

Indirect Participants (as such term is defined in Appendix K), and Direct Participants and Indirect Participants shall be responsible for notices to Beneficial Owners (as such term is defined in Appendix K).

The Indenture provides that the City, the Trustee, any Paying Agent, or the Registrar shall deem and treat the person in whose name any Series 2026 Bond is registered as the absolute owner thereof (whether or not such Series 2026 Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the City, the Trustee, any Paying Agent, or the Registrar) for the purpose of receiving payment of or on account of the principal or Redemption Price of and interest on such Series 2026 Bond, and for all other purposes, and the City, the Trustee, any Paying Agent, or the Registrar shall not be affected by any notice to the contrary. All such payments so made to any such owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Series 2026 Bond.

U.S. Bank Trust Company, National Association is the Trustee, Paying Agent and Registrar for the Series 2026 Bonds.

Authorized Denominations

The Series 2026 Bonds will be issued initially in denominations of $100,000 and any integral multiple of $5,000 in excess thereof (subject to adjustment as described herein, "*Authorized Denominations*"); provided, that on and after any date on which Moody's Investors Services, Inc. shall have rated the Series 2026 Bonds "Baa" or higher, S&P Global Ratings shall have rated the Series 2026 Bonds "BBB" or higher, or Fitch Ratings Inc. shall have rated the Series 2026 Bonds "BBB" or higher, without regard to plus (+) or minus (-) or comparable designations (any of which are referred to herein as an "*Investment-Grade Rating*"), and upon compliance with applicable securities laws, the Series 2026 Bonds shall thereafter be transferable or exchangeable in denominations of $5,000 or any integral multiple thereof, notwithstanding any subsequent downgrade, suspension, or withdrawal of such rating.

Redemption Provisions

Optional Redemption

The Series 2026 Bonds are not subject to optional redemption prior to November 1, [2036]. The Series 2026 Bonds maturing on or after November 1, [2036], may be called for redemption prior to maturity at the option of the City as a whole, at any time, or in part on any Interest Payment Date on or after November 1, [2036], at a redemption price equal to the principal amount to be redeemed plus accrued interest, if any, to the date of redemption.

If less than all of the Series 2026 Bonds are called for redemption, the Trustee will select the Series 2026 Bonds or portions of the Series 2026 Bonds to be redeemed by lot in such reasonable manner as the Trustee in its discretion may determine (provided that no redemption shall result in a Series 2026 Bond in a denomination of less than the Authorized Denomination in effect at that time). The portion of Series 2026 Bonds to be redeemed shall be in an Authorized Denomination.

Extraordinary Mandatory Redemption

The Series 2026 Bonds are subject to extraordinary mandatory redemption prior to maturity by the City in whole, on any date, or in part, on any Interest Payment Date, at an extraordinary mandatory Redemption Price of 100% of the principal amount of the Series 2026 Bonds to be redeemed, plus interest accrued to the date of redemption, as follows:

(a) from Prepayments deposited into the Series 2026 Prepayment Account of the Series 2026 Bond Redemption Account following the prepayment in whole or in part of Assessments on any portion of the property within the District in accordance with the provisions of the Indenture (for more information regarding Prepayments and the right to prepay Assessments, see "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS—Deposit and Application of the Pledged Revenues and Prepayments" and "ASSESSMENT PROCEEDINGS; ASSESSMENTS" herein);

(b) from moneys, if any, on deposit in the Funds and Accounts (other than the Rebate Fund) held for the Series 2026 Bonds sufficient to pay and redeem all Outstanding Series 2026 Bonds, and accrued

interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Indenture;

(c) on or after the Completion Date, if so directed by the City, by application of moneys remaining in the Series 2026 Acquisition and Construction Account not reserved by the City for the payment of any remaining part of the Cost of the 2026 Project, which shall be transferred to the Series 2026 General Account of the Series 2026 Bond Redemption Account as specified by the City pursuant to the Indenture and applied at the direction of the City to the redemption of Series 2026 Bonds;

(d) from excess moneys transferred from the Revenue Fund to the Series 2026 General Account of the Series 2026 Bond Redemption Account in accordance with the Master Indenture;

(e) following condemnation or the sale of any portion of the 2026 Project to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys which are not to be used to rebuild, replace or restore the taken portion of the 2026 Project to the Trustee by or on behalf of the City for deposit as directed by the City into the Series 2026 General Account of the Series 2026 Bond Redemption Account in order to effectuate such redemption, which moneys shall be applied by the City to redeem Series 2026 Bonds; and

(f) following the damage or destruction of all or substantially all of the Project to such extent that, in the reasonable opinion of the City, the repair and restoration thereof would not be economical or would be impracticable, to the extent of amounts paid by the City to the Trustee with written direction to deposit such amounts into the General Account of the Series Account of the Bond Redemption Fund specified by the City which moneys shall be applied by the City to redeem Bonds of the applicable Series; provided, however, that at least 45 days prior to such extraordinary mandatory redemption, the City shall cause to be delivered to the Trustee (i) written notice setting forth the redemption date and (ii) a certificate of the Consulting Engineer confirming that the repair and restoration of the Project would not be economical or would be impracticable.

If less than all of the Series 2026 Bonds of a maturity are to be redeemed pursuant to an extraordinary mandatory redemption, the Trustee shall, except as otherwise provided in the Indenture, select the Series 2026 Bonds or portions of the Series 2026 Bonds to be redeemed by lot in such manner as the Trustee in its discretion may determine; provided that, in the case of any partial redemption of Series 2026 Bonds, such redemption shall be effectuated by redeeming Series 2026 Bonds of such maturities in such manner as shall be specified by the City in writing, subject to the provisions of the Indenture. The portion of Series 2026 Bonds to be redeemed shall be in an Authorized Denomination.

Mandatory Sinking Fund Redemption

The Series 2026 Bonds maturing on November 1, 20[__], are subject to mandatory sinking fund redemption in part by the City by lot prior to their scheduled maturity from moneys in the Series 2026 Sinking Fund Account established under the Indenture in satisfaction of the applicable Sinking Fund Installment at the Redemption Price of 100% of the principal amount thereof, together with accrued interest to the date of redemption on November 1 of the years and in the principal amounts set forth below:

Year (November 1)	Principal Amount
	$
*	

* Final Maturity

As more particularly set forth in the Indenture, any Series 2026 Bonds that are purchased by the City with amounts held to pay a Sinking Fund Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Sinking Fund Installment of Series 2026 Bonds. In addition, the above Sinking Fund Installments are subject to recalculation, as provided in the Indenture, as the result of certain purchases or the redemption of Series 2026 Bonds other than in accordance with scheduled Sinking Fund Installments so as to re-amortize the remaining Outstanding principal of the Series 2026 Bonds.

Notice of Redemption

The Trustee shall cause notice of each redemption, either in whole or in part, to be mailed at least 30 but not more than 60 days prior to the redemption or purchase date to all Owners of Series 2026 Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the 5th day prior to such mailing), at their registered addresses, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of the Series 2026 Bonds for which notice was duly mailed in accordance with the Indenture.

If at the time of mailing of notice of an optional redemption or purchase, the City shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all the Series 2026 Bonds called for redemption or purchase, such notice shall state that it is subject to the deposit of the redemption or purchase moneys with the Trustee or Paying Agent, as the case may be, not later than the opening of business on the redemption or purchase date, and such notice shall be of no effect unless such moneys are so deposited.

If the amount of funds deposited with the Trustee for such redemption, or otherwise available, is insufficient to pay the Redemption Price and accrued interest on the Series 2026 Bonds so called for redemption on the redemption date, the Trustee shall redeem and pay on such date an amount of such Series 2026 Bonds for which such funds are sufficient, selecting the Series 2026 Bonds to be redeemed by lot from among all such Series 2026 Bonds called for redemption on such date, and among different maturities of Series 2026 Bonds in the same manner as the initial selection of Series 2026 Bonds to be redeemed, and from and after such redemption date, interest on the Series 2026 Bonds or portions thereof so paid shall cease to accrue and become payable; but interest on any Series 2026 Bonds or portions thereof not so paid shall continue to accrue until paid at the same rate as it would have had such Series 2026 Bonds not been called for redemption.

Additional Information Concerning the Series 2026 Bonds

For additional information concerning the Series 2026 Bonds, see the forms of the Master Indenture and First Supplemental Indenture attached hereto as Appendices B-1 and B-2, respectively.

Investor Letter

Initial purchasers of the Series 2026 Bonds shall execute and deliver an investor letter in form and substance satisfactory to the City, in substantially the form shown in Appendix J hereto.

Book-Entry Only System

The City has arranged for the Series 2026 Bonds to be issued as fully registered bonds, registered in the name of Cede & Co., as nominee of DTC, which will initially act as securities depository (the "*Securities Depository*") for the Series 2026 Bonds. One fully registered Series 2026 Bond certificate for each maturity of Series 2026 Bonds will be issued and deposited with DTC. Purchasers of Series 2026 Bonds will not receive certificates representing the ownership interest in the Series 2026 Bonds purchased by them. For as long as DTC acts as the Securities Depository for the Series 2026 Bonds, the registration, transfer, and exchange of ownership interests in the Series 2026 Bonds shall be accomplished by book entries made by DTC and the Direct Participants and, where applicable, the Indirect Participants, as described in "Appendix K—DTC and Book-Entry-Only System" attached hereto.

In the event DTC, any successor of DTC or the City elects to discontinue the book-entry only system, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor and after such time Series 2026 Bonds may be exchanged for an equal aggregate principal amount of Series 2026 Bonds in other Authorized Denominations and of the same maturity upon surrender thereof at the designated Corporate Trust Office of the Trustee.

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS

General

The principal of, redemption premium, if any, and interest on (a) the Series 2026 Bonds and (b) any Additional Bonds are equally and ratably payable from and secured by a lien upon and pledge of the Trust Estate. The "*Trust Estate*" is defined as (i) the Pledged Revenues and Pledged Funds, and as further identified or established by the terms of a Supplemental Indenture for each Series of Bonds, provided the Series Accounts within the Debt Service Fund, the Debt Service Reserve Fund, the Bond Redemption Fund and the Acquisition and Construction Fund established for a particular Series of Bonds shall be pledged only to the payment of such Series of Bonds; and (ii) any and all property of every kind or description which may from time to time be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, mortgaged, granted, or delivered to, or deposited with, the Trustee as security for any Bonds issued pursuant to the Master Indenture by the City or anyone on its behalf or with its consent, or which pursuant to any of the provisions of the Master Indenture or of a Supplemental Indenture authorizing such Series of Bonds may come into the possession or control of the Trustee or of a lawfully appointed receiver, as such additional security, and the Trustee is authorized to receive any and all such property as and for security for the payment of the principal of such Bonds and the interest and premium, if any, thereon, and to hold and apply all such property subject to the terms of the Master Indenture, it being expressly understood and agreed that the Trust Estate established and held for the Bonds shall be held separate and in trust solely for the benefit of the Owners of the Bonds in accordance with the Master Indenture.

"*Pledged Funds*" is defined under the Master Indenture, with respect to a Series of Bonds, as the Revenue Fund, the Debt Service Fund, the Debt Service Reserve Fund, the Bond Redemption Fund, and the Acquisition and Construction Fund, together with the Series Accounts and other Funds and Accounts therein, if any, established under the provisions of the Master Indenture (excepting any Rebate Fund and the Administrative Expenses Fund) and in the applicable Supplemental Indenture in order to secure the payment of Bonds.

"*Pledged Revenues*" is defined as the revenues from the Assessments (excepting (i) the amount of Assessment revenue estimated for Administrative Expenses (as defined herein) for any applicable Assessment Year (as defined herein) in any Annual Assessment Report (as defined herein) and (ii) any Assessment revenues withheld by the City and not deposited with the Trustee to reimburse the City for expenditures made by the City for Administrative Expenses from funds other than Assessment revenues ("*City Reimbursements*")) which shall constitute a portion of the security for and source of payment of the Bonds and may further consist of any source of funds not constituting a general tax as may be available and authorized by the City. Pledged Revenues include the proceeds that the City receives, if any, from any foreclosure actions brought by Jasper County following a delinquency in the payment of Assessments by any landowner within the District.

THE SERIES 2026 BONDS SHALL BE SPECIAL OBLIGATIONS OF THE CITY. NEITHER THE SERIES 2026 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION (OTHER THAN ARTICLE X, SECTION 14(10) OF THE STATE CONSTITUTION AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A SOURCE OF REVENUES DERIVED OTHER THAN FROM A TAX OR LICENSE). THE SERIES 2026 BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE CITY OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY *AD VALOREM* TAXING POWER OF THE CITY OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE FIRST SUPPLEMENTAL INDENTURE, OR THE SERIES 2026 BONDS. DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE FIRST SUPPLEMENTAL INDENTURE, OR THE SERIES 2026 BONDS SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE TRUST ESTATE, INCLUDING THE PLEDGED REVENUES AND THE PLEDGED FUNDS, ALL AS PROVIDED IN THE INDENTURE.

Additional Bonds

In addition to the Series 2026 Bonds, the City may issue one or more Series of Additional Bonds under the Master Indenture and under a Supplemental Indenture from time to time for the purpose of financing the Cost of acquisition or construction of portions of any Project or to refund all or a portion of a Series of Bonds (and to pay the Cost of Issuance of such Bonds, to pay the amounts required to be deposited with respect to such Series of Bonds in the Funds and Accounts established under the Master Indenture and the applicable Supplemental Indenture, including amounts deposited into any Debt Service Reserve Fund, and to pay Capitalized Interest on a Series of Bonds). Under the Bond Ordinance, the City Council has authorized the issuance of the Series 2026 Bonds in an aggregate principal amount not to exceed $30,000,000, and a total aggregate principal amount of Bonds, including the Series 2026 Bonds, in an aggregate principal amount not to exceed $47,100,000. Series of Additional Bonds may be issued with the approval of the City Manager, subject to compliance with the Additional Bonds Test (as defined herein) established under the Master Indenture and discussed below.

In connection with the issuance of a Series of Bonds the Trustee shall, at the request of the City, authenticate such Bonds and deliver or cause them to be authenticated and delivered, as specified in the request, but only upon receipt of the opinions, certificates, and other documents specified in the Master Indenture, including (what follows is the "*Additional Bonds Test*"):

1. A Certificate of the District Administrator to the effect (a) that the amount of the Assessments that may be billed in each Assessment Year (as defined in the Rate and Method (defined herein)) shall be at least equal to 100% of the total Debt Service Requirements in each Bond Year for the proposed Series of Bonds, together with all Series of Bonds then Outstanding, plus estimated Administrative Expenses during each such Assessment Year; and (b) the sum of the maximum amount of the Assessments on all parcels within the District that may be collected under the Assessment Proceedings shall be equal to or greater than the sum of the total Debt Service Requirements on the proposed Series of Bonds and all Series of Bonds then Outstanding, plus the estimated Administrative Expenses for the estimated duration of the District;

2. Except for the Series 2026 Bonds or any Series of Bonds issued to refund Outstanding Bonds (which must be issued in compliance with the terms for refunding Bonds described below), a certificate of an Authorized Officer of the City or the Assessment Consultant to the effect that except for the Series 2026 Bonds or any Series of Bonds, or portion thereof, issued for the purpose of refunding any Series of Bonds, which shall meet the requirements for refunding Bonds described below, Bonds may be issued hereunder and under Supplemental Indentures from time to time provided that at the time of issuance of such Series of Bonds there shall be delivered to the Trustee a certificate of an Assessment Consultant and an appraisal report prepared by an independent MAI-certified appraiser, demonstrating that at the time of issuance of any Series of Bonds following the Series 2026 Bonds, the following shall be true:

(a) the aggregate original principal amount of Bonds previously issued and the Series of Bonds to be issued (other than a refunding Series of Bonds) shall not exceed the lesser of (i) $47,100,000 or (ii) an aggregate of $14,000 per estimated Parcel of Platted Property (as defined herein);

(b) Total debt service and estimated Administrative Expenses (as defined herein) may not exceed total Assessments as shown on the Assessment Roll;

(c) the scheduled annual debt service requirements on the Bonds previously issued and the Series of Bonds to be issued, plus estimated Administrative Expenses, shall not exceed the lesser of (i) $600 per estimated dwelling unit, increasing annually by 3% for the 30 years over which the Assessments may be collected (including any Assessment previously collected) and (ii) the total of Assessments that may be collected from any parcel; and

(d) the appraised value of the Unplatted Property within the District, as of a date not more than twelve months prior to the issuance of such Series of Bonds, is not less than 2.4 times the principal amount of the Outstanding Bonds and such Series of Bonds allocated to and supported by the Unplatted Property (as defined herein).

The appraised value to be used shall represent the hypothetical value of the Unplatted Property as if the Project to be funded by the proposed Series of Bonds were complete as of the date of the appraisal.

For purposes of this test, the allocation of Outstanding Bonds and such Series of Bonds between Platted Property (as defined herein) and Unplatted Property shall be determined by the Assessment Consultant based upon the proportion of annual debt service attributable to each property classification, consistent with the Rate and Method of Apportionment.

3. In the case of the issuance of a refunding Series of Bonds, a Certificate of an Authorized Officer of the City stating (a) the intended use of the proceeds of the Series of Bonds; (b) any other amounts available for the purpose; (c) that the proceeds of the Series of Bonds, plus the other amounts, if any, stated to be available for the purpose, will be sufficient to refund the Bonds to be refunded in accordance with the refunding plan and in compliance with the Master Indenture, including, without limitation, to pay the Cost of Issuance of such Bonds; (d) that notice of redemption, if applicable, of the Bonds to be refunded has been duly given or that provision has been made therefor, as applicable; and (e) the aggregate Debt Service Requirements of the refunding Series of Bonds will not be greater than the aggregate Debt Service Requirements of the Bonds to be refunded; and

4. In the case of the issuance of a refunding Series of Bonds, a written opinion of Bond Counsel to the effect that the issuance of such Series of Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Series of Bonds issued pursuant to the Master Indenture (to the extent that upon original issuance thereof such Bonds were issued as Bonds the interest on which is excludable from gross income for federal income tax purposes).

Debt Service Reserve Fund

The Trustee is authorized and directed to establish a Debt Service Reserve Fund and, pursuant to a Supplemental Indenture, a Series Account therein for each Series of Bonds, including the Series 2026 Debt Service Reserve Account. The Debt Service Reserve Fund and each Series Account therein shall be held by the Trustee for the benefit of each respective Series of Bonds; provided, however, that the Supplemental Indenture authorizing the issuance of a Series of Bonds may provide that there is no Debt Service Reserve Requirement for such Bonds, the Debt Service Reserve Fund is not applicable thereto, and no Series Account will be established therein to secure such Series of Bonds. The Debt Service Reserve Fund and each Series Account therein shall constitute an irrevocable trust fund to be applied solely as set forth in the Indenture.

The First Supplemental Indenture establishes the Series 2026 Debt Service Reserve Account within the Debt Service Reserve Fund for the benefit of the Series 2026 Bonds (the "*Series 2026 Debt Service Reserve Account*") and the Series 2026 Debt Service Reserve Requirement for the Series 2026 Bonds (the "*Series 2026 Reserve Requirement*"). The Series 2026 Debt Service Reserve Account will, at the time of delivery of the Series 2026 Bonds, be funded from the proceeds of the Series 2026 Bonds in an amount equal to the least of (i) the maximum annual Debt Service on the Series 2026 Bonds, as calculated as of the first day of any Bond Year, (ii) 10% of the principal amount of the Series 2026 Bonds, and (iii) 125% of average annual Debt Service of the Series 2026 Bonds. See "ESTIMATED SOURCES AND USES OF SERIES 2026 BOND PROCEEDS." The amount of the Series 2026 Reserve Requirement as of the date of delivery of the Series 2026 Bonds is expected to be $3,000,000.

Whenever for any reason on an Interest Payment Date or Principal Payment Date or mandatory redemption date with respect to an applicable Series of Bonds secured by a Series Account of the Debt Service Reserve Fund the amount in the applicable Series Interest Account, the applicable Series Principal Account, or the applicable Series Sinking Fund Account, as the case may be, is insufficient to pay all amounts payable on such Series of Bonds therefrom on such payment dates, the Trustee shall, without further instructions, transfer the amount of any such deficiency from the applicable Series Account of the Debt Service Reserve Fund into the applicable Series Interest Account, the applicable Series Principal Account and the applicable Series Sinking Fund Account, as the case may be, with priority to the applicable Series Interest Account and then, proportionately according to the respective deficiencies therein, to the applicable Series Principal Account and the applicable Series Sinking Fund Account, to be applied to pay the Series of Bonds secured by the Series Account of the Debt Service Reserve Fund.

On each May 1 and November 1 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2026 Debt Service Reserve Account. As

long as there exists no default under the Indenture and the amount in the Series 2026 Debt Service Reserve Account is not reduced below the Series 2026 Reserve Requirement, earnings on investments in the Series 2026 Debt Service Reserve Account shall be transferred to the Series 2026 Interest Account. In the event that the amount on deposit in the Series 2026 Debt Service Reserve Account exceeds the Series 2026 Reserve Requirement due to a decrease in the Series 2026 Reserve Requirement, the Trustee shall transfer any excess amounts on deposit in the Series 2026 Debt Service Reserve Account resulting from such decrease to the Series 2026 Interest Account. Notwithstanding the foregoing, in the event that the amount on deposit in a Series Account of the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement with respect to a Series of Bonds due to a decrease in the then applicable Debt Service Reserve Requirement as a result of a voluntary Prepayment by the owner of a lot or parcel of land of Assessments against such lot or parcel and such Prepayment is applied to the extraordinary mandatory redemption of such Series of Bonds, as provided in the Master Indenture, the excess amount will be transferred from the applicable Series Account of the Debt Service Reserve Fund to the applicable Prepayment Account of the Series Account of the Bond Redemption Fund established for such Series of Bonds and applied to the redemption of Bonds of such Series.

Other Funds and Accounts Created Under the Indenture

Revenue Fund

The City covenants to cause any Assessments collected or otherwise received by it, less any City Reimbursements, to be deposited with the Trustee within 45 days after receipt thereof for deposit into the Revenue Fund (except that amounts received as Prepayments of Assessments shall be designated by the City as such upon delivery to the Trustee and shall be deposited directly into the Prepayment Account of the applicable Series Account of the Bond Redemption Fund as directed by the City) and amounts identified as estimated Administrative Expenses shall be deposited in the Administrative Expenses Fund. Amounts on deposit in the Revenue Fund shall be applied as described below under "—Deposit and Application of the Pledged Revenues and Prepayments."

Debt Service Fund

The Master Indenture establishes the Debt Service Fund which shall consist of amounts deposited therein by the Trustee and any other amounts the City may pay to the Trustee for deposit therein with respect to the Bonds. The Debt Service Fund shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Master Indenture and from all other moneys of the Trustee. The Trustee shall establish within the Debt Service Fund an Interest Account, a Principal Account, and a Sinking Fund Account, which accounts shall be separate and apart from all other Funds and Accounts established under the Master Indenture and from all other moneys of the Trustee. The Interest Account is intended to provide for the ratable payment of the interest due on the Bonds. The Principal Account and the Sinking Fund Account are intended to provide for the ratable payment of the principal of and Sinking Fund Installments, respectively, on the Bonds. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall establish separate Series Accounts within the Interest Account (and, if Capitalized Interest will be funded with proceeds of such Series of Bonds, a Capitalized Interest sub-account within the Series Interest Account), the Principal Account, and the Sinking Fund Account in connection with such Series of Bonds. Each Series Account shall be held by the Trustee for the equal and ratable benefit only of the Holders of the particular Series of Bonds, respectively, secured by such Series Account as provided in the applicable Supplemental Indenture.

The First Supplemental Indenture establishes the Series 2026 Principal Account, the Series 2026 Sinking Fund Account, the Series 2026 Interest Account, and the Series 2026 Capitalized Interest Subaccount for the benefit of the Series 2026 Bonds within the Debt Service Fund. Amounts shall be deposited in the Debt Service Fund and its various Series Accounts and applied in accordance with the terms and subject to the conditions set forth in the Indenture, as described below under "—Deposit and Application of the Pledged Revenues and Prepayments."

Bond Redemption Fund

The Indenture establishes the Bond Redemption Fund, and within such Fund there is established the Series 2026 General Account and the Series 2026 Prepayment Account. Amounts shall be deposited in the Bond Redemption Fund and its various Accounts and applied in accordance with the terms and subject to the conditions set forth in the Indenture, as described below under "—Deposit and Application of the Pledged Revenues and Prepayments."

Administrative Expenses Fund

The Indenture establishes the Administrative Expenses Fund. Amounts shall be deposited in the Administrative Expenses Fund and its various Accounts and applied in accordance with the terms and subject to the conditions set forth in the Indenture, as described below under "—Deposit and Application of the Pledged Revenues and Prepayments."

Acquisition and Construction Fund

The Indenture establishes the Acquisition and Construction Fund, and within such Fund there is established a Series 2026 Acquisition and Construction Account. Amounts shall be deposited in the Acquisition and Construction Fund and its various Accounts and applied in accordance with the terms and subject to the conditions set forth in the Indenture.

Deposit and Application of the Pledged Revenues and Prepayments

The City covenants to cause any Assessments collected or otherwise received by it, less any City Reimbursements, to be deposited with the Trustee within 45 days after receipt thereof for deposit into the Revenue Fund (except that amounts received as Prepayments of Assessments shall be designated by the City as such upon delivery to the Trustee and shall be deposited directly into the Prepayment Account of the applicable Series Account of the Bond Redemption Fund as directed by the City) and amounts identified as estimated Administrative Expenses shall be deposited in the Administrative Expenses Fund. The Trustee shall transfer from amounts on deposit in the Revenue Fund to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, upon receipt, there shall be deposited into the Administrative Expenses Fund an amount equal to the amount of the Assessments billed for Administrative Expenses for the current Assessment Year, as determined under the applicable Annual Assessment Report (as defined herein);

SECOND, beginning in the first Bond Year in which there is an insufficient amount from Bond proceeds (or investment earnings thereon) on deposit in the applicable Series Interest Account of the Debt Service Fund established pursuant to the Master Indenture to be applied to the payment of interest on the Bonds of a Series due in the current Bond Year and continuing in each Bond Year thereafter in which Bonds of such Series remain Outstanding, upon receipt, to the applicable Series Interest Account of the Debt Service Fund, an amount equal to the interest on the applicable Series of Bonds becoming due in the current Bond Year, less any amount on deposit in such Series Interest Account for the payment of interest on such Series of Bonds in the current Bond Year;

THIRD, beginning in the first Bond Year in which principal or Sinking Fund Installments on a Series of Bonds come due and continuing in each Bond Year thereafter in which principal or Sinking Fund Installments of such Series of Bonds come due, upon receipt, to the applicable Series Principal Account or applicable Series Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Bonds of such Series maturing or the Sinking Fund Installment of Bonds of such Series due on the next succeeding Principal Payment Date, less any amount on deposit in the applicable Series Principal Account for the payment of the principal or the applicable Series Sinking Fund Account for the payment of the Sinking Fund Installment due on the next succeeding Principal Payment Date;

FOURTH, upon receipt, to the applicable Series Account of the Debt Service Reserve Fund, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Debt Service Reserve Requirement for such Series of Bonds; and

FIFTH, at any time that Subordinate Debt is outstanding, such amounts as necessary to pay amounts due with respect to such Subordinate Debt shall be transferred at the times as provided in the indenture or ordinance authorizing the issuance of such Subordinate Debt.

Upon completion of the acquisition and construction of the Project, as certified to the City in writing by the Developer, provided that the conditions in the preceding sentence were met with respect to the immediately-preceding Bond Year, the City shall direct the Trustee in writing to thereafter withdraw all amounts held in the Revenue Fund on the last day of each Bond Year and deposit such moneys as directed in writing by the City to the credit of the applicable General Account of the Series Account of the Bond Redemption Fund as specified by the City in accordance with the provisions of the Master Indenture.

Moneys in the General Account of the applicable Series Account of the Bond Redemption Account (including all earnings on investments held therein) shall be accumulated therein to be used in the following order of priority, to the extent that the need therefor arises:

FIRST, except for moneys received as Prepayments of Assessments, to make such deposits into the Rebate Fund, if any, established in connection with the applicable Series of Bonds, as the City may direct in accordance with an arbitrage rebate agreement, such moneys thereupon to be used solely for the purposes specified in said arbitrage rebate agreement. Any moneys so transferred from the General Account of the applicable Series Account of the Bond Redemption Account to the Rebate Fund shall thereupon be free from the lien and pledge of the Master Indenture and the First Supplemental Indenture;

SECOND, to be used to call for redemption pursuant to the Master Indenture an amount of the applicable Series of Bonds equal to the amount of money transferred to such General Account of the applicable Bond Redemption Account pursuant to the aforesaid clauses or provisions, as appropriate, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in such clauses or provisions, as appropriate; and

THIRD, the remainder to be utilized by the Trustee, at the direction of an Authorized Officer, to call for redemption on each Interest Payment Date on which such Series of Bonds are subject to optional redemption pursuant to the Master Indenture the amount of such Series of Bonds as, with the redemption premium, may be practicable; provided, however, that not less than $5,000 principal amount of such Series of Bonds shall be called for redemption at one time.

In accordance with the Assessment Proceedings, an owner of a parcel of land subject to the Assessments may, at its option and on a per parcel basis, or under certain circumstances described in the Assessment Proceedings in connection with Prepayments derived from application of a "true-up" mechanism therein, shall, require the City to reduce or release and extinguish the lien upon such parcel(s) by virtue of the levy of the Assessments by paying to the City (i) at any time, an amount calculated to prepay in full the amount of the Assessments remaining on such parcel(s), or (ii) no more than once per parcel, an amount that prepays a portion of the Assessments remaining on such parcel(s).

To the extent that such payments are to be used to redeem Bonds of a Series, in the event the amount in the applicable Series Debt Service Reserve Account will exceed the Debt Service Reserve Requirement for the Bonds of such Series as a result of a Prepayment and the resulting redemption of such Bonds, the excess amount shall be transferred from the applicable Series Debt Service Reserve Account to the Prepayment Account of the applicable Series Account of the Bond Redemption Fund, upon written instructions of the City stating that, after giving effect to such transfers sufficient moneys will be on deposit in the applicable Debt Service Reserve Account to equal or exceed the Debt Service Reserve Requirement for the Bonds of such Series and accompanied by cash flows which demonstrate that, after giving effect to the proposed redemption of Bonds, there will be sufficient Pledged Revenues to pay the principal and interest, when due, on all Bonds that will remain Outstanding.

Moneys in the Prepayment Account of the applicable Bond Redemption Account (including all earnings on investments held in such Prepayment Account) shall be accumulated therein to be used to the extent that the need therefor arises to call for extraordinary mandatory redemption in an amount of the applicable Series of Bonds equal to the amount of money transferred to such Prepayment Account pursuant to the Master Indenture, as appropriate, and as directed by the City pursuant to the Assessment Proceedings, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in the Indenture, as appropriate, as more fully described above with respect to the Series 2026 Bonds under "DESCRIPTION OF THE SERIES 2026 BONDS—Redemption Provisions—*Extraordinary Mandatory Redemption*."

Certain Covenants of the City

Pursuant to the Indenture, the City has covenanted for the benefit of the Holders of the Bonds as follows:

1. The Trust Estate is not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Bonds.

2. The payment of the principal or Redemption Price of and interest on all of the Bonds is secured forthwith equally and ratably by a first lien on and pledge of the Trust Estate, except to the extent otherwise provided in the Master Indenture or in a Supplemental Indenture; and Pledged Revenues in an amount sufficient to pay the principal or Redemption Price of and interest on the Bonds are by the Master Indenture irrevocably pledged to the payment of the principal or Redemption Price of and interest on the Bonds, as the same become due and payable in accordance with the terms of the Master Indenture.

3. The City will assess, impose, collect or cause to be collected, and enforce the payment of Assessments for the payment of the Bonds in the manner prescribed by the Assessment Proceedings, the Master Indenture, any Supplemental Indenture, and all resolutions, ordinances or laws thereunto, and will pay or cause to be paid the proceeds of such Assessments as received to the Trustee in accordance with the Master Indenture.

4. The City covenants to furnish to the Trustee by no later than September 1 of each year a list of all Delinquent Assessments, the current status of each of such Delinquent Assessment, and all foreclosure actions relating to such Delinquent Assessments; provided, however, that in the event the County is enforcing collection of the Delinquent Assessments, the compliance of the City with this Section is subject to receipt by the City of the requested information from the County.

5. Collection of Delinquent Assessments will be accomplished under the authority of the Act, Section 5-7-300 of the South Carolina Code and in accordance with the terms of Sections 12-45-180 and 12-51-40, *et seq*. of the South Carolina Code (or successor provision thereof), as applicable. If any property is purchased by the County's forfeited land commission in accordance with Section 12-51-55 of the South Carolina Code (or successor provision thereof), and the forfeited land commission subsequently sells such property and remits the proceeds thereof to the City, the City will deposit any legally available net proceeds of such sale related to Assessments, less any City Reimbursements allocable to such parcel not previously retained by the City, into the Revenue Fund.

6. The City may from time to time issue Subordinate Debt secured by a pledge of and payable from Assessments, which pledge and lien is junior and subordinate to the pledge and lien securing the Bonds. The City will not issue or incur any other obligations payable from the proceeds of Assessments nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge upon such Assessments other than the pledge of the Trust Estate.

[*Remainder of page intentionally left blank.*]

ESTIMATED SOURCES AND USES OF SERIES 2026 BOND PROCEEDS*

Sources of Funds	
Principal Amount of Series 2026 Bonds	$30,000,000.00
[Net] Original Issue [Discount/Premium]	
Total Sources	$30,000,000.00
Use of Funds	
Series 2026 Acquisition and Construction Account	$22,101,717.64
Series 2026 Capitalized Interest Subaccount [1]	2,278,112.50
Series 2026 Debt Service Reserve Account	3,000,000.00
Series 2026 Costs of Issuance Subaccount [2]	2,620,169.86
Total Uses	$30,000,000.00

* All figures are preliminary, subject to change.

[1] Represents interest on the Series 2026 Bonds through November 1, 2027.

[2] Includes Underwriter's discount, Trustee's fees, legal fees, Municipal Advisor's fees, and other consultant and professional fees, and other costs and expenses.

THE 2026 PROJECT

After providing for Cost of Issuance, funding the Series 2026 Debt Service Reserve Account with respect to the Series 2026 Bonds, and funding all interest on the Series 2026 Bonds through November 1, 2027, the remaining proceeds of the Series 2026 Bonds (and interest earnings thereon) shall be used to pay the costs for the City or other applicable public entities to acquire, construct and equip, as applicable, the components of the 2026 Project and other Public Improvements (as defined herein) serving the District. See "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT—Report of Developer Engineer; Public Improvements—*Public Improvements*."

[*Remainder of page intentionally left blank.*]

DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2026 Bonds for the twelve-month periods shown.

	Series 2026 Bonds		
Twelve-Month Period Ending November 1	Principal Installment	Interest	Total Debt Service on Series 2026 Bonds
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
2054			
2055			
2056			
Total[1]			

[1] Totals may not add due to rounding.

ASSESSMENT PROCEEDINGS; ASSESSMENTS

General

The Act allows an area within a municipality to be designated by the governing body of the municipality as an "*improvement district*" within which an "improvement plan" is to be accomplished. The improvement plan is the overall plan by which the governing body of the municipality proposes to effect improvements within an improvement district to preserve property values, prevent deterioration and preserve the tax base. The Act further provides that the municipality may finance the costs of a wide variety of public works and facilities, public infrastructure, and public buildings within an improvement district, including roads, waterworks systems and sewer systems, and stormwater infrastructure, by the imposition of special assessments and the issuance of Bonds.

Assessment District Proceedings and Procedures

By ordinance enacted on October 16, 2025, as amended and restated by an ordinance enacted on January 22, 2026 (together, the "*District Ordinance*"), the City Council established the District as an improvement district under the Act, approved the financing of the Public Improvements through the issuance of Bonds, and approved the imposition of the Special Assessment (the "*Assessments*") to fund a portion of the capital costs of Public Improvements benefitting the District. By an additional ordinance enacted on October 16, 2025, as amended by an ordinance enacted on January 22, 2026 (the "*Assessment Roll Ordinance*" and together with the District Ordinance, the "*Ordinances*"), the City amended the proceedings related to the establishment of the District to remove references to an "Assessment B," as discussed below. In connection with the designation of the District as an improvement district under the Act, the City Council approved (i) an improvement plan (the "*Improvement Plan*"); (ii) a Report on the Reasonable Basis of Special Assessment A (the "*Reasonable Basis of Assessments*"); and (iii) the initial assessment roll for Assessment A (the "*Original Assessment Roll*"), which includes the Rate and Method of Apportionment of Special Assessment A as Appendix A thereto (the "*Rate and Method*"). The Improvement Plan, Reasonable Basis of Assessments, Original Assessment Roll, including the Rate and Method, and Ordinances are referred to collectively herein as the "*Assessment Proceedings*." Certain procedures regarding the imposition, allocation and any reallocation, billing, prepayment, and other matters affecting the Assessments are largely governed by the Original Assessment Roll, including the Rate and Method, copies of which are included as Appendix A.

The Improvement Plan, as initially considered and approved by the City by ordinance enacted on October 16, 2025, contemplated that the District would also include an Assessment B to fund a portion of the costs of Public Improvements. Through the amendments to the District Ordinance and the Assessment Roll Ordinance enacted on January 22, 2026, the Assessment Proceedings were amended to eliminate Assessment B; however, some references to Assessment B remain in the Improvement Plan. Assessment B was not imposed on property within the District and will not be used to pay costs of Public Improvements or debt service on the Series 2026 Bonds. While the Assessment Proceedings, as amended, continue to refer to the Assessments as "Assessment A," there are no other assessments that have been imposed within the District other than the Assessments described below.

The following summaries and discussions of certain provisions of the Assessment Proceedings are qualified in their entirety by reference to the full text of the documents included in Appendix A. Capitalized terms not otherwise defined in this section or in the Indenture have the meaning given to them in the Original Assessment Roll, including the Rate and Method.

Assessment Imposition and Related Assumptions

In accordance with the Improvement Plan and pursuant to the Original Assessment Roll, the total amount of the Assessments imposed upon all property within the District is fixed at $115,351,353 (the "*Total Assessment*"). Of this amount, the Principal Portion of Assessments, reflecting the potential principal portion of Bonds issued in connection with the District, is $47,100,000 (the "*Principal Portion of Assessments*"). The Original Assessment Roll utilized the assumption that $65,589,122 of the Total Assessment would be used to pay the interest expense of such Bonds and $2,662,231 would be used to pay the administrative expenses of the District; however, neither of these two figures sets a maximum amount that can be used for such purposes. The Total Assessment is the only fixed and maximum amount under the Assessment Proceedings; meaning that at no time may Bonds payable from the

Assessments be issued if the total amount of the principal of and interest on all such Bonds, plus the amount of anticipated Administrative Expenses for the duration of the term of the District, would exceed $115,351,353.

The Reasonable Basis of Assessments includes more detailed assumptions regarding the use of Bond proceeds and revenues from the Assessments. Under certain assumptions described in the Reasonable Basis of Assessments, if Bonds are issued in an aggregate principal amount of $47,100,000 (exclusive of the principal amount of any refunding Bonds), the amount of the proceeds of these Bonds that would be available to finance the cost of Public Improvements would be $34,733,775. This amount is less than the current total projected cost of Public Improvements necessary to allow for the full buildout of the District under the Developer's current plans. See "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT" herein and "Appendix G – Engineer's Report" hereto. However, factors such as the issuance of Bonds at higher or lower interest rates than those assumed or the use of Bond proceeds to pay capitalized interest at amounts greater or less than those assumed under the Assessment Proceedings would necessarily increase or decrease the aggregate principal amount of Bonds secured by the Assessments that may be issued and the amount of the proceeds of Bonds that would be available to finance the cost of Public Improvements.

The City Council may increase the Principal Portion of Assessments to allow for refunding Bonds or for other reasons, provided such increase does not result in a projected increase in the Total Assessment. The City Council can also reduce the Total Assessment if it determines that all costs to be paid from the Assessments, including debt service on Bonds and administrative expenses, have been reduced; however, the amount to which the Total Assessment is reduced cannot be less than the remaining debt service on any Bonds outstanding, plus estimated administrative expenses.

Determining the Bond Assessment on a Parcel

Generally, the Rate and Method provides the procedures and formulas by which the Total Assessment is imposed on and allocated among all parcels of "*Assessed Property*" within the District, meaning all property within the District except property owned by or irrevocably-offered for sale or dedication to a public entity, property owned by or irrevocably offered for sale or dedication to a utility provider, or property owned or irrevocably-offered for sale or dedication to a property owners' association (collectively, "*Non-Assessed Property*"). Generally, as parcels within the District are subdivided, the Assessment Proceedings require that the Total Assessment be allocated among the resulting sub-parcels based on the number of Equivalent Residential Units ("*Equivalent Units*") that are expected to be developed on the parcel. An Equivalent Unit equates to one single-family detached home or townhouse unit.

Based upon the combined plans and expectations of the Developer and Lennar Homes at the time of the establishment of the District, the Assessment Roll used an assumed total number of Equivalent Units of 4,041 (731 townhouse units and 3,310 single-family detached units). As discussed in the Reasonable Basis of Assessments, each Equivalent Unit in the District is expected to receive approximately the same benefit from the Public Improvements. As a result, the Total Assessment will be allocated among each parcel equally per the number of Equivalent Units expected to be built on the parcel. The amount of Total Assessment allocated to parcels is further divided between the "*Bond Assessment*," meaning the parcel's share of the total amount of the principal of and interest on all Bonds secured by the Assessments, and the "*Administrative Expense Assessment*," which represents the parcel's share of the total anticipated Administrative Expenses of the District. On the basis of these calculations, specifically the division of the $115,351,353 Total Assessment among the 4,041 Equivalent Units to be developed within the District, the maximum amount of the Assessments that may be collected with respect to an Equivalent Unit is $28,545. Absent a reallocation of a parcel's Bond Assessment discussed below, an Equivalent Unit in the District will equate to one parcel of Platted Property.

Under the Original Assessment Roll, the total amount of the Bond Assessment was allocated among the five parcels of Assessed Property in the District on the basis of the number of Equivalent Units to be developed on each parcel. As part of the annual process of updating the Assessment Roll, new parcels created from the subdivision of larger parcels during the prior calendar year are added to the Assessment Roll. Through this process, the portion of the Bond Assessment originally allocated to the larger parcel is further allocated among any subdivided parcels. In all cases, the sum of the Bond Assessment for all subdivided parcels shall equal the amount of the Bond Assessment on the parent parcel prior to its subdivision.

The Bond Assessment on parcels may be reallocated by the City Council upon the unanimous request of the owners of the parcels involved in such reallocation if the expected number of Equivalent Units of one of the parcels has changed since the last allocation of Bond Assessment to the parcel. In all cases, however, the sum of the Bond Assessments on all parcels involved in the reallocation must equal the sum of the Bond Assessments on such parcels prior to the reallocation.

If the City Council determines that the costs to be paid from the Bond Assessments, including debt service on Bonds (and anticipated Bonds), have been reduced to an amount less than the total amount of the Bond Assessment, the Assessment Proceedings provide that the Bond Assessments for each parcel shall be reduced such that the adjusted total Bond Assessment equals the new estimate of costs to be paid from the Assessments. The reduction to the Bond Assessment on each Parcel must be an equal percentage for each parcel. The City Council may, upon compliance with any applicable law, reduce the Bond Assessment for parcels in another manner if the City Council determines another method would be more equitable. The sum of all Bond Assessments on parcels may not, however, be reduced to an amount that is less than the sum of outstanding principal and interest on Bonds to maturity (excluding defeased Bonds).

Determining Annual Payments

The billing of the Assessments among the parcels in the District will commence in the first year after Bonds secured by the Assessment are issued. The Rate and Method utilizes two designations of Assessed Property for the purposes of billing the Assessment among parcels within the District (see Assessment Proceedings—Appendix A):

1. "*Platted Property*" means property for which a final plat has been recorded creating individual lots on which vertical development may be built without further subdivision.

2. "*Unplatted Property*" means a parcel of Assessed Property that is not Platted Property.

In general, for a Parcel to be designated as Platted Property for the updated Assessment Roll, the Parcel will have been subdivided to create an individual lot for vertical development by December 31 of the preceding year. Until a parcel is designated as Platted Property it remains Unplatted Property. The City's procedures for the approval of subdivision plats is discussed in "*—Plat Approval Procedures*" below.

The total amount of the Assessments billed to a parcel in any year (the "*Annual Payment*") includes two components: the "*Bond Annual Payment*" and the "*Administrative Expenses Annual Payment*." The Bond Annual Payment represents a parcel's share of the portion of the Bond Assessment that is due and payable in the applicable Assessment Year. To allow for consistent and predictable annual billings of the Assessments to a parcel once it is owned by a homebuyer, the annual Bond Annual Payment for a parcel of Platted Property is initially set at $600 per year, increasing by 3% each year thereafter (the "*Maximum Annual Installment*"), subject to reduction once all Bonds have been issued, as described in the following paragraph.

Until all Bonds that may be secured by the Assessments have been issued, the Bond Annual Payment for parcels of Platted Property is the Maximum Annual Installment for the parcel, as adjusted each year. When no more Bonds payable from the Assessments may be issued under the Assessment Proceedings, as discussed in "*—Assessment Imposition and Related Assumptions*" above, the Bond Annual Payment will thereafter be calculated each year by allocating the total amount of debt service due on all Bonds outstanding, divided among parcels of Platted Property in proportion to each parcel's share of the total Principal Portion of the Bond Assessment allocated among all parcels of Platted Property. This amount may be less than the Maximum Annual Installment.

If the Bond Annual Payment that may be billed to all parcels of Platted Property in an upcoming year is less than the amount of the debt service due on all Bonds in such year, the remaining amount of such debt service is billed to all parcels of Unplatted Property, and is allocated among such parcels in proportion to each such parcel's share of the total Principal Portion of the bond assessment allocated to all parcels of Unplatted Property.

The Administrative Expenses Annual Payment represents a parcel's share of the total estimated Administrative Expenses of the District for an Assessment Year. Unlike annual debt service on Bonds, the Administrative Expenses of the District for each Assessment Year are shared among all parcels of Platted and Unplatted Property. The Administrative Expenses Annual Payment for each parcel of Platted and Unplatted Property

is calculated by dividing the total amount of the annual Administrative Expenses of the District among all parcels of Platted and Unplatted Property in the same proportion as each parcel's share of the total Principal Portion of the Bond Assessment allocated among all parcels in the District.

The District Administrator is responsible for preparing an Annual Assessment Report and Update to the Assessment Roll (each, an "*Annual Assessment Report*") for each Assessment Year (as defined in the Assessment Proceedings) for review and approval by the City Council. The Annual Assessment Report establishes the "*Annual Revenue Requirement*" for the upcoming Assessment Year, which is generally the amount of debt service and other Bond-related costs payable from the Assessments for such Assessment Year. The Annual Revenue Requirement is equal to (i) the sum of (1) regularly scheduled debt service on the Bonds secured by the Assessments; and (2) periodic costs associated with such Bonds, including but not limited to rebate payments and credit enhancement on such Bonds, (ii) less (1) any other funds available pursuant to the Indenture to pay such annual debt service or other Bond-related costs, such as capitalized interest and interest earnings on any account balances, and (2) any other funds available to the City that may be applied for such purpose. The Annual Assessment Report also establishes the total anticipated amount of Administrative Expenses for the upcoming Assessment Year. The Annual Assessment Report also establishes the Annual Payment to be billed to each parcel of Platted Property and, if necessary to Unplatted Property.

Plat Approval Procedures

Subdivision plat approval within the City is governed by Article 7 of the City's Municipal Zoning and Development Ordinance (the "*MZDO*"), which, as of February 15, 2024, sets forth a multi-step review and approval process for development applications. The MZDO may be amended from time to time, and subdivision applications are generally reviewed in accordance with the provisions of the MZDO in effect at the time a complete application for approval is submitted. The following is a general summary of the plat approval process under Article 7 of the MZDO as currently in effect.

Prior to submission, applicants are generally required to participate in a pre-application conference with City staff. Applications must be complete before formal review will commence, and the City typically determines completeness within a prescribed period. Subdivision approval generally includes review of a preliminary plat followed by review and approval of a final plat. Final plats must be approved by the City and recorded in the office of the Jasper County Register of Deeds prior to the sale of lots or the issuance of development permits. The review process involves coordination with City staff and applicable review bodies and may include one or more comment and revision cycles. While certain procedural steps include specified review periods, the MZDO does not establish a fixed overall timeline for subdivision approval, and the duration of the review process may vary depending on the complexity of the project, compliance with applicable requirements, and the responsiveness of the applicant. All approvals are subject to applicable ordinances, regulations, and policies in effect at the time of review and approval, as such may be amended from time to time.

Prepayment of Assessments

The Assessments on any Parcel may be prepaid in full at any time, the Assessments for such Parcel reduced to zero, and the obligation to pay the Assessments (including the payment of the Administrative Expense Annual Payment) for such Parcel permanently satisfied and reduced to zero, by payment of an amount equal to: (a) the sum of the following:

1. "*Principal*," meaning sum equal to the principal portion of the Bond Assessment for the parcel;

2. "*Defeasance*," meaning amount, if any, needed to pay interest on the Outstanding Bonds to be redeemed, less appropriate adjustments, as determined by the Administrator, for the estimated investment earnings, if any, on the prepayment amount until the applicable Bonds can be called and redeemed pursuant to the Indenture;

3. "*Expenses*," meaning the Administrative Expenses, related to the prepayment of the Bond Assessment allocable to such Parcel, which may be estimated; and

4. "*Reserve Fund Credit*," meaning a credit for the amount, if any, by which the applicable debt service reserve fund for the Series of Bonds will be reduced pursuant to the Indenture as a result of a redemption to the Bonds resulting from the prepayment.

The amounts calculated in the preceding steps are paid to the City and distributed by the City as prepayments in accordance with the Indenture.

A mandatory full prepayment of a Parcel's Assessment is required if such Parcel is acquired by an entity that results in the Parcel becoming classified as Non-Assessed Property, if the Assessments are not reapportioned to a Parcel of Assessed Property. See "—Assessment District Proceeding and Procedures—*Determining the Bond Assessment on a Parcel*."

District Administrator

The City has selected MuniCap to serve as the District Administrator for the District. MuniCap is a public finance consulting firm headquartered in Columbia, Maryland, engaged in a specialized practice of providing services related to the formation and administration of special districts. These services include the establishment of special assessment districts, the preparation of special assessment methodologies, the calculation of annual special assessment billings, and continuing disclosure services related to the administration of special assessment districts.

COLLECTION PROCEDURES

The Act provides that the Assessments constitute a lien on the applicable parcel of real property superior to all other liens except liens for *ad valorem* property taxes. In the Act and in the statutes regarding collection procedures and the application of any proceeds of enforced collection, no distinction is made between the lien for such assessments and the lien for property taxes, and there is no State case law on point. Accordingly, the lien for the Assessments is either at the same level of priority as, or is subordinate only to, the lien for *ad valorem* property taxes. The following table provides a brief overview of the timeline for the determinations and procedures involved in the billing and collection of Assessments discussed above under "ASSESSMENT PROCEEDINGS; ASSESSMENTS" and below.

Date/Timeframe	Determination/Action
December 31	All Parcels of Platted Property subdivided as of Dec. 31 are included on County tax rolls for the upcoming year
First Friday following the third Thursday of July	City provides updated Assessment Roll and annual Assessment billings to County Auditor [1]
October 1	Property tax bills, including applicable Assessments, are mailed to property owners
January 15	All property taxes and Annual Payments are due
After January 15	Property taxes and Annual Payments are delinquent
By the end of February and each following month	County Treasurer disburses Annual Payments collected in the prior month to the City [1]

[1] Timeframe established pursuant to the Collection Agreement (as defined herein) between the City and the County.

Billing and Collection

Pursuant to the Act and the Assessment Proceedings, the Annual Payments are billed and collected annually for a term not less than the term of the Series 2026 Bonds and any Additional Bonds. Annual Payments are collected by Jasper County in the same manner and at the same time as real property taxes are collected, and remitted to the City in the same manner and at substantially the same times as are property tax revenues. Jasper County will bill and collect the Assessments pursuant to an Assessment Collection and Disbursement Agreement (as may be amended, supplemented, restated or superseded from time to time, the "*Collection Agreement*") among the City, the County, the

Jasper County Auditor (the "*County Auditor*"), and the Jasper County Treasurer (the "*County Treasurer*"). Under State law, the City may also bill and collect the Annual Payments if it so chooses. In the event a property owner fails to pay any Annual Payments when due, the Annual Payments shall be subject to the same penalties, procedures and sale as are provided in the case of delinquencies for real property taxes of the City.

Real property taxes and the Annual Payments are billed by the County Treasurer on a single bill. The County Treasurer prepares the bills upon receipt of the tax duplicates from the County Auditor. The County Auditor prepares the tax duplicates using information from various sources, including the amount of the Annual Payments that are approved by the City Council through the Annual Assessment Report. The County Auditor prepares tax duplicates indicating the taxes and Annual Payments on each Parcel of real property and the taxes on each item of taxable personal property and provides a copy of the duplicates to the County Treasurer. The County Auditor must have the tax duplicates prepared and delivered to the County Treasurer by September 30 of each year. Ordinarily tax duplicates are prepared and notices of taxes due are mailed by the County Treasurer to each property owner around the first of October of each year and are due and payable until the following January 15 (or the next business day).

Taxes and assessments, including the Assessments, are paid to the County Treasurer. Under State law, the County Treasurer may not issue a tax receipt to a taxpayer unless all taxes and other charges included on the tax bill, including the Annual Payments, have been paid in full. A taxpayer must either pay the entire amount due (including the Annual Payments) or the total amount due becomes delinquent. Taxes and assessments are considered paid currently if paid by the later of January 15 or the 30th day after tax notices are mailed. In the event taxes and assessments, including the Annual Payments, are not timely paid, the penalties as set forth below are added to the tax duplicate and collectable by the County Treasurer:

Date Payment Received	Penalty	Cumulative Penalty
On or before the January 15 due date	none	–
After due date but before February 2	3%	3%
February 2 but before March 17	7%	10%
March 17 and thereafter	5%	15%

If payment is not received before March 17, the County Treasurer is required to issue a tax execution to the officer authorized and directed to collect delinquent taxes and assessments (the "*Tax Collector*").

Delinquencies; Enforcement; Foreclosure

If a landowner within the District is delinquent in the payment of any tax or assessment, including the Annual Payments, then the County Treasurer will move, as provided by law, to collect delinquent taxes, delinquent assessments, penalties, and costs for their collection. Collection of delinquent Annual Payments are accomplished pursuant to the provisions of law which provide for an execution and sale of the real property against which the taxes and assessments, including the Annual Payments, are delinquent. Upon receipt of notice from the County Treasurer of any execution, the Tax Collector is required to proceed on April 1 or as soon thereafter as practicable to mail a notice of delinquent taxes, penalties, assessments, including the Annual Payments, and costs to the defaulting taxpayer and any grantee of record at the best address available stating that if taxes, penalties, assessments and costs are not paid the property will be advertised and sold to satisfy the delinquency. The Tax Collector first sends a reminder notice by regular mail on or about April 1. If payment is not made by September 30, then the Tax Collector sends a second notice by certified mail, return receipt, to the taxpayer and any grantee of record. Notice of the sale of real property is provided by advertisement in a newspaper of general circulation within the County for three consecutive weeks prior to the legal sale date. The sale is typically held on the first Monday in November. Set forth below is a schedule of when the delinquent Annual Payments might be collected through the enforcement process, though there is no assurance that this schedule will be adhered to in connection with the enforcement and collection of delinquent Annual Payments.

Not earlier than	Action	Consequence
March 17	Taxes, assessments and penalties go into execution	Costs of enforcement begin to accrue
April 1, or as soon thereafter as is practicable	Tax Collector mails first notice of delinquent taxes by regular mail	A condition to the future sale of the property
If payment is not made by September 30	Tax Collector mails second notice of delinquency by certified mail to initiate sale process	A condition to the first sale of the property
September-October	Notice of sale published once a week for three consecutive Wednesdays prior to the tax sale	Condition to sale; costs of publication of notice are added
First Monday of November	Sale	Payment due at sale by successful bidder; minimum bid entered by Forfeited Land Commission

Several things can happen that might delay the foregoing schedule, but the process should be completed, and a sale conducted by early December (as noted in the table above) following nonpayment. It is possible, however that sales relating to delinquencies for properties located in the District would not be held on the applicable date and such sales may take place at a later date.

If any property shall be offered for sale for the nonpayment of any taxes and assessments, including the delinquent Annual Payments, and no person or persons shall purchase such property for an amount equal to the full amount due on such property, such property shall then be purchased by the County Forfeited Land Commission (the "*Forfeited Land Commission*") in accordance with the bid of such Forfeited Land Commission submitted as provided by law. The statutes governing foreclosure in tax sales provide that the bid to be submitted by the Forfeited Land Commission shall be in an amount equal to all unpaid property taxes, penalties, assessments, including delinquent Annual Payments, and costs. If purchased by the Forfeited Land Commission, the purchase of such land does not generate any proceeds that may be used to satisfy delinquent taxes, assessments, including delinquent Annual Payments, penalties, and costs; however, the Forfeited Land Commission may subsequently sell such property with the proceeds of any such sale to be turned over to the County Treasurer and distributed as provided by law. The Forfeited Land Commission may sell such property for less than the total amount of all delinquent taxes, assessments, including delinquent Annual Payments, penalties, and costs. Pursuant to the Indenture, the City will deposit any legally available net proceeds of such sale allocable to Annual Payments, less any City Reimbursements allocable to such Parcel not previously retained by the City, into the Revenue Fund.

If any property in the District is purchased by the Forfeited Land Commission, under existing law, Annual Payments will continue to be billed to the property and accrue upon such property, because neither the Forfeited Land Commission nor any other tax-exempt owner of property in the District has been excluded under the Act from the imposition of assessments. With respect to property that is tax-exempt, in 2003, the State Supreme Court affirmed the ruling of a Circuit Court that the owner of property located in a municipal improvement district, which owner was otherwise exempt from property taxes, was properly subjected to an assessment under the Act. In that case, the Circuit Court had previously ruled that the Act's exclusion of certain other tax-exempt property from the improvement district and the assessments imposed under the Act showed a legislative intent that the remaining tax-exempt land owners, not explicitly excluded, were to be included in the municipal improvement district and subject to the assessments imposed upon the property owners therein. However, if the Forfeited Land Commission should purchase property in the District, investors should look to the proceeds of the sale of such property by the Forfeited Land Commission as security and the source of payment for amounts due and should not rely on any purported obligation of the Forfeited Land Commission to pay taxes or Annual Payments on such property. See "BONDHOLDERS' RISKS—Assessment Delinquencies; Potential Delay and Limitations in Foreclosure Proceedings."

ASSESSMENT REVENUE REPORT; ESTIMATED ASSESSMENT REVENUES

The Hilton Head Lakes West Tract Improvement District, Assessment Revenue Bonds, Series 2026, Assessment Revenue Report dated July 24, 2026 (the "*Assessment Revenue Report*") has been prepared by MuniCap in connection with the offering and sale of the Series 2026 Bonds and is attached hereto as Appendix F. The Assessment Revenue Report provides estimates of Assessment revenues under three assumed scenarios for the platting of lots as Platted Property within the District and compares the estimated Assessment revenues under these projections against projected debt service on the Series 2026 Bonds, the projected debt service of Additional Bonds under certain scenarios, and projections of the Administrative Expenses of the District. The Assessment Revenue Report further forecasts the Assessments that would be billed to Platted Property and Unplatted Property in each Bond Year under these scenarios.

The table below, taken from the Assessment Revenue Report, provides the parcels of property within the District, all of which are currently categorized as Unplatted Property, along with its owner and acreage, and the amount and percentage of the total Principal Portion of Assessment and Total Assessment allocated to each such parcel. The information in this table is as of March 25, 2026.

Hilton Head Lakes West Tract Improvement District Parcels [1]

			Assessment A [2]		
Parcel ID	**Acres**	**Owner**	**Principal Portion**	**Total Assessment**	**Percent of Total**
042-00-06-045	2,216.51	LK Development	$40,062,675	$98,116,428	85.1%
042-00-06-129	228.56	TPG EHC	4,131,049	10,117,243	8.8%
042-00-06-130	10.13	LK Development	183,042	448,283	0.4%
042-00-06-131	18.14	TPG EHC	327,802	802,810	0.7%
042-00-06-132	132.53	Millrose	2,395,432	5,866,589	5.1%
Total	**2,605.86**		**$47,100,000**	**$115,351,353**	**100.0%**

[1] Source: Jasper County Assessor's Office as of May 1, 2026.

[2] Source: Original Assessment Roll. Principal Portion of Assessment and Total Assessment shown represent the maximum assessments approved pursuant to the District Ordinance and the Assessment Roll Ordinance. Actual assessments are subject to change pursuant to the Rate and Method of Apportionment of Assessment A.

The Assessment Revenue Report notes that the scenarios for the platting of lots assume that lots will be platted in the year prior to when they will be sold to builders or other developers, with the exception of lots within Pods G, F-1, and I which have been or are expected to be sold and developed as raw or mass-graded land to Lennar Homes. Pods G, F-1, and I are to be developed by Lennar Homes and the schedule of platting for these pods has been provided by Lennar Homes. See "THE DISTRICT—Lennar Homes' Development of Pod I."

The Assessment Revenue Report provides projected Assessment revenues under the following scenarios:

Scenario A – Base Case:

- Only the Series 2026 Bonds are issued with a par amount of $30,000,000 to fund approximately $22,101,718 of the cost of Public Improvements.
- Annual Payments of Assessments per parcel of Platted Property are set at the Maximum Annual Installment, set at $600 in the first year Assessments are imposed and increasing by 3% each year thereafter.
- If no Additional Bonds are issued, the Annual Payments for Platted Property will be reduced from the Maximum Annual Installment to the amount necessary to pay annual debt service on the Series 2026 Bonds and Administrative Expenses.
- Full development of the District with 4,041 residential units (3,310 single-family detached units and 731 townhouse units).
- Platted Property created on the schedule provided by the Developer and Lennar Homes, as applicable. See "THE DISTRICT—Projected Absorption."

Under Scenario A, Bond Assessment revenues from Platted Property will not fully meet annual debt service for the Series 2026 Bonds until Bond Year 2033, requiring Bond Assessments to be collected from Unplatted Property in a total estimated amount of $4,746,796 for Bond Years 2028 to 2032. Beginning in Bond Year 2033, projected Bond Assessment revenues from Platted Property would be sufficient to pay annual debt service on the Series 2026 Bonds. Under Scenario A, Bond Assessment revenues collected from Platted Property are sufficient to pay annual debt service on the Series 2026 Bonds once there are approximately 2,700 units of Platted Property.

Scenario B –Issuance of Additional Bonds (assumptions differ from Scenario A as follows):

- One series of Additional Bonds is issued in 2029 with a par amount of $16,250,000.

Under Scenario B, Bond Assessment revenues collected from Platted Property would be sufficient to pay annual debt service on the Series 2026 Bonds and the assumed Additional Bonds once there are approximately 4,000 units of Platted Property. Based upon the Developer's and Lennar Homes estimates (with respect to Pods I, F-1, and G) for the pace for the platting of property within the District the number of parcels of Platted Property in the District would reach this threshold by the end of calendar year 2036. Under Scenario B, a total estimated amount of $7,906,845 in Bond Assessments would be collected from Unplatted Property in Bond Years 2028 to 2035, and Bond Assessment revenues from Platted Property would be sufficient to meet annual debt service requirements for the Series 2026 Bonds and the projected series of Additional Bonds beginning in Bond Year 2036.

Scenario C – Only South Section Developed (assumptions differ from Scenario A as follows):

- Only the Pods in the South Section of the District are developed, with 2,373 residential units (2,005 single-family detached units and 368 townhouse units).

Under Scenario C, Bond Assessment revenues from the property in the South Section will fund approximately 88.8% percent of the debt service on the Series 2026 Bonds. Bond Assessment revenues will need to be collected from Unplatted Property in the North Section to repay the Series 2026 Bonds. In this scenario, the average annual Assessments from Unplatted Parcels projected to be collected from the North Section is estimated to be approximately $320,000 per year once the South Section is fully platted. See "INTRODUCTION—The District and the Hilton Head Lakes West Development" and "THE DISTRICT—Overview" herein for a discussion of the South Section and North Section of the District.

The table below shows the total amount of all Annual Payments that are forecasted to be billed in the years indicated under the assumptions of Scenario A, as discussed above and as described more fully in the Assessment Revenue Report, that may be used to pay annual debt service on the Series 2026 Bonds, which includes Administrative Expenses.

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Bond Year Ending	Parcels of Platted Property [1]	Max Ann. Installment for Platted Property [2]	Net Ann. Debt Service [3]	Ann. Payment Per EU [4]	Ann. Payment from Platted Property [3]	Surplus / (Deficit) [5]	Unplatted Property Ann. Payment Revenue [5]	Debt Service Coverage	
								Platted Property	Unplatted Property
1-Nov-26	0	$0	$0	$0	$0	$0	$0	NA	NA
1-Nov-27	0	$600	$0	$0	$0	$0	$0	NA	NA
1-Nov-28	281	$618	$1,907,751	$618	$173,658	($1,734,093)	$1,734,093	9.1%	90.9%
1-Nov-29	763	$637	$1,909,104	$637	$485,680	($1,423,424)	$1,423,424	25.4%	74.6%
1-Nov-30	1,421	$656	$1,910,483	$656	$931,790	($978,693)	$978,693	48.8%	51.2%
1-Nov-31	2,039	$675	$1,911,890	$675	$1,376,947	($534,943)	$534,943	72.0%	28.0%
1-Nov-32	2,642	$696	$1,913,326	$696	$1,837,681	($75,644)	$75,644	96.0%	4.0%
1-Nov-33	3,311	$716	$1,914,790	$578	$1,914,790	$0	$0	100.0%	0.0%
1-Nov-34	3,585	$738	$1,916,283	$535	$1,916,283	$0	$0	100.0%	0.0%
1-Nov-35	3,836	$760	$1,927,806	$503	$1,927,806	$0	$0	100.0%	0.0%
1-Nov-36	4,041	$783	$2,093,785	$518	$2,093,785	$0	$0	100.0%	0.0%
1-Nov-37	4,041	$806	$2,155,307	$533	$2,155,307	$0	$0	100.0%	0.0%
1-Nov-38	4,041	$831	$2,222,836	$550	$2,222,836	$0	$0	100.0%	0.0%
1-Nov-39	4,041	$855	$2,285,797	$566	$2,285,797	$0	$0	100.0%	0.0%
1-Nov-40	4,041	$881	$2,354,191	$583	$2,354,191	$0	$0	100.0%	0.0%
1-Nov-41	4,041	$908	$2,427,444	$601	$2,427,444	$0	$0	100.0%	0.0%
1-Nov-42	4,041	$935	$2,499,981	$619	$2,499,981	$0	$0	100.0%	0.0%
1-Nov-43	4,041	$963	$2,576,516	$638	$2,576,516	$0	$0	100.0%	0.0%
1-Nov-44	4,041	$992	$2,651,474	$656	$2,651,474	$0	$0	100.0%	0.0%
1-Nov-45	4,041	$1,021	$2,729,568	$675	$2,729,568	$0	$0	100.0%	0.0%
1-Nov-46	4,041	$1,052	$2,815,224	$697	$2,815,224	$0	$0	100.0%	0.0%
1-Nov-47	4,041	$1,084	$2,897,581	$717	$2,897,581	$0	$0	100.0%	0.0%
1-Nov-48	4,041	$1,116	$2,984,551	$739	$2,984,551	$0	$0	100.0%	0.0%
1-Nov-49	4,041	$1,150	$3,070,936	$760	$3,070,936	$0	$0	100.0%	0.0%
1-Nov-50	4,041	$1,184	$3,166,111	$783	$3,166,111	$0	$0	100.0%	0.0%
1-Nov-51	4,041	$1,220	$3,258,827	$806	$3,258,827	$0	$0	100.0%	0.0%
1-Nov-52	4,041	$1,256	$3,358,460	$831	$3,358,460	$0	$0	100.0%	0.0%
1-Nov-53	4,041	$1,294	$3,458,760	$856	$3,458,760	$0	$0	100.0%	0.0%
1-Nov-54	4,041	$1,333	$3,563,792	$882	$3,563,792	$0	$0	100.0%	0.0%
1-Nov-55	4,041	$1,373	$3,672,305	$909	$3,672,305	$0	$0	100.0%	0.0%
1-Nov-56	4,041	$1,414	$3,778,051	$935	$3,778,051	$0	$0	100.0%	0.0%
1-Nov-57	4,041	$1,456	$0	$0	$0	$0	$0	NA	NA
Total			**$75,332,926**		$70,586,130	($4,746,796)	$4,746,796		

Note: Totals may not add due to rounding.

[1] See Appendix A-2.a of the Assessment Revenue Report.

[2] In the first year of platted lots, the Maximum Annual Installment for Platted Property is $600 per equivalent unit and is to increase by three percent each year thereafter. See Appendix A-5 of the Assessment Revenue Report.

[3] See Appendix A-6 of the Assessment Revenue Report. Net annual debt service includes Administrative Expenses Assessment and debt service on the Series 2026 Bonds.

[4] The Annual Payment per Equivalent Unit will be the lesser of the Maximum Annual Installment for Platted Property and the Annual Payment needed for the total Annual Payment to pay annual debt service. See Appendix A-5 of the Assessment Revenue Report.

[5] Represents the Annual Payment anticipated for Unplatted Property. See Appendix A-6 of the Assessment Revenue Report.

INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT

General

LK Development expects to provide, or cause to be provided, the following infrastructure and land development to allow for the development of property within the District: (i) all Public Improvements, which constitute much of the master infrastructure serving the District, as described in the table entitled "Public Improvements" in "—Report of Developer Engineer; Public Improvements" below (generally referred to herein as "*Public Improvements*"); (ii) certain other components of publicly and privately-owned infrastructure that are not eligible for funding from the proceeds of Bonds, as described in the table entitled "Other Development Improvements" in "—Other Development Improvements" below (generally referred to herein as "*Other Development Improvements*"); and (iii) other land development costs that LK Development is responsible for in connection with the sale by LK Development of property within the District, such as mass grading or the development of finished lots, which are described in the table entitled "Estimated South Section Pod Development Costs" in "—Pod Development Costs" below (generally referred to herein as "*Pod Development Costs*"). See "THE DISTRICT—Development Budget" herein for a discussion of LK Development's sources of funds to defray the cost of Public Improvements, Other Development Improvements, and Pod Development Costs.

The various components of Public Improvements and Other Development Improvements, and the probable cost thereof, are described in the Engineer's Report (as defined and described below). The City will reimburse the Developer for the actual cost of the Public Improvements in accordance with the terms of that certain Public Improvements Acquisition Agreement between the City and the Developer (the "*Acquisition Agreement*"), which is described in greater detail in "—Acquisition Agreement; Disbursement of Bond Proceeds" below.

Report of Developer Engineer; Public Improvements

Thomas & Hutton Engineering Co. (the "*Developer Engineer*") prepared a report titled Engineer's Report for Hilton Head Lakes West Tract Improvement District, Hardeeville, SC, dated April 2026 (the "*Engineer's Report*"). The Engineer's Report is attached hereto as Appendix G. The estimate of costs presented in the Engineer's Report for infrastructure and land development assumes that LK Development (as to all real property within the District other than Pod I) and Lennar Homes (as to Pod I) will develop the real property within the District as needed for the eventual construction of 4,041 residential units; however, the number of units to be constructed within the District is subject to change, as discussed more fully in "THE DISTRICT—Current Development Status and Plan" herein. See the map of the District below showing the location of Public Improvements and other significant infrastructure supporting the District.

Public Improvements

The Public Improvements, meaning those components of publicly-owned infrastructure that may be funded with the proceeds of Bonds, are described in the Engineer's Report and consist of the approximately 3.13-mile Main Road Section South and the approximately 1.67-mile Main Road Section North, including all road improvements, stormwater infrastructure, and water and sewer infrastructure within the rights of way of such roads, and the two regional pump stations, Regional Pump Station South and Regional Pump Station North. The opinion of probable cost of the Developer Engineer for all Public Improvements is $47,728,627, and the opinion of probable cost of the Developer Engineer for all Public Improvements necessary to support the development of the Pods in the South Section of the District, referred to in the table below as the "Public Improvements Serving South Section" is $29,487,868.

Approximately $22,101,718 of the cost of the Public Improvements Serving South Section will be funded from the net proceeds of the Series 2026 Bonds through reimbursements paid to the Developer. The remaining $7,386,150 will be funded by the Developer through equity, proceeds of lot and land sales, and other sources of funds available to the Developer. See "THE DISTRICT—Development Budget" and the table therein below. This amount, or a portion thereof, as well as costs of the "Public Improvements Serving North Section," as shown in the table below, may ultimately be reimbursed to the Developer through the issuance of Additional Bonds; however, the amount of Additional Bonds that may be issued may not exceed the limitations of the Assessment Proceedings, the Master Indenture, or the Bond Ordinance. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS—Additional Bonds."

The following table shows each component of Public Improvements (the "*Project*") and the Developer Engineer's opinion of the probable total cost thereof. The components of the Public Improvements constituting the Public Improvements Serving South Section (the "*2026 Project*") are expected to be partially funded from proceeds of the Series 2026 Bonds. Costs for the Public Improvements Serving South Section that are not reimbursed from proceeds of the Series 2026 Bonds and additional costs for Public Improvements serving the North Section Pods may be reimbursed from the proceeds of Additional Bonds. The location of the components of the Public Improvements are further shown on a map on the following page.

Public Improvements			
Public Improvement	**Public Improvement Costs Incurred as of 12/31/25**	**Public Improvement Costs to be Incurred After 12/31/25** [3]	**Total Cost of Public Improvements**
Public Improvements Serving South Section			
Main Road Section South			
Paving, Grading, and Earthwork	$8,069,914	$4,094,922	$ 12,164,836
Sanitary Sewer System (Excludes Regional Pump Station South)	3,056,371	-	3,056,371
Water Distribution	2,805,109	1,160,138	3,965,247
Storm Drainage	1,958,935	1,112,453	3,071,388
Erosion Control and Layout	811,722	310,465	1,122,187
Region Pump Station South	-	2,715,429	2,715,429
Professional Services (13%) [1]	2,171,267	1,221,143	3,392,410
Subtotal South Section Public Improvements	**$18,873,318**	**$10,614,550**	**$29,487,868**
Public Improvements Serving North Section [2]			
Main Road Section North			
Paving, Grading, and Earthwork	-	$ 5,024,077	$ 5,024,077
Sanitary Sewer System (Excludes Regional Pump Station North)	-	1,262,281	1,262,281
Water Distribution	-	1,637,647	1,637,647
Storm Drainage	-	1,268,483	1,268,483
Bridge Over Wetlands	-	2,480,000	2,480,000
Erosion Control and Layout	-	463,463	463,463
Regional Pump Station North	-	1,900,800	1,900,800
Professional Services (13%) [1]	-	1,824,778	1,824,778
Contingency (15%)		2,379,229	2,379,229
Subtotal North Section Public Improvements	**-**	**$18,240,759**	**$18,240,759**
Total Est. Public Improvement Costs			**$47,728,627**

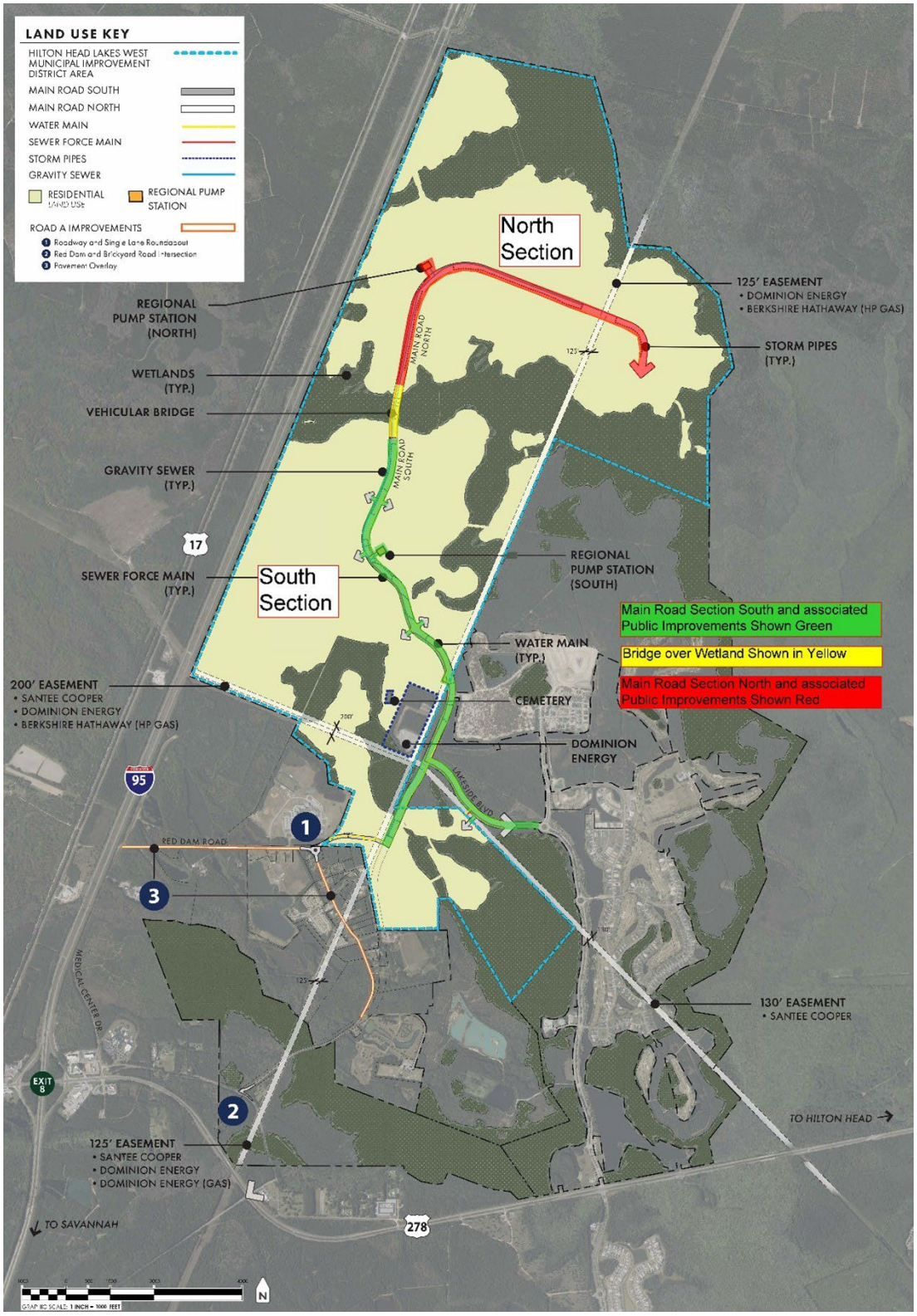
Note: Some totals may not foot due to rounding.

[1] Professional services include civil-site engineering design; structural engineering (bridge, retaining walls, culverts); traffic engineering (roundabout geometry, roadway lane analysis); topographic surveying; geotechnical exploration and pavement design; utility coordination with BJWSA and franchise utilities; landscape architecture and irrigation design; electrical and SCADA controls for pump station and lighting; materials testing and construction observation; and bidding and contract-administration support.

[2] As noted above, the Developer has not commenced the development of the North Section and may elect that all or a portion of the North Section may be developed as a private-gated community, in which event Main Road Section North and the stormwater infrastructure associated therewith may be private. In this event, the cost of any private infrastructure would not be eligible for funding from the proceeds of Bonds.

[3] See "THE DISTRICT—Development Budget" for a discussion of the Developer's expectations concerning the availability of net proceeds of Additional Bonds and other sources of funds that the Developer expects to use to fund the costs of Public Improvements that will not be funded from net proceeds of the Series 2026 Bonds.

The following map shows the boundaries of the District, the areas of the District referred to herein as the South Section and North Section (as divided by the wetlands in the vicinity of the wetlands bridge) and the existing and planned location of the Public Improvements.



Public Improvements Serving South Section Pods Description and Status

The components of the Public Improvements Serving South Section and the current status of the construction thereof as of December 31, 2025, are described below. The Engineer's Report provides a detailed description of the construction status for each component. See Appendix G – Engineer's Report. Pictures showing the construction status of the Main Road Section South and the Regional Pump Station South as of April 17, 2026, are included under the heading "THE DISTRICT—Overview" below.

Main Road Section South. An approximately 3.13-miles long roadway, which includes an approximately 2.82-mile segment of divided, four-lane boulevard, up to, but not including, the future location of a bridge connecting the South Section to the North Section, and a remaining 0.31-mile two-lane segment ("*Main Road Section South*"). The four-lane segments include a 20-foot landscaped median with curb. Permitting for Main Road Section South is complete and construction is approximately 85% complete, with substantial final completion expected by the fourth quarter of 2026. Main Road Section South has been constructed and paved from its southern starting points providing access to Pod I, through the T-intersection with Lakeside Boulevard, up to the entrance for Pods F-1 and F-2 (situated across Main Road Section South from the Regional Pump Station South), allowing full access to Pod I, Pod G, Pod H-1, Pod H-2, and Pod F-3. Main Road Section South is graded but unpaved beyond this point, which allows construction access to Pod F-1 and Pod F-2. The Developer expects the completion schedule for Main Road Section South to support its anticipated schedule for the development of all South Section Pods.

Stormwater Management System. Stormwater infrastructure within the right of way for Main Road Section South. This infrastructure consists of an integrated system of grassed swales, curb inlets, reinforced concrete pipe, and wet-detention ponds. The permitting for this stormwater infrastructure is complete and construction is currently 90% complete, with final completion expected by the fourth quarter of 2027. The completed stormwater infrastructure provides a connection point for the internal stormwater infrastructure for all South Section Pods.

Water and Sewer Mains. Sewer and water mains within the right of way for Main Road Section South. Gravity sewer and water mains have been constructed within the right of way of Main Road Section South up to the location of the Regional Pump Station South and continues north towards the wetlands bridge crossing, which is approximately 75% of this infrastructure. In addition, the 16-inch force main connecting to Regional Pump Station South is complete. Permitting for all water and sewer infrastructure within the right of way of Main Road Section South is complete. Water and sewer infrastructure has been constructed and tested and is ready to be dedicated to Beaufort-Jasper Water and Sewer Authority ("*BJWSA*") up to the access points for Pod I, Pod G, Pod H-1, Pod H-2, Pod F-3, and a portion of Pod F-2. Water and sewer infrastructure has been installed, although testing is not yet complete, up to the access points for Pod F-1 and a portion of Pod F-2. Final completion of the water and sewer infrastructure in the South Section of the District is expected by the fourth quarter of 2026. The Developer expects the completion schedule for this water and sewer infrastructure to support its anticipated schedule for the development of all South Section Pods.

Regional Pump Station South. A regional pump station along Main Road Section South consisting of a large wet well, two 85-hp pumps and one standby pump, and SCADA-equipped control panels, providing capacity of 2,000 gallons per minute ("*Regional Pump Station South*"). Permitting for Regional Pump Station South is complete. Construction of the Regional Pump Station South is approximately 80% complete, with final completion expected by the fourth quarter of 2026. The Developer expects the completion schedule for the Regional Pump Station South to support its anticipated schedule for the development of all South Section Pods. Dedication of the Regional Pump Station South to BJWSA will occur once it has become operational and is in use serving homes in South Section Pods.

Other Development Improvements

The Engineer's Report further describes other significant infrastructure and improvements that are necessary to allow for the development of the District, but that are not eligible to be funded from proceeds of Bonds ("*Other Development Improvements*"). Some of the Other Development Improvements listed in the table below are ineligible for funding from Bonds because they will ultimately be owned by a non-governmental entity, such as a property owner's association or a private electric utility. Other components of Other Development Improvements may ultimately be dedicated to a governmental entity, but are ineligible for Bond funding because they will be located outside of the boundaries of the District.

The Other Development Improvements categorized as "Offsite Traffic Improvements" in the table below are road improvements that LK Development is obligated to construct under the Development Agreement (as defined herein) but that are outside of the boundaries of the District. See "THE DISTRICT—Entitlements and Zoning." The cost of these Offsite Traffic Improvements are not eligible for reimbursement from Bond proceeds because they pertain to infrastructure that is outside of the boundaries of the District. In addition to the Offsite Traffic Improvements listed below, LK Development is also obligated under the Development Agreement to make certain improvements to the intersection of Lakeside Boulevard and U.S. Highway 278; however, these improvements are not required until two years following the issuance of the 3,000th certificate of occupancy within the District and the Developer anticipates that the cost will be nominal. See "THE DISTRICT—Entitlements and Zoning."

The Other Development Improvements categorized in the table below as "Other Development Improvements – South Section" consist of other infrastructure or land development that will be constructed or occur outside of the South Section Pods. The costs of Other Development Improvements – South Section are ineligible for reimbursement from Bond proceeds because they will be dedicated to or owned by various non-governmental entities.

The estimated cost, construction status, and completion timeline for the Offsite Traffic Improvements and Other Development Improvements – South Section are shown in the table below. While the completion of the Offsite Traffic Improvements and Other Development Improvements – South Section are necessary to support the full build-out of the South Section Pods, horizontal development and home construction in these Pods may commence and continue while construction of these improvements is completed, and LK Development anticipates that the schedule for their completion will not delay development and the commencement of home sales within the South Section Pods.

The Other Development Improvements categorized as "Other Development Improvements – North Section" in the table below are the same types of improvements as discussed above for the South Section, but that will ultimately be necessary for the development and buildout of the Pods in the North Section. Engineering, design, and construction of the Other Development Improvements – North Section will occur as necessary to support the future development of the Pods in the North Section.

Under the assumptions described in the Engineer's Report, the total probable cost of the Other Development Improvements is $23,967,109, and the total probable cost of the Other Developments Improvements necessary to support the development and build-out of the South Section Pods, namely the Offsite Traffic Improvements and the Other Development Improvements – South Section is $13,739,180. The table below shows each such component, and the Developer Engineer's opinion of the probable cost thereof. These costs are not eligible for payment or reimbursement from proceeds of the Series 2026 Bonds or Additional Bonds; however, the Developer has included these costs in its budget for the development of the District and expects to pay these costs from sources other than the net proceeds of Bonds. See "THE DISTRICT—Development Budget" for a discussion of the Developer's expectations concerning other sources of funds that the Developer expects to use to fund the costs of Other Development Improvements.

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Other Development Improvements			
Description of Infrastructure and Improvements	**Est. Cost** [1]	**Comp. % as of 12/31/25**	**Anticipated Comp.**
Offsite Traffic Improvements			
Road A – Single Lane Roundabout	$ 1,257,500	0%	Q-2, 2030
Road A – Red Dam and Brickyard Road Intersection	882,755	0%	Q-2, 2030
Road A – Pavement Overlay	1,167,743	0%	Q-2, 2030
Subtotal Offsite Traffic Costs	**$3,307,998**		
Other Development Improvements within District			
Other Development Improvements – South Section			
Utility Lines – Power Spine to Regional Pump Station South	$3,800,000	25%	Q-3, 2026
Utility Lines – Power for Street Lights	2,600,000	25%	Q-4, 2027
10-foot Multi-Use Pathway Along Main Road Section South	642,500	35%	Q-4, 2026
Irrigation – Main Road Section South	1,598,882	25%	Q-3, 2027
Landscaping – Main Road Section South	1,789,800	25%	Q-4, 2027
Subtotal – South Section Other Development Improvements	**$10,431,182**		
Other Development Improvements – North Section			
Utility Lines – Power Spine to Regional Pump Station North	$2,470,000	0%	TBD
Utility Lines – Power for Street Lights	2,011,615	0%	TBD
10-foot Multi-Use Pathway Along Main Road Section North	417,500	0%	TBD
Irrigation – Main Road Section North	1,039,273	0%	TBD
Landscaping – Main Road Section North	1,163,370	0%	TBD
Subtotal – North Section Other Development Improvements	**$7,101,758**		
Subtotal Other Development Improvements	**$20,840,964**		
Contingency (15%)	**$3,126,145**		
Total Other Development Improvement Costs	**$23,967,109**		

Note: Some totals may not foot due to rounding.

[1] See "THE DISTRICT—Development Budget" for a discussion of the Developer's expectations concerning the sources of funds that the Developer expects to use to fund the costs of Other Development Improvements.

Pod Development Costs

The Developer has entered into, or expects to enter into, Lot Sale Agreements (as defined herein) and Bulk Sale Agreements (as defined herein) for the sale of developed or partially developed lots and bulk land within the Pods in the South Section of District to Builders and Other Residential Developers (as defined herein). The Lot Sale Agreements and Bulk Sale Agreements that the Developer has entered into as of August 1, 2026, are described in greater detail in "THE DISTRICT—Contract for Sale of Pods F-1 and G to Lennar Homes," and "—Contracts for Sale and Development of Pod H-1" herein. Based on the terms of these Lot Sale Agreements and Bulk Sale Agreements, and the Developer's current expectations concerning the terms under which lots or bulk land within other South Section Pods will be sold, the Developer has estimated its Pod Development Costs for the South Section, meaning costs to deliver lots or mass-graded bulk land within such Pods to the purchasers thereof, as shown in the table below. Pod Development Costs are not eligible for payment or reimbursement from proceeds of the Series 2026 Bonds or Additional Bonds.

The Developer's plans with respect to the Pods in the North Section of the District are not sufficiently developed at this time to allow for the development of a budget for the development of such Pods. All South Section Pods that the Developer has sold or plans to sell as undeveloped or mass-graded land, specifically Pods I, F-1, and G, have been sold or are under contract for sale to Lennar Homes or its Land Banks. See "THE DISTRICT—Contract for Sale of Pods F-1 and G to Lennar Homes" and "—Lennar Homes' Development of Pod I." The estimated costs in the table below include only the Developer's estimated Pod Development Costs, and do not include estimates for Lennar Homes' cost for internal infrastructure and other land development costs within these Pods.

Estimated South Section Pod Development Costs		
South Section Pods	**Pod/Lot Delivery Scope**	**Est. Development Cost** [1]
Pod F-1	Mass Graded	$8,187,438
Pod F-2	Finished Lots	$19,671,166
Pod F-3	Finished Lots	$11,921,774
Pod G	Mass Graded	$11,456,204
Pod H-1	Finished Lots	$28,579,922
Pod H-2	Finished Lots	$11,048,315
Pod I	Undeveloped Land	-
Total South Section Pod Development Costs		**$90,864,819**

[1] See "THE DISTRICT—Development Budget" for a discussion of the Developer's expectations concerning the sources of funds that the Developer expects to use to fund Pod Development Costs.

Acquisition Agreement; Disbursement of Bond Proceeds

The Acquisition Agreement establishes the procedures for the dedication of Public Improvements and the disbursement of Bond proceeds to reimburse the Developer for the cost of Public Improvements. Under the Acquisition Agreement, the Developer may request the disbursement of Bond proceeds to pay the Developer's actual cost for identifiable portions of the Public Improvements that have been dedicated to the City or another applicable governmental entity. Disbursement requests must include evidence of the Developer's costs, certificates of the Developer and its design professional confirming that the applicable Public Improvements have been constructed substantially in accordance with all applicable plans, assignments of all construction contracts and lien waivers from contractors and other professionals, and other information that the City may reasonably request. The City is responsible for reviewing these materials to ensure that the costs, as submitted by the Developer, are accurate and that the components are eligible for acquisition under the Improvement Plan and the Act.

The requirements for the disbursement of Bond proceeds are provided in the Indenture. Under these terms, the City is responsible for submitting a completed requisition to the Trustee for the disbursement of Bond proceeds. The City must certify to the Trustee that (1) the amounts requested for disbursement are a proper charge against the applicable account within the Acquisition and Construction Fund, that each disbursement is for costs incurred in connection with the acquisition and construction of the Project, and that each disbursement represents a cost of the Project that has not previously been paid; (2) there has not been filed with or served upon the City notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to the payee of such disbursement, which has not been released or will not be released simultaneously with the payment hereof; and (3) that such requisition contains no item representing payment on account of any retained percentage which the City is at the date of such certificate entitled to retain. The City must further affirm to the Trustee that such certifications are based upon documentation and certifications provided to the City, as the City deems appropriate.

THE DISTRICT

THE INFORMATION APPEARING BELOW UNDER (I) ALL CAPTIONS IN THIS SECTION ENTITLED "THE DISTRICT" OTHER THAN "—LENNAR HOMES' DEVELOPMENT OF POD I," "—CONTRACTS FOR SALE AND DEVELOPMENT OF POD H-1—*POD H-1 – MUNGO HOMES, INC.*—INFORMATION PROVIDED BY MUNGO," AND "—CONTRACTS FOR SALE AND DEVELOPMENT OF POD H-1—POD H-1 – *TOLL SOUTHEAST LP COMPANY, INC.*—INFORMATION PROVIDED BY TOLL" HAS BEEN FURNISHED BY THE DEVELOPER (THE "DEVELOPER INFORMATION") AND (II) THE CAPTION ENTITLED "—LENNAR HOMES' DEVELOPMENT OF POD I" HAS BEEN FURNISHED BY LENNAR HOMES (THE "LENNAR INFORMATION"), IN EACH CASE FOR THE INCLUSION IN THIS LIMITED OFFERING MEMORANDUM AND, ALTHOUGH BELIEVED TO BE RELIABLE, SUCH INFORMATION HAS NOT BEEN INDEPENDENTLY VERIFIED BY BOND COUNSEL, THE CITY, OR ITS COUNSEL, OR THE UNDERWRITER OR ITS COUNSEL, AND NO PERSONS OTHER THAN THE DEVELOPER SOLELY AS TO THE DEVELOPER INFORMATION AND LENNAR HOMES SOLELY AS TO THE LENNAR INFORMATION MAKE ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION SUPPLIED BY THEM. THE FOLLOWING INFORMATION IS PROVIDED AS A MEANS FOR THE PROSPECTIVE HOLDERS OF THE SERIES 2026 BONDS TO UNDERSTAND THE ANTICIPATED

DEVELOPMENT PLAN AND RISKS ASSOCIATED WITH THE DISTRICT. NEITHER THE DEVELOPER, LENNAR HOMES, THE CURRENT LANDOWNERS, NOR ANY OTHER PARTY IS GUARANTEEING PAYMENT OF THE SERIES 2026 BONDS OR THE ASSESSMENTS.

Overview

The District consists of approximately 2,606 gross acres, which is substantially all of the developable acreage within the approximately 3,392-acre Hilton Head Lakes West development. The District is located in the City of Hardeeville within Jasper County. The District is approximately 20 miles from Hilton Head Island, South Carolina, approximately 27 miles from the City of Beaufort, South Carolina, and approximately 24 miles from the City of Savannah, Georgia and the Savannah/Hilton Head International Airport. The land within the District fronts the eastern side of U.S. Interstate 95, north of its intersection with U.S. Highway 278, and is primarily accessed by Lakeside Boulevard. The District is within close proximity to Hilton Head Lakes North, an existing residential development that includes an 18-hole golf course, the Golf Club at Hilton Head Lakes, which is open to the public.

The map below shows the approximate location of the District in relation to the City and the surrounding area. The map is not to scale and is provided to give prospective investors an approximation of the location of the District relative to the City of Hardeeville and other nearby development.

The Developer's current plans and expectations for the development of the District contemplate that it will contain 4,041 units; however, the number of units to be constructed within the District is subject to change, as discussed more fully in "THE DISTRICT—Current Development Status and Plan" herein. As shown in the map above, the land within the District is divided by wetlands into two major areas of development, the South Section and the North Section. The Developer plans to develop the South Section first. With respect to the South Section Pods, the land within Pod I has been conveyed to Lennar Homes and the Land Banks for Lennar Homes. In addition, the Developer has entered into two Lot Sale Agreements for phases of development within Pod H-1 and a Bulk Land Agreement for the sale of land within Pods F-1 and G to Lennar Homes. See "—Contract for Sale of Pods F-1 and G to Lennar Homes," and "—Contracts for Sale and Development of Pod H-1" herein. Although subject to change, the Developer's plans for the development of Pods in the South Section include single-family detached homes on lots with widths of 42' to 62' and townhome lots of 20' to 24' in width. See "—Current Development Status and Plan—*Plan of Development*" herein. LK Development expects to begin development in the North Section in 2029, and the Developer's expectations for the Pods in the North Section, including the number and type of units therein, are less certain at this time. The maps at the end of this section show the boundaries of the District, the location of the South Section and North Section, and the anticipated layout of Pods in the South Section.

The Developer plans to provide certain amenities that will be available to residents of various Pods within the District and expects Builders (as defined herein) and Other Residential Developers (as defined herein) to provide other amenities within the Pods that they develop. LK Development's plans to develop a community amenity building and pool, dog park, and walking trails that will be available to residents of Pods F-2, F-3, H-1, H-2, H-3. Builders and Other Residential Developers (as such terms are defined herein) may develop amenities specific to other Pods within the South Section of the District. Although less certain at this time, LK Development's planned amenities in the North Section include a 27-hole golf course and club house; an amenity building, pool, and tennis or pickleball courts; a dog park; and community walking trails. See "—Amenities" for a description of the amenities and their construction status that are known at this time. The anticipated target markets for the District are first-time homebuyers, move-up buyers, and early retirees hoping to enjoy the amenities provided within District, including its extensive golf and retirement programs.

The Developer currently owns approximately 2,228 acres of land within the District, which represents all of the Pods other than Pod I. TPG EHC and Millrose, as Land Banks for Lennar Homes, collectively own most of the 378 acres in Pod I, with the exception of 60 lots purchased by Lennar Homes from Millrose in 2026. See "—Lennar Homes' Development of Pod I" for a discussion of Lennar Homes plans with respect to Pod I. The Developer plans to construct the master infrastructure within the District (i.e., roads, stormwater, and water and sewer outside of the Pods), including all Public Improvements. The Developer also plans to mass-grade certain Pods and develop horizontal infrastructure and provide finished lots in other Pods, as described in the table under the heading "—Current Development Status and Plan" below. The Developer anticipates selling the Pods (other than Pods I, F-1, and G) to third-party Builders for the construction of homes on individual lots and Other Residential Developers for the development of Pods and the construction of homes therein. See "—Other Lot and Bulk Land Purchase Contracts" herein for more information. The first phases of vertical construction within the District are expected to occur in Pod I.

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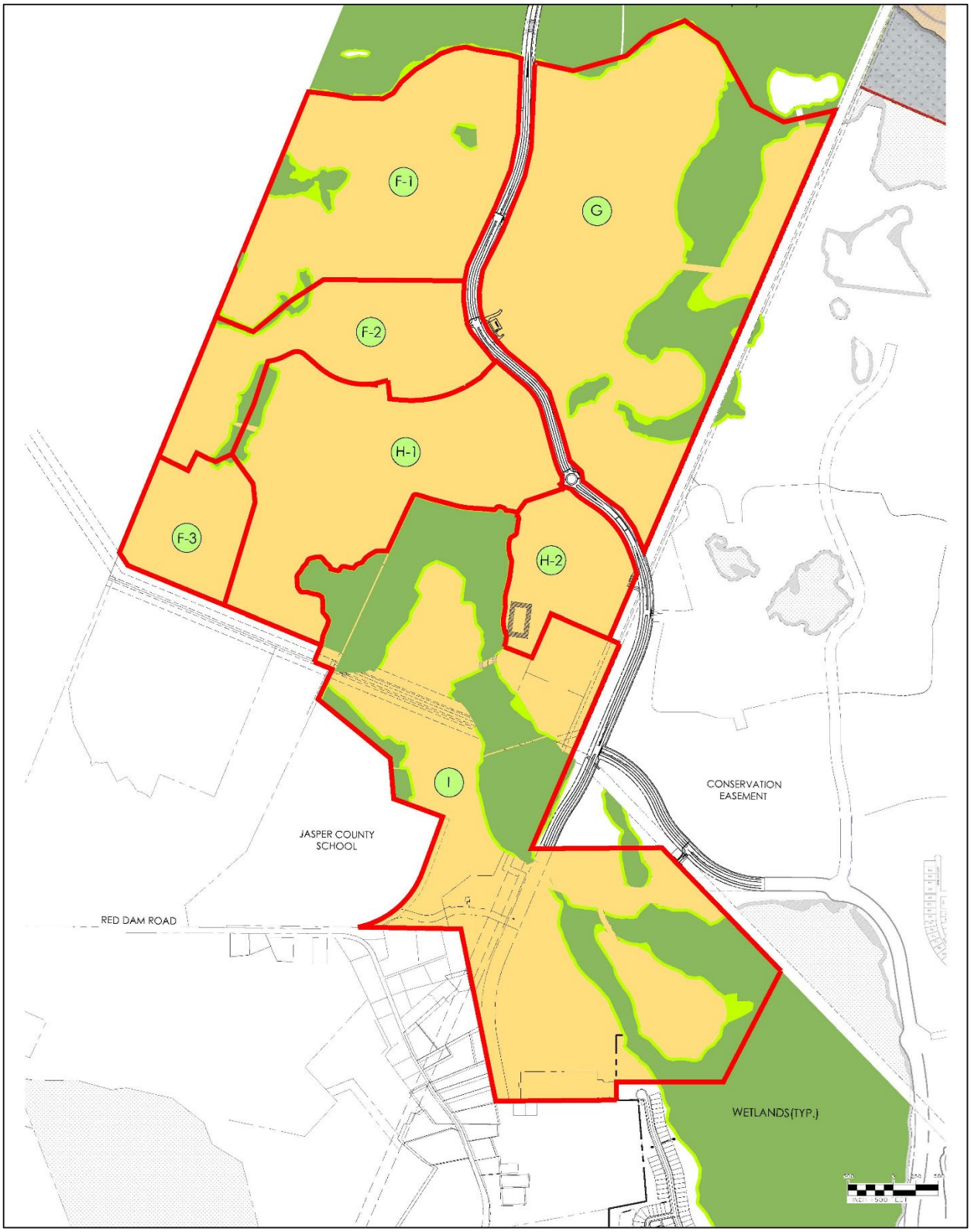
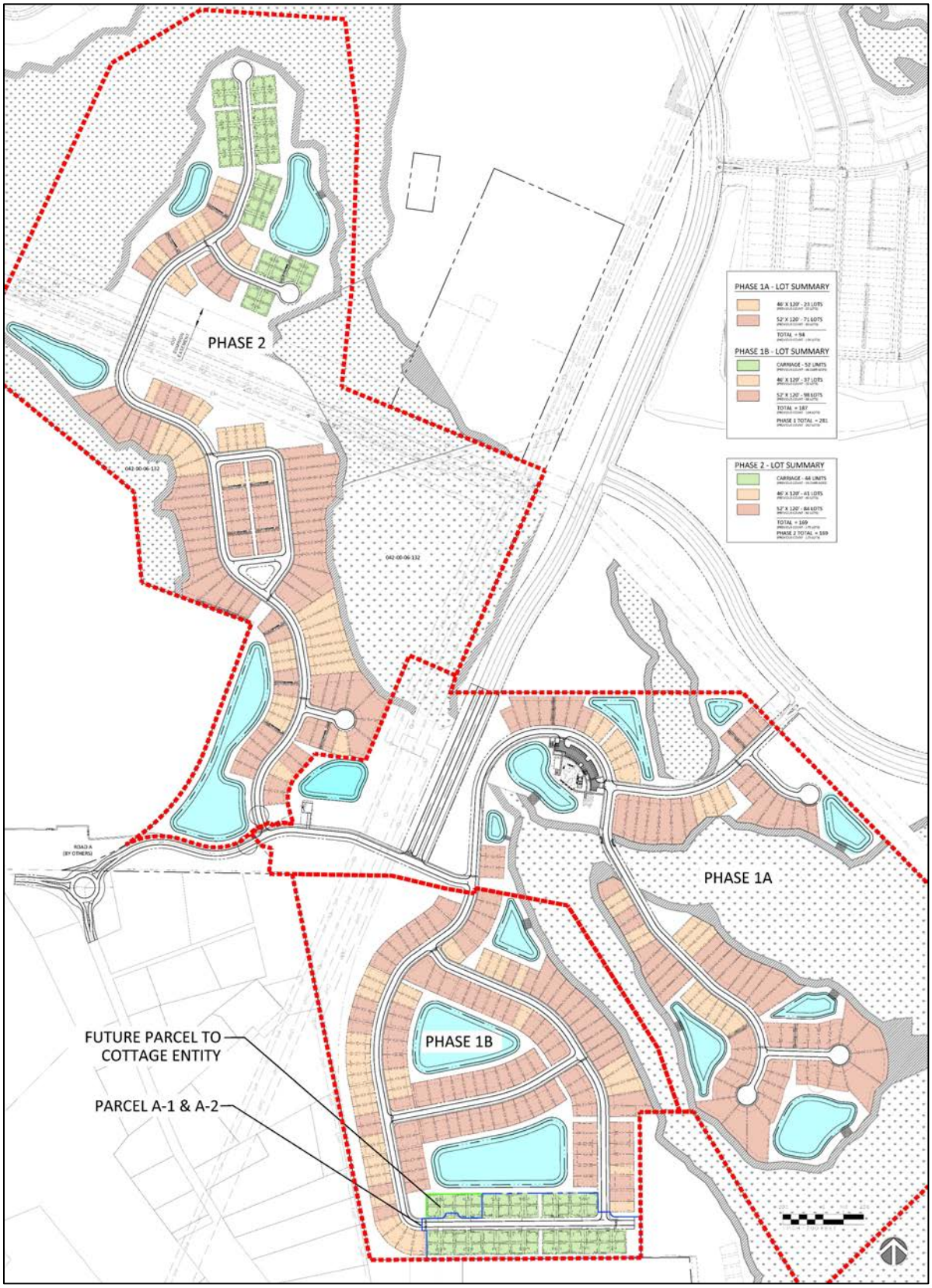
The map below shows the South Section of the District and the general boundaries of South Section Pods.



The following maps show the planned layout of lots within the South Section Pods, except for Pod I which is shown in a sperate map below.

The map below shows Lennar Homes' planned layout of lots within Pod I.



The pictures below show the status of various components of the Public Improvements serving the South Section of the District as well as the development activity in Pods H-1, H-2, G, and I as of April 17, 2026.

Pod G
Regional Pump Station
South
Secondary
Entrance to Pods
F-1 and F-2

Pod I
Lakeside Boulevard
portion of Main
Road Section South

Land Acquisition and Existing Development

The Developer acquired the lands within the District in December 2021 for approximately $18.4 million. The Developer acquired this property with equity provided by the Kolter Member (as defined herein) and the Lennar Member (as defined herein), or affiliates thereof. See "THE DEVELOPER AND LANDOWNERS—LK Development—*Ownership of LK Development*. There are currently no mortgages on land within the District. The Developer commenced land development within the South Section of the District in the second quarter of 2022. In 2024 and 2025, TPG EHC and Millrose as Land Banks for Lennar Homes acquired Pod I. See "—Lennar Homes' Development of Pod I." In 2026, Lennar Homes purchased 60 lots within Pod I from Millrose. The Developer expects development within the South Section to proceed in phases as it sells Pods it owns, or portions thereof, to Builders and Other Residential Developers, and expects that horizontal development within all Pods in the South Section will be complete by the fourth quarter of 2031, with home sales continuing until 2033.

As of December 31, 2025, the Developer has incurred approximately $46,068,452 in costs associated with the development of the District. Of this amount, the Developer estimates that $18,873,318 has been spent on the Public Improvements comprising the 2026 Project as of December 31, 2025. The Developer's expectations concerning the sources and amounts of funds to defray the remaining cost of the Public Improvements, Other Development Improvements, Pod Development Costs, and other costs related to LK Development's development of the District are discussed below. Under the Acquisition Agreement, the Developer has agreed to complete the Project. See "BONDHOLDER' RISKS—Failure to Develop the Project" herein.

Development Budget

As of December 31, 2025, the Developer estimates that its total cost to allow for the development of the Pods in the South Section of the District is $197,394,710, as shown in greater detail in the table below. The Developer's budget for the development of the South Section of the District includes the cost of internal Pod infrastructure in Pod H-1 and other Pods that the Developer anticipates selling under Lot Sale Agreements as finished lots (see "—Current Development Status and Plan"), the cost to mass-grade land in Pods that the Developer anticipates selling under Bulk Land Sale Agreements, and amenities serving certain Pods or groups of Pods (see "—Overview" and "—Amenities").

Due to the Developer's uncertainties concerning the development of the North Section, the Developer's total estimated total budget for the development of the North Section ($28,671,603) only includes the estimated costs of Public Improvements serving the North Section ($18,240,759), Other Development Improvements serving the North Section ($7,101,758), a contingency of 15% of these amounts ($1,065,264), and the planning, design, surveying, and engineering for internal development of the North Section Pods ($2,263,822).

The table below also shows the sources of funds for costs incurred by the Developer as of December 31, 2025, and the Developer's anticipated sources of funds for costs to be incurred going forward. The Developer's budget for the development of the South Section Pods includes the expectation that the Developer will be paid approximately $22,101,718 from proceeds of the Series 2026 Bonds and approximately $7,386,150 from proceeds of Additional Bonds for the cost of Public Improvements serving the South Section that are not reimbursed from the net proceeds of the Series 2026 Bonds. Net proceeds of Additional Bonds in excess of this amount may be used to reimburse the Developer for the costs of Public Improvements serving the North Section.

The assumptions concerning the amount of Bonds that may be issued and the net proceeds thereof that may be available to defray the costs of Public Improvements are summarized in "ASSESSMENT PROCEEDINGS; ASSESSMENTS—Assessment District Proceedings and Procedures." These amounts are subject to increase or decrease based upon changes in these assumptions and subject to the following qualifications: the actual amount of qualifying Public Improvements that may be financed through the issuance of Bonds, if any, will vary from the Underwriters' estimate depending on the rates of interest on such Bonds, the dates on which such Bonds are issued, the cost of issuance of such Bonds, reinvestment rates on Bond proceeds, the extent of funding of any reserve funds, the extent of funding of any capitalized interest with respect to such Bonds and other financial, economic and market factors.

South Section Development Budget

Year Ending 12/31	*Actual* **Thru 2025**	*Projected* **2026**	*Projected* **2027**	*Projected* **2028**	*Projected* **2029**	*Projected* **2030**	*Projected* **2031**	*Projected* **2032+**	**Total**
SOURCES OF FUNDS									
Developer Equity	$36,784,001	$2,900,954	$16,665,670	-	-	-	-	-	**$56,350,625**
Developer Lot/Pod Sale Proceeds (South Section Pods Only)	$9,494,787	$26,705,203	$30,381,832	$38,911,205	$37,124,337	$35,229,113	$20,058,673	$5,024,646	**$202,929,795**
Net Proceeds of Series 2026 Bonds *	-	$22,101,718	-	-	-	-	-	-	**$22,101,718**
Proceeds from Additional Bonds [1]	-	-	-	-	$7,386,150	-	-	-	**$7,386,150**
Other Developer Sources	-	-	-	-	-	-	-	-	**-**
Total Sources of Funds	$46,278,788	$51,707,875	$47,047,502	$38,911,205	$44,510,487	$35,229,113	$20,058,673	$5,024,646	**$288,768,288**
USES OF FUNDS									
Land Acquisition [2]	$19,848,962	-	-	-	-	-	-	-	**$19,848,962**
Public Improvements (South Section Pods Only) [3]	$18,873,318	$7,430,185	$2,653,638	$530,728	-	-	-	-	**$29,487,868**
Other Development Improvements (South Section Pods Only) [4]	$1,572,704	$8,516,551	$3,041,625	$608,325	-	-	-	-	**$13,739,180**
LK Pod Development Costs (South Section Pods Only) [5]	$846,753	$23,349,911	$27,846,282	$29,091,893	$9,729,980	-	-	-	**$90,864,819**
Operational Costs/Expenses [6]	$4,926,715	$1,940,093	$3,880,370	$3,802,879	$3,848,062	$3,788,321	$2,741,944	$1,605,603	**$26,534,040**
Contingency [7]	-	$5,894,497	$5,031,232	$4,534,642	$1,459,497	-	-	-	**$16,919,868**
Total Uses of Funds	$46,068,453	$47,131,238	$42,453,146	$38,568,466	$15,037,539	$3,788,321	$2,741,944	$1,605,603	**$197,394,710**
Surplus/(Shortfall) [8]	$210,335	$4,576,637	$4,594,356	$342,739	$29,472,948	$31,440,792	$17,316,729	$3,419,043	**$91,373,578**

***** Preliminary, subject to change.

Note: Some totals may not foot due to rounding.

[1] Costs of Public Improvements serving the South Section that exceed the amount of net proceeds of the Series 2026 Bonds, which is estimated to be $7,386,150, may be reimbursed to the Developer from the proceeds of Additional Bonds. Net proceeds of Additional Bonds in excess of this amount may be used to reimburse the Developer for the cost of Public Improvements serving the North Section of the District, to the extent that the Developer has incurred such costs; however, these amounts have been excluded from the budget above because they pertain to the development of the North Section Pods. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS—Additional Bonds."

[2] Includes closing and due diligence costs.

[3] See "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT— Report of Developer Engineer; Public Improvements—Public Improvements." Approximately $22,101,718 of the cost of the Public Improvements Serving South Section will be funded from the net proceeds of the Series 2026 Bonds. The remaining approximately $7,386,150 will initially be funded by the Developer through equity, proceeds of lot and land sales, and other sources of funds available to the Developer. This amount, or a portion thereof, as well as costs of the "Public Improvements Serving North Section," as shown in the table in "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT—Report of Developer Engineer; Public Improvements—Public Improvements", may ultimately be reimbursed to the Developer from the net proceeds of Additional Bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS—Additional Bonds."

[4] See "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT—Other Development Improvements."

[5] See "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT—Pod Development Costs."

[6] Includes Annual Payments of Assessments on Unplatted Property and salaries, overhead management fees, site maintenance costs.

[7] Total amount of contingency is 15% of the Developer Engineer's opinion of probable cost for Offsite Traffic Improvements and Other Development Improvements – South Section. See "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT—Other Development Improvements."

[8] This table represents the total economics of the South Section of the District relative to delivering land, inclusive of the Developer's return.

Current Development Status and Plan

Overview

As of December 31, 2025, the Developer has constructed Public Improvements and Other Development Improvements to allow for development and homebuilding to commence in all South Section Pods, as listed in the table below. Main Road Section South has been paved to allow full access to Pod I, Pod G, Pod H-1, Pod H-2, and Pod F-3 for the purposes of construction and home sales. Main Road Section South is cleared and graded but unpaved beyond this point, allowing construction-only access to Pod F-1 and Pod F-2. Water and sewer infrastructure has been constructed and tested and is ready to be dedicated to BJWSA up to the access points for Pod I, Pod G, Pod H-1, Pod H-2, Pod F-3, and a portion of Pod F-2. Water and sewer infrastructure has been installed, although testing is not yet complete, up to the access points for Pod F-1 and a portion of Pod F-2. Stormwater infrastructure is complete along the entirety of Main Road Section South, providing connection points for all South Section Pods. Construction is underway for the Regional Pump Station South, although it must be completed and dedicated to BJWSA before home sales may commence. While the completion status of this infrastructure is sufficient to allow development and homebuilding to commence in all South Section Pods, all such infrastructure must be complete prior to the commencement of home sales. See "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT—Report of Developer Engineer; Public Improvements— *Public Improvements Serving South Section Pods Description and Status*."

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The following table summarizes the Developer's expectations as of August 1, 2026, to the extent available, regarding the Builder or Other Residential Developer that will ultimately develop and sell homes within each Pod, the Developer's scope of delivery of lots or bulk land within each Pod, the type and number of units that will be developed within each Pod and information, to the extent available, concerning the Builder or Other Residential Developer for each such Pod. As of August 1, 2026, there were no homes under construction or that have been constructed or sold within the District.

Pod	Builder/Other Residential Developer	Product Type	Delivery Scope	Total Planned Lots/Units	Est. Pod Development to Begin	Est. Pod Development Complete	Est. Home Const. to Begin	Est. Home Sales to Begin [4]	Est. Home Const. Complete	Est. Home Sales Complete [5]
South Section										
Pod F-1 [1]	Lennar Homes	SFD (Active Adult)	Mass Graded	308	Q-4 2027	Q-1 2029	2030	2031	2032	2033
Pod F-2	TBD	SFD	Finished Lots	282	Q-4 2027	Q-3 2029	2028	2029	2032	2033
Pod F-3	TBD	SFA (Townhomes)	Finished Lots	202	Q-3 2028	Q-4 2029	2029	2030	2032	2033
Pod G [1]	Lennar Homes	SFD (Active Adult)	Mass Graded	564	Q-1 2026	Q-4 2027	2027	2028	2032	2033
Pod H-1	Mungo/Toll/ Other Builders [3]	SFD	Finished Lots	401	Q-2 2026	Q-2 2028	2027	2028	2030	2031
Pod H-2	TBD	SFA (Townhomes)	Finished Lots	166	Q-2 2026	Q-3 2027	2027	2028	2030	2031
Pod I [2]	Lennar Homes	SFD	Undeveloped Land	450	Q-2 2025	Q-2 2027	2026	2026	2028	2029
Subtotal				**2,373**						
North Section										
Pods A-E	TBD	TBD	TBD	1,668	Q-2 2029	Q-2 2034	TBD	2029	TBD	2035
Total				**4,041**						

SFD – Single Family Detached; SFA – Single Family Attached (townhomes and cottages); TBD – To be Determined.

[1] Information regarding the estimated beginning and end of Pod development, the beginning and end of home construction, and the beginning and end of home sales in Pods F-1 and G was provided by Lennar Homes and derived solely from assumptions and delivery timelines set forth in the Lennar Bulk Sale Agreement (as defined below). In accordance with the Lennar Bulk Sale Agreement, using the assumptions set forth in the preceding sentence, the total number of lots available in Pod G may range from 539-564, with 29-54 lots being delivered in Phase 5. See "—Contract for Sale of Pods F-1 and G to Lennar Homes."

[2] Information regarding the product types, lot quantity, and the beginning and end of development and home construction in Pod I was provided by Lennar Homes. See "—Lennar Homes' Development of Pod I."

[3] Total planned lots for Pod H-1 include 156 lots retained by the Developer but expected to be sold to one or more other Builders, which may include the named Builders. See "—Contracts for Sale and Development of Pod H-1" for information regarding these Builders and the applicable Lot Sale Agreements, as well as a summary table of the key timelines under these Lot Sale Agreements and the Builders' plans for the development of their respective lots within Pod H-1.

[4] Assumes that home construction will begin in the year prior to the year in which home sales commence.

[5] Assumes that home construction will end in the year prior to the year in which home sales are complete.

Plan of Development

The Developer currently expects that 3,294 single-family detached units and 747 single-family attached units (townhomes and cottages) will be developed within the District; however, the Developer's plans and expectations for the development of the District are subject to change, and may differ from the development plans of the Builders and Other Residential Developers who ultimately develop the Pods within the District. As discussed above, the development of Pods and the sale of land within the South Section of the District is underway, and, although subject to change as the Developer negotiates and enters into contracts with Builders and Other Residential Developers for individual Pods, the Developer is marketing the Pods with the expectation that they will contain the types and numbers of units shown in the table above, including Lot Sale Agreements that the Developer has entered into with respect to phases of Pod H-1. See "—Contracts for Sale and Development of Pod H-1." The Developer's plans with respect to Pods in the North Section, including the type and number of units to be developed within Pods in the North Section, are less certain at this time.

Within the South Section, the Developer expects Builders and Other Residential Developers to offer lots for single-family detached homes sized 42' by 120', 46' by 120', 52' by 120', and 62' by 120', and single-family detached floorplans

ranging from 1,602 square feet to 2,994 square feet. The Developer expects price points for single-family homes within the District to start around $450,000 and extend to around $850,000. With respect to townhomes, the Developer expects Builders and Other Residential Developers to offer products ranging from 1,200 square feet to 1,700 square feet; however, no price ranges are available at this time for townhome products. The Developer expects that Pods within the South Section of the District will be developed as multiple subdivisions, maintaining consistency in housing types and materials (*e.g.*, cementitious siding, architectural shingles and nine-foot first floor ceiling heights) within each Pod.

The following table reflects the Developer's current expectations for the number and type of lots and single-family units within the Pods in the South Section of the District, which are subject to change with respect to all Pods other than Pod I, which has been sold to Lennar Homes as discussed in "—Lennar Homes' Development of Pod I" below. The product types for certain lots within Pod H-1, as provided by the Builders under contract to purchase such lots, and Pod I, as provided by Lennar Homes, are discussed in greater detail in the subsections below.

Product Lot	Pod F-1 [1]	Pod F-2	Pod F-3	Pod G [1]	Pod H-1 [2]	Pod H-2	Pod I [3]	Total Lot Size/Type
SFD – 42' x 120'	100	52	-	182	81	-	-	415
SFD – 46' x 120'	-	-	-	-	-	-	121	121
SFD – 52' x 120'	143	147	-	282	216	-	233	1,021
SFD – 62' x 120'	65	83	-	100	104	-	-	352
SFA – Townhome	-	-	202	-	-	166	-	368
Quad-Complex	-	-	-	-	-	-	96	96
Total	308	282	202	564	401	166	450	**2,373**

[1] Information regarding the product types and quantities in Pods F-1 and G were derived solely from assumptions set forth in the Lennar Bulk Sale Agreement discussed in "—Contract for Sale of Pods F-1 and G to Lennar Homes" below and is based on plans as of the date of this PLOM. In accordance with the Lennar Bulk Sale Agreement, using the assumptions set forth in the preceding sentence, the total number of lots available in Pod G may range from 539-564, with 29-54 lots being delivered in Phase 5. See "—Contract for Sale of Pods F-1 and G to Lennar Homes."

[2] Information regarding the product types and quantities in Pod H-1 was derived from the terms of the Lot Sale Agreements discussed in "—Contracts for Sale and Development of Pod H-1" below and the Developer's expectations regarding the future sale of lots within Pod H-1, all of which is based on plans and expectations as of the date of this PLOM.

[3] Information regarding the product types and quantities in Pod I was provided by Lennar Homes. See "—Lennar Homes' Development of Pod I—*Pod I Product Offerings*."

Lennar Homes' Development of Pod I

Pod I, also known as Egret Landing, is owned by TPG EHC and Millrose, as Land Banks for Lennar Homes, and by Lennar Homes and is being developed by Lennar Homes. Pod I is expected to contain 450 single-family detached dwellings to be developed in two phases. The information below concerning the development of Pod I is as of May 1, 2026.

Pod I – Land Acquisition and Development Finance Plan

Pod I is an approximately 378-acre tract of real property located within the District. See the map of the District and its Pods in "—Overview" above. Currently, Lennar Homes and the Land Banks for Lennar Homes are the record owners of the real property within Pod I. TPG EHC, one of the Land Banks, purchased approximately 247 acres of real property within Pod I (the "*TPG EHC Property*") on or about May 30, 2024, at a purchase price of $4,572,170. Millrose, the other Land Bank, purchased approximately 131 acres of real property within Pod I (the "*Millrose Property*") on or about June 5, 2025, at a purchase price of $3,733,467. In 2026, Lennar Homes purchased 60 lots within Pod I from Millrose.

As part of the agreements between the applicable Land Bank and Lennar Homes, the Land Bank reimburses Lennar for the costs of horizontal development of the land held by the Land Bank. After the horizontal development is completed, Lennar Homes will purchase finished lots from the Land Bank pursuant to the Option Agreements. See "THE DEVELOPER AND LANDOWNERS—Lennar Homes and its Land Banks" for a description of the rights and obligations of Lennar Homes and the Land Banks with respect to the development and acquisition by Lennar Homes of Pod I. All infrastructure within Pod I will be constructed in the foregoing manner. This infrastructure is not eligible for funding from the proceeds of the Series 2026 Bonds and Additional Bonds.

Pod I Permitting and Development Status

Lennar Homes is fully permitted for the development of all lots within Pod I. Cleland Construction Co., Inc. ("*Cleland*") is under contract to deliver the 281 finished lots within Phase 1 of Pod I, and commenced work on mass grading and horizontal infrastructure within Phase 1 in September 2025. Phase I is divided into two delivery schedules. Lennar Homes expects horizontal infrastructure for Phase 1A, consisting of 94 lots, to be completed in July 2026. The construction of homes within Phase 1A began in June 2026. Work on horizontal infrastructure for Phase 1B, consisting of 187 lots, is expected to be completed in February 2027, and the construction of homes within Phase 1B is expected to commence in March 2027. Work on horizontal infrastructure for Phase 2 of Pod I, consisting of 169 lots, is expected to commence in May 2026 and be completed in February 2027. Lennar Homes expects to begin constructing homes within Phase 2 of Pod I in March 2027. The information in this paragraph is summarized in the following table.

Pod I Phase	Total Planned Lots/Units	Commencement of Horizontal Infrastructure	Completion of Horizontal Infrastructure	Commencement of Home Construction	Completion of Home Construction
Phase 1A	94	September 2025	July 2026	June 2026	August 2027
Phase 1B	187	September 2025	February 2027	March 2027	December 2028
Phase 2	169	May 2026	February 2027	March 2027	February 2030
Total	**450**				

Pod I Product Offerings

Lennar Homes plans to offer a wide range of single family detached homes in Pod I. These homes will vary from 30' to 50' in width and include traditional two-story floorplans along with ranches. Lennar Homes is also planning on offering a "quad complex" that allows for 4 single family homes to be built on a 120 x 120 block (with separately-platted lots for each unit) that utilizes a shared driveway.

Product Type	Quantity	Estimated Square Footage	Home Price Range
Single-Family Detached – 46' Lot	121	1600-2400	$345,000 – $395,000
Single-Family Detached – 52' Lot	233	1800-2800	$380,000 - $480,000
Single-family detached – Quad Complex	96	1500-1800	$340,000 - $370,000
Total	**450**		

Pod I Projected Absorption

As of the end of the second quarter of 2026, Lennar Homes had created 281 parcels of Platted Property within Phases 1A and 1B of Pod I. Lennar Homes expects to create the remaining 169 parcels of Platted Property in the fourth quarter of 2027. See the table entitled "Est. Creation of Parcels of Platted Property" in "—Projected Absorption" below. The following table shows the estimated schedule for the sale of homes by Lennar Homes within Pod I as of the end of the periods shown.

Est. Schedule of Home Sales in Pod I

	Q4 2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	2028	2029	2030	Total
Phase 1A	17	30	32	15	0	0	0	0	94
Phase 1B	0	0	6	25	44	103	9	0	187
Phase 2	0	0	0	0	0	55	87	27	169
Total	**17**	**30**	**38**	**40**	**44**	**158**	**96**	**27**	**450**

Pod I Amenities

Lennar Homes plans to build a resort style pool and open cabana, a parking lot, a playground, and centralized mail kiosk location.

Pod I Homeowner's Association Fees

Lennar Homes projects the annual Pod I Homeowner's Association fees to be approximately $750.

Contract for Sale of Pods F-1 and G to Lennar Homes

In addition to the sale of Pod I to Lennar Homes' Land Banks, the Developer has entered into a Bulk Sale Agreement with Lennar Homes, dated as of May 6, 2026, and amended pursuant to a First Amendment to Agreement for the Purchase and Sale of Real Property dated as of July 24, 2026 (together, the "*Lennar Bulk Sale Agreement*"), for the sale of approximately 140.09 acres of land in Pod F-1 and approximately 304.31 acres of land in Pod G. The Developer is responsible for clearing and mass grading of the land that Lennar Homes will purchase. Lennar Homes will purchase the land for all planned lots in Pod F-1 (308 lots total) in two takedowns and all planned lots in Pod G (539-564 lots total) in three takedowns (five takedowns in total between the two Pods). Each takedown of land in Pods F-1 and G is referred to in this section as a "*Phase*."

The anticipated schedules for the takedown of land (by the planned number of lots included within such takedowns), the creation of parcels of Platted Property, and the sale of homes in Pods F-1 and G are included in the tables in "—Projected Absorption" below.

Information provided by Lennar Homes with respect to Pods F-1 and G is derived solely from assumptions and delivery timelines set forth in the Lennar Bulk Sale Agreement and is subject to change. As discussed in the summary of key terms below, the due diligence period for the Lennar Bulk Sale Agreement has not expired.

Key terms of the Lennar Bulk Sale Agreement are as follows:

- The Developer is responsible for clearing and rough grading the pads and internal roadway beds for each Phase (generally, the "*Grading Work*"). The parties acknowledge, however, that the grading work to be completed by the Developer will be limited to site-wide mass graded "super pads" as opposed to grading of individual building pads for lots or homesites. The parties further agree that the finished grade of any "super pad" must be within two-tenths of a foot of the of the finished grade elevations, as designed by the engineer of record.

- The Developer is also obligated to construct Main Road Section South and extend all water and sewer lines to the boundary lines of Pods G and F-1 (together with the Grading Work the "*Developer's Obligations*"). The Developer must give Lennar Homes notice of the completion of the Developer Obligations with respect to each Phase, which Lennar Homes will inspect and verify through the issuance of an "*Acceptance Notice*."

- Lennar Homes will purchase the land within Pods F-1 and G in phased takedowns, each of which includes a planned number of lots. The first two Phases to be taken down are in Pod G and consist of land for 256 lots and 254 lots, respectively. The following two Phases to be taken down are in Pod F-1, which consist of land for 158 lots and 150

lots, respectively. The final Phased takedown of land is in Pod G and consists of land for 54 lots; however, this amount may be reduced to as few as 29 lots in total based upon the final size of a stormwater retention pond.

- The closing on the initial Phase of Pod G must occur by the earlier of (i) thirty days after Lennar Homes' issuance of the Acceptance Notice, or (ii) November 30, 2026; however, in no event may the closing on the first Phase of Pod G occur before October 1, 2026. The closing on the second Phase of Pod G must occur within 12 months of the closing on the first Pod G Phase. The closing on the first Phase of Pod F-1 must occur within 16 months of the closing on the second Phase of Pod G, and the closing on the final Phase of Pod F-1 must occur within 12 months following the closing on the first Phase of Pod F-1. The closing of the final Phase of Pod G will occur simultaneously with the final Phase of Pod F-1.

- The Developer anticipates that the Developer's Obligations will be met by September 2026, allowing for closing on the first Phase of Pod G in November 2026. In that event, the second Phase of Pod G would be taken down in the fourth quarter of 2027, the first Phase of Pod F-1 would be taken down in the second quarter of 2029, the second and final Phase of Pod F-1 would be taken down in the second quarter of 2030, and the final Phase of Pod G would be taken down in the second quarter of 2030.

- The diligence period under the Lennar Bulk Sale Agreement will expire as of August 10, 2026, and Lennar Homes will not have any remaining unilateral rights to terminate the Lennar Bulk Sale Agreement, provided that the Developer fully performs its obligations thereunder. The Lennar Bulk Sale Agreement also gives Lennar Homes the right to terminate at any time prior to closing if the property is subject to condemnation or in the event that the development of Pods F-1 and G are subject to a moratorium. Prior to the expiration of the diligence period Lennar Homes must deliver to the Developer a "*Notice to Proceed*." If Lennar Homes does not deliver the Notice to Proceed to the Developer prior to the expiration of the diligence period the Lennar Bulk Sale Agreement automatically terminates.

- The total purchase price to be paid by Lennar Homes to the Developer for the land within Pods F-1 and G will be on a per lot basis at an agreed upon amount per lot for each Phase, subject to a credit at each Phase closing for a portion of the earnest money releases described below and, if a Phase closing occurs after the closing of the Series 2026 Bonds, an additional credit in an amount equal to the approximate cost of two lots in such Phase.

- Lennar Homes must pay the Developer a substantial earnest money deposit in two tranches, beginning with an initial deposit due within 10 days of the effective date and a second deposit due within 10 days of Lennar Homes delivery of the Notice to Proceed. The total amount of the deposit is in the range of 10% - 13% of the total purchase price for all land to be purchased by Lennar Homes in Pods F-1 and G. The deposit will be released to the Developer in two releases: the first upon Developer obtaining all permits and approvals to commence with the Developer Obligations for Pod G and the Developer's commencement of such work; and the second release upon the Developer's receipt of all permits and approvals to commence with the Developer Obligations for Pod F-1 and the Developer's commencement of such work. The return of the deposit to Lennar Homes in the event of a default by the Developer is secured by a mortgage in favor of Lennar Homes, a predetermined portion of which is released in connection with lot takedowns.

Contracts for Sale and Development of Pod H-1

As of August 1, 2026, the Developer has entered into two Lot Sale Agreements with Builders in connection with the sale of 245 of the 401 total lots in Pod H-1. Information regarding each of these Lot Sale Agreements, along with a summary of the plans and expectations for the respective Builders for these phases of development are discussed below. A summary of key timelines under these Lot Sale Agreements and the Builder's plans for the development of their respective lots within Pod H-1 are provided in the table below.

Builder	Total Planned Lots/Units	Diligence Period Complete	Est. Initial Lot Takedown to Occur	Est. Home Const. to Begin [1]	Est. Home Sales to Begin [1]	Est. Home Const. Complete [1]	Est. Home Sales Complete [1]
Mungo	145	July 27, 2026	April 2027	Q-3 2027	Q-2 2028	Q-1 2031	Q-3 2031
Toll	100	June 15, 2026	April 2027	Q-3 2027	Q-3 2028	Q-1 2031	Q-4 2031

[1] THE INFORMATION CONTAINED IN THE COLUMNS "EST. HOME CONSTR. TO BEGIN," EST. HOME SALES TO BEGIN," "EST. HOME CONST. COMPLETE," AND "EST. HOME SALES COMPLETE" HAS BEEN PROVIDED TO THE DEVELOPER BY THE RESPECTIVE BUILDER, AND NONE OF THE DEVELOPER, THE CITY, OR THE UNDERWRITER MAKES ANY REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS.

The Developer is actively marketing 125 of the remaining 156 lots in Pod H-1 to other Builders and expects to sell these lots under one or more Lot Sale Agreements similar to those summarized below, although any such Lot Sale Agreement will be subject to negotiation. If the Developer enters into these additional Lot Sale Agreements by December 2026 it is likely that the initial takedown of these 125 lots will align with the takedown schedules under the Lot Sale Agreements discussed below. The Developer expects that the final 31 lots in Pod H-1 will be sold to one or more Builders, which may include the Builders identified below, and absorbed in later years of the build-out of Pod H-1. General information concerning the Developer's plans for the sale of Pods within the District through Lot Sale Agreements and Bulk Sale Agreements is discussed in "—Other Lot and Bulk Land Purchase Contracts" below.

Pod H-1 – Mungo Homes, Inc.

The Developer has entered into a Lot Purchase Agreement (the "*Mungo Lot Sale Agreement*") with Clayton Properties Group, Inc. ("*Clayton*"), acting through its subsidiary, Mungo Homes, Inc. ("*Mungo*"), dated as of February 25, 2026, and amended pursuant to a First Amendment to Lot Purchase Agreement dated as of June 30, 2026, for the sale of 145 finished lots in Pod H-1. Clayton and Mungo will purchase and develop lots in Pod H-1 in phased takedowns, with an initial takedown of 40 lots followed by subsequent 20-lot takedowns, followed by a final five-lot takedown. While the named counterparty to the Mungo Lot Sale Agreement is Clayton, Mungo will be responsible for all home construction on these lots.

Information Provided by Mungo

MUNGO HAS PROVIDED THE DEVELOPER WITH THE FOLLOWING INFORMATION CONCERNING ITSELF AND ITS DEVELOPMENT OF HOMES WITHIN POD H-1. NONE OF THE DEVELOPER, THE CITY, OR THE UNDERWRITER MAKES ANY REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS.

Mungo, a subsidiary of Clayton, is a homebuilder headquartered in Columbia, South Carolina with operations across the Southeast. Founded in 1954, Mungo is known for building affordable, energy-efficient homes and fostering strong community-focused developments. Mungo Homes is a subsidiary of the Clayton Properties Group, a division of Berkshire Hathaway Inc., and is recognized for its regional scale and customer-focused approach to residential development.

The prices of homes that Mungo will construct in Pod H-1 are expected to range from approximately $450,000 to $575,000. Mungo expects to begin home construction within 10 days of closing on the initial 40-lot takedown and close on approximately 45 home sales each year. Mungo believes that it will begin closing on home sales in the second quarter of 2028, complete construction of homes in the first quarter of 2031, and complete home sales within Pod H-1 by the third quarter of 2031.

Summary of Mungo Lot Sale Agreement

Key terms of the Mungo Lot Sale Agreement are as follows:

- The Developer will grade all lots and construct all streets and roads, water and sewer infrastructure, and stormwater infrastructure, and must provide for the development of all underground telephone, broadband, and electrical infrastructure within Pod H-1.

- The lots to be sold to Mungo consist of 36 lots measuring 42' by 120' and 109 lots measuring 52' by 120'.

- Mungo will purchase lots within Pod H-1 in phased takedowns, consisting of an initial takedown of 40 lots and subsequent 20-lot takedowns each quarter thereafter, beginning six months after the initial lot takedown, until a final five-lot takedown in the first quarter of 2029, at agreed upon prices based on the size of the lot. The purchase price for lots is subject to escalation over time.

- The initial 40-lot takedown must occur within 30 days of the Developer providing notice to Mungo certifying that all physical infrastructure and legal prerequisites for closing, such as road paving, utility activation, and the recording of property maps, have been completed. Following this notice, both parties must conduct a joint "Lot Walk" to physically inspect the site, ensuring every lot is graded correctly and that all property markers and utility connections are properly situated. The Developer is then contractually obligated to remediate any deficiencies or "punch list" items identified during this inspection, such as damaged curbing or drainage issues, before closing can proceed. Finally, Mungo must formally verify and accept these corrected items, ensuring the land is in a permit-ready state before the 30-day closing window begins to run. Quarterly takedowns are subject to these same requirements.

- The Developer anticipates that the closing conditions for the initial 40-lot takedown will be met by March 2027. In which case the initial 40-lot takedown would occur in April 2027, subsequent takedowns would begin in the fourth quarter of 2027, and lot takedowns would continue quarterly until approximately the first quarter of 2029 when Mungo

would have purchased all 145 lots. Mungo has the right under the Mungo Lot Sale Agreement to close on more than the scheduled number of lots within a quarter if it chooses to do so.

- For the benefit of the entirety of Pod H-1, the Developer will additionally construct an amenity center, consisting of a clubhouse, pool, dog park, and parking facilities, which must be complete within 15 months of the initial takedown of lots.

- The diligence period under the Mungo Lot Sale Agreement expired as of July 27, 2026, and Mungo does not have any remaining unilateral rights to terminate the Mungo Lot Sale Agreement, provided that the Developer fully performs its obligations thereunder.

- Mungo must pay the Developer a substantial deposit in three tranches, beginning with an initial deposit due within 15 days of the effective date, a second deposit due upon completion of the diligence period, and a final deposit due upon the Developer's request, which may be made only upon (i) the expiration of the diligence period, (ii) the approval of a site plan for Pod H-1, and (iii) the approval of Mungo's plans for development. The Developer may only use the deposit for the development of Pod H-1. The total amount of the deposit is in the range of 15% - 20% of the total purchase price for all lots to be purchased by Mungo in Pod H-1. The return of the deposit to Mungo in the event of a default by the Developer is secured by a mortgage in favor of Mungo, a predetermined portion of which is released in connection with lot takedowns.

Pod H-1 – Toll Southeast LP Company, Inc.

The Developer has entered into a Lot Purchase Agreement (the "*Toll Lot Sale Agreement*") with Toll Southeast LP Company, Inc. ("*Toll*"), dated as of February 23, 2026, and amended pursuant to a First Amendment to Lot Purchase Agreement dated as of April 24, 2026, and a Second Amendment to Lot Purchase Agreement dated as of April 30, 2026, in each case extending the diligence period thereunder. The Toll Lot Sale Agreement was terminated on June 1, 2026, upon the expiration of the extended diligence period and was subsequently reinstated and amended pursuant to a Reinstatement and Third Amendment to Lot Purchase Agreement dated as of June 2, 2026, pursuant to which the diligence period was extended to June 15, 2026. Subsequently, the Toll Lot Sale Agreement was amended by a Fourth Amendment to Lot Purchase Agreement dated June 15, 2026, pursuant to which Toll waived its right to terminate the Agreement prior to the end of the extended diligence period. The Toll Lot Sale Agreement, as amended and reinstated, provides for the sale of 100 finished lots in Pod H-1. Toll will purchase lots in Pod H-1 in phased takedowns, with an initial takedown of 12 lots followed by subsequent lot takedowns of 8 lots each. The Toll Lot Sale Agreement also allows the Developer and Toll to ultimately agree for Toll to purchase the three remaining 62'- wide lots within Pod H-1.

Information Provided by Toll

TOLL HAS PROVIDED THE DEVELOPER WITH THE FOLLOWING INFORMATION CONCERNING ITSELF AND ITS DEVELOPMENT OF HOMES IN POD H-1. NONE OF THE DEVELOPER, THE CITY, OR THE UNDERWRITER MAKES ANY REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS.

Toll Brothers is a publicly traded U.S. homebuilding company renowned for crafting luxury homes and thoughtfully designed communities across the country. Founded in 1967, the company is recognized for its commitment to quality, architectural distinction, and an elevated customer experience, offering integrated services from design to financing.

The prices of homes that Toll will construct in Pod H-1 are expected to range from the high-$600 thousands to the mid-$700 thousands and up. Toll expects to begin home construction within 10 days of closing on the initial lot takedown and close on approximately 30 home sales each year. Toll believes that it will begin closing on home sales in the third quarter of 2028, complete construction of homes in the third quarter of 2031, and complete home sales within Pod H-1 by the fourth quarter of 2031.

Summary of Toll Lot Sale Agreement

Key terms of the Toll Lot Sale Agreement are as follows:

- The Developer will grade all lots and construct all streets and roads, water and sewer infrastructure, and stormwater infrastructure, and must provide for the development of all underground telephone, broadband, and electrical infrastructure within Pod H-1.

- The lots to be sold consist of 100 lots measuring 62' by 120'.

- Toll will purchase lots within Pod H-1 in phased takedowns, consisting of an initial takedown of 12 lots, a second takedown of 8 lots within 180 days of the initial takedown, and subsequent takedowns of at least 8 lots in each quarter thereafter, The purchase price for lots is subject to escalation over time.

- The initial 12-lot takedown must occur within 30 days of the Developer providing notice to Toll certifying that all physical infrastructure and legal prerequisites for the sale of such lots, such as road paving, utility activation, and the recording of property maps, have been completed. LK Development anticipates that the closing conditions will be met by March 2027. Following this notice, both parties must conduct a joint "Lot Walk" to physically inspect the site, ensuring every lot is graded correctly and that all property markers and utility connections are properly situated. The Developer is then contractually obligated to remediate any deficiencies identified during this inspection, such as damaged curbing or drainage issues, before closing can proceed. Finally, Toll must formally verify and accept these corrected items, ensuring the land is in a permit-ready state before the 30-day closing window begins to run. Subsequent lot takedowns are subject to these same requirements.

- The Developer anticipates that the closing conditions for the initial 12-lot takedown will be met by March 2027. In this case the initial 12-lot takedown would occur in April 2027, subsequent 8-lot takedowns would begin in the first quarter of 2028, and lot takedowns would continue quarterly until approximately the third quarter of 2030 when Toll would have purchased all 100 lots. Toll has the right under the Toll Lot Sale Agreement to close on more than the scheduled number of lots within a quarter if it chooses to do so.

- For the benefit of the entirety of Pod H-1, the Developer will additionally construct an amenity center, consisting of a clubhouse, pool, dog park, and parking facilities, which must be complete within 15 months of the initial takedown of lots.

- The diligence period under the Toll Lot Sale Agreement expired as of June 15, 2026, and Toll does not have any remaining unilateral rights to terminate the Toll Lot Sale Agreement, provided that the Developer fully performs its obligations thereunder.

- Toll must pay the Developer a substantial deposit in two tranches, beginning with an initial deposit due within 15 days of the effective date and a second deposit due upon completion of the diligence period. The total amount of the deposit is in the range of 10% - 15% of the total purchase price for all lots to be purchased by Toll in Pod H-1. The return of the deposit to Toll in the event of a default by the Developer is secured by a mortgage in favor of Toll, a predetermined portion of which is released in connection with lot takedowns.

Other Lot and Bulk Land Purchase Contracts

In addition to the contracts discussed in "—Contract for Sale of Pods F-1 and G to Lennar Homes" and "—Contracts for Sale and Development of Pod H-1" above, the Developer plans to sell the Pods, or portions thereof, within the District to third-parties for development or home construction, as applicable.

The Developer has sold, and may continue to sell, certain developed lots within the District to homebuilders (each a "*Builder*") pursuant to Lot Purchase and Builder Participation Agreements (each a "*Lot Sale Agreement*"). Under such Lot Sale Agreements, the Builder will construct and sell individual residential units on the applicable lots. Among other provisions, each Lot Sale Agreement includes or will include, as applicable, a Builder acknowledgment that the property being purchased is located within the District and is subject to the Assessments that may be imposed to fund the Public Improvements.

Under the Lot Sale Agreements, the Developer is obligated to develop, plat, and deliver either finished or mass-graded lots to the applicable Builder in accordance with agreed-upon specifications. Builders are or will be required to provide earnest money deposits ranging from 10% to 20% of the total purchase price per developed lot and adhere to defined takedown schedules as set forth in the respective agreements.

The Developer has also sold, and may continue to sell, certain undeveloped residential parcels within the District to other developers (each an "*Other Residential Developer*") seeking to develop, construct, and sell residential units pursuant to Residential Parcel Purchase and Sale Agreements (each a "*Bulk Sale Agreement*"). Each Bulk Sale Agreement will include an acknowledgment by the Other Residential Developer that the property is located within the District and is subject to the Assessments. Each Bulk Sale Agreement also requires the Other Residential Developer to include in all subsequent purchase contracts with homebuyers or purchasers a disclosure of the Assessments, and any other rates, fees, and charges associated with the District.

Under the Bulk Sale Agreements, Other Residential Developers will be required to subdivide the property into lots and construct all required utilities, stormwater improvements, amenities, and roadways serving such residential parcels. Should an Other Residential Developer breach its obligations or abandon development, the Developer may be entitled under certain Bulk Sale Agreements to repurchase the property from the Other Residential Developer at a price equal to the amount previously paid for such property.

Projected Absorption

The following tables show the expected pace and timing of land and lot takedowns, the platting of parcels of Platted Property, and the sale of homes within the Pods in the South Section of the District. The absorption figures in each table are as of the end of the periods shown. The information in these tables has been derived or obtained from various sources. To the extent that any information has been provided by a source other than the Developer, the source is indicated in the footnotes to these tables.

The following table shows the expected timing of lot and land takedowns for the South Section Pods. Takedowns with respect to Pods F-1 and G, which the Developer anticipates selling as mass-graded land, represent the Developer's estimate of the number of lots that may be subdivided from such land by the ultimate Other Residential Developer. Otherwise, except for Pod I which is being planned and developed by Lennar Homes, the Developer expects to sell the Pods below as finished lots under defined takedown schedules.

Est. Schedule of Land and Lot Takedowns – South Section Pods

Pod	2025	2026	2027	2028	2029	2030	2031	2032	Total
Single-Family Attached									
Pod F-3	-	-	-	-	43	72	72	15	202
Pod H-2	-	-	26	64	64	12	-	-	166
Subtotal	-	-	**26**	**64**	**107**	**84**	**72**	**15**	**368**
Single-Family Detached									
Pod F-1 [1]	-	-	-	-	158	150	-	-	308
Pod F-2	-	-	-	14	84	86	51	47	282
Pod G [1]	-	260	250	-	-	54	-	-	564
Pod H-1, Mungo [2]	-	-	60	80	5	-	-	-	145
Pod H-1, Toll [3]	-	-	12	32	32	24	-	-	100
Pod H-1, Other Builders [4]	-	-	50	62	13	-	-	-	125
Pod H-1, Developer [5]	-	-	-	-	28	3	-	-	31
Pod I [6]	450	-	-	-	-	-	-	-	450
Subtotal	**450**	**260**	**372**	**188**	**320**	**317**	**51**	**47**	**2,005**
Total	**450**	**260**	**398**	**252**	**427**	**401**	**123**	**62**	**2,373**

[1] Information regarding the takedown of land in Pods F-1 and G by Lennar Homes was derived solely from assumptions and delivery dates set forth in the Lennar Bulk Sale Agreement. In accordance with the Lennar Bulk Sale Agreement, using the assumptions set forth in the preceding sentence, the total number of lots available in Pod G may range from 539-564, with 29-54 lots being delivered in Phase 5. See "—Contract for Sale of Pods F-1 and G to Lennar Homes."

[2] Information regarding the takedown of lots in Pod H-1 by Mungo was derived from the Mungo Lot Sale Agreement and information provided by the Developer. See "—Contracts for Sale and Development of Pod H-1—*Pod H-1 – Mungo Homes, Inc."*

[3] Information regarding the takedown of lots in Pod H-1 by Toll was derived from the Toll Lot Sale Agreement. See "—Contracts for Sale and Development of Pod H-1—*Toll Southeast LP Company, Inc."*

[4] The Developer is actively marketing 125 of the remaining 156 lots in Pod H-1 for sale to other Builders. See ""—Contracts for Sale and Development of Pod H-1" for a discussion of the Developer's expectations regarding the development and sale of these lots.

[5] The Developer expects that 31 of the remaining 156 lots in Pod H-1 will ultimately be sold to one or more Builders, including Mungo and Toll, as site plans for Pod H-1 are finalized and as Toll and Mungo work through their initial lot allocations.

[6] Information regarding the estimated takedown of lots in Pod I was provided by Lennar Homes. See "—Lennar Homes' Development of Pod I—*Pod I Projected Absorption*."

[*Remainder of page intentionally left blank.*]

The following table shows the expected timing of the creation of parcels of Platted Property in the South Section Pods. The years shown below are the years in which the parcels of Platted Property are recognized on the updated Assessment Roll as distinct parcels, meaning the subdivision plats for such parcels have been recorded by December 31 of the prior year. See "ASSESSMENT PROCEEDINGS; ASSESSMENTS—Assessment District Proceedings and Procedures—*Determining Annual Payments*" and "*—Plat Approval Procedures*." For Pods F-1, F-2, F-3, H-1, and H-2, the schedule for the platting shown below is based on an assumption that the Developer will plat 110% of the number of lots taken down in the table above in the same year of such takedown.

Est. Creation of Parcels of Platted Property – South Section Pods

Pod	2026	2027	2028	2029	2030	2031	2032	2033	Total
Single-Family Attached									
Pod F-3	-	-	-	-	47	79	76	-	202
Pod H-2	-	-	29	70	67	-	-	-	166
Subtotal	**-**	**-**	**29**	**70**	**114**	**79**	**76**	**-**	**368**
Single-Family Detached									
Pod F-1 [1]	-	-	-	-	-	158	150	-	308
Pod F-2	-	-	-	15	92	95	56	24	282
Pod G [1]	-	-	150	260	100	-	54	-	564
Pod H-1, Mungo	-	-	66	79	-	-	-	-	145
Pod H-1, Toll	-	-	13	35	35	17	-	-	100
Pod H-1, Other Builders [2]	-	-	55	68	2	-	-	-	125
Pod H-1, Developer [3]	-	-	-	4	24	3	-	-	31
Pod I [4, 5]	-	281	169	-	-	-	-	-	450
Subtotal	**-**	**281**	**453**	**461**	**253**	**273**	**260**	**24**	**2,005**
Total	**-**	**281**	**482**	**531**	**367**	**352**	**336**	**24**	**2,373**
Cumulative	**-**	**281**	**763**	**1,294**	**1,661**	**2,013**	**2,349**	**2,373**	

[1] Information regarding the estimated creation of parcels of Platted Property in Pods F-1 and G by Lennar Homes was derived solely from assumptions and dates set forth in the Lennar Bulk Sale Agreement. In accordance with the Lennar Bulk Sale Agreement, using the assumptions set forth in the preceding sentence, the total number of lots available in Pod G may range from 539-564, with 29-54 lots being delivered in Phase 5. See "—Contract for Sale of Pods F-1 and G to Lennar Homes."

[2] The Developer is actively marketing 125 of the remaining 156 lots in Pod H-1 for sale to other Builders. See ""—Contracts for Sale and Development of Pod H-1" for a discussion of the Developer's expectations regarding the development and sale of these lots.

[3] The Developer expects that 31 of the remaining 156 lots in Pod H-1 will ultimately be sold to one or more Builders, including Mungo and Toll, as site plans for Pod H-1 are finalized and as Toll and Mungo work through their initial lot allocations.

[4] Information regarding the estimated creation of parcels of Platted Property in Pod I was provided by Lennar Homes. See "—Lennar Homes' Development of Pod I—*Pod I Projected Absorption*."

[*Remainder of page intentionally left blank.*]

The table below shows the estimated schedule for the sale of homes within the South Section Pods as of the end of the periods shown. With respect to homes within Pods F-1, F-2, F-3, H-2, and H-1 (except those lots in Pod H-1 to be purchased by Mungo and Toll per footnote 2 below), the Developer assumes that homes will have been sold by the end of the year following the year in which the parcel was subdivided, in other words, homes will be sold in the same year when their corresponding parcel is included as Platted Property on the updated Assessment Roll.

Est. Schedule of Home Sales – South Section Pods

Pod	2026	2027	2028	2029	2030	2031	2032	2033	Total
Single-Family Attached									
Pod F-3	-	-	-	-	43	72	72	15	202
Pod H-2	-	-	26	64	64	12	-	-	166
Subtotal	**-**	**-**	**26**	**64**	**107**	**84**	**72**	**15**	**368**
Single Family Detached									
Pod F-1 [1]	-	-	-	-	-	66	144	98	308
Pod F-2	-	-	-	14	84	86	51	47	282
Pod G [1]	-	-	144	144	144	78	27	27	564
Pod H-1, Mungo [2]	-	-	45	45	45	10	-	-	145
Pod H-1, Toll [2]	-	-	30	30	30	10	-	-	100
Pod H-1, Other Builders [3]	-	-	60	60	5	-	-	-	125
Pod H-1, Developer [4]	-	-	-	-	24	7	-	-	31
Pod I [5]	17	152	158	96	27	-	-	-	450
Subtotal	**17**	**152**	**437**	**389**	**359**	**257**	**222**	**172**	**2,005**
Total	**17**	**152**	**463**	**453**	**466**	**341**	**294**	**187**	**2,373**

[1] Estimates regarding the sale of homes in Pods F-1 and G, has been provided by Lennar Homes and is derived solely from assumptions and delivery timelines set forth in the Lennar Bulk Sale Agreement. In accordance with the Lennar Bulk Sale Agreement, using the assumptions set forth in the preceding sentence, the total number of lots available in Pod G may range from 539-564, with 29-54 lots being delivered in Phase 5. See "—Contract for Sale of Pods F-1 and G to Lennar Homes."

[2] ESTIMATES REGARDING THE SALE OF HOMES ON THE 245 LOTS IN POD H-1 TO BE PURCHASED BY MUNGO AND TOLL HAVE BEEN PROVIDED TO THE DEVELOPER BY EACH RESPECTIVE BUILDER, AND NONE OF THE DEVELOPER, THE CITY, OR THE UNDERWRITER MAKES ANY REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS. See "—Contracts for Sale and Development of Pod H-1."

[3] The Developer is actively marketing 125 of the remaining 156 lots in Pod H-1 for sale to other Builders. See ""—Contracts for Sale and Development of Pod H-1" for a discussion of the Developer's expectations regarding the development and sale of these lots.

[4] The Developer expects that 31 of the remaining 156 lots in Pod H-1 will ultimately be sold to one or more Builders, including Mungo and Toll, as site plans for Pod H-1 are finalized and as Toll and Mungo work through their initial lot allocations.

[5] Estimates regarding the sale of homes in Pod I have been provided by Lennar Homes. See "—Lennar Homes' Development of Pod I—*Pod I Projected Absorption*."

Amenities

A description of anticipated amenities in the South Section of the District and the completion status of each is listed in the table below.

Amenity	Pod(s) Served	Status	Description
Community Amenity Building with Pool	Pods F-2, F-3, H-1, H-2, H-3	Planning and Design	An approximately 5,000 square-foot building with a club room, open-air community room, fitness room, community pool with lap lanes and a detached splash pad.
Dog Park	Pods F-2, F-3, H-1, H-2, H-3	Planning and Design	A dog park to be located on the site of the Community Amenity Building.
Walking Trails	Pods F-2, F-3, H-1, H-2, H-3	Planning and Design	Walking trails connecting with community pocket parks and an integrated conservation area walking trail network throughout the 800 acre conservation area.

In addition to the amenities listed above, the following public amenities are available in or in close proximity to the District.

Other Amenities	Status	Description
Public Golf Course	Operational	The Golf Club at Hilton Head Lakes, an 18-hole public golf course with club house, community pool, and tennis and pickle ball courts, is located approximately one mile from the District.
Multi-Use Trails	Operational	Multi-use trails in the vicinity of ponds and natural areas along the Main Road, including covered cabanas located on the large community pond.

General Competition of the District

The District is expected to compete with projects in the Bluffton and Hardeeville markets generally. Offerings within this market include a mixture of age-restricted products and non-age restricted communities with a variety of single-family detached, townhome, and multi-family products, with prices ranging from approximately $279,000 to $570,000 for non-age restricted products and $279,000 to $505,000 for age-restricted products. The residential development expected to occur within the District is anticipated to target a similar range of homebuyers based upon the product offerings that the Developer expects the Builders and Other Residential Developers operating within the District to provide. The Developer does not, however, expect that competition from the other developments within the Bluffton and Hardeeville markets to materially impact the anticipated schedule of land sales or the overall pace of development within the District. Communities in the Bluffton and Hardeeville markets that are in competition with the products to be made available within the District are discussed in detail in the Market Study (as defined herein), which is attached hereto as Appendix H. See "—Market Study."

Nearby Schools

Public schools within the vicinity of the District are operated by the Jasper County School District (the "*School District*") and are located on two campuses. The School District's campus located near the City is immediately adjacent to the District. This campus contains the Hardeeville Elementary School, containing grades K-5, and Hardeeville-Ridgeland Middle School, containing grades 6-8. The School District's north campus in Ridgeland, South Carolina is approximately 13 miles from the District. This campus contains the School District's Ridgeland Elementary School, containing grades K-5, and Ridgeland-Hardeeville High School, containing grades 9-12. The District's Ridgeland campus also contains a Career and Advanced Technology Education Center.

A South Carolina charter school, Royal Live Oaks Academy ("*Royal Live Oaks*"), is located approximately ten miles from the District. Royal Live Oaks serves grades K-12 with a curriculum that is STEAM (science, technology, engineering, art, and math) focused. Royal Live Oaks opened in 2012 and in 2019 completed construction of a new approximately 70,000 square-foot facility within the City.

Entitlements and Zoning

The property within the District was initially approved for land-use purposes on June 16, 2005, as the Argent West Planned Development District and Master Plan, which has subsequently been amended from time to time, including that certain amendment entitled the Hilton Head Lakes West Planned Development District and Conceptual Master Plan, approved on April 3, 2025 (the "*PDD*"). The PDD incorporates by reference the terms of the City's Municipal Zoning and Development Ordinance in effect as of April 3, 2025 (the "*Zoning Ordinance*"), which additionally governs development within the District to the extent that matters are not addressed under the PDD. The PDD was designed as an environmentally sensitive plan to accommodate a broad mix of land uses in a pedestrian friendly environment. The PDD and the Zoning Ordinance provide the regulatory framework for all development within the District.

The PDD allows for a mix of residential, civic, recreational, and open space uses. The total number of residential units within the District may not exceed 4,356 units in total, and no more than 750 of these units may be multi-family dwellings. The Development Agreement (as defined herein) further provides that Lennar Homes is entitled to develop 267 of these residential units in Phase 1 of Pod I, and the remaining units that Lennar Homes plans to develop in Pod I will come from units allocated to the remainder of the District. LK Development is entitled to develop the remaining 4,089 units within the remainder of the District. Other than uses consistent with the development of the District, such as real estate sales centers and golf courses, no commercial uses are permitted in the District under the PDD. The PDD allows for variance in residential lot sizes, provided that the average lot size is not less than 5,500 square feet. The PDD also establishes minimum lot dimensions, setbacks, parking

requirements, buffering requirements for multi-family development, and open space requirements for development within the District.

Concurrent with the approval of the PDD, LK Development, Lennar Homes, and the City entered into that certain Third Partial Restatement and Amendment to Development Agreement (Hilton Head Lakes West Tract) (the "*Development Agreement*") to facilitate development within the District. The Development Agreement will remain in effect for a term of thirty years and is scheduled to terminate in April 2055, unless renewed in accordance with the provisions of the Development Agreement and applicable State law. The Development Agreement allows the land within the District to be developed under the conceptual plans and land development regulations contained in the PDD and the Zoning Ordinance. Under the Development Agreement, and in accordance with State law, new or amended land development regulations enacted by the City that conflict with those of the PDD and the Zoning Ordinance may not be made applicable to development within the District, except with the consent of the Developer and Lennar Homes or in the event that such new or amended regulations are essential to the public health, safety, or welfare.

The Conceptual Master Plan included in the PDD contemplates a main thoroughfare through the property, described herein as the "*Main Road*," that intersects with the existing Lakeside Boulevard and continues south to Red Dam Road by way of a roundabout to be constructed by the Developer. See references to the "Road A – Single Lane Roundabout" in the table under "INFRASTRUCTURE AND LAND DEVELOPMENT COSTS; 2026 PROJECT—Report of Developer Engineer; Public Improvements." Pursuant to the Development Agreement, LK Development is required to construct certain road improvements, including (i) the Main Road; (ii) the Road A Single Lane Roundabout; (iii) the Road A Pavement Overlay; and (iv) the-re-alignment and related improvements to the existing intersection of Red Dam Road and Brickyard Road. Main Road is eligible for MID funding. LK Development will construct, at its sole expense, the Road A Single Lane Roundabout, the Road A Pavement Overlay, and the Road A Red Dam and Brickyard Road Intersection improvements; however, the City has agreed under the Development Agreement that it will reimburse LK Development for the actual cost to complete these improvements up to $7,500,000, which may be extended to $9,500,000.

The Development Agreement also includes terms requiring LK Development to consent to the City's condemnation of approximately seven acres of conservation property adjacent to the District to be used as a fire station and requiring LK Development to contribute $3,000,000 to the City for the construction of the fire station on this land, which cost will ultimately be included in the development budget for the North Section. The Development Agreement further imposes certain development fees to be collected by the City upon the issuance of a building permit for residential units within the District. The Development Fees are contributions to the City to defray the cost of roads, police service, fire service, capital improvements for public safety, schools, community facilities, and parks. The total amount of development fees for single-family dwelling units is $7,448 and for multi-family units is $5,038, subject to annual increases of the greater of 3% or the annual increase in the consumer price index. The Development Agreement precludes the City from imposing additional impact fees on development within the District.

Development Approvals and Permitting

The Engineer's Report, as described in "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT—Report of Developer Engineer; Public Improvements" herein and attached hereto as Appendix G, provides a description of the status of permits and approvals for Main Road Section South and related stormwater and utility infrastructure and the Regional Pump Station South.

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The Developer, and with respect to Pod I, Lennar Homes, has provided the information in the table below showing the status of permits and approvals necessary to allow for the development of the South Section Pods. The Developer expects that the timing of permits and approvals necessary for the development of these Pods will support the estimated development schedule discussed in "—Projected Absorption" herein.

Permit/Approval	Pod F-1	Pod F-2	Pod F-3	Pod G	Pod H-1	Pod H-2	Pod I
City Land Use Approvals	Obtained	Obtained	Obtained	Obtained	Obtained	Obtained	Obtained
Federal Coastal Zone Consistency Permit	Not yet submitted	Not yet submitted	Submitted	Obtained	Submitted	Submitted	Obtained
SC DES Coastal Stormwater Permit	Not yet submitted	Not yet submitted	Submitted	Obtained	Submitted	Submitted	Obtained
BJWSA Water and Sewer Permitting	Not yet submitted	Not yet submitted	Not yet submitted	Submitted	Submitted	Not yet submitted	Obtained
SC DES Water and Sewer Permitting	Not yet submitted	Not yet submitted	Not yet submitted	Submitted	Submitted	Not yet submitted	Obtained
City Road Approvals and Final Permit	Not yet submitted	Not yet submitted	Not yet submitted	Submitted	Submitted	Not yet submitted	Obtained

Environmental

A Phase I Environmental Site Assessment (ESA) was prepared by Newkirk Environmental, Inc. dated September 15, 2021. This assessment concluded that "[b]ased on the information obtained during this Phase I Environmental Site Assessment, Newkirk Environmental, Inc., has identified no recognized environmental conditions in association with the project site. Furthermore, Newkirk Environmental, Inc., does not recommend further testing, *i.e.*, Phase II Environmental Site Assessment."

Newkirk Forestry and Land Management prepared a Federal Threatened and Endangered Species Evaluation dated August 2, 2021. The evaluation sited that currently the property is mostly wooded and is surrounded by managed timberland. The report states that "at the time of this report, neither the Heritage Trust Database nor the United States Fish and Wildlife Service Critical Habitat Portal indicated that there was any federally threatened and/or endangered species or critical habitat on or near the site." Additionally, a field survey was conducted on July 28, 2021, to identify the potential for suitable onsite habitat.

The Property consists of four predominate vegetation communities: pine flatwoods, hardwood flats, mixed pine and hardwood, and cypress gum ponds. The property was formerly owned and managed by Union Camp and International Paper for pine fiber production. In the mid-2000s a large section of the property was harvested leaving approximately 100 to 110 trees per acre, resulting in a lack of biological diversity. Other large sections of the property were clear cut around the same time period. Newkirk states in the report that in their opinion "any proposed development of the site is unlikely to pose an indirect or downstream adverse effect on any of federally listed species. The conclusion of the report states: "Based upon a field evaluation, and available data from the United States Fish and Wildlife Service and the South Carolina Department of Natural Resources, it is the opinion of Newkirk Forestry and Land Management, that it is unlikely that development of the site will have an adverse effect on any of the listed species."

Utilities

Water and sewer service is provided by BJWSA, a large water and sewer utility serving customers in Beaufort County and Jasper County. BJWSA provides water and sewer service to the District pursuant to a 2006 agreement for sufficient water and wastewater capacity to accommodate the water and wastewater requirements for up to 8,000 residential units and 150 acres of commercial development. All water and sewer infrastructure serving the District and the Pods therein will be constructed by the LK Development, Lennar Homes, or Other Residential Developers, depending upon LK Development's scope of delivery for land sales within each Pod, and dedicated to BJWSA upon completion.

Palmetto Electric Cooperative provides electric service to Pod I and Dominion Energy provides electric service to the remaining South Section Pods and all Pods in the North Section. Dominion Energy provides natural gas service for the entire District. The Developer and Other Residential Developers of Pods will pay all costs for three-phase power and all electric conduit and streetlights, while the applicable utility pays all other costs for electric infrastructure. The applicable utility pays all gas infrastructure costs.

Sparklight (formerly Hargray) currently provides telecommunication services within the District. Other telecommunications companies may provide service within the District as these systems are expanded in the region. The

developers of individual Pods will install conduit to allow for the applicable telecommunications company to install telecommunications infrastructure.

Homeowners' Association Fees

Residents of Pods F-1, F-2, F-3, G, H-1, and H-2 will pay annual association dues of approximately $355 to the Hilton Head Lakes West Master Home Owner's Association. This amount pays for the maintenance and upkeep of landscaping and infrastructure that supports these Pods. Residents of Pods F-2, F-3, H-1, and H-2 will pay annual association dues of approximately $110 to the Hilton Head Lakes West Master Home Owner's Association to pay for the costs of additional amenities serving these Pods. Other Pods within the District may have other Pod-specific association dues and fees as such Pods are developed. See "—Lennar Homes' Development of Pod I—*Pod I Homeowner's Association Fees*" for information concerning home owner's association dues in Pod I. Pods F-1 and G may be subject to other home owner's association dues for amenities or for other purposes as they are developed.

Property Taxes

The land within the District has been and is expected to continue to be subject to *ad valorem* taxes levied by the City, the County and the School District. The total millage rate in the area of the District was 434 mills in tax year 2025. These *ad valorem* taxes are payable in addition to the Assessments and any other assessments imposed by the City and other governmental authorities. It is possible that in future years taxes levied by these entities could be substantially higher than in the current year.

THE DEVELOPER AND LANDOWNERS

LK Development

LK Development is the majority landowner of land within the District and expects to construct all master infrastructure serving the District, including the land within the District and the development of horizontal infrastructure and finished lots in some Pods within the District.

Ownership of LK Development

As of the date of this Limited Offering Memorandum, (i) the sole members of LK Development are Lennar LTL Member, LLC, a Delaware limited liability company and an indirect wholly-owned subsidiary of Lennar Corporation (the "*Lennar Member*") and LK Development Funding LLC, a Florida limited liability company (the "*Kolter Member*" and together with the Lennar Member, the "*Members*" and each a "*Member*") managed by The Kolter Group, LLC (together with its affiliates, "*Kolter*"); and (ii) each Member owns a 50% membership interest in the Developer. Pursuant to and as required by the Amended and Restated Limited Liability Company Agreement of the Developer in effect as of the date of this Limited Offering Memorandum (the "*Developer LLC Agreement*"), the Members are required to make additional capital contributions (i) to the extent funds are required to operate the Developer in excess of available cash of the Developer during the applicable period and available loan proceeds and only if such additional capital contribution is approved by the Executive Committee of the Developer, or (ii) if expressly provided in the Developer's business plan, in each case, such additional capital contribution to be made by a Member shall be the pro rata amount (based on such Member's membership interest in the Developer) of the total amount of approved additional capital contributions. The sole asset of each Member is its membership interest in the Developer. Other than the Members, no person or entity, including, but not limited to Lennar Homes, Lennar Corporation, or Kolter, has any legal obligation to fund capital calls made by the Developer.

Principals of Brookfield Kolter Land Managing LK Development

As the manager of the Kolter Member, Kolter conducts the day-to-day business affairs of the Kolter Member, which in turn conducts the day-to-day operations and business affairs of LK Development. In these capacities, certain officers and employees of Brookfield Kolter Land Partners, LLC (together with its affiliates, "*Brookfield Kolter Land*") oversee the operations of LK Development and manage the development of the District, including Jim Harvey, President of Brookfield Kolter Land, Doug Pattillo, Senior Vice President of Brookfield Kolter Land, and Brian Keirnan, Senior Land Development Manager for Brookfield Kolter Land. Biographies of the key officers and employees of Brookfield Kolter Land who manage the operations of LK Development are provided below. See "—*Kolter*" below for an explanation of the relationship between Brookfield Kolter Land, Kolter, and Brookfield (as defined herein).

Jim Harvey

As the President of Brookfield Kolter Land, Jim Harvey is responsible for the company's acquisition strategy as well as managing of KL investments throughout the Southeast US. Prior to joining Kolter, Jim spent over twenty years in residential

acquisition, entitlement, development, sales and marketing. He earned degrees in Economics and Finance from the University of South Florida. He is a member of the Urban Land Institute and National Association of Home Builders and served on the Board of University of South Florida Alumni Association and Athletics Council.

Doug Pattillo

As Senior Vice President, Doug Pattillo is responsible for all acquisition and development operations in Tennessee, Georgia and the Carolinas. Doug has over twenty years of experience in land acquisition, homebuilding, and real estate asset management throughout the southeast. Prior to his current role, he was the Vice President of Land Acquisition and Development for the Atlanta market, and lead the expansion of Brookfield Kolter Land into the Nashville market. Doug holds a Bachelor of Science degree in Construction with a Development Concentration from Southern Polytechnic State University.

Brian Keirnan

Brian, as the Senior Land Development Manager for the coastal Regionals of South Carolina and Georgia is responsible for managing all aspects of projects from due diligence, through entitlement and permitting, by overseeing construction through final completion. Brian has over 20 years of experience in the industry and has developed residential communities in South Carolina, North Carolina, Tennessee, and Virginia. He also brings experience with estimating, supply chain and construction management.

Kolter

Kolter, founded in 1997 by Robert Julien, is a private investment firm focused on real estate development and investment and based in Delray Beach, Florida. Kolter currently includes four residential development business units, detailed below. Kolter has sponsored over $35 billion across over 200 completed or in process real estate projects throughout the southeastern United States (including Florida, Georgia, South Carolina, North Carolina and Tennessee), expected to yield over 118,000 homesites.

Brookfield Kolter Land is a partnership between Kolter and an affiliate of Brookfield Residential ("*Brookfield*") focused on land investment and development of finished lots for sale typically to 3rd party homebuilders. The focus is on projects that will deliver 250-1,000 lots and deliver affordable product with amenities and proximity to employment centers. Brookfield Kolter Land has sponsored over $5.6 billion of realized and in-process real estate projects throughout the southeastern United States.

Handsmill, Lake Wylie, South Carolina (Master Developer). Located in York County, South Carolina, southwest of Charlotte, North Carolina, on beautiful Lake Wylie is a master planned community featuring 427 homes at build out. Current neighborhoods include single-family homes by True Homes in the Manors, Kolter Homes in the 55+ Gentry and single-family homes including water access homesites in the Gables. The community features a Marina, Clubhouse with fitness and pool, along with numerous community outdoor trails.

Evershore, Brunswick County, North Carolina (Master Developer). Evershore is an 804-acre master-planned land development located at the northwest intersection of U.S. Highway 17 and S.R. 904 in Brunswick County, North Carolina, approximately 8 miles from Ocean Isle Beach and within close proximity to Myrtle Beach, SC and Wilmington, NC. Kolter closed on the Property in December 2024. The site sits within a rapidly growing coastal corridor and benefits from strong regional connectivity, nearby retail and medical services, and access to numerous golf courses, beaches, and recreational amenities. The community is planned as a large-scale mixed residential development expected to yield approximately 1,891 single-family lots and 400+ multifamily units upon completion, including traditional single-family homes, townhomes, active-adult housing, and multifamily rental communities. Development will occur through a combination of raw pod sales, developed lot sales, and parcel sales to homebuilders and multifamily developers. The master plan is designed to leverage preserved wetland areas and natural features to enhance lot premiums and community character, while serving a diverse range of buyer profiles including first-time homebuyers, move-up buyers, empty nesters, and retirees.

Notable Projects Managed by Brookfield Kolter Land in North and South Carolina

Project	Acquisition Date	Status	Residential Units	State	County
Flowers Plantation	2020	In Process	436	NC	Johnston
Handsmill	2018	In Process	427	SC	York
Evershore	2024	In Process	2,321	NC	Brunswick County
Arvin	2021	Completed	580	NC	Durham
Magnolia	2017	Completed	261	NC	Durham
Heritage	2017	Completed	435	NC	Union
Covington	2015	Completed	373	SC	Lancaster
Stillwater	2015	Completed	244	NC	Wake
Lochridge	2014	Completed	129	NC	Wake
Selkirk	2011	Completed	154	NC	Mecklenburg
Massey Preserve	2011	Completed	344	NC	Wake
Sweetbriar	2011	Completed	68	NC	Mecklenburg
Curtis Pond	2010	Completed	224	NC	Iredell
Brightwood	2010	Completed	271	NC	Durham
Glendalough	2010	Completed	233	NC	Mecklenburg
Hampden Village	2009	Completed	158	NC	Cabarrus

Lennar Homes and its Land Banks

Lennar Homes

Lennar Homes is an indirectly wholly-owned subsidiary of Lennar Corporation, a Delaware corporation ("*Lennar Corporation*"). Lennar Corporation, founded in 1954, is one of the nation's leading builders of quality homes for all generations, building affordable, first-time, move-up and retirement homes. Lennar Corporation trades on the New York Stock Exchange under the symbol LEN. Lennar Corporation is subject to the informational requirements of the Exchange Act and in accordance therewith files reports, proxy statements, and other information with the SEC. The file number for Lennar Corporation is 1-11749. Such reports, proxy statements, and other information are available at the SEC's website at www.sec.gov. All documents filed by Lennar Corporation pursuant to the requirements of the Exchange Act are available for inspection in the same manner as described above.

For Pod I, Lennar Homes is completing horizontal development of property while it is held by the applicable land bank (each a "*Land Bank*") as further described below. Pursuant to the TPG Option Agreement (as defined herein) and the Millrose Option Agreement (as defined herein) (together, "*Option Agreements*"), as applicable, Lennar Homes will purchase finished lots back from the applicable Land Bank based on a take-down schedule or as otherwise permitted in the Option Agreements, as applicable. These takedowns generally occur once the development is complete and finished lots are ready for home construction. Lennar Homes can start construction of homes while the lots are still owned by the applicable Land Bank but Lennar Homes purchases all lots before transferring the lot and home to a third-party buyer.

Sample Projects Managed by Lennar Homes in South Carolina

Project	Acquisition Date	Status	Residential Units	State	County
Carnes Crossroads	September 14, 2021	In Process	4,000 [1]	SC	Berkeley County
Summers Corner	July 31, 2018	In Process	7,000 [1]	SC	Dorchester
Edgewater at New Hampstead	October 3, 2022	In Process	1,400 [1]	GA	Chatham County
Egret Landing	January 3, 2022	In Process	450	SC	Jasper County
Riverport	September 4, 2025	In Process	500	SC	Jasper County
Limehouse Village	December 29, 2021	In Process	333	SC	Dorchester County
Appleby	May 11, 2026	In Process	1,030	SC	Dorchester County

[1] The number of planned residential units in Carnes Crossroads, Summers Corner, and Edgewater at Hampstead are preliminary and subject to change.

Millrose Land Bank

Millrose Properties South Carolina, LLC, a South Carolina limited liability company ("*Millrose*"), a subsidiary of Millrose Properties, Inc., a Maryland corporation, acts as a land bank for a portion of the property in Pod I. Millrose is a land bank entity which, through its various subsidiaries, purchases, funds development costs and holds land while it is developed into finished homesites which are sold to homebuilders by way of option contracts with predetermined costs, option payments, deposit amounts and takedown schedules (which vary depending on the individual transaction). Millrose Properties, through its various subsidiaries, serves as a solution for homebuilders seeking to expand access to finished homesites while implementing an asset-light strategy. Millrose Properties trades on the New York Stock Exchange under the symbol MRP. Millrose Properties is subject to the informational requirements of the Exchange Act and in accordance therewith files reports, proxy statements, and other information with the SEC. The SEC file number for Millrose Properties is 001-42476. Such reports, proxy statements, and other information are available at the SEC's website at www.sec.gov.

Lennar Homes has the right to acquire the property owned by Millrose from Millrose pursuant to the Millrose Option Agreement, defined below. Lennar Homes has the right to develop the property owned by Millrose pursuant to a construction agreement with Millrose ("*Millrose Construction Agreement*"). Millrose and Lennar Homes have entered into the Millrose Construction Agreement with Lennar Homes to develop the Pod I property owned by Millrose. Millrose will reimburse Lennar Homes for the budgeted development-related expenditures related to the same. As required by the Millrose Construction Agreement, Lennar Homes will be responsible for the day-to-day responsibilities of the entitlement and development of the lands to provide Millrose the ability to sell finished lots to Lennar Homes for home construction thereon pursuant to the Millrose Option Agreement. Lennar Homes will assume/has assumed all of the management responsibilities for the development of the lands. Millrose has entered into an option agreement with Lennar Homes pursuant to which Lennar Homes has the option to purchase all lots to be developed on the property owned by Millrose (the "*Millrose Option Agreement*"). The first lot-takedown from Millrose will occur after the Millrose Property is developed into finished lots. In addition, Lennar Homes has the right to, upon written notice, (i) acquire all unpurchased residential lots early and (ii) terminate the Millrose Option Agreement at any time.

TPG EHC Land Bank

TPG AG EHC III (LEN) MULTI STATE 1, LLC, a Delaware limited liability company ("*TPG EHC*"), a fund managed by an indirect subsidiary of TPG Inc. ("*TPG Parent*"), acts as a land bank for a portion of the property in Pod I. Pursuant to https://shareholders.tpg.com/, TPG Parent "is a leading global alternative asset management firm, founded in San Francisco in 1992, with $306 billion of assets under management and investment and operational teams around the world. TPG Parent invests across a broadly diversified set of strategies, including private equity, impact, credit, real estate, and market solutions, and TPG Parent's unique strategy is driven by collaboration, innovation, and inclusion." One of those areas is to cause certain of the funds that it manages to act as a land bank to fund purchases, development costs and to hold land while it is developed into finished homesites which are sold to homebuilders by way of option contracts with predetermined costs, option payments, deposit amounts and takedown schedules (which vary depending on the individual transaction). TPG Parent, through various funds, including without limitation TPG EHC, serves as a solution for homebuilders seeking to expand access to finished homesites while implementing an asset-light strategy. TPG Parent trades on the NASDAQ under the symbol TPG. TPG Parent is subject to the informational requirements of the Exchange Act and in accordance therewith files reports, proxy statements, and other information with the SEC. The SEC file number for TPG Parent is 001-41222. Such reports, proxy statements, and other information are available at the SEC's website at www.sec.gov.

Lennar Homes has the right to acquire the property owned by TPG EHC from TPG EHC pursuant to the TPG Option Agreement (as defined herein). Lennar Homes has the right to develop the property owned by TPG EHC pursuant to a construction agreement with TPG EHC ("*TPG EHC Construction Agreement*"). TPG EHC and Lennar Homes have entered into the TPG EHC Construction Agreement with Lennar Homes to develop the Pod I property owned by TPG. TPG EHC will reimburse Lennar Homes for the budgeted development-related expenditures related to the same. As required by the TPG EHC Construction Agreement, Lennar Homes will be responsible for the day-to-day responsibilities of the entitlement and development of the lands to provide TPG EHC the ability to sell finished lots to Lennar Homes for home construction thereon pursuant to the TPG Option Agreement. Lennar Homes will assume/has assumed all of the management responsibilities for the development of the lands. TPG EHC has entered into an option agreement with Lennar Homes pursuant to which Lennar Homes has the option to purchase all lots to be developed on the property owned by TPG EHC (the "*TPG Option Agreement*"). The first lot-takedown from TPG EHC will occur after the TPG EHC Property is developed into finished lots. In addition, Lennar Homes has the right to, upon written notice, (i) acquire all unpurchased residential lots early and (ii) terminate the TPG Option Agreement at any time.

Delinquent 2025 Property Tax Payments

During due diligence related to the issuance of the Series 2026 Bonds it was discovered that the property taxes for the 2025 tax year for two parcels of property in Pod I belonging to TPG EHC had not been paid, resulting in the properties being placed in the hands of the County delinquent tax collector. These parcels total 246.7 acres and the unpaid property taxes and accumulated penalties for these parcels totaled $128,384.31. Once discovered, these delinquent property taxes were promptly paid in full. Per the deed by which these parcels were conveyed by Lennar Homes to TPG EHC, property tax notices were to be sent to Lennar Homes for payment on behalf of TPG EHC. These tax notices were not sent to Lennar Homes as per the deed. Lennar Homes is now aware of this issue and is independently tracking the taxes for the parcels within the District to ensure that property taxes are timely paid going forward.

MARKET STUDY

JLL (the "*Market Consultant*") provided a market study for the District, dated January 16, 2026 (the "*Market Study*"), in connection with the issuance of the Series 2026 Bonds, which is attached hereto as Appendix H. The scope of the Market Study addressed, among other things, an overview of the project, an assessment of the competitive market area and its key demographics, an analysis of supply conditions, pipeline research, demand and absorption estimates, estimated floor plan types and sizes, and the determination of achievable pricing by product type. The Market Consultant utilized demographic and economic trends in the Hilton Head MSA to assess the depth of demand within the primary market area for the District. The Market Consultant provided the conclusions in the subsections that follow concerning the overall market of the primary market area, as described in the Market Study (the "*PMA*") and the Developer's plans within the District.

THE MARKET CONSULTANT'S CONCLUSIONS ARE SUBJECT TO THE ASSUMPTIONS AND LIMITING CONDITIONS DESCRIBED IN APPENDIX B TO THE MARKET STUDY. CERTAIN CONCLUSIONS OF THE MARKET CONSULTANT ARE SUMMARIZED IN THE SUBSECTIONS BELOW; HOWEVER, PROSPECTIVE PURCHASERS OF THE SERIES 2026 BONDS SHOULD READ THE MARKET STUDY IN ITS ENTIRETY. SEE "APPENDIX H – MARKET STUDY." THE MARKET CONSULTANT'S CONCLUSIONS CONTAINED IN THE MARKET STUDY ARE FORWARD-LOOKING STATEMENTS BASED ON HISTORICAL INFORMATION AND FORECASTS OF MARKET CONDITIONS, BUT A NUMBER OF FACTORS, INCLUDING THOSE DISCUSSED IN THE MARKET STUDY, COULD CAUSE ACTUAL RESULTS TO BE MATERIALLY DIFFERENT FROM SUCH FORECASTS AND PROJECTIONS.

Supply and Demand

As further discussed in the Market Study, Hardeeville is a growing bedroom community that has experienced substantial residential and commercial expansion over the past decade. Hardeeville remains one of the area's more attainable housing markets within the region. The Market Consultant has concluded that the PMA has capacity for the development of additional "for sale" product at this time. From 2023 to September 2025, the existing inventory of "for sale" housing has increased by 16.9% for detached product and 57.3% for attached product. As of September 2025, average home prices within the PMA are historically high. As of September 2025, the median sale price was $783,483 for detached products and $711,928 for attached products. Utilizing the growth from 2024 to September 2025 and average home sizes remaining the same, detached average pricing is expected to increase from the current figure of $783,483 to $1,049,640 by 2030, while attached product pricing is anticipated to experience a lesser rate of appreciation, rising from approximately $711,928 in the current period to $829,451 by the end of the forecast period.

Total number of households in the PMA are forecast to increase by 10,873 (or 2,175 households per year) by 2030. Utilizing the owner-occupied percentage of 76.2% for the PMA, the forecasted demand estimate equates to 8,284 households (or 1,657 households annually) from 2025 to 2030. With an anticipated pipeline supply of 4,739 lots/homes (including the subject's 1,342 lots/homes), the resulting excess unmet demand specific to "for sale" product in the PMA is for an additional 3,545 lots/homes over the next several years. Note that the Market Consultant assumes all of the subject homes come online over the next five years. However, this is unlikely to be the case and would result in a higher unmet demand figure.

According to the Market Study, the non-age restricted single-family communities indicate absorption/sell-off paces ranging from 2.7 to 3.5 homes per month, averaging 3.0 homes per month. In comparison, the age restricted single-family communities indicate paces ranging from 1.2 to 4.2 homes per month, with an average of 2.7 homes per month. Lastly, the non-age restricted townhome communities indicate paces ranging from 1.6 to 2.0 homes per month, averaging 1.9 homes per month.

The Market Consultant concludes that there is indicated to be an opportunity to develop the subject as proposed with 1,342 "for sale" homes within the four neighborhood Pods. This is supported by current and forecasted demographics, performance of actively selling subdivisions, and indicated demand for new development within the PMA.

Estimated Mix and Floor Plan Sizes

In regards to non-age restricted single-family homes, the Market Consultant recommends a mix of 50% three bedrooms and 50% four bedrooms. Additionally, floor plan sizes ranging from 1,500 to 1,750 square feet are recommended. A mix of 55% two bedrooms and 45% three bedrooms is recommended for age-restricted single-family ranging in size from 1,500 to 2,500 square feet. All three bedrooms are recommended for the non-age restricted townhomes with sizes ranging from 1,675 to 2,000 square feet.

Achievable Pricing

For non-age restricted single-family homes, the Market Consultant concludes achievable home prices ranging from $350,000 to $425,000, or $170 to $233 per square foot, with an overall average of $387,500 or $194 per square foot. Pertaining to age-restricted homes, the Market Consultant concludes achievable prices ranging from $500,000 to $665,000, or $266 to $333 per square foot, with an average of $554,250. For non-age restricted townhomes, the Market Consultant concludes a range of $335,000 to $380,000, or $190 to $200 per square foot, with an average price of $341,932.

APPRAISAL

Integra Realty Resources (the "*Appraiser*") provided its Appraisal Report dated December 3, 2025 (the "*Appraisal*"), with respect to the five parcels comprising the District, totaling 2,605.87 acres (the "*Subject Site*"), as of the date of the Appraisal. A copy of the Appraisal is attached hereto as Appendix I. The scope of the Appraisal includes providing an "as is" value of the Subject Site as of November 5, 2025 (the "*Appraisal Effective Date*"), a hypothetical market value of the Subject Site as if the master development infrastructure improvements had been completed as of the Appraisal Effective Date, and a prospective market value of the Subject Site upon completion of master public infrastructure improvements as of December 1, 2031. The value conclusions in the Appraisal are reflective of the underlying land tracts and do not include or consider sub-tract horizontal lot infrastructure development. The Appraisal also does not consider future or prospective vertical home construction.

The Appraiser used the subdivision development method to determine the values of the Subject Site. This approach incorporates the sales comparison approach to value (retail tract values) and combines it with a modified income approach. Tract sales are projected based on market information and appropriate expenses, profit, and a discount rate are used to determine market value.

THE APPRAISER'S CONCLUSIONS ARE SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONCLUSIONS DISCUSSED IN THE APPRAISAL. CERTAIN CONCLUSIONS OF THE APPRAISER ARE SUMMARIZED BELOW; HOWEVER, PROSPECTIVE PURCHASERS OF THE SERIES 2026 BONDS SHOULD REVIEW THE APPRAISAL IN ITS ENTIRETY. SEE "APPENDIX I – APPRAISAL." THE OPINIONS OF VALUE EXPRESSED IN THE APPRAISAL ARE BASED ON ESTIMATES AND FORECASTS WHICH ARE PROSPECTIVE IN NATURE AND SUBJECT TO CONSIDERABLE RISK AND UNCERTAINTY. EVENTS MAY OCCUR WHICH COULD CAUSE THE PERFORMANCE OF THE PROPERTY TO DIFFER MATERIALLY FROM THE ESTIMATES CONTAINED THEREIN, SUCH AS CHANGES IN THE ECONOMY, INTEREST RATES, AND BEHAVIOR OF INVESTORS, LENDERS, AND CONSUMERS. ADDITIONALLY, THE CONCLUDED OPINIONS AND FORECASTS CONTAINED IN THE APPRAISAL ARE BASED PARTLY ON DATA OBTAINED FROM INTERVIEWS AND THIRD-PARTY SOURCES, WHICH ARE NOT ALWAYS COMPLETELY RELIABLE. ALTHOUGH THE FINDINGS ARE CONSIDERED REASONABLE BASED ON AVAILABLE EVIDENCE, THE APPRAISER IS NOT RESPONSIBLE FOR THE EFFECTS OF FUTURE, UNFORESEEN OCCURRENCES.

Based on the analysis as more fully described in the Appraisal, and subject to the assumptions and limiting conditions described more fully therein, the Appraiser made the following value conclusions (which do not include the calculations under the column "Value to Lien"):

Value Conclusions

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion	Value to Lien [1]
Market Value As-Is	Fee Simple	November 5, 2025	$38,760,000	129%
Hypothetical Market Value As-If Complete [2]	Fee Simple	November 5, 2025	$68,080,000	227%
Prospective Market Value at Completion [2]	Fee Simple	December 1, 2031	$81,290,000	271%

[1] The calculations in this column were derived by the Underwriter based on the Appraiser's value conclusions and a par value of the Series 2026 bonds of $30,000,000, which is preliminary and subject to change.

[2] Assumes that all common, master infrastructure has been completed but does not assume any vertical development.

BONDHOLDERS' RISKS

Certain risks are inherent in an investment in obligations issued by a governmental body secured by special taxes or assessments, which are the same as, or similar in nature to, the amounts of Assessments available for deposit from time to time in the Revenue Fund. Certain of these risks are described above under the headings "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS," "ASSESSMENT PROCEEDINGS; ASSESSMENTS," "COLLECTION PROCEDURES," and elsewhere in this Limited Offering Memorandum. Certain additional risks, however, are associated with the Series 2026 Bonds offered hereby. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2026 Bonds and prospective purchasers are advised to read this Limited Offering Memorandum in its entirety for a more complete description of investment considerations relating to the Series 2026 Bonds. See also "SUITABILITY FOR INVESTMENT" herein. The following risk factors are presented in no particular order, and no representation is made or intended as to the relative likelihood or severity of the following risks by the ordering thereof.

Dependence on Assessments

The availability of amounts sufficient for the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds is dependent upon the timely collection of the Annual Payments. The Annual Payments may not be enforced as a personal indebtedness of the owners of the land subject thereto. There can be no assurance that the Developer, Lennar Homes or its Land Banks, or any other property owners will be able to pay the applicable Annual Payments, or that they will pay such Annual Payments even though financially able to do so. Moreover, the determination of the benefits to be received by the land within the District as a result of the development thereof is not indicative of the realizable or market value of any parcel within the District, which value may actually be higher or lower than the allocation of benefits. The imposition and collection of the Annual Payments may adversely affect the market value of the land subject thereto. To the extent that the realizable or market value of any parcel within the District is not meaningfully greater than the Assessments allocated to such parcel, the ability of the City to realize sufficient proceeds in a foreclosure to pay the Annual Payments may be adversely affected. Such adverse

effect could materially adversely affect the ability of the City to make the full or punctual payment of debt service on the Series 2026 Bonds.

Inadequacy of Series 2026 Debt Service Reserve Account

Some of the risk factors described herein, if materialized, could result in a delay in the collection of the Annual Payments or failure to collect the Annual Payments, but may not affect the timely payment of debt service on the Series 2026 Bonds if such debt service is paid from funds held in the Series 2026 Debt Service Reserve Account; however, the sufficiency of the monies held in the Series 2026 Debt Service Reserve Account to pay such debt service in the event of delays or failures in the collection of Annual Payments is dependent upon the amount, duration, and frequency of any such delay or failure. If such delays or failures are prolonged and/or widespread, the funds held in the Series 2026 Debt Service Reserve Account may be rapidly depleted and the ability of the City to pay debt service on the Series 2026 Bonds could be materially adversely affected. The Indenture does allow for the replenishment of the Series 2026 Debt Service Reserve Account from Assessment Revenues, the Indenture does not contain any obligation that the City or any other party replenish the Series 2026 Debt Service Reserve Account from other sources in the event that the monies held therein are depleted, and the City does not intend to replenish the monies held in the Series 2026 Debt Service Reserve Account in such event except from Assessment revenues, as required by the Indenture. Under the Indenture, monies held in the Series 2026 Debt Service Reserve Account may be invested by the Trustee in certain obligations. Fluctuations in interest rates and other market factors could affect the rate of accrual of monies available in the Series 2026 Debt Service Reserve Account to make up for funds used to pay debt service on the Series 2026 Bonds.

Concentration of Ownership; Bankruptcy

The majority of the land within the District is currently owned by the Developer, Lennar Homes, TPG EHC, and Millrose. In the normal course of development, the Developer and the other landowners expect to subsequently transfer ownership of all or substantially all of such land. It is unknown whether or at what point these entities will transfer all or a portion of its holdings to other parties. Thus, until transfers occur within the District which will allow debt service on the Series 2026 Bonds to be paid by parties other than these entities, the timely payment of the Series 2026 Bonds will be dependent on the willingness and financial ability of these entities to pay when due all applicable Annual Payments. In the event of the institution of bankruptcy or similar proceedings with respect to the Developer, Lennar Homes, TPG EHC, Millrose, or any other subsequent significant owner of property within the District, delays could occur in the payment of debt service on the Series 2026 Bonds. As such, bankruptcy or other financial difficulty could materially, negatively affect the ability of (i) the Developer, Lennar Homes, TPG EHC, Millrose, or any other significant landowner to pay the Annual Payments; (ii) the County to collect Annual Payments applicable to such property; and (iii) the County to take such real property to foreclosure sale. In addition, the remedies available to the Bondholders upon a default are in many respects dependent upon judicial actions that are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, any remedies available to Bondholders, including without limitation enforcement of the obligation to pay or collect the Annual Payments, may not be readily available or may be limited.

The various legal opinions delivered concurrently with the issuance of the Series 2026 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency, or other similar laws affecting the rights of creditors enacted before or after such delivery. Although a bankruptcy proceeding would not cause the Assessments to become extinguished, the amount and priority of any lien securing the Assessments could be modified if the value of the property falls below the value of the lien. If the value of the property is less than the lien, such excess amount could be treated as an unsecured claim by the bankruptcy court. In addition, bankruptcy of a property owner could result in a delay in completing the foreclosure of the property. Such delay or other inability, either partially or fully, to enforce remedies available would increase the likelihood of a delay or default in payment of the principal of or interest on the Series 2026 Bonds and could have a material adverse impact on the interest of the holders of the Series 2026 Bonds.

Assessment Delinquencies; Potential Delay and Limitations in Foreclosure Proceedings

Under provisions of the Act, the Annual Payments, from which funds necessary for the payment of Administrative Expenses and the principal of, and interest on, the Series 2026 Bonds will be derived, are contained within a single bill from the County Auditor which also includes the *ad valorem* taxes then due on the related parcel within the District. Such Annual Payments are due and payable and bear the same penalties for non-payment as do regular *ad valorem* property taxes. The unwillingness or inability of landowners within the District to pay the amounts due with respect to taxes and Annual Payments that relate to a parcel within the District could result in a foreclosure action being taken by the County.

In the event that any Annual Payment is delinquent on March 17 of the year in which the Annual Payment shall have become due, the County is authorized to initiate enforced collection procedures against the owner of record of the property. These procedures culminate in a sale, which should take place on the first Monday in November (odd years) or December (even years) of the year in which such sums are due. The process of enforced collection and sale may be subject to delays for various reasons and potential investors should be aware that many of the reasons for delay are beyond the control of the City. See "COLLECTION PROCEDURES—Delinquencies; Enforcement; Foreclosure."

If the County should commence a foreclosure action against a landowner for nonpayment of *ad valorem* property taxes and Annual Payments, such landowner and/or its mortgagee(s) may raise affirmative defenses to such foreclosure action. The assertions of any such affirmative defenses if proven could result in delays in completing or delaying the foreclosure action. In addition, the City may, under the Assessment Proceedings, fund, from Assessments, the costs of such foreclosure.

No assurance can be given that the real property subject to sale will be sold; or that property acquired by the Forfeited Land Commission in connection with a sale will be resold; or, if sold or resold, that the proceeds of such a sale will be sufficient to pay any Delinquent Assessments. As provided in the Act, assessments (such as the Assessments) constitute a lien on real property superior to all other liens except the lien for property taxes. In the Act and in the statutes regarding collection procedures and the application of any proceeds of enforced collection, no distinction is made between the lien for assessments (such as the Assessments) and the lien for property taxes, and there is no State case law on point. Accordingly, the lien for assessments (such as the Assessments) is either at the same level of priority as, or is subordinate only to, the lien for property taxes. If the Series 2026 Debt Service Reserve Account is depleted and delinquencies in the payment of Annual Payments exist, there could be a default or delay in payments of debt service on the Series 2026 Bonds pending prosecution of foreclosure proceedings and receipt by the City of foreclosure sale proceeds, if any. There can therefore be no assurance that the Annual Payments actually collected will at all times be sufficient to pay debt service on the Series 2026 Bonds.

Payment of Annual Payments after Bank Foreclosure

In the event a bank forecloses on property because of a default on a mortgage on any of the assessable lands within the District, and then the bank itself fails, the Federal Deposit Insurance Corporation (the "*FDIC*"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Assessments levied on such property. In addition, the County would require the consent of the FDIC prior to commencing a foreclosure action.

Impact of Environmental Conditions and Events on Value

The value of the land within the District, the success and development of the District, and the likelihood of timely payment of principal and interest on the Series 2026 Bonds could be affected by various factors, including factors related to environmental conditions. While environmental assessments of the land within the District have been performed in connection with its development, it is possible that hazardous environmental conditions could exist within the District or in the vicinity of the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within the District or from surrounding property, and what effect such may have on the development or sale of the lands in the District.

The value of the lands subject to the Assessments could also be adversely impacted by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events. In addition to potential damage or destruction to any existing development or construction in or near the District, such catastrophic events could potentially render the District lands unable to support future development. The occurrence of any such events could materially adversely impact the timely payment of principal and interest on the Series 2026 Bonds. The Series 2026 Bonds are not insured, and the City's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

Uncertainty of Collection; Collection of Annual Payments

There is no provision in the Act that requires a notice of the Assessments to future purchasers other than the notice provided on the records of the County Clerk of Court in connection with the establishment of the District. It is not customary for title searches to include the records of the County Clerk of Court. There can be no guarantee that title companies will refer to such notices in title reports or that a prospective purchaser or lender will consider or receive notice of the Assessments in connection with the purchase of a parcel within the District or the lending of money thereon. Any failure on the part of a prospective lender or purchaser to determine the existence of the Assessments may affect the willingness and ability of such future owner to pay the Assessments when due.

The willingness and/or ability of an owner of land within the District to pay the Annual Payments could be affected by the existence of other taxes, assessments, and special taxes imposed upon the land by other entities with the jurisdiction to tax therein. Annual Payments, as well as all other applicable *ad valorem* property taxes and assessments on the affected property, are payable at one time. Other entities with the jurisdiction to tax therein may also impose additional assessments, fees, or taxes which could encumber the property burdened by the Assessments.

In addition, the likelihood of collection of the Annual Payments may ultimately depend on the market value of the land subject to the Assessments. While the ability of the landowners within the District to pay the Annual Payments is a relevant factor, the willingness of these landowners to pay the Annual Payments, which may also be affected by the value of the land subject to the Assessments, is also an important factor in the collection of Annual Payments. The failure of the landowners to pay the Annual Payments could render the County or the City unable to collect Delinquent Assessments, if any, and provided such delinquencies are significant, could negatively impact the full or punctual payment of debt service on the Series 2026 Bonds.

Failure to Develop the District

Land development is subject to comprehensive federal, state, and local regulations and future changes to such regulations. Approval is required from various public agencies in connection with, among other things, the design, nature, and extent of required improvements, both public and private, and the development of the District in accordance with applicable zoning, land-use, and environmental regulations. Failure to obtain any such approvals in a timely manner could delay or adversely affect the development of land within the District, which may materially, negatively affect the Developer's, Lennar Homes', or any other developer's desire or ability to develop the District as contemplated.

Development of land is also subject to economic considerations. Failure to complete the District or the infrastructure serving the District, failure to satisfy loan covenants contained in documents pursuant to which development within the District or the cost of infrastructure serving the District is financed, or substantial delays in the completion of either due to litigation, the inability to obtain required funding, or other causes may reduce the value of the property within the District and may affect the willingness and ability of the Developer, Lennar Homes, TPG EHC, Millrose, or any other landowner to pay the Annual Payments when due which may affect the full or punctual payment of debt service on the Series 2026 Bonds.

There can be no assurance that the Developer, Lennar Homes, or any other developer within the District can meet certain performance standards or conditions for disbursement of funds under any loans that such Developer, Lennar Homes, or any other developer within the District may enter into to fund costs to develop the District, in each case to the extent being developed by such developer. Further, to the extent that the Developer, Lennar Homes, or any other developer within the District may require additional financing for such costs, there can be no assurances that such developer will successfully obtain such additional financing. The failure to secure such financing could prevent the completion of the District and, as a result, cause a default in payment of the principal of and interest on the Series 2026 Bonds.

Commercial Failure of the District; Market Supportability

The regional retail, commercial, and residential markets are generally highly competitive, are heavily dependent on economic activity, may be subject to seasonal fluctuation, and may be affected by competitive changes in geographic area, changes in the public's spending habits, population trends, traffic patterns, economic conditions, and business climate. The economic activity in the area in and around the District may be materially, adversely affected by, among other things, general economic trends, the cost of automotive fuel and air fare, the escalation or continuation of United States military activity in the Middle East or elsewhere, inflation, weather patterns, and the availability and affordability of lodging in and around the District. Additional competitive factors include the location and attractiveness of facilities, proximity to similar businesses, supporting services, and clients or occupants. The areas in and around Hardeeville have experienced significant growth and development in the recent past, and as a result may be nearing saturation in the retail, commercial, and residential markets and in the pricing thereof. The ability of the District to compete in this competitive market is dependent upon the foregoing and a variety of other factors, about which no assurance can be given. The availability of the Assessments is dependent on the success of the District, including but not limited to the sale of residential units.

Limited Resources of LK Development

The Developer does not have unlimited financial resources. Accordingly, as noted above, the financial ability and willingness of the Developer and any other landowner to pay the applicable Annual Payments is subject to significant risks. The sole members of LK Development, the Lennar Member and the Kolter Member, are only required to make capital contributions to LK Development under the specific circumstances described in "THE DEVELOPER AND LANDOWNERS—LK Development—*Ownership of LK Development*." Moreover, the sole asset of each of the Members is

its membership interest in LK Development, and no person or entity, including, but limited to Lennar Homes, Lennar Corporation, and Kolter has any legal obligation to fund capital calls made by LK Development. If LK Development does not have sufficient resources to meet its obligation to pay Annual Payments, it is possible that the Members, individually and collectively, may not have sufficient resources to make capital contributions to LK Development. The obligation to pay Annual Payments is secured by liens on the property subject to such Assessments. Although such liens are superior to any private liens, any failure of various financing plans and conditions of the entities comprising the Developer and its related entities could cause a delay or cessation in the payment of applicable Annual Payments by the Developer.

Limited Resources of Lennar Homes and Other Homebuilders and Third-Party Developers

Lennar Homes and the Builders and Other Residential Developers (collectively, "*Other Developers and Builders*") developing or building homes within the District's Pods do not have unlimited financial resources. Accordingly, the financial ability and willingness of Other Developers and Builders to pay the applicable Annual Payments is subject to significant risks. Moreover, Other Developers and Builders may be related to or affiliated with entities that are engaged in real estate development and related activities elsewhere. Such related or affiliated entities may have incurred and may continue to incur indebtedness and enter into financial arrangements that will require payments to be made, reserves to be established, and various covenants to be observed. It is possible that such entities may not have sufficient resources to meet such other obligations and thus make capital contributions to the Other Developers and Builders, as applicable, or that such entities will choose not to make capital contributions to such Other Developers and Builders even though financially able to do so. The obligation to pay Annual Payments is secured by liens on the property subject to such Assessments. Although such liens are superior to any private liens, any failure of various financing plans and conditions of the Other Developers and Builders and their related entities could cause a delay or cessation in the payment of applicable Annual Payments by the Other Developers and Builders.

Limited Sources of Funds for Future Infrastructure and Land Development Costs

The Developer Engineer has estimated the costs of Public Improvements to be incurred after the date of this Limited Offering Memorandum, which the Developer would need to implement as part of its development plans for the development of the District. See Appendix G, which sets forth the Developer Engineer's estimate of the costs of Public Improvements. The City will contribute no funds to the cost of the Public Improvements other than the proceeds of the Series 2026 Bonds and, if issued, the proceeds of Additional Bonds. Therefore, because the available proceeds of the Series 2026 Bonds will not be sufficient to finance the remaining estimated costs of the Public Improvements, the Developer, or its successor, will be the only source of money to pay the additional costs of such Public Improvements to be provided by the Developer. The Developer expects to fund its share of the remaining costs of Public Improvements, with a combination of equity, proceeds from the sale of homes and raw land, and proceeds of Additional Bonds or equity. There can be no assurance that the Developer will have sufficient funds for such purpose, or that if it does have such funds, it will be willing to apply the funds for such purpose.

Financial Condition of the Developer Entities

There has been no independent investigation of and no representation is made in this Limited Offering Memorandum regarding the financial soundness of the Developer or Lennar Homes or of the managerial capability of the foregoing to develop and/or market (as applicable) the property within the District as planned. Moreover, the financial circumstances of the Developer or Lennar Homes may change from time to time. Development within the District is dependent upon the ability of the Developer or Lennar Homes to implement the development plans contemplated herein, as described above in "—Failure to Develop the District." Furthermore, the Developer or Lennar Homes are not under a binding obligation to develop property within the District as planned, nor is there any restriction on the right of the Developer, Lennar Homes, the Land Banks, or any other property owner to sell any or all of their property within the District or to withdraw completely from the development of the District. Prospective investors are urged to make such investigation as deemed necessary concerning the financial soundness of the Developer or Lennar Homes and their respective ability to implement the plans of development for the District as described herein.

Direct and Overlapping Indebtedness, Assessments and Taxes

The ability of an owner of property within the District to pay the Annual Payments could be affected by the existence of other taxes and assessments imposed upon the property. The City and other public entities whose boundaries overlap those of the District currently impose *ad valorem* property taxes on the property within the District and will likely do so in the future. Such entities could also impose assessment liens on the property within the District. Under State law, the lien created on the property within the District through the levy of *ad valorem* property taxes would be equal to or superior to that for the Assessments securing the Series 2026 Bonds. The imposition of additional equal or superior liens may reduce the ability or willingness of the landowners to pay the Annual Payments.

Limited Secondary Market for Series 2026 Bonds

The Series 2026 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2026 Bonds in the event a Bondholder determines to solicit purchasers of the Series 2026 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2026 Bonds may be sold. Such price may be lower than that paid by a current Bondholder of the Series 2026 Bonds, depending on the progress of the District, existing market conditions, and other factors.

No Acceleration Provision

The Series 2026 Bonds do not contain a provision allowing for the acceleration of the Series 2026 Bonds in the event of a payment default or other default under the terms of the Series 2026 Bonds or the Indenture. Further, the Indenture provides only limited remedies upon an event of default and does not require the Trustee to seek any remedies, except at the direction of the holders of a sufficient principal amount of Bonds. The ultimate source of recovery in the event of nonpayment of Annual Payments, if any, is the foreclosure procedures described under "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2026 BONDS." Moreover, neither the Assessment Proceedings nor the Act provide for acceleration of the Assessments upon a payment default. Therefore, in the event that a property owner within the District fails or refuses to pay the applicable Assessments, the amount to be received in a foreclosure sale will be limited to the portion of the applicable Annual Payments due in the years to which the foreclosure sale relates.

Loss of Tax Exemption

As discussed under the caption "TAX TREATMENT," the interest on the Series 2026 Bonds could become includable in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026 Bonds as a result of (i) a failure of the City to comply with certain provisions of the Code, or (ii) the incorrectness or incompleteness of certain certifications, representations, or warranties of the City. Should such event of taxability occur, the Series 2026 Bonds are not subject to early redemption and will remain outstanding to maturity or until redeemed under the applicable redemption provisions of the Indenture. The information contained under the heading "TAX TREATMENT" herein assumes compliance by the City with such provisions of the Code and the correctness and completeness of certain certifications, representations, and warranties of the City.

IRS Examination and Audit Risk

Owners of the Series 2026 Bonds are advised that, if the Internal Revenue Service (the "*IRS*") does audit the Series 2026 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the City as the taxpayer, and the Bondholders may have limited rights to participate in those proceedings. The commencement of such an audit could adversely affect the market value and liquidity of the Series 2026 Bonds until the audit is concluded, regardless of the ultimate outcome. In addition, in the event of an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2026 Bonds, it is unlikely the City will make available revenues to enable it to contest such determination or enter into a voluntary financial settlement with the IRS. Further, an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2026 Bonds would adversely affect the availability of any secondary market for the Series 2026 Bonds. Should interest on the Series 2026 Bonds become includable in gross income for federal income tax purposes, not only will Bondholders be required to pay income taxes on the interest received on such Series 2026 Bonds and related penalties, but because the interest rate on such Series 2026 Bonds will not be adequate to compensate Bondholders of the Series 2026 Bonds for the income taxes due on such interest, the value of the Series 2026 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2026 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2026 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2026 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2026 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2026 BONDS BECOMES TAXABLE.

Cybersecurity

The City and Jasper County rely on a technological environment to conduct their operations, including the imposition of *ad valorem* taxes and assessments, including the Annual Payments. The City, the County, and third-parties that they do business with or otherwise rely upon are subject to cyber threats including, but not limited to, hacking, viruses, malware, and other attacks on computer, information technology, and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to such parties' digital systems for the purpose of misappropriating assets or

information or causing operational disruption and damage. No assurance can be given that any such attack will not materially affect the operation of the City and Jasper County, which could affect the timely billing and collection of Annual Payments and the payment of debt service on the Series 2026 Bonds.

Federal Tax Reform

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2026 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2026 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2026 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2026 Bonds. Prospective purchasers of the Series 2026 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation. See "TAX TREATMENT."

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2026 BONDS IN THE EVENT OF A DETERMINATION OF TAXABILITY OF THE INTEREST ON THE SERIES 2026 BONDS AS A RESULT IN CHANGES TO FEDERAL INCOME TAX LAWS. PROSPECTIVE PURCHASERS OF THE SERIES 2026 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2026 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2026 BONDS BECOMES TAXABLE.

TAX TREATMENT

Federal and South Carolina Income Tax Treatment of Interest on the Series 2026 Bonds

On the date of issuance of the Series 2026 Bonds, Howell Linkous & Nettles, LLC, in its capacity as Bond Counsel to the City ("*Bond Counsel*"), will render an opinion that, under existing law, assuming continuing compliance with certain covenants made by the City to satisfy pertinent requirements of the Internal Revenue Code of 1986, as amended (the "*Code*"), and the applicable regulations promulgated thereunder (the "*Regulations*"), and the accuracy of certain representations, interest on the Series 2026 Bonds (i) is excludable from gross income for federal and South Carolina income tax purposes and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax under the Code. Such interest is, however, taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on certain corporations. See "APPENDIX C – FORM OF APPROVING OPINION OF BOND COUNSEL" attached hereto.

The opinion of Bond Counsel is based on current statutes, regulations, judicial decisions, rulings, and other published guidance of the Internal Revenue Service (the "IRS"), covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Series 2026 Bonds for federal income tax purposes. Bond Counsel's opinion is based upon existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the IRS or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

The opinion of Bond Counsel described above is subject to the condition that the City comply with all requirements of the Code and the Regulations, including, without limitation, certain limitations on the use, expenditure, and investment of the gross proceeds of the Series 2026 Bonds and the obligation to rebate certain earnings on investments of such gross proceeds to the United States Government, that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order for interest thereon to be, or to continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements could cause the inclusion of interest on the Series 2026 Bonds in gross income for federal income tax purposes, in some cases retroactively to the date of issuance of the Series 2026 Bonds. The opinion of Bond Counsel delivered on the date of issuance of the Series 2026 Bonds is conditioned on continuing compliance by the City with such requirements, and Bond Counsel has not been retained to monitor compliance with the requirements subsequent to the issuance of such Series 2026 Bonds.

[Original Issue Discount]

[Certain/The] Series 2026 Bonds have been sold at an initial offering price which is less than the principal amount thereof payable at maturity ("*Discount Series 2026 Bonds*"). The difference between the initial offering price to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers) at which a substantial amount of each maturity of Discount Series 2026 Bonds is sold and the principal amount payable at maturity constitutes original issue discount. In the case of Discount Series 2026 Bonds, Bond Counsel is of the opinion that original issue discount, as it accrues, is excludable from gross income for federal and South Carolina income tax purposes and is subject to the alternative minimum tax to the same extent as is interest on the Series 2026 Bonds. Original issue discount accrues in each taxable year over the term of the Discount Series 2026 Bonds under the "constant yield method" described in Regulations interpreting Section 1272 of the Code, with certain adjustments. The tax basis of Discount Series 2026 Bonds if held by an original purchaser, can be determined by adding to such owner's purchase price of such Discount Series 2026 Bonds the original issue discount that has accrued.

*Owners of the Discount Series 2026 Bonds should consult their own tax advisers with respect to all matters relating to such discount.***]**

[Original Issue Premium]

[Certain/The] Series 2026 Bonds have been sold at an initial offering price which is greater than the amount payable at maturity ("*Premium Series 2026 Bonds*"). An amount equal to the excess of the purchase price of a Premium Series 2026 Bond over its stated redemption price at maturity constitutes original issue premium. For federal and South Carolina income tax purposes, bond premium is amortized over the period to maturity of a Premium Series 2026 Bond, based on the yield to maturity of that Premium Series 2026 Bond (or, in the case of a Premium Series 2026 Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Series 2026 Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Series 2026 Bond. Bond premium must be amortized by the owner of a Premium Series 2026 Bond.

For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Series 2026 Bond, the owner's tax basis in the Premium Series 2026 Bond is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Series 2026 Bond for an amount equal to or less than the amount paid by the owner for that Premium Series 2026 Bond. A purchaser of a Premium Series 2026 Bond in the initial public offering at the price for that Premium Series 2026 Bond stated on the cover of this Limited Offering Memorandum who holds that Premium Series 2026 Bond to maturity (or, in the case of a callable Premium Series 2026 Bond, to its earlier call date that results in the lowest yield on that Premium Series 2026 Bond) will realize no gain or loss upon the retirement of that Premium Series 2026 Bond.

*Owners of the Premium Series 2026 Bonds should consult their own tax advisers with respect to all matters relating to such bond premium.***]**

Other Federal Income Tax Considerations Affecting the Series 2026 Bonds

Prospective purchasers of the Series 2026 Bonds should be aware that ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, life insurance companies, certain foreign corporations, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Bond Counsel expresses no opinion concerning such collateral income tax consequences, and prospective purchasers of Series 2026 Bonds should consult their own tax advisors as to the applicability thereof.

From time to time, there are legislative proposals in Congress which, if enacted into law, could eliminate or reduce the exclusion of the interest on the Series 2026 Bonds from gross income for federal income tax purposes or which might otherwise adversely affect the benefit or marketability of the Series 2026 Bonds. No prediction can be made as to whether any such provisions will be enacted as proposed or concerning other future legislation which, if passed, might affect the tax treatment of interest on the Series 2026 Bonds. Similarly, future clarifications of the Code by the IRS and court proceedings interpreting the Code could likewise affect the treatment of interest on the Series 2026 Bonds, as well as the benefit or marketability of the Series 2026 Bonds. Prospective purchasers of the Series 2026 Bonds should consult their own tax advisers regarding any pending or proposed federal tax legislation, court proceedings, and IRS actions, as to all of which Bond Counsel expresses no opinion.

The IRS has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations is includable in gross income for federal income tax purposes. Bond Counsel cannot predict whether the IRS will commence an audit of the Series 2026 Bonds. Bond Counsel's engagement with respect to the Series 2026 Bonds ends with the issuance of the Series 2026 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the City or the holders of the Series 2026 Bonds regarding the tax-exempt status of the Series 2026 Bonds in the event of an audit examination by the IRS. Under current procedures, parties other than the City and their appointed counsel, including the holders of the Series 2026 Bonds, would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the City legitimately disagrees may not be practicable. Any action of the IRS, including but not limited to selection of the Series 2026 Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Series 2026 Bonds, and may cause the City or the holders of the Series 2026 Bonds to incur significant expense, regardless of the ultimate outcome. Under certain circumstances, the City may be obligated to disclose the commencement of an audit under the Continuing Disclosure Agreement of the City (a copy of which is attached as APPENDIX D-1 to this Limited Offering Memorandum).

Reporting and Withholding Requirements

Payments of interest, including payments of tax-exempt interest on the Series 2026 Bonds, are generally subject to IRS Form 1099-INT information-reporting requirements.

An owner of a Series 2026 Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid on the Series 2026 Bonds if such owner, upon issuance of the Series 2026 Bonds, fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails properly to report interest, dividends, or other "reportable payments" (as defined in the Code), or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

These requirements do not affect the exclusion of interest on the Series 2026 Bonds from gross income for federal income tax purposes.

Limitation on South Carolina Tax Exemption

Interest paid on the Bonds is currently subject to the tax imposed on banks by Section 12-11-20, Code of Laws of South Carolina 1976, as amended, which is enforced by the South Carolina Department of Revenue as a franchise tax.

The opinion of Bond Counsel is limited to the laws of the State and federal tax laws. No opinion is rendered by Bond Counsel concerning the taxation of the Series 2026 Bonds or the interest thereon under the laws of any other jurisdiction.

SUITABILITY FOR INVESTMENT

The Underwriter is limiting the sale of the Series 2026 Bonds to qualified institutional buyers within the meaning of Rule 144A and accredited institutional investors as defined in Rule 501(a)(1), (2), (3), (7), (8), (9), (12), or (13) of Reg D. See "NOTICE TO INVESTORS" and "NO RATING" herein. Investment in the Series 2026 Bonds poses certain economic risks. See "BONDHOLDERS' RISKS" herein. No dealer, broker, salesperson or other person has been authorized by the City, the Developer, or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2026 Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Series 2026 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2026 Bonds will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Series 2026 Bonds, or in any way contesting or affecting the validity of the Series 2026 Bonds or any proceedings

of the City taken with respect to the issuance or sale thereof, the validity of the Assessments, the pledge or application of any moneys or security provided for the payment of the Series 2026 Bonds, or the existence or powers of the City.

NO RATING

No application for a rating for the Series 2026 Bonds has been made to any rating agency, nor is there any reason to believe that an investment grade rating for the Series 2026 Bonds would have been obtained if application had been made.

MUNICIPAL ADVISOR AND DISTRICT ADMINISTRATOR

PFM Financial Advisors LLC, Orlando, Florida, has served as municipal advisor (the "*Municipal Advisor*") to the City with respect to the sale of the Series 2026 Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Series 2026 Bonds is contingent on the issuance and delivery of the Series 2026 Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Limited Offering Memorandum and the appendices thereto.

MuniCap assisted the City in the preparation of the Assessment Proceedings set forth in Appendix A hereto and such appendix should be read in its entirety for complete information with respect to the subjects discussed therein. MuniCap serves as the District Administrator for the City in connection with the District and is paid on an hourly basis without contingency. For a more detailed description of MuniCap, see "ASSESSMENT PROCEEDINGS; ASSESSMENTS—Assessment District Proceeding and Procedures—*District Administrator*" herein.

CONTINUING DISCLOSURE

Continuing Disclosure Agreements

The City, the Developer, and Lennar Homes have voluntarily agreed to provide certain financial, operating, and event information to holders of the Series 2026 Bonds. The specific nature of the information, as well as the circumstances under which other material events are reported, is contained in the forms of Continuing Disclosure Agreements set forth in "Appendix D –FORMS OF CONTINUING DISCLOSURE AGREEMENTS." MuniCap will serve as dissemination agent with respect to the City's continuing disclosure obligations, and will assist the City in the preparation of the report required thereunder. MuniCap will also serve as dissemination agent with respect to the Developer's and Lennar Homes's respective disclosure obligations. The reports required pursuant to the Continuing Disclosure Agreements will be provided by MuniCap for filing with the Municipal Securities Rulemaking Board (the "*MSRB*") through the MSRB's Electronic Municipal Marketplace Access ("*EMMA*") system. Failure to comply with the requirements of the Continuing Disclosure Agreements will not result in a default under the Series 2026 Bonds; however, under certain circumstances, the failure of the City, the Developer, or Lennar Homes to comply with their obligations under the applicable Continuing Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture. Such an event of default under the Continuing Disclosure Agreement applicable to the City will allow MuniCap, in its capacity as Dissemination Agent, to bring an action for mandamus or specific performance to compel the City's performance thereunder. Such an event of default under the Continuing Disclosure Agreements applicable to the Developer and Lennar Homes, respectively, would allow the Bondholders (including owners of beneficial interests in such Series 2026 Bonds), as applicable, to bring an action for enforcement against the Developer or Lennar Homes for the enforcement of the disclosure obligations thereof.

The City

Within the past five years, the City has been subject to continuing disclosure undertakings in connection with the City's Anderson Tract Municipal Improvement District Assessment Revenue Bonds Series 2008A and the City's East Argent Improvement District Assessment Revenue Bonds, Series 2021 (collectively, the "*MID Bonds*"). The City has timely filed its annual report due in connection with the MID Bonds for each of the past five fiscal years.

The Developer

The Developer has not been subject to continuing disclosure undertakings within the past five years. As information, within the past five years, affiliates of The Kolter Group, LLC (manager of the Kolter Member with the responsibility of conducting the day-to-day operations and business affairs of the Developer) (see "THE DEVELOPER AND LANDOWNERS—LK Development—*Principals of Brookfield Kolter Managing LK Development*"), have been subject to continuing disclosure undertakings with respect to almost fifty special assessment bond issues involving assessment financings for thirty developments and/or communities (the "*Special Assessment Disclosure Obligations*") that require certain periodic

continuing disclosure. Of those Special Assessment Disclosure Obligations, there have been late filings of certain quarterly reports with respect to three of the thirty developments and/or communities. A failure to file notice was not filed for these late filings. In relation to the issuance of the Series 2026 Bonds, the Developer has retained MuniCap, a nationally-recognized dissemination agent, which will assist the support of staff at the division-level of Brookfield Kolter Land to comply with the continuing disclosure obligations, as more fully-described in the Continuing Disclosure Agreement applicable to the Developer.

Lennar Homes

Within the past five years, Lennar Homes has been subject to continuing disclosure undertakings with respect to various special assessment and related types of bond financings. Lennar Homes has timely filed its quarterly and/or annual reports due in connection with such financings for each of the past five fiscal years.

UNDERWRITING

Stifel, Nicolaus & Company, Inc. (the "*Underwriter*") has agreed, subject to certain conditions, to purchase all, but not less than all, of the Series 2026 Bonds set forth on the inside cover page hereof at a purchase price of $_____ (representing $_____ aggregate principal amount of the Series 2026 Bonds, [plus][less] a [net] original issue [premium][discount] of $_____, less an underwriter's discount of $_____). The Underwriter's obligation is subject to certain conditions precedent and the Underwriter will be obligated to purchase all the Series 2026 Bonds if any are purchased. The Series 2026 Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial offering prices may be changed from time to time by the Underwriter.

Stifel and its affiliates comprise a full-service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Stifel and its affiliates may have provided, and may in the future provide, a variety of these services to the City and to persons and entities with relationships with the City, LK Development, and Lennar Homes, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, Stifel and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the City (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the City.

Stifel and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the City.

RELATIONSHIP AMONG PARTIES

MuniCap, the District Administrator, has from time to time provided and currently provides consulting and other services to the Developer and Lennar Homes and their respective affiliates. MuniCap has additionally been retained by the City as the District Administrator with respect to the East Argent Improvement District, which is another municipal improvement district in close proximity to the District. Pope Flynn, LLC, counsel to the Underwriter, has represented the Underwriter in underwriting and other transactions which are unrelated to the District and the offer and sale of the Series 2026 Bonds. Pope Flynn, LLC also has represented Lennar Homes and its affiliates in certain matters with respect to developments elsewhere in the State that are unrelated to the District. Maynard Nexsen PC, counsel to the Developer and Lennar Homes, has represented and currently represents the Developer and Lennar Homes with respect to developments elsewhere in the State that are unrelated to the District. Maynard Nexsen PC has also represented the Underwriter in certain transactions which are unrelated to the District.

LEGAL MATTERS

Certain legal matters related to the authorization, sale and delivery of the Series 2026 Bonds are subject to the approval of Howell Linkous & Nettles, LLC, Charleston, South Carolina, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Pope Flynn, LLC, Columbia, South Carolina; for the Developer and Lennar Homes by their counsel, Maynard Nexsen PC, Charleston, South Carolina, and for the City by Prina Maines, Esq., Hardeeville, South Carolina.

MISCELLANEOUS

Any statements made in this Limited Offering Memorandum involving matters of opinion or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representations are made that any of the estimates will be realized.

The references herein to the Series 2026 Bonds and other documents referred to herein are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to such documents for full and complete statements of such provisions. Contemporaneously with the issuance of the Series 2026 Bonds, an official of the City will furnish a certificate to the effect that the information contained in this Limited Offering Memorandum (excluding information relating to DTC and its affiliates and the book-entry system of registration and transfer and related information under the caption "DESCRIPTION OF THE SERIES 2026 BONDS—Book-Entry Only System" and Appendix K hereto; the information relating to the Underwriter under the caption "UNDERWRITING" in and the statement of the Underwriter contained in the inside front cover of this Limited Offering Memorandum; and the information contained in Appendix D-2, Appendix D-3, Appendix G, Appendix H and Appendix I), as of its date and as of the date of delivery of the Series 2026 Bonds, is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made in the Limited Offering Memorandum, in light of the circumstances under which they were made, not misleading

This Limited Offering Memorandum has been prepared in connection with the sale of the Series 2026 Bonds and may not be reproduced or used, as a whole or in part, for any purpose. This Limited Offering Memorandum is not to be construed as a contract with the Holders or Beneficial Owners of any of the Series 2026 Bonds.

This Limited Offering Memorandum has been duly authorized, executed and delivered by the City and deemed "final" by the City.

CITY OF HARDEEVILLE, SOUTH CAROLINA

By: _____
Mayor

APPENDIX A

RATE AND METHOD OF APPORTIONMENT OF ASSESSMENTS AND ORIGINAL ASSESSMENT ROLL AND REPORT ON THE REASONABLE BASIS OF ASSESSMENTS

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Hilton Head Lakes West Tract Improvement District

City of Hardeeville, South Carolina

Assessment A
Assessment Roll

Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

ASSESSMENT ROLL

ASSESSMENT A

Parcel Identification	Acres	Owner	Assessment A
Assessed Property			
042-00-06-045	2,216.51	LK Development Group LLC	$98,116,427.85
042-00-06-129	228.56	TPG AG EHC III (LEN) Multi State 1, LLC	$10,117,242.79
042-00-06-130	10.13	LK Development Group LLC	$448,282.99
042-00-06-131	18.14	TPG AG EHC III (LEN) Multi State 1, LLC	$802,810.33
042-00-06-132	132.53	LK Development Group LLC	$5,866,588.73
		Total Assessment	**$115,351,352.69**
Total	**2,605.86**		**$115,351,352.69**

The "Rate and Method of Apportionment of Assessment A," attached hereto as Appendix A and incorporated herein, includes a number of provisions related to Assessment A. Assessment A shall be collected, reallocated, reduced, terminated, prepaid and applied as set forth in the Rate and Method of Apportionment of Assessment A.

Appendix B-1 attached hereto and incorporated herein shall be updated each Assessment Year to reflect, among other things, the current Parcels in the Hilton Head Lakes West Tract Improvement District, Assessment A for each Parcel, including any reallocations for subdivisions and adjustments, the Annual Installment and the Annual Payment for the Assessment Year for which the Assessment Roll is being updated, prepayments or termination of Assessment A and other changes, all as provided for in the Rate and Method of Apportionment of Assessment A.

The Annual Installment and Annual Payment for each Assessment Year is shown by Appendix B-2 attached hereto and incorporated herein; the Annual Installment, Annual Payment, and Appendix B-2 shall be updated each Assessment Year pursuant to the Rate and Method of Apportionment of Assessment A. Assessments are shown here allocated pro rata based on acreage.

Undefined terms used herein shall have the meaning as given in the Rate and Method of Apportionment of Assessment A, attached as Appendix A.

Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina
Appendix A
to Assessment Roll A

Rate and Method of Apportionment of Assessment A

A. INTRODUCTION

Assessment A (as defined below) shall be billed to and collected from real property within the Hilton Head Lakes West Tract Improvement District (the "District"), established by the City Council (as defined below) by the District Ordinance (as defined below), through the application of the procedures described below. The City Council or its designee shall make all determinations in this Rate and Method of Apportionment of Assessment A unless stated otherwise.

B. DEFINITIONS

The terms used herein shall have the following meanings:

"Act" means the Municipal Improvements Act (S.C. Code Section 5-37-10, *et. seq*., as amended from time to time).

"Administrative Expense Annual Payment" for each Parcel of Assessed Property shall be the amount to be collected from such Parcel each Assessment Year to fund Administrative Expenses as determined by the provisions of Section D 2.

"Administrative Expense Annual Payment Rate" means for any Assessment Year, the Annual Administrative Expense Requirement divided by the sum of the Principal Portion of the Bond Assessment for all Parcels.

"Administrative Expense Assessment" means the special assessment imposed on Assessed Property pursuant to the Resolution, the provisions of which are specified herein and on Assessment Roll A. The Administrative Expense Assessments shall be billed to Assessed Property pursuant to the provisions herein and shall be terminated pursuant to the provisions herein.

"Administrative Expenses" means the actual or budgeted, and in each case, reasonable costs, as applicable, directly related to the administration of Assessment A, including but not limited to: the costs of the recurring updates to Assessment Roll A; the costs of computing the Annual Installments and Annual Payments; the costs of billing and collecting the Annual Payments; the costs of the Administrator and Trustee (including their legal counsel) in the discharge of their duties; City or Jasper County expenses for the billing, collection and enforcement of the Bond

Assessment or Administrative Expense Assessment or in any other way related to Assessment A; and the costs of the City of complying with arbitrage rebate requirements, securities disclosure requirements, and any other costs of the City related to the administration of Assessment A, including, without limitation, the costs of legal counsel and other consultants and advisors, and costs related to commencing foreclosure and pursuing collection of delinquent Annual Payments.

"Administrator" means the official or designee of the City who shall be responsible for preparing and submitting to the City the updates of Assessment Roll A and such other responsibilities as provided herein or in separate documents or agreements relating to or governing the District.

"Annual Administrative Expense Requirement" means, for any Assessment Year, the Administrative Expenses, less any other funds available, including funds available pursuant to the Indenture, to be utilized to fund the Administrative Expenses.

"Annual Installment" means for any given Assessment Year, the portion of the Bond Assessment due and payable in the selected Assessment Year as set forth on Appendix B-2 attached hereto as it may be updated from time to time pursuant to the provisions herein. The Annual Installments as shown on Appendix B-2 may be revised to reflect the payments due on the Bonds as long as the sum of the Annual Installments for all years does not exceed the sum of the Bond Assessment for all the Parcels.

For each Assessment Year, the Annual Installment shall be assigned to each Parcel in an amount equal to the amount calculated by the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Annual Installment assigned to the Parcel
B = the total Annual Installment
C = the Principal Portion of the Bond Assessment on the Parcel
D = the sum of the Principal Portion of the Bond Assessment on all Parcels

"Annual Payment" for each Parcel of Assessed Property for each Assessment Year shall be the sum of the Administrative Expense Annual Payment and the Bond Annual Payment as specified in Section D.

"Annual Payment Rate for Platted Property" means for any Assessment Year, the Annual Revenue Requirement divided by the sum of the Principal Portion of the Bond Assessment for all Parcels.

"Annual Payment Rate for Unplatted Property" means for any Assessment Year, the difference between Annual Revenue Requirement and the Annual Payments to be collected from Platted

Property with such difference divided by the sum of the Principal Portion of the Bond Assessment for all Parcels of Unplatted Property.

"Annual Revenue Requirement" means, for any Assessment Year, the sum of the following: (1) regularly scheduled debt service on the Bonds; and (2) periodic costs associated with such Bonds, including but not limited to rebate payments and credit enhancement on the Bonds; less (a) any other funds available pursuant to the Indenture to apply to the Annual Revenue Requirement, such as capitalized interest and interest earnings on any account balances and (b) any other funds available to the District that may be applied to the Annual Revenue Requirement.

"Assessed Property" means, for any Assessment Year, Parcels within the District other than Non-Assessed Property.

"Assessment A" means either or both of the Administrative Expense Assessment and the Bond Assessment.

"Assessment Roll A" means Assessment Roll A to which this Rate and Method of Apportionment of Assessment A is attached as Appendix A, as approved by the Resolution, including Appendices B-1 and B-2 attached thereto, as these appendices are updated from time to time by the City.

"Assessment Year" means the annual cycle in which the Annual Installment and Annual Payment are determined each year for each Parcel, the Annual Payment is billed and collected, and these revenues applied to the payments on the Bonds and Administrative Expenses.

"Bond Annual Payment" for each Parcel of Assessed Property shall be the portion of the Parcel's Annual Installment to be collected from such Parcel each Assessment Year as determined by the provisions of Section D 1.

"Bond Assessment" means the assessment imposed on Assessed Property pursuant to the Resolution and the provisions herein and as shown on Assessment Roll A, as it may be reapportioned, reduced, and terminated pursuant to the provisions herein. The Bond Assessment for each Parcel represents the total obligation of a Parcel, including the Parcel's share of principal and interest on the Bonds, but excluding the Parcel's obligation for the Administrative Expense Assessment.

"Bonds" means any bonds or other debt issued or expected to be issued by the City pursuant to the Act which are secured by the Bond Assessment, whether in one or more series, including any bonds issued to refund such bonds.

"City" means the City of Hardeeville, South Carolina.

"City Manager" means the manager of the City or its designee.

"City Council" means the City Council of the City.

"Commencement Year" means the first year after the issuance of the Bonds in which the Annual Payment is to be collected.

"Completion of Construction" means the Assessment Year after all Bonds expected to be issued have been issued and capitalized interest on the Bonds has been applied.

"Determination Date" means the date each year as determined by the City Council to be used for classifying property for the update of Assessment Roll A.

"District Ordinance" means Ordinance No. 2025-10-02C, enacted by City Council on October 16, 2025, as Amended and Restated by Ordinance No. 2026-01-08A, enacted by City Council on January 22, 2026, together authorizing the establishment of the District, providing for the financing of improvements within the District by assessments, the issuance of bonds, and other matters relating thereto.

"Equivalent Residential Units" means for each Parcel of Assessed Property the number of residential units, including residential units built and expected to be built. The computation of Equivalent Residential Units for each Parcel shall be based on the expected development in substantial conformance with City approved development restrictions and measured by actual development, development plans, the legal maximum development allowed, the acreage of a Parcel, reasonable density ratios and other reasonable methods, as determined by the City Council.

The Equivalent Residential Units for each of the Parcels shown on Assessment Roll A approved by the Resolution have been calculated pursuant to the terms stated in this section.

"Indenture" means any trust indenture setting forth the terms and other provisions relating to Bonds, as modified, amended or supplemented from time to time.

"Mandatory Full Prepayment of Assessment A" shall mean a mandatory full prepayment of the Bond Assessment pursuant to Section J(1).

"Maximum Annual Installment for Platted Property" means for Parcels of Platted Property, $600 per year per Equivalent Residential Unit beginning in the Commencement Year and increasing by three percent year thereafter until Assessment A for the Parcel has been fully paid.

"Non-Assessed Property" means Public Property, Owner Association Property or Utility Property.

"Owner Association Property" means Parcels owned by or irrevocably offered for dedication to a property owners association and available for general use by the property owners.

"Parcel" means a lot or parcel within the District with a tax map identification number assigned or to be assigned for real property tax collection purposes or as otherwise determined by the City.

"Platted Property" means property for which a final plat has been recorded creating individual lots on which vertical development may be built without further subdivision.

"Principal Portion of the Bond Assessment" means, for each Parcel, a portion of Bond Assessment in the amount shown under the column heading "Principal Portion of the Bond Assessment" on Appendix B-1 hereto, as it may be reapportioned upon the subdivision of any Parcel according to the provisions of Section C (2), adjusted according to Section C (3), reduced according to the provisions of Section C (4), and terminated pursuant to Section H. The Principal Portion of the Bond Assessment reflects the principal portion of the Bonds. The Principal Portion of the Bond Assessment may be increased for refunding bonds or other reasons as long as the total of the Bond Assessment is not increased.

"Public Property" means Parcels owned by or irrevocably offered for dedication to the federal government, the State of South Carolina, Jasper County, the City, or any other public agency, political subdivision, or other public entity, whether in fee simple or in any other property ownership interest that creates a substantially exclusive use by the public entity in the Parcel. The existence of an easement on a portion of a Parcel does not make the parcel Public Property, although the real property interest represented by the easement shall not be subject to the Assessments.

"Resolution" means Ordinance No. 2026-01-08B, enacted by City Council on January 22, 2026, amending and restating Ordinance No 2025-10-02D, enacted by City Council on October 16, 2025, approving together the Master Assessment Methodology for Assessment A, which includes the Assessment Roll A, including the Rate and Method of Apportionment of Assessment A which is attached to Assessment Roll A as Appendix A, and the Report on the Reasonable Basis of Assessment A originally dated August 14, 2025, and amended as of January 22, 2026.

"Trustee" means the trustee as specified in the Indenture, including any successor trustee.

"Unplatted Property" means Parcels of Assessed Property that are not Platted Property.

"Utility Property" means Parcels owned by or irrevocably offered for sale or dedication to a provider of utilities, including but not limited to providers of the following: power, gas, water, sewer and telecommunications. The existence of an easement on a portion of a Parcel does not make the parcel Utility Property, although the real property interest represented by the easement shall not be subject to the Assessments.

C. ASSESSMENT A

1. The Amount of Assessment A

The Bond Assessment for Parcels of Assessed Property are shown on Assessment Roll A.

The Bond Assessment for each Parcel shall not be changed except pursuant to the provisions provided for herein and in Assessment Roll A.

The Administrative Expense Assessment is equal to the amount necessary to fund Administrative Expenses until the Bonds are fully repaid. The Administrative Expense Assessment shall be billed to Parcels of Assessed Property on an annual basis as specified in Section D below in order to fund the Administrative Expenses.

Parcels of Assessed Property for which the Bond Assessment is zero, including Parcels for which the Bond Assessment has been fully paid, and Parcels of Non-Assessed Property, shall not be subject to the Administrative Expense Assessment and shall not be billed the Administrative Expense Assessment.

2. Adjustments to the Bond Assessment

a. Subdivision of a Parcel

Upon the subdivision of any Parcel, the Bond Assessment for the Parcel prior to the subdivision shall be allocated to each resulting Parcel in proportion to the Equivalent Residential Units of each resulting Parcel and the Bond Assessment for the undivided Parcel prior to the subdivision, according to the following formula.

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Bond Assessment of the resulting Parcel
B = the Bond Assessment of the undivided Parcel prior to the subdivision
C = the Equivalent Residential Units of the resulting Parcel
D = the sum of the Equivalent Residential Units for all of the Parcels that result from the subdivision, as estimated at the time of the subdivision.

In all cases, the sum of the Bond Assessment for all of the resulting Parcels after the subdivision of the Parcel shall equal the Bond Assessment on the parent Parcel before the subdivision of the parent Parcel.

Upon the subdivision of any Parcel, the Principal Portion of the Bond Assessment shall be allocated to each new Parcel in the same manner as the allocation of the Bond Assessment.

b. Consolidation of Parcels

Upon the consolidation of two or more Parcels, the Bond Assessment and the Principal Portion of the Bond Assessment for the consolidated Parcel shall equal the sum of the Bond Assessment and the Principal Portion of the Bond Assessment, respectively, for the Parcels immediately prior to the consolidation.

c. Request of a Parcel Owner(s)

The Bond Assessment on Parcels may be reallocated among such Parcels by the City Council upon the unanimous request of the owners of the Parcels for which the Bond Assessments are to be reallocated if the Equivalent Residential Units of one of the Parcels has changed since the last allocation of Bond Assessment to the Parcel.

The reallocation of the Bond Assessment shall be made pursuant to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Bond Assessment after reallocation for a Parcel for which the Bond Assessment is being reallocated
B = the sum of the Bond Assessment of all Parcels involved in the reallocation prior to the reallocation
C = the Equivalent Residential Units of the Parcel as calculated at the time of the reallocation
D = the sum of the Equivalent Residential Units for all of the Parcels for which Bond Assessments are being reallocated as calculated at the time of the reallocation

In all cases, the sum of the Bond Assessments on all Parcels involved in the reallocation after the reallocation shall equal the sum of the Bond Assessments on all Parcels involved in the reallocation immediately prior to such reallocation.

Upon a reallocation of the Bond Assessment at the request of an owner(s) as set forth in this section, the Principal Portion of the Bond Assessment shall be reallocated to each Parcel in a consistent manner as the allocation of the Bond Assessment to each Parcel.

3. Reduction in the Bond Assessment on Parcels

a. Reduction in Costs

If the City Council determines that the costs to be paid by the Bond Assessment, including costs related to the issuance and repayment of the Bonds, are reduced to an amount less than the total of the Bond Assessment, the Bond Assessment for each Parcel of Assessed Property shall be reduced such that the adjusted total Bond Assessment equals the costs to be paid by the Bond Assessment.

The reduction to each Parcel shall be in equal percentage to each Parcel. The City Council may, under compliance with any applicable law, reduce the Bond Assessment in another manner under this section if the City Council determines another method would be more equitable or practical.

The Bond Assessment as reduced according to the provisions of this section shall not be reduced to an amount that is less than the remaining principal and interest on the Bonds outstanding through maturity, including any Bonds to be issued.

The Principal Portion of the Bond Assessment shall be reduced for any reduction in costs pursuant to this section that also results in a reduction in the Bonds. In such case, the Principal Portion of the Bond Assessment shall be reduced in the same manner as the reduction in the Bond Assessment. The Principal Portion of the Bond Assessment for all of the Parcels shall not be reduced to an amount less than the Bonds outstanding and to be issued.

b. Payment of the Bond Assessment

The Bond Assessment applicable to any Parcel shall be reduced each Assessment Year for the Bond Annual Payment billed to such Parcel. Billed but unpaid Bond Assessments shall remain an obligation of the Parcel.

The Principal Portion of the Bond Assessment applicable to any Parcel shall be reduced each Assessment Year for the portion of the Bond Annual Payment billed to such Parcel that is utilized to repay principal on the Bonds, which shall be calculated in proportion to the percentage calculated from the following formula:

$$A = B \times C$$

Where the terms have the following meanings:

A = the percentage of the Bond Annual Payment utilized to repay principal
B = the principal included in the calculation of the Annual Revenue Requirement
C = the Annual Revenue Requirement

The Principal Portion of the Bond Assessment billed but unpaid shall remain an obligation of the Parcel.

The Bond Assessment and the Principal Portion of the Bond Assessment applicable to any Parcel shall be reduced for any prepayment of the Bond Assessment for such Parcels pursuant to Section I and Section J below.

The Principal Portion of the Bond Assessment for any Parcel shall not be reduced to an amount such that the sum of the Principal Portion of the Bond Assessment of all Parcels is less than the Bonds outstanding and to be issued.

D. METHOD OF DETERMINING THE ANNUAL PAYMENT

1. Bond Annual Payment

Commencing with the Bond Annual Payment to be collected in the Commencement Year and for each following Assessment Year, the Administrator shall calculate and City Council shall confirm the Bond Annual Payment on each Parcel of Assessed Property. The Bond Annual Payment for each Parcel of Assessed Property shall be determined as provided for in this section.

a. Platted Property

Prior to the Completion of Construction, the Bond Annual Payment for a Parcel shall be the Maximum Annual Installment for Platted Property. Upon Completion of Construction, for a given Assessment Year, the Bond Annual Payment for a Parcel shall be the lesser of (1) the Maximum Annual Installment for Platted Property for the Parcel and (2) the amount calculated according to the following formula:

$$A = B \times C$$

Where the terms have the following meanings:

A = the Bond Annual Payment of the Parcel
B = the Principal Portion of the Bond Assessment for the Parcel
C = the Annual Payment Rate for Platted Property

b. Unplatted Property

The total of the Annual Payment for all of the Parcels of Unplatted Property shall equal the Annual Revenue Requirement less the total of the Annual Payments to be collected from all Parcels of Platted Property (but not less than zero).

The Annual Payment for each Parcel of Unplatted Property shall be calculated according to the following formula:

$$A = B \times C$$

Where the terms have the following meanings:

A = the Bond Annual Payment of the Parcel
B = the Principal Portion of the Bond Assessment for the Parcel
C = the Annual Payment Rate for Unplatted Property

2. Administrative Expense Annual Payment

Commencing with the Administrative Expense Annual Payment to be collected in the Commencement Year and for each following Assessment Year, the Administrator shall calculate and City Council shall confirm the Administrative Expense Annual Payment on each Parcel of Assessed Property. The Administrative Expense Annual Payment for each Parcel of Assessed Property shall be determined as indicated below.

For a given Assessment Year, the Administrative Expense Annual Payment for a Parcel shall be calculated from the following formula:

$$A = B \times C$$

Where the terms have the following meanings:

A = the Administrative Expense Annual Payment of the Parcel
B = the Principal Portion of the Bond Assessment for the Parcel
C = the Administrative Expense Annual Payment Rate

3. The Annual Payment

Commencing with the Annual Payment to be collected in the Commencement Year and for each following Assessment Year, the Administrator shall calculate and the City Council shall confirm the Annual Payment on each Parcel of Assessed Property. For a given Assessment Year, the Annual Payment for a Parcel shall equal the sum of Bond Annual Payment and the Administrative Expense Annual Payment for the given Assessment Year.

E. MANNER OF COLLECTION OF ASSESSMENT A

The Annual Payment shall be collected in the same manner as regular ad valorem property taxes or in any other manner permitted by law as determined by the City and shall be subject to the same

penalties, procedures, sale, and lien priorities in case of delinquencies as are provided for regular real estate property taxes of the City.

F. UPDATING ASSESSMENT ROLL A

In order to facilitate the collection of Assessment A, the Administrator shall prepare for approval by City Council an update to Assessment Roll A each Assessment Year to reflect (i) the current Parcels in the District, (ii) the total of Assessment A, including the Bond Assessments that have been allocated to each Parcel, (iii) the total Principal Portion of the Bond Assessments, including the Principal Portion of the Bond Assessments that have been allocated to each Parcel, (iv) the Annual Installments, including the Annual Installments that have been assigned to each Parcel, (v) the Annual Payments to be collected from each Parcel for the current Assessment Year, including the Bond Annual Payment and the Administrative Expense Annual Payment, (vi) prepayments of the Bond Assessments, and (vii) termination of Assessment A, along with other information helpful to the City in the administration of the District, all determined according to the provisions set forth herein.

G. ADMINISTRATIVE REVIEW

Prior to seeking any other remedy, an owner of a Parcel claiming that a calculation error has been made in the update of Assessment Roll A in any Assessment Year, including the calculation of the Annual Payment, shall send a written notice describing the error to the Administrator not later than thirty (30) calendar days after the date any amount which is alleged to be incorrect is due. The Administrator shall promptly review the notice, and if necessary, meet with the property owner, consider written and oral evidence regarding the alleged error, and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made that requires Assessment Roll A (including the Annual Payment for a Parcel) to be modified or changed in favor of the property owner, a cash refund may not be made for any amount previously paid by the owner (except for the final Assessment Year during which the Annual Installment shall be collected or if a determination is made that there will otherwise be sufficient funds to meet the Annual Revenue Requirement), but an adjustment shall be made in the amount of the Annual Payment to be paid by the owner in the following Assessment Year. The determination of the Administrator may be appealed to City Council. The decision of the City Council in response to an appeal regarding a calculation error relating to Assessment Roll A shall be conclusive as long as there is a reasonable basis for the determination.

H. TERMINATION OF ASSESSMENT A

Except for any delinquent Annual Payments and related penalties, the Assessment A on each Parcel may not be collected after the earlier of (a) if Bonds have been issued, the end of the stated term

of the Bonds and (b) the date on which such Bond Assessment is prepaid in full or paid in full as provided for herein.

After the termination of Assessment A with respect to a Parcel, and the collection of any delinquent Annual Payment with respect to such Parcel, including penalties and interest, the City shall provide each owner of a Parcel for which Assessment A has been terminated a recordable document (or provide for the recordation of such document) evidencing the termination of the imposition and collection of Assessment A.

I. VOLUNTARY PREPAYMENT OF THE BOND ASSESSMENT

The Bond Assessment on any Parcel may be fully paid at any time and the Bond Assessment on the Parcel reduced to zero and permanently satisfied, thus avoiding the obligation to pay any future Annual Payment, by payment of an amount equal to: (a) the sum of the following: (i) Principal, (ii) Defeasance and (iii) Expenses, less (b) the Reserve Fund Credit, where the terms have the following meanings:

"Principal" means an amount equal to the Principal Portion of the Bond Assessment for the Parcel.

"Defeasance" means an amount, if any, needed to pay interest on the outstanding Bonds to be redeemed, which may have already been billed in the prior Annual Payment, less appropriate adjustments, as determined by the Administrator, for the estimated investment earnings, if any, on the prepayment amount until the applicable Bonds can be called and redeemed pursuant to the Indenture.

"Expenses" means the Administrative Expenses related to the prepayment of the Bond Assessment allocable to such Parcel.

"Reserve Fund Credit" means, a credit for the amount, if any, by which the Debt Service Reserve Fund (as such terms are defined in the Indenture) of the Bonds will be reduced pursuant to the Indenture as a result of a redemption resulting from the prepayment.

The amount calculated in the preceding steps shall be paid to the Trustee or the City, and if paid to the City, distributed by the City to the Trustee according to the Indenture. Assuming all previously billed Annual Payments have been paid, upon the payment of such prepayment amount to the Trustee or to the City, the obligation to pay the Bond Assessment shall be deemed to be permanently satisfied, the Bond Assessment shall be reduced to zero and future Annual Payments shall not be collected on the Parcel thereafter. If requested, the City shall provide to the owner of the Parcel (or cause to be recorded) a recordable notice of the payment of Assessment A, within a reasonable period of time of the receipt of such prepayment amount.

The Bond Assessment on any Parcel may be paid in part one time. Following such partial prepayment, the Bond Assessment and the Principal Portion of the Bond Assessment for the Parcel shall be reduced by the payment received by the Trustee or City.

J. MANDATORY PREPAYMENTS

A Mandatory Full Prepayment of Assessment A shall be required on any Parcel that is acquired by an entity that results in the Parcel being classified as Non-Assessed Property, if the Bond Assessment may not be reapportioned to a Parcel of Assessed Property pursuant to the provisions herein. A Mandatory Full Prepayment of the Assessment A shall be a full prepayment of the Bond Assessment and shall be calculated as set forth in Section I.

A Mandatory Full Prepayment of Assessment A shall be paid to the Trustee or the City and if paid to the City, the amount shall be distributed by the City to the Trustee according to the Indenture. Contingent on all previously billed Annual Payments having been paid, upon the payment of a Mandatory Full Prepayment of Assessment A to the Trustee or the City, the obligation to pay the Bond Assessment shall be deemed to be permanently satisfied, the Bond Assessment shall be reduced to zero and future Annual Payment shall not be collected on the Parcel thereafter. If requested, the City shall provide to the owner of the Parcel (or cause to be recorded) a recordable notice of the payment of Assessment A within a reasonable period of the receipt of such prepayment amount.

Each Mandatory Full Prepayment of Assessment A shall be due immediately upon the event, action or determination resulting in the Mandatory Full Prepayment of Assessment A and may be collected from proceeds of a sale, condemnation or other form of compensation for the real property or from any other legally available source of funds. In the event a Mandatory Full Prepayment of Assessment A is not paid when due, the Mandatory Full Prepayment of Assessment A may be collected from any and all Parcels created from the Parcel for which the prepayment was due.

A Mandatory Full Prepayment of Assessment A shall have the same sale and lien priorities as provided for by law for Assessment A.

A Mandatory Full Prepayment of Assessment A shall not exceed the amount of the outstanding Bonds plus any amounts owed on the Bonds, including accrued interest and redemption fees and Expenses associated with the prepayment.

K. AMENDMENTS

Immaterial amendments may be made to this Rate and Method of Apportionment of Assessment A by the City Council without further notice to owners of Assessed Property. Immaterial amendments shall be those that (i) clarify or correct minor inconsistencies in the matters set forth

herein, (ii) provide for lawful procedures as permitted under the Act and for the collection and enforcement of Assessment A and other charges imposed herein so as to assure their efficient collection, and (iii) otherwise improve the ability of the City to fulfill its obligations to impose and collect Assessment A and charges imposed herein, to make the Bond Assessment available for the payment of the Bonds and to make the Administrative Expense Assessment available for the payment of the Administrative Expenses. The City Council shall not approve such an immaterial amendment unless and until it has been found and determined that the immaterial amendment is necessary and appropriate and does not materially adversely affect the rights of the owners of the Bonds.

Amendments may not be made to this Rate and Method of Apportionment of Assessment A pursuant to the procedure described above that would increase the total of the Bond Assessment.

Administrative procedures as authorized herein shall not constitute or require an amendment of this Rate and Method of Apportionment of Assessment A.

L. INTERPRETATION OF PROVISIONS

The City Council shall make all interpretations and determinations related to the application of this Rate and Method of Apportionment of Assessment A, unless stated otherwise herein or in the Indenture, and as long as there is a rational basis for the determination made by the City Council, such determination shall be conclusive.

M. SEVERABILITY

If any section or part of a section of this Rate and Method of Apportionment of Assessment A is declared invalid or unenforceable, the validity, force, and effect of any other section or part of a section herein shall not thereby be affected or impaired unless such other section or part of a section herein is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unenforceable.

Assessment Roll
Hilton Head Lakes West Tract Improvement District
Appendix B-1

ASSESSMENT A

Parcel Identification	Real Property Status	Equivalent Units	Assessment A	Bond Assessment	Principal Portion of Assessment A	2026-2027 Annual Installment	2026-2027 Annual Payment
042-00-06-045	Undeveloped Property	3,437.22	$98,116,427.85	$95,851,967.50	$40,062,674.99		
042-00-06-129	Undeveloped Property	354.43	$10,117,242.79	$9,883,743.71	$4,131,049.39	**To be**	**To be**
042-00-06-130	Undeveloped Property	15.70	$448,282.99	$437,936.92	$183,041.88	**updated**	**updated**
042-00-06-131	Undeveloped Property	28.12	$802,810.33	$784,282.02	$327,801.67	**each year**	**each year**
042-00-06-132	Undeveloped Property	205.52	$5,866,588.73	$5,731,191.86	$2,395,432.07		
Total Residual Property		**4,041.00**	**$115,351,352.69**	**$112,689,122.00**	**$47,100,000.00**	**-**	**-**
Total		**4,041.00**	**$115,351,352.69**	**$112,689,122.00**	**$47,100,000.00**	**-**	**-**

Assessment Roll
Hilton Head Lakes West Tract Improvement District
Appendix B-2

ASSESSMENT A

Assessment Year	Principal Portion of Assessment A	Interest Expenses	Administrative Expenses	Annual Installment	Annual Payment
2025 - 2026	$0.00	$0.00	$0.00	$0.00	To be
2026 - 2027	$0.00	$196,742.00	$0.00	$196,742.00	updated
2027 - 2028	$0.00	$1,746,000.00	$0.00	$1,746,000.00	each year
2028 - 2029	$0.00	$1,746,000.00	$68,060.00	$1,814,060.00	
2029 - 2030	$0.00	$1,746,000.00	$69,421.61	$1,815,421.61	
2030 - 2031	$0.00	$2,826,000.00	$70,810.04	$2,896,810.04	
2031 - 2032	$0.00	$2,826,000.00	$72,226.24	$2,898,226.24	
2032 - 2033	$0.00	$2,826,000.00	$73,670.77	$2,899,670.77	
2033 - 2034	$7,000.00	$2,826,000.00	$75,144.18	$2,908,144.18	
2034 - 2035	$60,000.00	$2,825,580.00	$76,647.06	$2,962,227.06	
2035 - 2036	$155,000.00	$2,821,980.00	$78,180.01	$3,055,160.01	
2036 - 2037	$254,000.00	$2,812,680.00	$79,743.61	$3,146,423.61	
2037 - 2038	$361,000.00	$2,797,440.00	$81,338.48	$3,239,778.48	
2038 - 2039	$477,000.00	$2,775,780.00	$82,965.25	$3,335,745.25	
2039 - 2040	$604,000.00	$2,747,160.00	$84,624.55	$3,435,784.55	
2040 - 2041	$741,000.00	$2,710,920.00	$86,317.04	$3,538,237.04	
2041 - 2042	$889,000.00	$2,666,460.00	$88,043.38	$3,643,503.38	
2042 - 2043	$1,049,000.00	$2,613,120.00	$89,804.25	$3,751,924.25	
2043 - 2044	$1,221,000.00	$2,550,180.00	$91,600.34	$3,862,780.34	
2044 - 2045	$1,408,000.00	$2,476,920.00	$93,432.34	$3,978,352.34	
2045 - 2046	$1,609,000.00	$2,392,440.00	$95,300.99	$4,096,740.99	
2046 - 2047	$1,825,000.00	$2,295,900.00	$97,207.01	$4,218,107.01	
2047 - 2048	$2,058,000.00	$2,186,400.00	$99,151.15	$4,343,551.15	
2048 - 2049	$2,310,000.00	$2,062,920.00	$101,134.17	$4,474,054.17	
2049 - 2050	$2,579,000.00	$1,924,320.00	$103,156.86	$4,606,476.86	
2050 - 2051	$2,869,000.00	$1,769,580.00	$105,219.99	$4,743,799.99	
2051 - 2052	$3,180,000.00	$1,597,440.00	$107,324.39	$4,884,764.39	
2052 - 2053	$3,514,000.00	$1,406,640.00	$109,470.88	$5,030,110.88	
2053 - 2054	$3,872,000.00	$1,195,800.00	$111,660.30	$5,179,460.30	
2054 - 2055	$4,257,000.00	$963,480.00	$113,893.51	$5,334,373.51	
2055 - 2056	$4,669,000.00	$708,060.00	$116,171.38	$5,493,231.38	
2056 - 2057	$5,111,000.00	$427,920.00	$114,395.53	$5,653,315.53	
2057 - 2058	$2,021,000.00	$121,260.00	$26,115.36	$2,168,375.36	
Total	**$47,100,000**	**$65,589,122**	**$2,662,231**	**$115,351,353**	**TBD**

HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT

THE CITY OF HARDEEVILLE, SOUTH CAROLINA

REPORT ON THE REASONABLE BASIS OF SPECIAL ASSESSMENT A

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

JANUARY 14, 2026

HILTON HEAD LAKES
WEST TRACT IMPROVEMENT DISTRICT

REPORT ON THE REASONABLE BASIS OF SPECIAL ASSESSMENT A

SECTION 1: INTRODUCTION AND PURPOSE OF REPORT

The Hilton Head Lakes West Tract Improvement District (the "District") has been created to assist with the provision of public improvements specified below (the "Improvements"), within and near the geographic boundaries of the District. The Improvements will provide a special benefit to the real property parcels within the District. The Improvements are being provided as set forth in the Improvement Plan for the Hilton Head Lakes West Tract Improvement District (the "Improvement Plan"), described by a resolution of the City Council of Hardeeville, South Carolina ("City Council") adopted on [_____ __], 2025.

The District has been created, and the Assessment A ("Assessment A") is being levied pursuant to the Municipal Improvements Act of 1999 (S. C. Code Section 5-37-10, et seq., as amended from time to time, (the "Act")). The Act provides that the costs of improvements provided may be assessed in a manner prescribed by the City of Hardeeville, South Carolina (the "City") upon real property benefited by such Improvements. This report explains the method of allocating Assessment A to the real property in the District for the Improvements to reflect the benefit provided by the Improvements.

Through its approval of the Assessment Roll A for the Hilton Head Lakes West Tract Improvement District ("Assessment Roll A"), the City is imposing Assessment A equal to the costs of the Improvements, including the bonds to be issued to fund the improvements and interest on the bonds and administrative expenses related to the District (the "District Expenses") on the real property within the District.

Pursuant to the provisions of Assessment Roll A, including the Rate and Method of Apportionment of Assessment A for the Hilton Head Lakes West Tract Improvement District (the "Rate and Method of Apportionment of Assessment A"), to be approved in conjunction with this report, Assessment A will be billed as needed to pay the District Expenses. Alternatively, a property owner may pay Assessment A imposed on a parcel in full at any time without penalty, in which case, the owner will not be required to pay interest on the bonds after the date bonds may be called with the prepayment.

This report describes the real property in the District, the Improvements expected to be provided, the expected funding of the Improvements, Assessment A to be imposed, and the reasonable basis of Assessment A.

Terms not defined herein shall have the meanings given to such terms in the Rate and Method of Apportionment of Assessment A.

SECTION 2: DESCRIPTION OF THE HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT AND PROPOSED LAND USES

The real property included within the District is located within the City. The assessment roll typically includes the tax parcels in the district, as the assessments are billed based on the tax parcels. Tax parcels are generally determined as of January 1 of each year. As of January 1, 2025, the District included the five parcels of real property as described in Table A-1. These are the parcels shown on Assessment Roll A. As shown in Table A-1, all of the real property comprising the District was as of January 1, 2025, was owned in fee simple by LK Development Group LLC (the "Developer") and TPG AG EHC III (LEN) Multi State 1, LLC (together, the "Owners") and totals approximately 2,605.86 acres.

Table A-1
District Parcels, Owner, and Acreage
As of January 1, 2025

TMS No.	Owner	Acres
042-00-06-045	LK Development Group LLC	2,216.51
042-00-06-129	TPG AG EHC III (LEN) Multi State 1, LLC	228.56
042-00-06-130	LK Development Group LLC	10.13
042-00-06-131	TPG AG EHC III (LEN) Multi State 1, LLC	18.14
042-00-06-132	LK Development Group LLC	132.53
Total		**2,605.86**

Four of these parcels have been subdivided since January 1, 2025, into ten new parcels, and three of these new parcels have been transferred to a new owner. The Jasper County Tax Assessor has not yet provided TMS numbers for the new parcels. The boundaries and acreage of the District remain unchanged. The current parcels, the acreage of each parcel, and the owner of each parcel are shown in Table A-2.

Table A-2
District Parcels, Owner, and Acreage
As of August 13, 2025

Parcel	Owner	Acres
Parcel A	LK Development Group LLC	2,216.51
Parcel A1-A 1	TPG AG EHC III (LEN) Multi State 1, LLC	222.18
Parcel A1-A 2	Millrose	6.37
Road A-1	LK Development Group LLC	3.30
Road A-2	LK Development Group LLC	6.82
Road B-1	TPG AG EHC III (LEN) Multi State 1, LLC	1.40
Parcel B-3	TPG AG EHC III (LEN) Multi State 1, LLC	10.05
Parcel C	TPG AG EHC III (LEN) Multi State 1, LLC	6.73
Road B-2	LK Development Group LLC	1.61
Parcel B-2	Millrose	129.41
Parcel D	Millrose	1.51
Total		**2,605.86**

It is anticipated that the Owners (and any future owners of the real property in the District) will develop the property located within the District in accordance with (1) the Hilton Head Lakes West Planned Development District and Conceptual Master Plan, which was approved by the City on April 3, 2025 (as it may be amended from time to time, the "PDD"), and (2) the Third Partial Restatement and Amendment to Development Agreement, which was approved by the City on April 3, 2025 and was or will be executed by the Owner and the Developer soon thereafter (as it may be further amended from time to time, the "Development Agreement").

The PDD and Development Agreement allow multiple land uses, including various residential, commercial, recreation, and open space uses. The Owners' development plans contemplate the development of a master-planned residential community. The Owners' current expectation for the development of the property within the District is shown in Table B.

Table B
Owners' Estimated Development

Development	Estimated Units
Townhouses	1,204
Detached single family homes	2,837
Total	**4,041**

Notwithstanding the foregoing, development other than the types and quantities shown in Table B may occur as a result of market demand or changes in development plans. Any such deviation will nevertheless be consistent with the requirements of the Development Agreement.

SECTION 3: PROPOSED PUBLIC IMPROVEMENTS

The Improvements and their estimated costs are summarized in Table C and represent public improvements that are expected to provide a special benefit to the real property in the District.

Table C
Improvements and Estimated Costs

Public Improvements	Total
Main road section south	$34,411,000
Regional pump stations	$4,557,000
Main road section north	$13,310,000
Contingency	$7,722,000
Estimated costs of Improvements funded by the district	$60,000,000

The actual costs of the Improvements will likely vary from this estimate.

A description of the Improvements follows and are shown on Exhibit A:

- ***Main Road Section South***
  The main road section south is a collector road that traverses from the vehicular bridge that spans the wetlands shown on Exhibit A and extends south and southeast to Lakeside Blvd. This road provides access throughout the District and to offsite roads.

- ***Regional Pump Stations***
  Two regional pump stations are anticipated to be constructed, as shown in Exhibit A. The pump stations transfer sewage generated within the District to the sewer treatment plant.

- ***Main Road Section North***
  The main road section north begins at the vehicular bridge that spans the wetlands shown on Exhibit A and extends north and east within the property. This road provides access throughout the District and to offsite roads.

- All road improvements include water, sewer, and stormwater improvements within the right-of-way of the roads.

The Improvements are an integrated system of public improvements with each component being a part of an overall system. The Improvements complement each other providing capacity and use

for the other Improvements. As a result, all of the real property within the District shall receive a special benefit from the system of Improvements. Consistent with this determination and appropriate for Improvements that work as a system, Assessment A will be allocated across all the real property in the District, as opposed to allocating Assessment A in a manner that attempts to link specific Improvements to specific real property parcels.

The Improvements are expected to be built prior to and during the construction of the proposed private development. The Improvements to be provided may vary from the descriptions herein as circumstances warrant but will be similar to those described and will provide a similar benefit to the real property in the District.

Additional Information on the Improvements is provided in the engineers' report for the District.

SECTION 4: FUNDING FOR THE IMPROVEMENTS

The City plans to fund the Improvements from the issuance of bonds. These bonds will be supported by Assessment A. An estimate of the total costs, the bonds to be issued, and additional sources of funds are shown in the following table.

Table D
Estimated Funding Sources

Funding Source	Estimated Amount
Assessment A bonds	$34,733,775
Developer capital contribution	$25,266,225
Total	**$60,000,000**

PROJECTED ISSUANCE OF BONDS

The Assessment A bonds are projected to be issued by the City to finance or reimburse all or a portion of the costs of the Improvements. The estimated sources and uses of funds for the Assessment A bonds are shown below in Table E. The bonds may be issued in multiple series. Table E shows the estimated total of all of the bonds.

Table E
Sources and Uses of Assessment A Bonds

Sources and Uses	Amount
Sources:	
Total bond proceeds	$47,100,000
Total sources	$47,100,000
Uses:	
Public improvements	$34,733,775
Debt service reserve fund	$4,710,000
Capitalized interest	$5,449,725
Underwriter's discount	$706,500
Costs of issuance	$1,500,000
Total uses	$47,100,000

The purpose of the debt service reserve fund is to ensure there are sufficient funds to pay debt service in the event there are any delinquencies in the payment of Assessment A. A debt service reserve fund is conventional with special assessment bonds. The proceeds in the debt service reserve fund are invested and the income is applied to the annual debt service on the bonds. The balance in the debt service reserve fund will be applied to the repayment of the bonds at their maturity.

Capitalized interest will fund the interest on the bonds for some time after the issuance of the bonds to allow for construction of the Improvements and the development of the property.

The costs of issuance include underwriter's discount, legal fees, financial consulting fees, the cost of studies, the set-up and first year's fee of the trustee, trustee's counsel, City expenses, document printing costs, and other miscellaneous costs related to the issuance of the bonds and the initial operations of the District.

AMOUNT OF ASSESSMENT A

Assessment A is being imposed to pay the District Expenses related to the Assessment A bonds. Assessment consists of two components: the Bond Assessment and the Administrative Expense Component, both described in the Rate and Method of Apportionment of Assessment A. The Bond Assessment will pay principal and interest on the Assessment A bonds; the Administrative Expense Assessment will pay the Administrative Expenses related the Assessment A bonds.

The estimated District Expenses related to Assessment A bonds is shown in Table E. The estimated interest expense assumes a 30-year term on the bonds and an interest rate of 6.0 percent.

Table F
Calculation of Assessment A

Item	Amount
Assessment A bonds	$47,100,000
Interest on bonds	$65,589,122
Total Bond Assessment	$112,689,122
Administrative Expense Assessment	$2,662,231
Total Assessment A	**$115,351,353**

There are anticipated interest on the bonds and administrative expenses expected to be paid from bond proceeds and not shown on Table E.

The total of Assessment A represents the maximum amount that can be billed to the real property in the District as Assessment A to fund the District Expenses.

The District Expenses may be less than the estimated amounts shown in Table E. The Rate and Method of Apportionment of Assessment A provides for Assessment A to be reduced to equal the actual costs of the District Expenses.

In summary, Assessment A is being set in a manner that is consistent with the estimated District Expenses, which addresses one aspect of the reasonable basis of Assessment A.

SECTION 5: THE REASONABLE BASIS OF ASSESSMENT A

There are two primary requirements for assessments to be valid:

1. The properties assessed must receive a special benefit from the improvements paid for with the assessments that is equal to our greater than the cost of the assessments; and

2. The assessments must be fairly and reasonably allocated to the properties being assessed.

The basis by which these requirements are met may be summarized as follows:

- The Improvements will provide services specifically for the property in the District, and as a result, will provide a distinct and special benefit to the real property in the District;

- Bonds are being issued to fund the costs of the Improvements;

- The costs of repaying the bonds are the District Expenses;

- Assessment A is being levied at an amount that equals the estimated District Expenses and will be collected in an amount to pay these costs;

- Assessment A is therefore paying for the costs of the Improvements that provide a special benefit to the properties in the District; and

- The allocation of Assessment A to parcels of real property within the District reasonably reflects the benefit each parcel will receive from the Improvements.

The remainder of this report explains how the levy of the Assessment A is consistent with these concepts.

SPECIAL BENEFIT FROM THE IMPROVEMENTS

The real property in the District will receive a distinct and special benefit from the Improvements to be provided. The Improvements will be located in the District and are provided specifically to provide transportation, water, sewer, and storm water infrastructure necessary for the proposed future uses of the real property in the District.

The City has extensively evaluated the proposed development of the property in the District and determined the public infrastructure required for the development. These requirements are set forth in the PDD and Development Agreement, which have been approved by the City. This process undertaken by the City demonstrates the special benefit the property within the District will receive from the Improvements, as the City has determined the Improvements are required to meet the needs for the services for the future uses of the property in the District.

The Improvements are located within the District and designed to specifically meet the needs to the property within the District. The property within the District will utilize the Improvements with greater regularity than property not within the District and thus receive a greater benefit than real property outside of the District. Accordingly, the Improvements to be funded by the Assessments provide a distinct and special benefit to the real property within the District as opposed to a general benefit that may be received by other properties.

THE BENEFIT FROM THE IMPROVEMENTS RELATIVE TO THE COST OF ASSESSMENT A

The benefits from the Improvements are expected to be greater than the cost of Assessment A to the real property in the District. Multiple analyses, including but not limited to the following, support this conclusion.

Owner's Consent of the Assessments

Through their approval and execution of the Development Agreement and their submittal of a Petition for the establishment of the District and the levy of Assessment A, the Owners have given their consent of the City's imposition of Assessment A on the real property in the District for the purpose of funding the costs of the Improvements. The Owners' consent of the Development Agreement and submittal of the Petition is consistent with the Owners' effort to provide the

Improvements, and with its belief that the Improvements are necessary for the proposed development within the District. It is reasonable to believe the Owners are acting in their best interest in requesting and approving the levy of Assessment A and that the Owners believe that the benefits that are expected to result from the Improvements exceed the cost of Assessment A. (If the Owners believed the cost of Assessment A exceeded the resulting benefits, the Owners would logically not support the levy of Assessment A.)

Highest and Best Use of the Property

Assessment A is being levied to pay for Improvements, and these improvements are required for the highest and best use of the property. The highest and best use of the property is the use that is most valuable, taking into consideration any costs associated with that use. Highest and best use is defined as "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" (The Dictionary of Real Estate Appraisal, 7th Edition, Appraisal Institute). The Improvements are required for the proposed development and future uses of the property in the District to meet all of these requirements of being legally permissible, physically possible, financially feasible, and maximally productive.

The City has evaluated the plan for the development, and the Improvements are required by the plan as approved by the City. Accordingly, the Improvements are legally required for the proposed development and future uses of the property in the District. The City carefully evaluated the plan for the proposed development, and the reason the Improvements are required is to support the proposed development, making the development physically possible. The Owners have requested the City to create the District to improve the financial feasibility of the development. The Owners have extensively evaluated the potential use of the property and have concluded that the proposed plan for the development of the property, which requires the Improvements, will be the most valuable use of the property (i.e., maximally productive). It can be expected that the Owners will propose a plan for the development that will be most productive, and in fact, will be the highest and best use of the property.

The bonds to be repaid with Assessment A are long-term financing that is anticipated to pay interest to the bondholders that is exempt from income taxes, resulting in a lower effective rate than other available financing on comparable terms. The bonds will also have a longer term than other generally available financing, may either be paid over the term of the bonds or prepaid at the Owners' option. The proceeds of the bonds are financing improvements that benefit multiple parcels and owners, facilitating a common source of financing for the property. The property may have different investment interests in the future, making it difficult to use conventional sources of financing as a common source of financing for the Improvements. As a result of these advantages, the Owners believe the financing provided by the bonds is the most beneficial means of financing the Improvements.

The highest and best use of the property takes into consideration the costs required for that use. In order to be the highest and best use, the value added by the costs incurred must be greater than the costs. Otherwise, an alternative use that did not require the Improvements would be the highest and best use. The Owners have evaluated various uses for the property and concluded that the

proposed use of the property is the highest and best use. As the Improvements are required for the highest and best use, the value added by the Improvements is greater than the costs of the Improvements, and the proposed bonds are the most advantageous means of financing the Improvements, the value added by the Improvements is greater than the costs of the Assessment A.

In summary, Assessment A results in a special benefit to the property in the District subject to Assessment A for the following reasons:

1. The Owners have consented to Assessment A, and it is reasonable to assume, given their careful analysis and extensive investment, that they believe the benefit of the Improvements will be equal to or greater than the cost of Assessment A.

2. The Improvements are being provided specifically for the use of the property in the District, as is legally required for the proposed development, and ensures the property in the District will be adequately served by infrastructure, so it therefore provides a special benefit to the property within the District.

3. The Improvements are required for the highest and best use of the property.

4. The highest and best use of the property is the use of the property that is most valuable (including any costs associated with the use of the property).

5. The financing secured by Assessment A is the most beneficial means of financing the Improvements.

6. As a result, the special benefits to the property resulting from the levy of Assessment A will be greater than the cost of Assessment A, which will secure and repay the bonds to be issued to fund the Improvements.

As a result, the special benefits to the property from the Improvements to be provided as a result of the levy of Assessment A will be equal to or greater than the cost of Assessment A, which will finance the Improvements necessary to achieve the highest and best use of the property.

ALLOCATION OF ASSESSMENT A

This section explains how Assessment A is allocated to the property in the District in a manner that reasonably reflects the benefit each property receives from the Improvements.

Assessment A is imposed on all of the real property within the District, with the exception of non-benefited property, which includes Public Property, Utility Property, and Owner Association Property. The Improvements are not being provided for the non-benefited property and this property is not expected to receive a special benefit from the Improvements and be more valuable as a result.

The method used to allocate Assessment A, as described in the Rate and Method of Apportionment of Assessment A, is based on the development expected for each parcel. All of the Assessed Property in the District is expected to be for-sale housing units. Each unit is expected to receive approximately the same benefit from the improvements. As a result, Assessment A is allocated to each parcel equally per expected residential unit to be built on a parcel.

Prior to the final subdivision of the parcels, multiple units may be proposed for development on a parcel. The Assessment A allocated to each parcel will be based on the expected number of units to be developed on the parcel. As a result, the Assessment A levied on each parcel will reflect an equal Assessment A per unit.

The allocation of Assessment A to the parcels is reasonable for the following reasons:

- Assessments are allocated equally per residential unit as each unit is expected to receive an approximate equal benefit.
- Assessment A is allocated equally to each parcel on the basis of the number of residential units that will be built on the parcel.
- The allocation of Assessment A is consistent with the determination that the Improvements is a system of public improvements that work together and thus provide benefit to all the real property parcels in the District.
- Pursuant to the Petition executed by the Owners, the Owners subject to Assessment A have consented to Assessment A being imposed on the real property in the District in the method set forth in the Rate and Method of Apportionment of Assessment A. This approval demonstrates the reasonableness of the allocation methodology, as the Owners would not reasonably approve of the methodology if they did not believe it was reasonable.

For these reasons, the allocation methodology is an appropriate allocation of the costs of the Assessments amongst the real property in the District and reasonably reflects the benefit each Parcel receives from the Improvements.

ANNUAL BILLING OF THE ASSESSMENTS

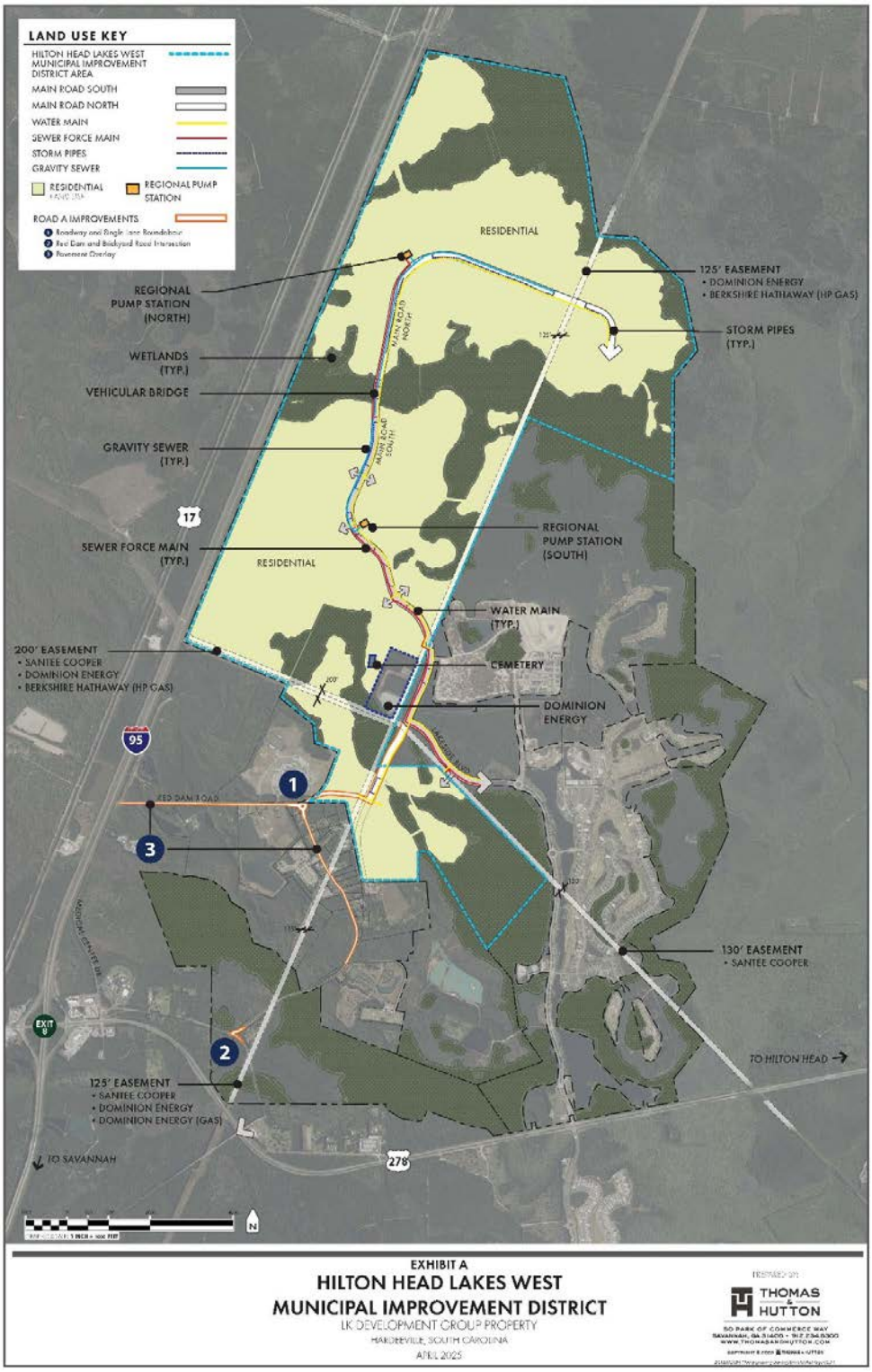
Assessment A may be paid in full at any time without penalty by a property or paid in installments over the term of the bonds (anticipated to be thirty years). The details of how Assessment A will be paid over this period and billed to the parcels on an annual basis are summarized below and set forth in the Assessment Roll and in the Rate and Method of Apportionment of Assessment A.

Each year, the amount of Assessment A to be collected from each parcel is based on terms set forth in the Rate and Method of Apportionment of Assessment A. For purposes of billing and collecting Assessment A, there are two classes of property created: Platted Property and Unplatted Property. The total Assessment A is the same per unit regardless of the classification of the property. The purpose of the two classes is to provide for consistent annual payments on the Platted Property, as this property will largely be owned by homeowners. Homes are usually purchased with a mortgage, and mortgages are generally subject to affordability ratios. It is important to maintain consistency in the payment of Assessment A from year to year, as these payments will be factored into the mortgage ratios, in order to maintain the integrity of the ratios. Maintaining consistency

in the annual payment of Assessment A from year to year for the Platted Property also helps to ensure the affordability of the homes purchased by homeowners.

The methodology for collecting Assessment A makes the Unplatted Property, which will be owned by the Owners and commercial developers and builders, subject to any variations in the District Expenses, while providing for consistent payments each year for the Platted Property. This is done by providing for an annual payment for Platted Property of $600 per year, increasing by three percent each year, until the Assessment A allocated to the parcel is fully repaid. The difference between the Assessment A revenues collected from Platted property and the District Expenses is collected from the Unplatted Property. This amount can vary each year as additional bonds are issued and based on other factors. This variation in the Assessment A to be collected will be borne by the commercial owners of property in the District.

EXHIBIT A – MUNICIPAL IMPROVEMENT DISTRICT SITE PLAN AND MAP OF IMPROVEMENTS



herein, (ii) provide for lawful procedures as permitted under the Act and for the collection and enforcement of Assessment A and other charges imposed herein so as to assure their efficient collection, and (iii) otherwise improve the ability of the City to fulfill its obligations to impose and collect Assessment A and charges imposed herein, to make the Bond Assessment available for the payment of the Bonds and to make the Administrative Expense Assessment available for the payment of the Administrative Expenses. The City Council shall not approve such an immaterial amendment unless and until it has been found and determined that the immaterial amendment is necessary and appropriate and does not materially adversely affect the rights of the owners of the Bonds.

Amendments may not be made to this Rate and Method of Apportionment of Assessment A pursuant to the procedure described above that would increase the total of the Bond Assessment.

Administrative procedures as authorized herein shall not constitute or require an amendment of this Rate and Method of Apportionment of Assessment A.

L. INTERPRETATION OF PROVISIONS

The City Council shall make all interpretations and determinations related to the application of this Rate and Method of Apportionment of Assessment A, unless stated otherwise herein or in the Indenture, and as long as there is a rational basis for the determination made by the City Council, such determination shall be conclusive.

M. SEVERABILITY

If any section or part of a section of this Rate and Method of Apportionment of Assessment A is declared invalid or unenforceable, the validity, force, and effect of any other section or part of a section herein shall not thereby be affected or impaired unless such other section or part of a section herein is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unenforceable.

Assessment Roll
Hilton Head Lakes West Tract Improvement District
Appendix B-1

ASSESSMENT A

Parcel Identification	Real Property Status	Equivalent Units	Assessment A	Bond Assessment	Principal Portion of Assessment A	2026-2027 Annual Installment	2026-2027 Annual Payment
042-00-06-045	Undeveloped Property	3,437.22	$98,116,427.85	$95,851,967.50	$40,062,674.99		
042-00-06-129	Undeveloped Property	354.43	$10,117,242.79	$9,883,743.71	$4,131,049.39	**To be**	**To be**
042-00-06-130	Undeveloped Property	15.70	$448,282.99	$437,936.92	$183,041.88	**updated**	**updated**
042-00-06-131	Undeveloped Property	28.12	$802,810.33	$784,282.02	$327,801.67	**each year**	**each year**
042-00-06-132	Undeveloped Property	205.52	$5,866,588.73	$5,731,191.86	$2,395,432.07		
Total Residual Property		**4,041.00**	**$115,351,352.69**	**$112,689,122.00**	**$47,100,000.00**	**-**	**-**
Total		**4,041.00**	**$115,351,352.69**	**$112,689,122.00**	**$47,100,000.00**	**-**	**-**

Assessment Roll
Hilton Head Lakes West Tract Improvement District
Appendix B-2

ASSESSMENT A

Assessment Year	Principal Portion of Assessment A	Interest Expenses	Administrative Expenses	Annual Installment	Annual Payment
2025 - 2026	$0.00	$0.00	$0.00	$0.00	To be
2026 - 2027	$0.00	$196,742.00	$0.00	$196,742.00	updated
2027 - 2028	$0.00	$1,746,000.00	$0.00	$1,746,000.00	each year
2028 - 2029	$0.00	$1,746,000.00	$68,060.00	$1,814,060.00	
2029 - 2030	$0.00	$1,746,000.00	$69,421.61	$1,815,421.61	
2030 - 2031	$0.00	$2,826,000.00	$70,810.04	$2,896,810.04	
2031 - 2032	$0.00	$2,826,000.00	$72,226.24	$2,898,226.24	
2032 - 2033	$0.00	$2,826,000.00	$73,670.77	$2,899,670.77	
2033 - 2034	$7,000.00	$2,826,000.00	$75,144.18	$2,908,144.18	
2034 - 2035	$60,000.00	$2,825,580.00	$76,647.06	$2,962,227.06	
2035 - 2036	$155,000.00	$2,821,980.00	$78,180.01	$3,055,160.01	
2036 - 2037	$254,000.00	$2,812,680.00	$79,743.61	$3,146,423.61	
2037 - 2038	$361,000.00	$2,797,440.00	$81,338.48	$3,239,778.48	
2038 - 2039	$477,000.00	$2,775,780.00	$82,965.25	$3,335,745.25	
2039 - 2040	$604,000.00	$2,747,160.00	$84,624.55	$3,435,784.55	
2040 - 2041	$741,000.00	$2,710,920.00	$86,317.04	$3,538,237.04	
2041 - 2042	$889,000.00	$2,666,460.00	$88,043.38	$3,643,503.38	
2042 - 2043	$1,049,000.00	$2,613,120.00	$89,804.25	$3,751,924.25	
2043 - 2044	$1,221,000.00	$2,550,180.00	$91,600.34	$3,862,780.34	
2044 - 2045	$1,408,000.00	$2,476,920.00	$93,432.34	$3,978,352.34	
2045 - 2046	$1,609,000.00	$2,392,440.00	$95,300.99	$4,096,740.99	
2046 - 2047	$1,825,000.00	$2,295,900.00	$97,207.01	$4,218,107.01	
2047 - 2048	$2,058,000.00	$2,186,400.00	$99,151.15	$4,343,551.15	
2048 - 2049	$2,310,000.00	$2,062,920.00	$101,134.17	$4,474,054.17	
2049 - 2050	$2,579,000.00	$1,924,320.00	$103,156.86	$4,606,476.86	
2050 - 2051	$2,869,000.00	$1,769,580.00	$105,219.99	$4,743,799.99	
2051 - 2052	$3,180,000.00	$1,597,440.00	$107,324.39	$4,884,764.39	
2052 - 2053	$3,514,000.00	$1,406,640.00	$109,470.88	$5,030,110.88	
2053 - 2054	$3,872,000.00	$1,195,800.00	$111,660.30	$5,179,460.30	
2054 - 2055	$4,257,000.00	$963,480.00	$113,893.51	$5,334,373.51	
2055 - 2056	$4,669,000.00	$708,060.00	$116,171.38	$5,493,231.38	
2056 - 2057	$5,111,000.00	$427,920.00	$114,395.53	$5,653,315.53	
2057 - 2058	$2,021,000.00	$121,260.00	$26,115.36	$2,168,375.36	
Total	**$47,100,000**	**$65,589,122**	**$2,662,231**	**$115,351,353**	**TBD**

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APPENDIX B

FORMS OF INDENTURE

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APPENDIX B-1

FORM OF MASTER INDENTURE

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MASTER TRUST INDENTURE

between

CITY OF HARDEEVILLE, SOUTH CAROLINA

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

Dated as of [_____] 1, 2026

---

authorizing

CITY OF HARDEEVILLE, SOUTH CAROLINA

HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT

SPECIAL ASSESSMENT REVENUE BONDS

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions. 3

ARTICLE II

THE BONDS

SECTION 2.01. Amounts and Terms of Bonds; Details of Bonds. 15
SECTION 2.02. Execution 16
SECTION 2.03. Authentication; Authenticating Agent 16
SECTION 2.04. Registration and Registrar 17
SECTION 2.05. Mutilated, Destroyed, Lost or Stolen Bonds 17
SECTION 2.06. Temporary Bonds 17
SECTION 2.07. Cancellation and Destruction of Surrendered Bonds 18
SECTION 2.08. Registration, Transfer and Exchange 18
SECTION 2.09. Persons Deemed Owners 18
SECTION 2.10. Limitation on Incurrence of Certain Indebtedness 19
SECTION 2.11. Qualification for The Depository Trust Company 19

ARTICLE III

ISSUE OF BONDS

SECTION 3.01. Issue of Bonds 21

ARTICLE IV

ACQUISITION OF PROJECT

SECTION 4.01. Project to Conform to Plans and Specifications; Changes 24
SECTION 4.02. Compliance Requirements 24

ARTICLE V

ACQUISITION AND CONSTRUCTION FUND

SECTION 5.01. Acquisition and Construction Fund 25

ARTICLE VI

ASSESSMENTS;

APPLICATION THEREOF TO FUNDS AND ACCOUNTS

SECTION 6.01. Assessments; Lien of Master Trust Indenture on Trust Estate 26
SECTION 6.02. Prepayments; Removal of Special Assessment Liens. 27
SECTION 6.03. Funds and Accounts Relating to the Bonds 27
SECTION 6.04. Revenue Fund 27
SECTION 6.05. Debt Service Fund. 28
SECTION 6.06. Debt Service Reserve Fund 30
SECTION 6.07. Bond Redemption Fund 31
SECTION 6.08. Administrative Expenses Fund 32
SECTION 6.09. [Reserved.] 33
SECTION 6.10. Drawings on Credit Facility 33
SECTION 6.11. Procedure When Funds Are Sufficient to Pay All Bonds of a Series 33
SECTION 6.12. Certain Moneys to Be Held for Series Bondowners Only 33

SECTION 6.13. Unclaimed Moneys 33

ARTICLE VII

SECURITY FOR AND INVESTMENT OR DEPOSIT OF FUNDS

SECTION 7.01. Deposits and Security Therefor 34
SECTION 7.02. Investment or Deposit of Funds 34
SECTION 7.03. Valuation of Funds 35

ARTICLE VIII

REDEMPTION AND PURCHASE OF BONDS

SECTION 8.01. Redemption Dates and Prices 36
SECTION 8.02. Notice of Redemption and of Purchase 37
SECTION 8.03. Payment of Redemption Price 38
SECTION 8.04. Partial Redemption of Bonds 38

ARTICLE IX

COVENANTS OF THE CITY

SECTION 9.01. Power to Issue Bonds and Create Lien 40
SECTION 9.02. Payment of Principal and Interest on Bonds 40
SECTION 9.03. Enforcement of Payment of Assessments 40
SECTION 9.04. Delinquent Assessments 40
SECTION 9.05. Sale of Tax Deed or Foreclosure of Assessment 41
SECTION 9.06. Other Obligations Payable from Assessments 41
SECTION 9.07. Books and Records 41
SECTION 9.08. Deposit of Assessments 41
SECTION 9.09. Covenant to Bill Assessments Adequate to Pay Debt Service 41
SECTION 9.10. [Reserved] 41
SECTION 9.11. [Reserved] 41
SECTION 9.12. Use of Pledged Revenues for Authorized Purposes Only 41
SECTION 9.13. Annual Audit 42
SECTION 9.14. Observance of Accounting Standards 42
SECTION 9.15. Establishment of Fiscal Year, Annual Budget 42
SECTION 9.16. Employment of Consulting Engineer; Consulting Engineer's Report 42
SECTION 9.17. Information to be Filed with Trustee 42
SECTION 9.18. Covenant Against Sale or Encumbrance; Exceptions 42
SECTION 9.19. Fidelity Bonds 42
SECTION 9.20. No Loss of Lien on Pledged Revenues 43
SECTION 9.21. Compliance With Other Contracts and Agreements 43
SECTION 9.22. Extension of Time for Payment of Interest Prohibited 43
SECTION 9.23. Further Assurances 43
SECTION 9.24. Use of Bond Proceeds to Comply with Internal Revenue Code 43
SECTION 9.25. Continuing Disclosure 43

ARTICLE X

EVENTS OF DEFAULT AND REMEDIES

SECTION 10.01. Events of Default and Remedies 44
SECTION 10.02. Events of Default Defined 44
SECTION 10.03. No Acceleration 44
SECTION 10.04. Legal Proceedings by Trustee 44
SECTION 10.05. Discontinuance of Proceedings by Trustee 45

SECTION 10.06. Bondholders May Direct Proceedings 45
SECTION 10.07. Limitations on Actions by Bondholders 45
SECTION 10.08. Trustee May Enforce Rights Without Possession of Bonds 45
SECTION 10.09. Remedies Not Exclusive 45
SECTION 10.10. Delays and Omissions Not to Impair Rights 45
SECTION 10.11. Application of Moneys in Event of Default 45
SECTION 10.12. Trustee's Right to Receiver; Compliance with Act 46
SECTION 10.13. Trustee and Bondholders Entitled to all Remedies under Act 46

ARTICLE XI

THE TRUSTEE; THE PAYING AGENT AND REGISTRAR

SECTION 11.01. Acceptance of Trust 47
SECTION 11.02. No Responsibility for Recitals 47
SECTION 11.03. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Negligence 47
SECTION 11.04. Compensation and Indemnity 47
SECTION 11.05. [Reserved] 47
SECTION 11.06. Notice of Default; Right to Investigate 47
SECTION 11.07. Obligation to Act on Defaults 48
SECTION 11.08. Reliance by Trustee 48
SECTION 11.09. Trustee May Deal in Bonds 48
SECTION 11.10. [Reserved] 48
SECTION 11.11. Resignation of Trustee 48
SECTION 11.12. Removal of Trustee 49
SECTION 11.13. Appointment of Successor Trustee 49
SECTION 11.14. Qualification of Successor 49
SECTION 11.15. Instruments of Succession 49
SECTION 11.16. Merger of Trustee 49
SECTION 11.17. Extension of Rights and Duties of Trustee to Paying Agent and Registrar 50
SECTION 11.18. Resignation of Paying Agent or Registrar 50
SECTION 11.19. Removal of Paying Agent or Registrar 50
SECTION 11.20. Appointment of Successor Paying Agent or Registrar 50
SECTION 11.21. Qualifications of Successor Paying Agent or Registrar 50
SECTION 11.22. Judicial Appointment of Successor Paying Agent or Registrar 50
SECTION 11.23. Acceptance of Duties by Successor Paying Agent or Registrar 51
SECTION 11.24. Successor by Merger or Consolidation 51

ARTICLE XII

ACTS OF BONDHOLDERS; EVIDENCE OF OWNERSHIP OF BONDS

SECTION 12.01. Acts of Bondholders; Evidence of Ownership of Bonds 52

ARTICLE XIII

AMENDMENTS AND SUPPLEMENTS

SECTION 13.01. Amendments and Supplements Without Bondholders' Consent 53
SECTION 13.02. Amendments With Bondholders' Consent 53
SECTION 13.03. Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel 53

ARTICLE XIV

DEFEASANCE

SECTION 14.01. Defeasance 54
SECTION 14.02. Deposit of Funds for Payment of Bonds 54

ARTICLE XV

MISCELLANEOUS PROVISIONS

SECTION 15.01. Limitations on Recourse 56
SECTION 15.02. Payment Dates 56
SECTION 15.03. No Rights Conferred on Others 56
SECTION 15.04. Illegal Provisions Disregarded 56
SECTION 15.05. Substitute Notice 56
SECTION 15.06. Notices 56
SECTION 15.07. Controlling Law 57
SECTION 15.08. Successors and Assigns 57
SECTION 15.09. Headings for Convenience Only 57
SECTION 15.10. Counterparts 57
SECTION 15.11. Appendices and Exhibits 57

Exhibit A – Legal Description of Hilton Head Lakes West Tract Improvement District
Exhibit B – Description of the Project
Exhibit C – Form of the Bonds
Exhibit D – Form of Requisition

MASTER TRUST INDENTURE

THIS MASTER TRUST INDENTURE, dated as of [_____] 1, 2026 (the "Master Trust Indenture"), by and between **CITY OF HARDEEVILLE, SOUTH CAROLINA,** a body politic and corporate and a political subdivision organized and existing under the laws of the State of South Carolina (the "City"), and U.S. Bank Trust Company, National Association, a national banking association organized and existing under the laws of the United States and having the authority to exercise corporate trust powers, as trustee (the "Trustee"), is being executed to provide for the issuance by the City of certain obligations related to the **HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT**, an improvement district established pursuant to the hereafter defined Act (the "District").

WHEREAS, pursuant to Title 5, Chapter 37 of the Code of Laws of South Carolina 1976, as amended (the "Act"), governing bodies of the municipalities of the State are authorized to acquire, own, construct, establish, install, enlarge, improve, expand, operate, maintain and repair, and sell, lease, and otherwise dispose of any improvement and to finance such acquisition, construction, establishment, installation, enlargement, improvement, expansion, operation, maintenance, and repair, in whole or in part, by the imposition of assessments in accordance with the Act, by special district bonds, by general obligation bonds of the municipality, by revenue bonds of the municipality, or from general revenues from any source not restricted from such use by law, or by any combination of such funding sources. The governing body of such municipalities are further authorized to issue special district bonds or revenue bonds of the municipality under such terms and conditions as the governing body may determine by ordinance. The City Council of the City of Hardeeville (the "City Council") constitutes a "governing body" (within the meaning of Section 5-37-20(5) of the Act); and

WHEREAS, pursuant to Ordinance No. 2025-10-02C, enacted by the City Council, the governing body of the City, on October 16, 2025, as amended and restated by Ordinance No. 2026-01-08A enacted by the City Council, on January 22, 2026 (the "District Ordinance"), the City created the District; and

WHEREAS, pursuant to the District Ordinance and Ordinance No. 2025-10-02D, enacted by the City Council on October 16, 2025, as amended and restated by Ordinance No. 2026-01-08B enacted by the City Council on January 22, 2026, the City authorized the imposition of the Assessments (as such term is defined herein) within the District and directed the filing of the Assessment Roll (as such term is defined herein) with the Jasper County Clerk of Court and the Beaufort County Clerk of Court and the recording thereof in the office of the Jasper County Register of Deeds; and

WHEREAS, pursuant to Ordinance No. 2025-10-16C, enacted by the City Council on November 6, 2025 (the "Bond Ordinance"), the City Council authorized the execution and delivery of this Master Trust Indenture in order to make provision for the issuance by the City, pursuant to one or more Supplemental Indentures (as such term is defined herein) executed and delivered in accordance with the provisions hereof, of the Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds (the "Bonds") secured by the provisions hereof.

NOW, THEREFORE, THIS MASTER TRUST INDENTURE WITNESSETH:

GRANTING CLAUSES

In consideration of the premises and acceptance by the Trustee of the trusts hereby created and the purchase and acceptance of the Bonds by the Owners (as defined herein), and of the sum of $10.00, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of this Master Trust Indenture, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds

issued hereunder according to their tenor and effect and to secure the performance and observance by the City of all of the covenants expressed or implied herein, in a Supplemental Indenture authorizing the issuance of Bonds and in the Bonds, the City does hereby assign and pledge the following described collateral to the Trustee and its successors in trust, and assigns and pledges forever, subject to the provisions of Section 6.01 (the "Trust Estate"): (i) the Pledged Revenues and Pledged Funds (as such terms are defined herein), and as further identified or established by the terms of a Supplemental Indenture for each Series (as defined herein) of Bonds, provided that the Series Accounts within the Debt Service Fund, the Debt Service Reserve Fund, the Bond Redemption Fund and the Acquisition and Construction Fund (as such terms are herein defined) established for a particular Series of Bonds shall be pledged only to the payment of such Series of Bonds; and (ii) any and all property of every kind or description which may from time to time hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, mortgaged, granted or delivered to, or deposited with, the Trustee as security for any Bonds issued pursuant to this Master Trust Indenture by the City or anyone on its behalf or with its consent, or which pursuant to any of the provisions hereof or of a Supplemental Indenture authorizing such Series of Bonds may come into the possession or control of the Trustee or of a lawfully appointed receiver, as such additional security, and the Trustee is hereby authorized to receive any and all such property as and for security for the payment of the principal of such Bonds and the interest and premium, if any, thereon, and to hold and apply all such property subject to the terms hereof, it being expressly understood and agreed that the Trust Estate established and held hereunder for the Bonds shall be held separate and in trust solely for the benefit of the Owners of the Bonds in accordance with this Master Trust Indenture;

TO HAVE AND TO HOLD the Trust Estate, whether now owned or held or hereafter acquired, forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth, except as otherwise expressly provided herein, (a) for the equal and proportionate benefit and security of all present and future Owners of the Bonds, without preference of any Bond over any other Bond, (b) for enforcement of the payment of the Bonds, in accordance with their terms and the terms of this Master Trust Indenture and the Supplemental Indenture authorizing the issuance of such Series of Bonds, and all other sums payable hereunder, under the Supplemental Indenture authorizing the Series of Bonds or on the Bonds, and (c) for the enforcement of and compliance with the obligations, covenants and conditions of this Master Trust Indenture except as otherwise expressly provided herein, as if all the Bonds at any time Outstanding (as defined herein) had been authenticated, executed and delivered simultaneously with the execution and delivery of this Master Trust Indenture, all as herein set forth.

IT IS HEREBY COVENANTED, DECLARED AND AGREED (a) that this Master Trust Indenture creates a continuing pledge equally and ratably to secure the payment in full of the principal of, and premium, if any, and interest on all Bonds which may from time to time be Outstanding hereunder, except as otherwise expressly provided herein, (b) that the Trust Estate shall immediately be subject to this pledge and assignment without any physical delivery thereof or further act, (c) that this pledge and assignment shall be valid and enforceable against all parties having any claims of any kind in tort, contract or otherwise against the City, irrespective of whether such parties have notice thereof, and (d) that the Bonds are to be issued, authenticated and delivered, and that the Trust Estate is to be held, dealt with, and disposed of by the Trustee, upon and subject to the terms, covenants, conditions, uses, agreements and trusts set forth in this Master Trust Indenture and the City covenants and agrees with the Trustee, except as otherwise expressly provided herein, for the equal and proportionate benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions. In this Master Trust Indenture and any Supplemental Indenture (except as otherwise expressly provided or unless the context otherwise requires) terms defined in the recitals hereto shall have the same meaning throughout this Master Trust Indenture, and in addition, the following terms shall have the meanings specified below:

"Accounts" shall mean any accounts established pursuant to this Master Trust Indenture.

"Acquisition Agreement" shall mean the Public Improvements Acquisition Agreement, dated as of [_____ __], 2026, between the City and the Developer, as amended or superseded from time to time.

"Acquisition and Construction Fund" shall mean the Fund so designated which is established pursuant to Section 5.01 hereof.

"Act" shall mean the Municipal Improvements Act of 1999, codified as Title 5, Chapter 37 of the S.C. Code.

"Administrative Expense Annual Payment" shall mean, for each parcel of Assessed Property (as defined in the Assessment Roll) for each Assessment Year, the amount to be collected from such parcel to fund Administrative Expenses, as determined and calculated pursuant to the Assessment Roll.

"Administrative Expenses" shall mean the actual or budgeted costs, as applicable, directly related to the administration of the District, including but not limited to, the costs of the recurring updates to the Assessment Roll; the costs of computing the Annual Installment and Annual Payment (as such terms are defined in the Rate and Method of Apportionment of Assessment A); the costs of collecting the Annual Payment; the costs of remitting the Annual Payment to the Trustee; the costs of the District Administrator and Trustee (including legal counsel) in the discharge of their duties; the costs of the City of complying with arbitrage rebate requirements in connection with any Bonds; the costs of the City of complying with securities disclosure requirements in connection with any Bonds; the City's expenses for the billing, collection, and enforcement of the Assessments or in any other way related to the District; and any other costs of the City related to the administration and operation of the District, including, without limitation, the costs of legal counsel and other consultants and advisors; and costs related to commencing foreclosure proceedings and pursuing collection of Delinquent Assessments, including contingencies and reserves for Administrative Expenses as deemed appropriate by the City Council.

"Administrative Expenses Fund" shall mean the fund so designated in and created pursuant to Section 6.08 hereof.

"Annual Assessment Report" shall mean the annual report prepared by the District Administrator and approved by the City Council establishing the estimated Administrative Expenses, Annual Revenue Requirement, annual billed Assessments, and other matters related to the administration and functioning of the Improvement District.

"Annual Installment" shall mean, for any given Assessment Year, the portion of the Bond Assessment (as defined in the Assessment Roll) due and payable in the selected Assessment Year, as further defined and calculated under the Assessment Roll.

"Annual Payment" shall mean, for each parcel of Assessed Property for each Assessment Year, the sum of the Administrative Expense Annual Payment and the Bond Annual Payment, as determined and calculated pursuant to the Assessment Roll.

"Assessments" shall mean special assessments imposed within the District upon properties, designated as "Assessment A" and included in the Assessment Roll pursuant to the District Ordinance, including all Delinquent Assessments thereof, imposed and collected, including penalties, interest and expenses collected by the City, in connection with the District pursuant to the Act and the Assessment Proceedings.

"Assessment Proceedings" shall mean the proceedings of the City with respect to the establishment, imposition, and collection of the Assessments, including the Improvement Plan and the District Ordinance and all documents approved thereby, including, but not limited to, the Rate and Method of Apportionment and the Assessment Roll.

"Assessment Roll" shall mean the assessment roll relating to the Assessments filed (i) in the office of the Clerk of Court for Jasper County on [_____ __], 2026 and (ii) in the office of the Clerk of Court for Beaufort County on [_____] 2026, and recorded in the Register of Deeds for Jasper County on [_____ __], 2026, and subsequent versions of the Assessment Roll updated no less than annually by resolution of City Council, all as authorized by the Assessment Proceedings.

"Assessment Year" shall have the meaning given to such term in the Rate and Method of Apportionment of Assessment A.

"Authenticating Agent" shall mean the Trustee, or such other qualified agent as may be appointed pursuant to a Supplemental Indenture.

"Authorized Officer" shall mean the City Manager or such other person or persons appointed by the City Council and designated by the City in writing to act for the foregoing, either generally or with respect to the execution of any particular document or other specific matter.

"Authorized Denomination" shall mean such denomination or denominations as shall be specified in any Supplemental Indenture authorizing a Series of Bonds.

"Authorizing Ordinance" shall mean an ordinance of the City Council authorizing the issuance of a Series of Bonds.

"Bond Annual Payment" shall mean, for each parcel of Assessed Property for any Assessment Year, the amount of the Debt Service Requirements for all Outstanding Bonds due in such Assessment Year, as determined and calculated pursuant to the Assessment Roll.

"Bond Counsel" shall mean Howell Linkous & Nettles, LLC, Charleston, South Carolina or another counsel of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on obligations issued by states and their political subdivisions.

"Bond Ordinance" shall mean Ordinance No. 2025-10-16C enacted by the City Council on November 6, 2025, which authorized the execution and delivery of this Master Trust Indenture and one or more Supplemental Indentures and the issuance of one or more Series of Bonds thereunder, including the Series 2026 Bonds, in the aggregate principal amount of not to exceed $47,100,000.

"Bond Redemption Fund" shall mean the Fund so designated which is established pursuant to Section 6.07 hereof.

"Bond Register" shall mean the record of Owners as described in Section 2.04 of this Master Trust Indenture.

"Bond Year" shall mean the period of twelve months beginning on [November 2] of each calendar year and ending on [November 1] of the following calendar year, and also shall mean the period from the date of issuance of any Series of Bonds to and including the next succeeding [November 1], or such other consecutive twelve-month period as directed by an Authorized Officer of the City.

"Bondholder," "Holder of Bonds," "Holder" or "Owner" or any similar term shall mean any Person or Persons who shall be the registered owner of any Outstanding Bond or Bonds, as evidenced on the Bond Register of the City kept by the Registrar.

"Bonds" shall mean the Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds issued in one or more Series and delivered pursuant to the provisions of this Master Trust Indenture and the applicable Supplemental Indenture and Bonds subsequently issued to refund all or a portion of the Bonds or to complete a Project.

"Business Day" shall mean any day other than a Saturday or Sunday or legal holiday in the State or a day on which the principal office of the City, the Trustee, the Registrar, or any Paying Agent is closed.

"Capitalized Interest" shall mean, with respect to the interest due or to become due on a Series of Bonds, during a period not exceeding three years from the date of issue of such Series, all or part of such interest which will be paid, and is expected to be paid, from the proceeds of such Series of Bonds, all as set forth in the Supplemental Indenture authorizing such Series of Bonds.

"Certified Public Accountant" shall mean a Person, who shall be Independent, appointed by the City Council, actively engaged in the business of public accounting and duly certified as a certified public accountant under the laws of the State.

"City" shall mean the City of Hardeeville, South Carolina.

"City Council" shall mean the City Council of the City, the governing body of the City.

"City Manager" shall mean the City Manager of the City of Hardeeville, South Carolina, or in his or her absence, the acting city manager or the Mayor.

"City Reimbursements" means Assessment revenues withheld by the City and not deposited with the Trustee to reimburse the City for expenditures made by the City for Administrative Expenses from funds other than Assessment revenues.

"Clerk" shall mean the Municipal Clerk, or in his or her absence or unavailability, the person succeeding to or performing the principal functions of the Municipal Clerk.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Collection Agreement" shall mean the Assessment Collection and Disbursement Agreement, dated [_____ __], 2026, among the City, the County, the Jasper County Auditor, and the Jasper County

Treasurer, with respect to the collection and disbursement of the Assessments, as amended or superseded from time to time.

"Completion Date" shall have the meaning given to such term in Section 5.01 of this Master Trust Indenture.

"Consulting Engineer" shall mean any engineer or engineering firm or corporation at any time employed or engaged by the City, or engaged by the Developer and approved by the City, to perform and carry out duties imposed on the Consulting Engineer by this Master Trust Indenture.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement, by and between the City and any dissemination agent, in connection with the issuance of a Series of Bonds hereunder, pursuant to the requirements of the Rule.

"Corporate Trust Office" means the corporate trust office of the Trustee, which office is, as of the date hereof, located at 1441 Main Street, Suite 775, Columbia, South Carolina 29201, Attn: Corporate Trust, or such other office in the United States as the Trustee may designate from time to time or the principal corporate trust office of any successor trustee.

"Cost" or "Costs," in connection with the Project or any portion thereof, shall mean all expenses which are properly chargeable thereto under Generally Accepted Accounting Principles or which are incidental to the planning, financing, acquisition, construction, reconstruction, equipping and installation thereof, including, without limiting the generality of the foregoing:

(a) expenses of determining the feasibility or practicability of acquisition, construction, or reconstruction;

(b) cost of surveys, estimates, plans, and specifications;

(c) cost of improvements;

(d) engineering, architectural, fiscal, legal, accounting and other professional and advisory expenses and charges;

(e) cost of all labor, materials, machinery, and equipment (including, without limitation, (i) amounts payable to contractors, builders and materialmen and costs incident to the award of contracts and (ii) the cost of labor, facilities and services furnished by the City and its employees, materials and supplies purchased by the City, and permits and licenses obtained by the City);

(f) cost of all lands, properties, rights, easements, and franchises acquired;

(g) financing charges;

(h) funding Capitalized Interest, if any, and the Debt Service Reserve Requirement;

(i) working capital;

(j) interest charges incurred or estimated to be incurred on money borrowed prior to and during construction and acquisition and for such reasonable period of time after completion of construction or acquisition as the City Council may determine;

(k) the Cost of Issuance of Bonds;

(l) the discount, if any, on the sale or exchange of Bonds;

(m) amounts required to repay temporary or bond anticipation notes made to finance any costs permitted under the Act;

(n) costs of prior improvements performed by the City in anticipation of the Project;

(o) costs incurred to enforce remedies against contractors, subcontractors, any provider of labor, material, services, or any other Person, for a default or breach under the corresponding contract, or in connection with any other dispute;

(p) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

(q) payments, contributions, dedications, and any other exactions required as a condition to receive any government approval or permit necessary to accomplish any District purpose;

(r) Administrative Expenses;

(s) taxes, assessments and similar governmental charges during construction or reconstruction of the Project;

(t) expenses of Project management and supervision;

(u) costs of effecting compliance with any and all governmental permits relating to the Project;

(v) such other expenses as may be necessary or incidental to the acquisition, construction, or reconstruction of the Project or to the financing thereof; and

(w) any other "cost" or expense as provided by the Act.

In connection with the refunding or redeeming of any Bonds, "Cost" includes, without limiting the generality of the foregoing, the items listed in (d), (h), (k), and (l) above, and other expenses related to the redemption of the Bonds to be redeemed and the Redemption Price of such Bonds (and the accrued interest payable on redemption to the extent not otherwise provided for). Whenever Costs are required to be itemized, such itemization shall, to the extent practicable, correspond with the items listed above. Whenever Costs are to be paid hereunder, such payment may be made by way of reimbursement to the City or any other Person who has paid the same in addition to direct payment of Costs.

"Cost of Issuance" shall mean all items of expense, directly or indirectly payable or reimbursable by or to the City, the Developer, or the Pod I Owner and related to the authorization, sale and issuance of a Series of Bonds including, but not limited to, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any Trustee, Registrar or Paying Agent, legal fees and charges, including legal fees and charges of legal counsel to the Developer and the Pod I Owner, auditing and accounting fees and charges, fees and disbursements of consultants and professionals,

including the District Administrator, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of such Series of Bonds, costs and expenses of refunding, premiums for insurance relating to the issuance of a Series of Bonds, financing charges, accrued interest with respect to the initial investment of proceeds of such Series of Bonds and any other costs, charges or fees in connection with the original issuance of a Series of Bonds.

"Counsel" shall mean an attorney-at-law or law firm (who may be counsel for the City).

"County" shall mean Jasper County, South Carolina.

"County Assessor" shall mean the Assessor of the County.

"County Auditor" shall mean the Auditor of the County.

"County Treasurer" shall mean the County Treasurer of the County.

"Credit Facility" shall mean any credit enhancement mechanism such as an irrevocable letter of credit, a surety bond, a policy of municipal bond insurance, a corporate or other guaranty, a purchase agreement, a credit agreement or deficiency agreement or other similar facility applicable to the Bonds, as established pursuant to a Supplemental Indenture, pursuant to which the entity providing such facility agrees to provide funds to make payment of the principal of and interest on the Bonds. Notwithstanding anything to the contrary contained in this Master Trust Indenture, the Bonds may be issued without a Credit Facility; the decision to provide a Credit Facility in respect of any Bonds shall be within the absolute discretion of the City.

"Credit Facility Agreement" shall mean any agreement pursuant to which a Credit Facility Issuer issues a Credit Facility.

"Credit Facility Issuer" shall mean the issuer or guarantor of any Credit Facility.

"Debt Service" or "Debt Service Requirements," with reference to a specified period, shall mean:

(a) interest payable on the Bonds during such period, subject to reduction for amounts held as Capitalized Interest in a Capitalized Interest sub-account;

(b) amounts required to pay the principal of the Bonds maturing during such period; and

(c) amounts required to be paid into any Sinking Fund Account with respect to the Bonds during such period.

"Debt Service Fund" shall mean the Fund so designated which is established pursuant to Section 6.05 hereof.

"Debt Service Reserve Fund" shall mean the Fund so designated which is established pursuant to Section 6.06 hereof.

"Debt Service Reserve Insurance Policy" shall mean the insurance policy, surety bond or other evidence of insurance, if any, deposited to the credit of the Debt Service Reserve Fund or any account thereof in lieu of or in partial substitution for cash or securities on deposit therein, which policy, bond or

the evidence of insurance meets the standard set forth in the Supplemental Indenture authorizing the applicable Series of Bonds.

"Debt Service Reserve Letter of Credit" shall mean the irrevocable, transferable letter or line of credit, if any, deposited for the credit of the Debt Service Reserve Fund or any account thereof in lieu of or in partial substitution for cash or securities on deposit therein, which letter or line of credit meets the standard set forth in the Supplemental Indenture authorizing the applicable Series of Bonds.

"Debt Service Reserve Requirement" shall mean, for each Series of Bonds, the amount or requirement which is specified in the applicable Supplemental Indenture.

"Defeasance Securities" shall mean, to the extent permitted by law, (a) cash deposits (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in clause (b) hereof), and (b) Government Obligations (including obligations issued or held in book entry form on the books of the United States Department of Treasury), which are non-callable and non-prepayable.

"Delinquent Assessments" shall mean any and all billed Assessments which are not paid on or before the date upon which real property taxes are payable without penalties or interest pursuant to the law of the State.

"Depository" shall mean any bank or trust company duly authorized by law to engage in the banking business and designated by the City as a depository of moneys subject to the provisions of this Master Trust Indenture.

"Developer" shall mean LK Development Group, LLC, a Delaware limited liability company, and its successors and assigns.

"District" or "Improvement District" shall mean the Hilton Head Lakes West Tract Improvement District, an improvement district created and established pursuant to the Act, currently comprised of the real property described on Exhibit A attached hereto, as such premises may be further expanded or reduced pursuant to the Act.

"District Administrator" shall mean MuniCap Inc., or such other firm from time to time selected by the City qualified to assist with the administration of the Improvement District pursuant to the Assessment Proceedings.

"DTC" shall mean The Depository Trust Company and its successors and assigns.

"Engineer's Certificate" shall mean a certificate or report of the Consulting Engineer or such other firm having a favorable reputation for skill and experience in the engineering matters with respect to which such certification is required.

"Event of Default" shall mean any of the events described in Section 10.02 hereof.

"Fiscal Year" shall mean the period of twelve months beginning July 1 of each calendar year and ending on June 30 of the following calendar year, and also shall mean the period from actual execution hereof to and including the next succeeding June 30; or such other consecutive twelve-month period as may hereafter be established pursuant to an ordinance as the fiscal year of the City for budgeting and accounting purposes as authorized by law.

"Fund" or "Funds" shall mean any fund established pursuant to this Master Trust Indenture.

"General Account" shall mean the Account so designated to be established within a Series Account of the Bond Redemption Fund as provided in Section 6.07 hereof and the applicable Supplemental Indenture.

"Generally Accepted Accounting Principles" shall mean those accounting principles applicable in the preparation of financial statements of municipalities.

"Government Obligations" shall mean direct obligations of the United States of America or obligations the full and timely payment of principal of and interest on which is guaranteed by or backed by the full faith and credit of the United States of America, including without limitation any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein:

(a) United States Treasury Securities - State and Local Government Series ("SLGS");
(b) U.S. Export-Import Bank - Direct obligations, Fully guaranteed certificates of beneficial ownership;
(c) Farmers Home Administration - Certificates of beneficial ownership;
(d) Federal Financing Bank;
(e) Federal Housing Administration – Debentures;
(f) General Services Administration - Participation certificates;
(g) Government National Mortgage Association (GNMA) - GNMA-guaranteed mortgage-backed bonds and GNMA-guaranteed pass-through obligations;
(h) U.S. Maritime Administration - Guaranteed Title XI financing; and
(i) U.S. Department of Housing and Urban Development - Project notes, Local authority bonds, U.S. government-guaranteed new communities debentures and U.S. government-guaranteed public housing notes and bonds.

"Improvement Plan" shall mean the "Improvement Plan – Hilton Head Lakes - West Tract Improvement District City of Hardeeville, South Carolina Improvement Plan" dated August 26, 2025, approved by the District Ordinance.

"Independent" shall mean a Person who is not a member of the City Council, an officer or employee of the City, or which is not a partnership, corporation or association having a partner, director, officer, member or substantial stockholder who is a member of the City Council, or an officer or employee of the City; provided, however, that the fact that such Person is retained regularly by or regularly transacts business with the City shall not make such Person an employee within the meaning of this definition.

"Interest Account" shall mean the account related to the Bonds so designated, established as a separate account within the Debt Service Fund pursuant to Section 6.05 hereof.

"Interest Payment Date" shall mean, unless otherwise provided in the Supplemental Indenture pursuant to which a Series of Bonds is issued, each [May] 1 and [November] 1 on which interest is due on that Series of Bonds as specified in the applicable Supplemental Indenture.

"Investment Securities" shall mean any investments authorized under Section 6-5-10 of the S.C. Code, as the same may be amended, restated or replaced and in effect from time to time.

"Master Trust Indenture" shall mean, this Master Trust Indenture dated as of [_____] 1, 2026, by and between the City and the Trustee, as amended or supplemented from time to time in accordance with the provisions of Article XIII hereof.

"Mayor" shall mean the Mayor of the City or, in his or her absence, the Mayor Pro Tempore of the City.

"Outstanding," in connection with a Series of Bonds, shall mean, as of the time in question, all Bonds of such Series authenticated and delivered under this Master Trust Indenture, except:

(a) all Bonds theretofore cancelled or required to be cancelled under Section 2.07 hereof;

(b) Bonds for the payment, redemption or purchase of which moneys and/or Defeasance Securities, the principal of and interest on which, when due, will provide sufficient moneys to fully pay such Bonds in accordance with Article XIV hereof, shall have been or shall concurrently be deposited with the Trustee; provided that, if such Bonds are being redeemed, the required notice of redemption shall have been given or provision shall have been made therefor, and that if such Bonds are being purchased, there shall be a firm commitment for the purchase and sale thereof; and

(c) Bonds in substitution for which other Bonds have been authenticated and delivered pursuant to Article II hereof.

In determining whether the Holders of a requisite aggregate principal amount of Bonds Outstanding have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions of this Master Trust Indenture, Bonds which are known by the Trustee to be held on behalf of the City shall be disregarded for the purpose of any such determination; provided, however, this provision does not affect the right of the Trustee to deal in Bonds as set forth in Section 11.09 hereof.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Paying Agent" shall mean initially, the Trustee, and thereafter any successor thereto appointed in accordance with Section 11.20 of this Master Trust Indenture.

"Person" or "Persons" shall mean any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, governmental body, political subdivision, municipality, municipal authority or any other group or organization of individuals.

"Platted Property" shall, as of the date of any determination, have the meaning ascribed to such term in the Rate and Method of Apportionment of Assessment A.

"Pledged Funds" shall mean, with respect to Bonds, the Revenue Fund, the Debt Service Fund, the Debt Service Reserve Fund, the Bond Redemption Fund, and the Acquisition and Construction Fund, together with the Series Accounts and other Funds and Accounts therein, if any, established under the provisions of Articles V and VI hereof (excepting any Rebate Fund and the Administrative Expenses Fund) and in the applicable Supplemental Indenture in order to secure the payment of the Bonds, including any and all moneys held in any such Pledged Fund.

"Pledged Revenues" shall mean the revenues from the Assessments (excepting (i) the amount of Assessment revenues estimated for Administrative Expenses for the applicable Assessment Year in any Annual Assessment Report and (ii) City Reimbursements) which shall constitute a portion of the security for and source of payment of the Bonds and may further consist of any source of funds not constituting a general tax as may be available and authorized by the City.

"Pod I Owner" shall mean Lennar Carolinas, LLC, a Delaware limited liability company, and its successors and assigns.

"Prepayment" shall mean the payment by any owner of property of the amount of the Assessments encumbering its property, in whole or in part, prior to its due date, in accordance with the Assessment Proceedings, including prepayments which become due pursuant to the "true-up" mechanism authorized in the Assessment Proceedings and any applicable Supplemental Indenture.

"Prepayment Account" shall mean the Account so designated to be established within a Series Account of the Bond Redemption Fund as provided in Section 6.07 hereof and the applicable Supplemental Indenture.

"Principal Account" shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 6.05 hereof.

"Principal Payment Date" shall mean, unless otherwise provided in the Supplemental Indenture pursuant to which a Series of Bonds is issued, each [November] 1 on which principal is due on that Series of Bonds, whether at maturity or by mandatory sinking fund redemption, as specified in the applicable Supplemental Indenture.

"Project" shall mean those public infrastructure improvements shown on Exhibit B hereto and described as "Improvements" in the Improvement Plan, and, with respect to any Series of Bonds, the particular portion or portions of the Project as more specifically described in the Supplemental Indenture relating to such Series of Bonds.

"Rate and Method of Apportionment of Assessment A" shall mean the Rate and Method of Apportionment of Assessments attached as Appendix A to the Assessment Roll and approved by the City Council pursuant to the District Ordinance.

"Rebate Fund" shall mean the Fund, if any, so designated, which is established pursuant to an arbitrage rebate agreement with respect to a particular Series of Bonds, into which shall be deposited certain moneys in accordance with the provisions of said arbitrage rebate agreement.

"Record Date" shall mean, as the case may be, the applicable Regular Record Date or Special Record Date.

"Redemption Price" shall mean the principal amount of any Bond, including Sinking Fund Installments, plus the applicable premium, if any, payable upon redemption thereof pursuant to this Master Trust Indenture.

"Registrar" shall mean initially the Trustee, which entity shall have the responsibilities set forth in Section 2.04 of this Master Trust Indenture, and thereafter any successor thereto appointed in accordance with Section 11.20 of this Master Trust Indenture.

"Regular Record Date" shall mean the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

"Regulatory Body" shall mean and include (a) the United States of America and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the United States of America, (b) the State, any political subdivision thereof and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the State, (c) the City and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the City, and (d) any other public body, whether federal, state or local or otherwise having regulatory jurisdiction and authority over the City.

"Revenue Fund" shall mean the Fund so designated which is established pursuant to Section 6.04 hereof.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

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

"Series" shall mean all of the Bonds authenticated and delivered at one time on original issuance and pursuant to any Supplemental Indenture of the City authorizing such Bonds as a separate Series of Bonds, or any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II hereof and the applicable Supplemental Indenture, regardless of variations in maturity, interest rate or other provisions; provided, however, two or more Series of Bonds issued at one time but bearing different letter and/or year designations or other distinguishing notations may, if determined by the City, be considered separate Series for purposes of this Master Trust Indenture.

"Series 2026 Bonds" means the initial Series of Bonds issued pursuant to this Master Trust Indenture and a Supplemental Indenture, as authorized pursuant to the Bond Ordinance.

"Series Account," "Series Accounts," or "Series", when describing an Account, shall mean all accounts created in the Debt Service Fund, Debt Service Reserve Fund, Bond Redemption Fund and Acquisition and Construction Fund pursuant to this Master Trust Indenture which relate exclusively to a Series of Bonds, as may be further provided pursuant to a Supplemental Indenture.

"Sinking Fund Account" shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 6.05 hereof.

"Sinking Fund Installment" shall mean any of those payments made pursuant to Section 8.01(b) hereof and the applicable Supplemental Indenture.

"Special Record Date" shall mean such date as shall be fixed for the payment of defaulted interest on the Bonds in accordance with Section 2.01 hereof.

"State" shall mean the State of South Carolina.

"Subordinate Debt" shall mean any form of indebtedness issued or entered into by the City and secured in whole or in part by a pledge of Assessments junior and subordinate in all respects to the pledge hereunder securing the Bonds, which indebtedness may be authorized by the City pursuant to an indenture or loan agreement which is not supplemental to this Master Trust Indenture.

"Supplemental Indenture" and "indenture supplemental hereto" shall mean any indenture amending or supplementing this Master Trust Indenture which may be entered into in accordance with the provisions of this Master Trust Indenture.

"Unplatted Property" shall, as of the date of any determination, have the meaning ascribed to such term in the Rate and Method of Apportionment of Assessment A.

The words "hereof," "herein," "hereto," "hereby," and "hereunder" (except in the form of Bond), refer to the entire Master Trust Indenture.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa.

Capitalized terms used herein but not defined shall have the meaning given to such term in the Assessment Proceedings.

[END OF ARTICLE I]

ARTICLE II

THE BONDS

SECTION 2.01. Amounts and Terms of Bonds; Details of Bonds. The City is hereby authorized to issue the Bonds in one or more Series pursuant to the terms and conditions of this Master Trust Indenture and the applicable Supplemental Indenture and as authorized by the Act and the Revenue Bond Act for Utilities, codified as Title 6, Chapter 21 of the S.C. Code. The Bonds shall be issued in Authorized Denominations and within each Series shall be numbered consecutively from R-1 and upwards and in substantially the form attached hereto as Exhibit C, with such appropriate variations, omissions and insertions as are permitted or required by this Master Trust Indenture or as otherwise provided in a Supplemental Indenture. All Bonds shall be issued only upon satisfaction of the conditions set forth in Article III hereof; and the Trustee or the Authenticating Agent, as the case may be, shall, at the City's written direction, authenticate such Bonds and deliver them as specified in such request.

Each Bond shall be dated, shall bear interest from such date or dates and at such rate or rates until the maturity thereof, payable on such Interest Payment Dates, and shall be stated to mature (subject to the right of prior redemption), all as provided in, or pursuant to, a Supplemental Indenture.

Both the principal of and the interest on the Bonds shall be payable in any coin or currency of the United States of America which is legal tender on the respective dates of payment thereof for the payment of public and private debts. Unless otherwise provided in Section 2.11 hereof or in a Supplemental Indenture, the principal of all Bonds shall be payable at the Corporate Trust Office of the Paying Agent upon the presentation and surrender of such Bonds as the same shall become due and payable.

The Bonds shall be special obligations of the City. Neither the Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or indebtedness of the City within the meaning of any State constitutional provision or statutory limitation (other than Article X, Section 14(10) of the State Constitution authorizing indebtedness payable solely from a source of revenues derived other than from a tax or license). The Bonds and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the City or a charge against the general credit or taxing power of the City. No Owner or any other person shall ever have the right to compel the exercise of any ad valorem taxing power of the City or any other public authority or governmental body to pay Debt Service or to pay any other amounts required to be paid pursuant to this Master Trust Indenture, any Supplemental Indenture, or the Bonds. Debt Service and any other amounts required to be paid pursuant to this Master Trust Indenture, any Supplemental Indenture, or the Bonds shall be payable solely from, and shall be secured solely by, the Trust Estate, including the Pledged Revenues and the Pledged Funds, all as provided herein and in the applicable Supplemental Indenture.

Except to the extent otherwise provided in Section 2.11 hereof or in a Supplemental Indenture, interest on any Bond is payable on any Interest Payment Date by check or draft mailed on the Interest Payment Date to the person in whose name that Bond is registered at the close of business on the Regular Record Date for such Interest Payment Date, at his address as it appears on the Bond Register. The Bonds shall bear interest from the Interest Payment Date next preceding the date on which they are authenticated unless authenticated on an Interest Payment Date in which event they shall bear interest from such Interest Payment Date, or unless authenticated before the first Interest Payment Date in which event they shall bear interest from their date; provided, however, that if a Bond is authenticated between a Record Date and the next succeeding Interest Payment Date, such Bond shall bear interest from such succeeding Interest Payment Date; provided further, however, that if at the time of authentication of any Bond interest thereon is in default, such Bond shall bear interest from the date to which interest has been paid. Any interest on any Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date

(hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than 15 nor less than ten days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth day prior to such mailing, at his address as it appears in the Bond Register not less than ten days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Bonds of a Series in an aggregate principal amount of at least $1,000,000 shall be entitled, at its own expense, to have interest paid by wire transfer to such Owner to the bank account number on file with the Trustee and Paying Agent, upon requesting the same in a writing received by the Trustee and Paying Agent at least 15 days prior to the relevant Record Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Trustee and Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Trustee and Paying Agent at least 15 days prior to the relevant Record Date. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by such Bonds on the day before the default occurred.

The Trustee is hereby constituted and appointed as the initial Paying Agent for the Bonds.

SECTION 2.02. Execution. The Bonds shall be executed by the manual or facsimile signature of the Mayor or the City Manager, as designated in the related Supplemental Indenture, and the seal of the City shall appear thereon (which may be in facsimile) and shall be attested by the manual or facsimile signature of the Clerk. Bonds executed as above provided may be issued and shall, upon the written direction of the City, be authenticated by the Trustee, notwithstanding that one or both of the officers of the City whose signatures appear on such Bonds shall have ceased to hold office at the time of issuance or authentication or shall not have held office at the date of the Bonds.

SECTION 2.03. Authentication; Authenticating Agent. No Bond shall be valid until the certificate of authentication shall have been duly executed by the Trustee or the Authenticating Agent, as the case may be, and such authentication shall be proof that the Bondholder is entitled to the benefit of the trust hereby created.

The Trustee may appoint an Authenticating Agent in its sole discretion and the Trustee shall be entitled to be reimbursed for payments made to any Authenticating Agent as reasonable compensation for its services.

Any corporation into which any Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, consolidation or conversion to which any Authenticating Agent shall be party, or any corporation succeeding to the corporate trust business of any Authenticating Agent, shall be the successor of the Authenticating Agent hereunder, if such successor corporation is otherwise eligible under this Section, without notice and without the execution or filing of any further act on the part of the parties hereto or the Authenticating Agent or such successor corporation.

Any Authenticating Agent, other than the Trustee, may at any time resign by giving written notice of resignation to the Trustee, the City and any Paying Agent. The Trustee may at any time terminate the agency of any Authenticating Agent by giving written notice of termination to such Authenticating Agent, the City and any Paying Agent. Upon receiving such a notice of resignation or upon such a termination, or in case at any time any Authenticating Agent shall cease to be eligible under this Section, the Trustee shall promptly appoint a successor Authenticating Agent, shall give written notice of such appointment to the

City and the Paying Agent, and shall mail a notice of such appointment to all Holders of Bonds as the names and addresses of such Holders appear on the Bond Register.

SECTION 2.04. Registration and Registrar. The Trustee is hereby constituted and appointed as the Registrar for the Bonds. The Registrar shall act as registrar and transfer agent for the Bonds. The City shall cause to be kept at an office of the Registrar a register (herein sometimes referred to as the "Bond Register" or "Register") in which, subject to the provisions set forth in Section 2.08 below and such other regulations as the City and Registrar may prescribe, the City shall provide for the registration of the Bonds and for the registration of transfers and exchanges of such Bonds. The City shall cause the Registrar to designate, by a written notification to the Trustee, a specific office location (which may be changed from time to time, upon similar notification) at which the Bond Register is kept.

The Registrar when it is not also the Trustee, forthwith following each Record Date and at any other time as reasonably requested by the Trustee, shall certify and furnish to the Trustee, and to any Paying Agent as such Trustee shall specify, the names, addresses, and holdings of Bondholders and any other relevant information reflected in the Bond Register, and the Trustee and any such Paying Agent shall for all purposes be entitled to conclusively rely upon the information so furnished to it and shall have no liability or responsibility in connection with the preparation thereof.

SECTION 2.05. Mutilated, Destroyed, Lost or Stolen Bonds. If any Bond shall become mutilated, the City shall execute and the Trustee or Authenticating Agent, as the case may be, shall, upon receipt of written direction from the City, authenticate and deliver a new Bond of like Series, tenor, and denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee or Authenticating Agent, as the case may be, of such mutilated Bond for cancellation, and the City and the Trustee or Authenticating Agent, as the case may be, may require reasonable indemnity therefor. If any Bond shall be reported lost, stolen or destroyed, evidence as to the ownership and the loss, theft or destruction thereof shall be submitted to the City and the Trustee or Authenticating Agent, as the case may be; and if such evidence shall be satisfactory to both and indemnity satisfactory to both shall be given, the City shall execute, and, upon receipt of written direction from the City, the Trustee or Authenticating Agent, as the case may be, shall authenticate and deliver a new Bond of like Series, tenor and denomination. The cost of providing any substitute Bond under the provisions of this Section (including attorney's fees, costs, and expenses, if any) shall be borne by the Bondholder for whose benefit such substitute Bond is provided. If any such mutilated, lost, stolen, or destroyed Bond shall have matured or be about to mature, the City may pay to the Owner the principal amount of and accrued interest on such Bond upon the maturity thereof and compliance with the aforesaid conditions by such Owner, without the issuance of a substitute Bond therefor.

Every substituted Bond issued pursuant to this Section 2.05 shall constitute an additional contractual obligation of the City, whether or not the Bond alleged to have been destroyed, lost, or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Master Trust Indenture equally and proportionately with any and all other Bonds duly issued hereunder.

All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost, or stolen Bonds, and shall preclude any and all other rights or remedies with respect to the replacement or payment of negotiable instruments, investments, or other securities without their surrender.

SECTION 2.06. Temporary Bonds. Pending preparation of definitive Bonds, or by agreement with the original purchasers of all Bonds, the City may issue and, upon its written direction, the Trustee shall authenticate in lieu of definitive Bonds one or more temporary printed or typewritten Bonds of substantially the tenor recited above. Upon the written direction of the City, the Trustee shall authenticate definitive

Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds. So long as Cede & Co., or any other nominee of DTC, is the registered Owner of the Bonds, the definitive Bonds shall be in typewritten form.

SECTION 2.07. Cancellation and Destruction of Surrendered Bonds. All Bonds surrendered for payment or redemption and all Bonds surrendered for exchange shall, at the time of such payment, redemption or exchange, be promptly transferred by the Registrar, Paying Agent or Authenticating Agent to, and cancelled and destroyed by, the Trustee in accordance with its customary procedures. Upon written request of the City, the Trustee shall deliver to the City a certificate of destruction in respect of all Bonds destroyed in accordance with this Section.

SECTION 2.08. Registration, Transfer and Exchange. As provided in Section 2.04 hereof, the City shall cause a Bond Register in respect of the Bonds to be kept at the designated office of the Registrar.

Upon surrender for registration of transfer of any Bond at the designated office of the Registrar, and upon compliance with the conditions for the transfer of Bonds set forth in this Section 2.08, the City shall execute and the Trustee (or Registrar or Authenticating Agent as described in Section 2.03 hereof) shall authenticate and deliver, in the name of the designated transferees, one or more new Bonds of a like aggregate principal amount and of the same Series and maturity.

At the option of the Bondholder, Bonds may be exchanged for other Bonds of a like aggregate principal amount and of the same Series and maturity, upon surrender of the Bonds to be exchanged at any such office or agency. Whenever any Bonds are so surrendered for exchange, the City shall execute and the Trustee (or Registrar or Authenticating Agent as described in Section 2.03 hereof) shall authenticate and deliver the Bonds which the Bondholder making the exchange is entitled to receive.

All Bonds issued upon any transfer or exchange of Bonds shall be valid obligations of the City, evidencing the same debt and entitled to the same benefits under this Master Trust Indenture as the Bonds surrendered upon such transfer or exchange.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee, Paying Agent, or the Registrar, duly executed by the Bondholder or his attorney duly authorized in writing.

Transfers and exchanges shall be made without charge to the Bondholder, except that the City or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Neither the City nor the Registrar on behalf of the City shall be required (i) to issue, transfer or exchange any Bond during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of Bonds selected for redemption and ending at the close of business on the day of such mailing, or (ii) to transfer or exchange any Bond so selected for redemption in whole or in part.

SECTION 2.09. Persons Deemed Owners. The City, the Trustee, any Paying Agent, the Registrar, or the Authenticating Agent shall deem and treat the person in whose name any Bond is registered as the absolute Owner thereof (whether or not such Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the City, the Trustee, any Paying Agent, the Registrar, or the Authenticating Agent) for the purpose of receiving payment of or on account of the principal or Redemption Price of and interest on such Bond, and for all other purposes, and the City, the Trustee, any Paying Agent, the Registrar and the Authenticating Agent shall not be affected by any notice

to the contrary. All such payments so made to any such Owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Bond.

SECTION 2.10. Limitation on Incurrence of Certain Indebtedness. The City will not issue Bonds except upon the conditions and in the manner provided or as otherwise permitted in this Master Trust Indenture, provided that the terms of this Master Trust Indenture shall not prevent the City from issuing Subordinate Debt.

SECTION 2.11. Qualification for The Depository Trust Company. To the extent provided in a Supplemental Indenture or authorized and directed by an ordinance of the City Council authorizing the issuance of a Series of Bonds, the Trustee shall be authorized to enter into agreements (or letters of representation) with DTC and other depository trust companies, including, but not limited to, agreements (or letters of representation) necessary for wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC, and other depository trust companies in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC and other depository trust companies (or any of their designees identified to the Trustee) by overnight delivery, courier service, telegram, telecopy or other similar means of communication.

So long as there shall be maintained a book-entry only system with respect to a Series of Bonds, the following provisions shall apply:

The Bonds shall initially be registered in the name of Cede & Co. as nominee for DTC, which will act initially as securities depository for the Bonds and so long as the Bonds are held in book-entry only form, Cede & Co. shall be considered the registered owner for all purposes hereof. On original issue, the Bonds shall be deposited with DTC, which shall be responsible for maintaining a book-entry only system for recording the ownership interest of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Bonds ("Beneficial Owners").

Principal and interest on the Bonds prior to and at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the City.

The Bonds shall initially be issued in the form of one fully registered Bond for each maturity of each Series and shall be held in such form until maturity. Individuals may purchase beneficial interests in Authorized Denominations in book-entry only form, without certificated Bonds, through DTC Participants and Indirect Participants.

DURING THE PERIOD FOR WHICH CEDE & CO. IS REGISTERED OWNER OF THE BONDS, ANY NOTICES TO BE PROVIDED TO ANY REGISTERED OWNER WILL BE PROVIDED TO CEDE & CO. DTC SHALL BE RESPONSIBLE FOR NOTICES TO DTC PARTICIPANTS AND DTC PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICES TO INDIRECT PARTICIPANTS, AND DTC PARTICIPANTS AND INDIRECT PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICES TO BENEFICIAL OWNERS.

The City shall enter into a blanket letter of representations with DTC providing for such book-entry only system. Such agreement may be terminated at any time by either DTC or the City. In the event of such termination, the City shall select another securities depository. If the City does not replace DTC, the Trustee will register and deliver to the Beneficial Owners replacement Bonds in the form of fully registered Bonds in accordance with the instructions from Cede & Co.

In the event DTC, any successor of DTC or the City elects to discontinue the book-entry only system, the Trustee shall deliver bond certificates in accordance with the instructions from DTC, or applicable rules and procedures on file with the U.S. Securities and Exchange Commission, or its successor and after such time Bonds may be exchanged for an equal aggregate principal amount of Bonds in other Authorized Denominations and of the same maturity and Series upon surrender thereof at the designated Corporate Trust Office of the Trustee.

[END OF ARTICLE II]

ARTICLE III

ISSUE OF BONDS

SECTION 3.01. Issue of Bonds. Subject to the provisions of Section 2.01 hereof, the City may issue one or more Series of Bonds hereunder and under Supplemental Indentures from time to time for the purpose of financing the Cost of acquisition or construction of portions of the Project or to refund all or a portion of a Series of Bonds (and to pay the Costs of Issuance of such Bonds, to pay the amounts required to be deposited with respect to such Series of Bonds in the Funds and Accounts established under this Master Trust Indenture and the applicable Supplemental Indenture, including amounts deposited into the Debt Service Reserve Fund, and to pay Capitalized Interest on a Series of Bonds). In connection with the issuance of a Series of Bonds the Trustee or the Authenticating Agent, as the case may be, shall, at the written direction of the City, authenticate the Bonds and deliver or cause them to be authenticated and delivered, as specified in the request, but only upon receipt of:

(1) certified copies of (a) the Bond Ordinance and any additional ordinance of the City (i) approving a Supplemental Indenture under which the particular Series of Bonds is to be issued; (ii) providing the terms of the Bonds of such Series and directing the payments to be made into the Funds and Accounts in respect thereof as provided in Article VI hereof; (iii) authorizing the execution and delivery of the Series of Bonds to be issued; and (iv) if the purpose is to effectuate a refunding, authorizing the redemption, if any, of the Bonds to be refunded and the defeasance thereof, and the execution and delivery of an escrow agreement, if applicable, and other matters contained in Article XIV hereof; and, (b) except with respect to the Series 2026 Bonds which are authorized pursuant to the Bond Ordinance, an Authorizing Ordinance of the City Council;

(2) an opinion of Counsel for the City (which opinion may be stated in reliance upon the opinion or certificate of the Consulting Engineer and District Administrator and opinions of other Counsel satisfactory to the signer and which opinion may be provided by one or more Counsel in separate firms or other organizations) which shall be addressed to the Trustee, to the effect that, except as otherwise provided in a Supplemental Indenture: (a) the Assessment Proceedings have been duly and lawfully adopted or enacted in accordance with State law, and the City has taken all action necessary to levy and impose the Assessments; (b) the Assessments are legal, valid, and binding liens upon the property against which the Assessments are made, superior to all other liens except property taxes; (c) the issuance of the Series of Bonds has been duly authorized and approved by the City Council; (d) each of this Master Trust Indenture and the applicable Supplemental Indenture has been duly and validly authorized, approved, and executed by the City; (e) all conditions prescribed herein as precedent to the issuance of the Series of Bonds have been fulfilled; (f) the Series of Bonds have been validly authorized and executed and when authenticated and delivered pursuant to the written request of the City will be valid obligations of the City entitled to the benefit of the trust created hereby and will be enforceable in accordance with their terms except as enforcement thereof may be affected by bankruptcy, reorganization, insolvency, moratorium and other similar laws relating to creditors' rights generally and subject to equitable principles, whether in a proceeding at law or in equity; and (g) each of this Master Trust Indenture and the applicable Supplemental Indenture (assuming due authorization, execution and delivery by the Trustee) constitutes a binding obligation of the City, enforceable against the City in accordance with its terms except as enforcement thereof may be affected by bankruptcy, reorganization, insolvency, moratorium and other similar laws relating to creditors' rights generally and subject to equitable principles, whether in a proceeding at law or in equity;

(3) an Engineer's Certificate addressed to the City and the Trustee setting forth, with respect the Project or portion thereof that is incomplete as of the issuance of such Series of Bonds,

the estimated cost of the Project or portion thereof to be acquired using proceeds of such Series of Bonds and, in the case of an acquisition by the City of all or a portion of the Project that has been completed as of the issuance of such Series of Bonds, stating, in such Consulting Engineer's opinion, (a) that the Consulting Engineer has sufficiently monitored the construction of the Project or applicable portion thereof as required to make the certifications required hereby; (b) that the portion of the Project to be acquired from the proceeds of such Series of Bonds has been completed in all material respects with the plans and specifications therefor; (c) the purchase price to be paid by the City for the Project or applicable portion thereof, which shall be no more than the actual Cost of construction of such improvements; and (d) that the costs to be included in the purchase price for the Project or applicable portion thereof are accurate based upon the invoices, payment applications, or other requests for payment therefor;

(4) executed copies of this Master Trust Indenture and the applicable Supplemental Indenture authorizing such Series of Bonds, certified by the Clerk as being true and correct copies thereof;

(5) the proceeds of the sale of such Bonds;

(6) any Credit Facility authorized by the City in respect to such Bonds;

(7) certified copies of the Assessment Proceedings, including certified copies of one or more ordinances or resolutions of the City relating to the levy of Assessments, and evidencing that the City has undertaken and, to the extent then required under applicable law, completed all necessary proceedings, including, without limitation, the approval of the Assessment Roll, the holding of public hearings, the adoption of resolutions, the enactment of ordinances, and the establishment of all necessary collection procedures, in order to levy and collect Assessments upon the properties located within the Improvement District in an amount sufficient to pay Debt Service on the Series of Bonds to be issued (the foregoing shall not be applicable in the case of the issuance of a refunding Series of Bonds);

(8) a certificate of the District Administrator to the effect (a) that the amount of the Assessments that may be billed for each Assessment Year shall be at least equal to 100% of the total Debt Service Requirements in each Bond Year on all Series of Bonds then Outstanding, including the proposed Series of Bonds, plus the estimated Administrative Expenses during each such Bond Year, and (b) the sum of the maximum amount of the Assessments on all parcels within the District that may be collected under the Assessment Proceedings shall be equal to or greater than the sum of the total Debt Service Requirements on all Series of Bonds then Outstanding, including the proposed Series of Bonds, plus the estimated Administrative Expenses for the estimated duration of the District;

(9) an executed opinion of Bond Counsel;

(10) a written direction of the City to the Trustee to authenticate and deliver such Bonds;

(11) except for the Series 2026 Bonds or any Series of Bonds, or portion thereof, issued for the purpose of refunding any Series of Bonds, which shall meet the requirements for refunding Bonds set forth at clause (12) below, Bonds may be issued hereunder and under Supplemental Indentures from time to time provided that at the time of issuance of such Series of Bonds there shall be delivered to the Trustee a certificate of an Assessment Consultant and an appraisal report prepared by an independent MAI-certified appraiser, demonstrating that at the time of issuance of any Series of Bonds following the Series 2026 Bonds, the following shall be true:

(a) the aggregate original principal amount of Bonds previously issued and the Series of Bonds to be issued (other than a refunding Series of Bonds) shall not exceed the lesser of (x) $47,100,000 or (y) an aggregate of $14,000 per estimated dwelling unit;

(b) Total Debt Service and estimated Administrative Expenses may not exceed total Assessments as shown on the Assessment Roll;

(c) the scheduled annual Debt Service Requirements on the Bonds previously issued and the Series of Bonds to be issued, plus estimated Administrative Expenses, shall not exceed the lesser of (i) $600 per estimated dwelling unit, increasing annually by 3% for the 30 years over which the Assessments may be collected (including any Assessment previously collected) and (ii) the total of Assessments that may be collected from all property within the District; and

(d) the appraised value of the Unplatted Property within the District, as of a date not more than twelve months prior to the issuance of such Series of Bonds, is not less than 2.4 times the principal amount of the Outstanding Bonds and such Series of Bonds allocated to and supported by the Unplatted Property.

The appraised value to be used shall represent the hypothetical value of the Unplatted Property as if the Project to be funded by the proposed Series of Bonds were complete as of the date of the appraisal.

For purposes of this subsection, the allocation of Outstanding Bonds and such Series of Bonds between Platted Property and Unplatted Property shall be determined by the Assessment Consultant based upon the proportion of annual debt service attributable to each property classification, consistent with the Rate and Method of Apportionment.

(12) in the case of the issuance of a refunding Series of Bonds, a Certificate of an Authorized Officer of the City stating (a) the intended use of the proceeds of the issue; (b) any other amounts available for the purpose; (c) that the proceeds of the issue plus the other amounts, if any, stated to be available for the purpose will be sufficient to refund the Bonds to be refunded in accordance with the refunding plan, if applicable, and in compliance with Article XIV of this Master Trust Indenture, including, without limitation, to pay the Costs of Issuance of such Bonds; (d) that notice of redemption, if applicable, of the Bonds to be refunded has been duly given or that provision has been made therefor, as applicable and (e) the aggregate Debt Service Requirements of the refunding Series of Bonds will not be greater than the aggregate Debt Service Requirements of the Bonds to be refunded;

(13) in the case of the issuance of a refunding Series of Bonds, a written opinion of Bond Counsel to the effect that the issuance of such Series of Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Series of Bonds issued pursuant to this Master Trust Indenture (to the extent that upon original issuance thereof such Bonds were issued as Bonds the interest on which is excludable from gross income for federal income tax purposes); and

(14) such other documents, certifications and opinions as shall be required by the Supplemental Indenture.

At the option of the City, any or all of the matters required to be stated in the ordinance described in (1) above may instead be stated in a Supplemental Indenture, duly approved by an ordinance of the City.

[END OF ARTICLE III]

ARTICLE IV

ACQUISITION OF PROJECT

SECTION 4.01. Project to Conform to Plans and Specifications; Changes. The City will proceed to acquire or cause the public acquisition of or complete or cause the completion of any Project or portion thereof for which any Series of Bonds is being issued in accordance with the applicable terms of the Acquisition Agreement, subject to the specific requirements of the applicable Supplemental Indenture for such Series of Bonds.

SECTION 4.02. Compliance Requirements. The City will comply with all present and future laws, acts, rules, regulations, orders and requirements lawfully made and applicable in fact to any acquisition or construction hereby undertaken. The City shall not be required to provide funds for completion of any Project or portion thereof.

[END OF ARTICLE IV]

ARTICLE V

ACQUISITION AND CONSTRUCTION FUND

SECTION 5.01. Acquisition and Construction Fund. (a) The Trustee shall establish an Acquisition and Construction Fund into which shall be deposited the proceeds from each Series of Bonds issued under this Master Trust Indenture (except for a refunding Series of Bonds and unless otherwise specified herein or in the applicable Supplemental Indenture for a Series of Bonds) and from which Costs may be paid as set forth herein and in the applicable Supplemental Indenture. Unless otherwise specified in the applicable Supplemental Indenture, a separate Series Account shall be established in the Acquisition and Construction Fund with respect to each Series of Bonds issued hereunder and the proceeds of each Series of Bonds (other than Bonds issued to refund all or a portion of the Bonds) shall be deposited into the corresponding Series Account in the Acquisition and Construction Fund. The amounts in any account of the Acquisition and Construction Fund, until applied as hereinafter provided, shall be held for the security of the Series of Bonds hereunder in respect of which such Series Account was established. Separate subaccounts within any Series Account of the Acquisition and Construction Fund shall be maintained by the Trustee in respect of each Series of Bonds upon the written request of the City whenever, in the opinion of the City, it is appropriate to have a separate accounting in respect of the Costs of any designated portion of a Project. Payments shall be made from the appropriate Series Account of the Acquisition and Construction Fund to pay any unpaid Costs of Issuance of the Series of Bonds in question, including without limitation, legal, engineering, and consultants' fees and to pay amounts to be reimbursed to the City for Costs advanced, and thereafter to pay Costs of planning, financing, acquisition, construction, reconstruction, equipping and installation of the applicable Project or portion thereof.

(b) *Disbursements*. All payments from the Acquisition and Construction Fund shall be paid in accordance with the provisions of this subsection. Moneys in the Acquisition and Construction Fund shall be disbursed by check, voucher, order, draft, certificate or warrant signed by any one or more officers or employees of the Trustee legally authorized to sign such items or by wire transfer to an account within the continental United States specified by the payee upon satisfaction of the conditions for disbursement set forth in this subsection (b) and in the applicable Supplemental Indenture for each Series of Bonds. Before any such payment shall be made, the City shall file with the Trustee a fully executed requisition, upon which the Trustee may conclusively rely, in the form of Exhibit D attached hereto. Upon receipt of each such requisition and accompanying certificate, the Trustee shall promptly withdraw from the Acquisition and Construction Fund and pay to the persons, firms or corporations named in such requisition the amount or amounts designated in such requisition. All requisitions and certificates received by the Trustee pursuant to this Section 5.01 shall be retained in the possession of the Trustee for a period of five years from the Trustee's receipt of such document, subject at all reasonable times to the inspection of the City, the Consulting Engineer, the Owner of any Bonds, and the agents and representatives thereof.

(c) *Completion of Construction or Acquisition of Project*. Unless otherwise specifically provided in a Supplemental Indenture, on the date of completion of the construction and acquisition of the Project, as certified to the City in writing by the Developer (the "Completion Date"), upon which the Trustee may conclusively rely, the balance in the Acquisition and Construction Fund not reserved by the City for the payment of any remaining part of the Cost of the Project, and any amount that may be transferred into the Acquisition and Construction Fund, or any Account thereof, after the Completion Date pursuant to any Supplemental Indenture, shall, if directed in writing by the City, be transferred by the Trustee to, and deposited in, the General Account of the applicable Series Account of the Bond Redemption Fund and applied as provided in Section 6.07 hereof or in the applicable Supplemental Indenture.

[END OF ARTICLE V]

ARTICLE VI

ASSESSMENTS;
APPLICATION THEREOF TO FUNDS AND ACCOUNTS

SECTION 6.01. Assessments; Lien of Master Trust Indenture on Trust Estate. The City hereby represents that it has filed certified copies of the Assessment Roll with the Clerk of Court for Jasper County and the Clerk of Court for Beaufort County, has recorded the same in the office of the Register of Deeds for Jasper County, and has provided a certified copy of the Assessment Roll to the County Auditor. The City covenants that it shall bill or cause to be billed Assessments on an annual basis in accordance with the Assessment Proceedings, and, if the Assessments are to be collected by the County instead of the City, provide the Assessment Roll (or other document containing all necessary information for the billing and collection of all Assessments) to the County Auditor in order that the Assessments shall appear on the annual real property tax notices for City property taxes issued by the County for collection by the County Treasurer, all as provided in and pursuant to the Act or any successor statutes, as applicable, and all other laws of the State. Through the Annual Assessment Report, the Assessment Roll shall be updated at least annually by the City based upon calculations provided by the District Administrator. All penalties and interest attributable to the payment of Delinquent Assessments shall be collected or caused to be collected by the County or the City, as applicable, and paid over to the Trustee in the same manner as Assessments. The provisions of the Rate and Method of Apportionment are incorporated herein by reference and shall be deemed controlling as to the matters set forth therein, except as specifically provided by this Master Trust Indenture and any Supplemental Indenture.

The City shall, within 45 days of receipt of the Assessments, after deducting any amounts due and payable to the City as City Reimbursements to the extent, if any, determined by the City, pay to the Trustee for deposit in the Revenue Fund established under Section 6.04 hereof all payments of Assessments received by the City from the annual billing thereof within the District, including all penalties and interest attributable to the payment of Delinquent Assessments; provided, however, that amounts received as Prepayments of Assessments pursuant to Section 6.02 hereof shall be deposited directly into the Prepayment Account of the particular Series Account of the Bond Redemption Fund as directed in writing by the City. The City shall instruct the Trustee in writing at the time of each deposit (a) as to amounts received as Prepayments of Assessments to be deposited into the specified Prepayment Account of the Series Account of the Bond Redemption Fund, and (b) as to amounts received to be utilized for annual estimated Administrative Expenses, as determined in the applicable Annual Assessment Report, which amounts shall be deposited into the Administrative Expenses Fund prior to any other transfers of revenues derived from Assessments from the Revenue Fund (unless such Assessments and/or other payments are specifically designated by the City pursuant to a Supplemental Indenture for deposit into any Rebate Fund or any other Fund or Account established hereunder or under a Supplemental Indenture). The City shall at the time of each such deposit identify in writing to the Trustee the amount of any City Reimbursements retained by it.

There is pledged pursuant to this Master Trust Indenture for the payment of the principal or Redemption Price of and interest on all Bonds of each Series issued and Outstanding under this Master Trust Indenture, the Trust Estate. The Trust Estate shall immediately be subject to the lien and pledge of this Master Trust Indenture without any physical delivery hereof or further act; provided, however, that the lien and pledge of this Master Trust Indenture shall not apply to (a) any moneys transferred by or to be transferred by the Trustee to any Rebate Fund or (b) any moneys transferred by the Trustee to the Administrative Expenses Fund. The foregoing notwithstanding, to the extent provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, such Series of Bonds may be made payable from and secured by less than all of the Trust Estate, and any one or more of the provisions of this Master Trust Indenture may be made inapplicable to such Series of Bonds, all as more specifically provided in the corresponding Supplemental Indenture; provided, however, that any such provisions shall apply only to the

particular Series of Bonds authorized by such Supplemental Indenture and shall not affect in any manner whatsoever any Outstanding Series of Bonds. Further, in the Supplemental Indenture authorizing the issuance of a Series of Bonds, such Series of Bonds may be made payable from and secured by additional security, all as more specifically provided in the applicable Supplemental Indenture; provided, however, that such additional security shall be an additional component of the Trust Estate only with respect to the particular Series of Bonds authorized by such Supplemental Indenture and shall not secure any other then Outstanding or thereafter issued Series of Bonds.

SECTION 6.02. Prepayments; Removal of Special Assessment Liens.

(a) In accordance with the Assessment Proceedings, an owner of a parcel of land subject to the Assessments may, at its option and on a per-parcel basis, or under certain circumstances described in the Rate and Method of Apportionment, shall, require or request, as applicable, the City to reduce or release and extinguish the lien upon such parcel(s) by virtue of the levy of the Assessments by paying to the City (i) at any time, an amount calculated pursuant to the Assessment Proceedings to prepay in full the Assessments remaining on such parcel(s), or (ii) no more than once per parcel, an amount that prepays a portion of the Assessments remaining on such parcel(s). To the extent that such payments are to be used to redeem Bonds of a Series, in the event the amount in the applicable Series Debt Service Reserve Account will exceed the Debt Service Reserve Requirement for the Bonds of such Series as a result of a Prepayment in accordance with this Section 6.02(a) and the resulting redemption in accordance with Section 8.01(c)(i) hereof, the excess amount shall be transferred from the Series Debt Service Reserve Account to the Prepayment Account of the Series Account of the Bond Redemption Fund, upon written instructions of the City together with a certificate of an Authorized Officer of the City stating that, (i) after giving effect to such transfers sufficient moneys will be on deposit in the applicable Debt Service Reserve Account to equal or exceed the Debt Service Reserve Requirement for the Bonds of such Series; and (2) after giving effect to the proposed redemption of Bonds, and taking into account anticipated cash flows, there will be sufficient Pledged Revenues to pay the principal and interest, when due, on all Bonds that will remain Outstanding.

(b) Upon receipt of a Prepayment as described in paragraph (a) above, subject to satisfaction of the conditions set forth therein, the City shall promptly pay the amount so received to the Trustee (if not paid directly to the Trustee), and the Trustee shall immediately deposit the same into the Prepayment Account of the Series Account of the Bond Redemption Fund as directed in writing by the City to be applied in accordance with clause (i) of Section 8.01(c) hereof, to the redemption of Bonds.

SECTION 6.03. Funds and Accounts Relating to the Bonds. The Funds and Accounts specified in this Article VI shall be established under this Master Trust Indenture and each Supplemental Indenture pursuant to which a Series of Bonds is issued for the benefit of the specific Series of Bonds issued pursuant to such Supplemental Indenture and any Series issued on a parity therewith and, unless expressly otherwise provided in said Supplemental Indenture, shall not apply to Bonds Outstanding hereunder issued under any other indenture supplemental hereto.

SECTION 6.04. Revenue Fund. The Trustee is hereby authorized and directed to establish a Revenue Fund into which the Trustee shall promptly deposit any and all Assessments received from the City (other than Prepayments of Assessments), including any amounts received as the result of penalties, interest and any foreclosure proceedings or other remedial action for nonpayment of Assessments for the payment of Bonds and other payments required hereunder or under the applicable Supplemental Indenture (unless such Assessments and/or other payments are specifically designated by the City pursuant to a Supplemental Indenture for deposit into any Rebate Fund or any other Fund or Account established hereunder or under a Supplemental Indenture) and such Fund shall be held by the Trustee separate and apart from all other Funds and Accounts held under this Master Trust Indenture and from all other moneys of the Trustee. The Trustee shall, in each Bond Year, transfer from amounts on deposit in the Revenue Fund to

the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, upon receipt, into the Administrative Expenses Fund an amount equal to the portion of the Assessments billed for Administrative Expenses in the Annual Assessment Report for the applicable Assessment Year;

SECOND, beginning in the first Bond Year in which there is an insufficient amount from Bond proceeds (or investment earnings thereon) on deposit in the applicable Series Interest Account of the Debt Service Fund established pursuant to Section 6.05 hereof to be applied to the payment of interest on the Bonds of a Series due in the current Bond Year and continuing in each Bond Year thereafter in which Bonds of such Series remain Outstanding, upon receipt, to the applicable Series Interest Account of the Debt Service Fund, an amount equal to the interest on the related Series of Bonds becoming due in the current Bond Year, less any amount on deposit in such Series Interest Account for the payment of interest on such Series of Bonds in the current Bond Year;

THIRD, beginning in the first Bond Year in which principal or Sinking Fund Installments on a Series of Bonds come due and continuing in each Bond Year thereafter in which principal or Sinking Fund Installments of such Series of Bonds come due, upon receipt, to the applicable Series Principal Account or applicable Series Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Bonds of such Series maturing or the Sinking Fund Installment of Bonds of such Series due on the next succeeding Principal Payment Date, less any amount on deposit in the applicable Series Principal Account for the payment of the principal or the applicable Series Sinking Fund Account for the payment of the Sinking Fund Installment due on the next succeeding Principal Payment Date;

FOURTH, upon receipt, to the applicable Series Account of the Debt Service Reserve Fund, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Debt Service Reserve Requirement for such Series of Bonds; and

FIFTH, at any time that Subordinate Debt is outstanding, such amounts as necessary to pay amounts due with respect to such Subordinate Debt shall be transferred at the times as provided in the indenture or ordinance authorizing the issuance of such Subordinate Debt.

Upon completion of the acquisition and construction of the Project, as certified to the City in writing by the Developer, provided that the conditions in the preceding sentence were met with respect to the immediately-preceding Bond Year, the City shall direct the Trustee in writing, upon which the Trustee may conclusively rely, to thereafter withdraw all amounts held in the Revenue Fund on the last day of each Bond Year and deposit such moneys as directed in writing by the City to the credit of the applicable General Account of the Series Account of the Bond Redemption Fund as specified by the City in accordance with the provisions of Section 8.01(c)(iv) hereof.

SECTION 6.05. Debt Service Fund. The Trustee is hereby authorized and directed to establish a Debt Service Fund which shall consist of amounts deposited therein by the Trustee and any other amounts the City may pay to the Trustee for deposit therein with respect to the Bonds. The Debt Service Fund shall be held by the Trustee separate and apart from all other Funds and Accounts held under this Master Trust Indenture and from all other moneys of the Trustee. The Trustee shall establish within the Debt Service Fund an Interest Account, a Principal Account and a Sinking Fund Account, which accounts shall be separate and apart from all other Funds and Accounts established under this Master Trust Indenture and from all other moneys of the Trustee. The Interest Account is intended to provide for the ratable payment of the interest due on the Bonds. The Principal Account and the Sinking Fund Account are intended to provide for the ratable payment of the principal of and Sinking Fund Installments, respectively, on the

Bonds. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall establish separate Series Accounts within the Interest Account (and, if Capitalized Interest will be funded with proceeds of such Series of Bonds, a Capitalized Interest sub-account within the Series Interest Account), the Principal Account, and the Sinking Fund Account for each Series of Bonds which may thereafter be Outstanding. Each Series Account shall bear a number designation to distinguish it from other Series Accounts. Each Series Account shall be held by the Trustee for the equal and ratable benefit only of the Holders of the particular Series of Bonds, respectively, secured by such Series Account as provided in the applicable Supplemental Indenture.

The Trustee at all times shall make available to any Paying Agent the funds in the Series Principal Account and the Series Interest Account of the Debt Service Fund to pay the principal of the applicable Series of Bonds as they mature upon surrender thereof and the interest on the applicable Series of Bonds as it becomes payable, respectively. When a Series of Bonds is redeemed, the amount, if any, in the Debt Service Fund representing interest thereon shall be transferred by the Trustee to the General Account of the applicable Series Account of the Bond Redemption Fund to be applied to the payment of accrued interest in connection with such redemption.

The Trustee shall apply moneys in the Series Sinking Fund Account in the Debt Service Fund for purchase or redemption of the applicable Series of Bonds in amounts and maturities set forth in the Supplemental Indenture. Whenever Bonds of a Series are to be purchased out of such Series Sinking Fund Account, if the City shall notify the Trustee in writing that the City wishes to arrange for such purchase, the Trustee shall comply with the City's arrangements provided they conform to this Master Trust Indenture.

Except to the extent otherwise provided in a Supplemental Indenture, purchases and redemptions out of the Series Sinking Fund Account shall be made as follows:

(a) The Trustee shall apply the amounts required to be transferred to the Series Sinking Fund Account (less any moneys applied to the purchase of Bonds of the applicable Series pursuant to the next sentence hereof) on the Principal Payment Date in each of the years set forth in a Supplemental Indenture to the redemption of Bonds of a Series in the amounts, manner and maturities and on the dates set forth in a Supplemental Indenture, at a Redemption Price of 100% of the principal amount thereof. At the written direction of the City, the Trustee shall apply moneys from time to time available in the Series Sinking Fund Account to the purchase of Bonds of the applicable Series which mature in the aforesaid years, at prices (exclusive of accrued interest) not higher than the principal amount thereof, in lieu of redemption as aforesaid, provided that firm purchase commitments can be made before the notice of redemption would otherwise be required to be given. In the event of purchases at less than the principal amount thereof, the difference between the amount in the Series Sinking Fund Account representing the principal amount of the Bonds so purchased and the purchase price thereof (exclusive of accrued interest) shall be transferred to the related Series Interest Account of the Debt Service Fund.

(b) Accrued interest on purchased Bonds of a Series shall be paid from the related Series Interest Account of the Debt Service Fund.

(c) In lieu of paying the Debt Service Requirements necessary to allow any mandatory redemption of Bonds of a Series from the related Series Sinking Fund Account, the City may present to the Trustee Bonds of a Series purchased by the City pursuant to subparagraph (a) above and furnished for such purposes; provided, however, that no Bonds of such Series so purchased shall be credited towards the Debt Service Requirements in respect of the mandatory redemption of Bonds of such Series for which notice of redemption has been given pursuant to Section 8.02 of this Master Trust Indenture. Any Bond so purchased shall be presented to the Trustee for cancellation. In such event, the Debt Service Requirements with respect to the Bonds of a Series

for the period in which the purchased Bonds are presented to the Trustee shall, for all purposes hereunder, be reduced by an amount equal to the aggregate principal amount of any such Bonds so presented.

SECTION 6.06. Debt Service Reserve Fund. The Trustee is hereby authorized and directed to establish a Debt Service Reserve Fund and, pursuant to a Supplemental Indenture, a Series Account for each Series of Bonds issued hereunder. The Debt Service Reserve Fund and each Series Account therein shall be held by the Trustee for the benefit of each related Series of Bonds; provided, however, that notwithstanding anything to the contrary contained in this Master Trust Indenture, the Supplemental Indenture authorizing the issuance of a Series of Bonds may provide that the Debt Service Reserve Fund is not applicable and no Account therein shall secure such Series of Bonds. The Debt Service Reserve Fund and each Series Account therein shall constitute an irrevocable trust fund to be applied solely as set forth herein and shall be held by the Trustee separate and apart from all other Funds and Accounts held under this Master Trust Indenture and from all other moneys of the Trustee. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, on the date of issuance and delivery of a Series of Bonds an amount of Bond proceeds equal to the Debt Service Reserve Requirement in respect of such Series of Bonds, calculated as of the date of issuance and delivery of such Series of Bonds, shall be deposited in the related Series Account of the Debt Service Reserve Fund. As long as there exists no default under this Master Trust Indenture and the amount in the Series Account of the Debt Service Reserve Fund is not reduced below the then applicable Debt Service Reserve Requirement with respect to such Series of Bonds, earnings on investments in the Series Account of the Debt Service Reserve Fund shall be transferred to the Series Interest Account of the Debt Service Fund relating to the Series of Bonds secured by such Series Account of the Debt Service Reserve Fund. Otherwise, earnings on investments in each Series Account of the Debt Service Reserve Fund shall be retained therein until applied as set forth herein. Unless otherwise provided in a Supplemental Indenture, in the event that the amount in a Series Account of the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement with respect to such Series of Bonds due to a decrease in the then applicable Debt Service Reserve Requirement as a result of an optional Prepayment by the owner of a lot or parcel of land of an Assessment against such lot or parcel, which Prepayment is applied to redeem Bonds of such Series pursuant to the provisions of Section 8.01(c)(i) hereof, the excess amount shall be transferred from the Series Account of the Debt Service Reserve Fund to the applicable Prepayment Account of the Series Account of the Bond Redemption Fund established for such Series of Bonds and applied to the redemption of Bonds of such Series. Unless otherwise provided in a Supplemental Indenture, in the event that the amount in a Series Account of the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement with respect to such Series of Bonds due to a decrease in the then applicable Series Account of the Debt Service Reserve Requirement for any other reason, the excess amount shall be transferred from the Series Account of the Debt Service Fund first to the Administrative Expenses Fund, if needed in the then current Bond Year for the payment of Administrative Expenses, and second to the related Series Interest Account of the Debt Service Fund.

Whenever for any reason on an Interest Payment Date or Principal Payment Date or mandatory redemption date with respect to a related Series of Bonds secured by a Series Account of the Debt Service Reserve Fund the amount in the related Series Interest Account, the related Series Principal Account or the related Series Sinking Fund Account, as the case may be, is insufficient to pay all amounts payable on such Series of Bonds therefrom on such payment dates, the Trustee shall, without further instructions, transfer the amount of any such deficiency from the related Series Account of the Debt Service Reserve Fund into the related Series Interest Account, the related Series Principal Account and the related Series Sinking Fund Account, as the case may be, with priority to the related Series Interest Account and then, proportionately according to the respective deficiencies therein, to the related Series Principal Account and the related Series Sinking Fund Account, to be applied to pay the Series of Bonds secured by the Series Account of the Debt Service Reserve Fund.

Notwithstanding the foregoing, in lieu of the required deposits into the related Series Account of the Debt Service Reserve Fund, the City may cause to be deposited into the Series Account of the Debt Service Reserve Fund a Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit either in lieu of any cash amount required to be deposited therein in connection with the issuance of any Series of Bonds or in substitution for the full amounts then on deposit therein or in an amount equal to the difference between the amount required to be deposited and the sum, if any, then on deposit in the Series Account of the Debt Service Reserve Fund, which Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit shall be payable (upon the giving of notice as required thereunder) on any Interest Payment Date or Principal Payment Date on which a deficiency exists which cannot be remedied by moneys in any other Fund or Account held pursuant to this Master Trust Indenture for the payment of such Series of Bonds and available for such purpose. If any such Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit is substituted for moneys on deposit in the Series Account of the Debt Service Reserve Fund, or if at any time there are excess moneys in the Series Account of the Debt Service Reserve Fund, the excess moneys in the Series Account of the Debt Service Reserve Fund shall be transferred to and deposited in the related Series Interest Account of the Debt Service Fund. If a disbursement is made from a Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit, the City shall be obligated to either reinstate the maximum limits of such Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit immediately following such disbursement or to deposit into the Series Account of the Debt Service Reserve Fund, as provided in this Master Trust Indenture for restoration of withdrawals from the Series Account of the Debt Service Reserve Fund, funds in the amount of the disbursement made under such Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit.

In the event that upon the occurrence of any deficiency in a Series Interest Account, a Series Principal Account or a Series Sinking Fund Account, the Series Account of the Debt Service Reserve Fund is then funded with a Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, the Trustee shall, on an Interest Payment Date or Principal Payment Date or mandatory redemption date to which such deficiency relates, draw upon the Debt Service Reserve Letter of Credit or cause to be paid under the Debt Service Reserve Insurance Policy an amount sufficient to remedy such deficiency, in accordance with the terms and provisions of the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy as applicable, and any corresponding reimbursement or other agreement governing the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy; provided, however, that if at the time of such deficiency the Series Account of the Debt Service Reserve Fund is only partially funded with a Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, prior to drawing on the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, as applicable, the Trustee shall first apply any cash and securities on deposit in the Series Account of the Debt Service Reserve Fund to remedy the deficiency in accordance with the second paragraph of this Section 6.06 and, if after such application a deficiency still exists, the Trustee shall make up the balance of the deficiency by drawing on the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, as provided in this sentence. Amounts drawn on the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy shall be applied as set forth in the second paragraph of this Section 6.06. Any amounts drawn under a Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy shall be reimbursed to the issuer thereof in accordance with the terms and provisions of the reimbursement or other agreement governing such Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy.

SECTION 6.07. Bond Redemption Fund. The Trustee is hereby authorized and directed to establish a Bond Redemption Fund and, pursuant to a Supplemental Indenture, a Series Account for each Series of Bonds issued hereunder. Each Supplemental Indenture shall establish within the applicable Series Account of the Bond Redemption Fund (1) a General Account into which shall be deposited moneys in the amounts and at the times provided in Sections 5.01, 6.04, 6.05, 6.09, and 8.01 of this Master Trust Indenture, and

(2) a Prepayment Account into which shall be deposited moneys in the amounts and at the times provided in Sections 6.01, 6.02, and 6.06 of this Master Trust Indenture. The Bond Redemption Fund and each Series Account therein shall constitute an irrevocable trust fund to be applied solely as set forth herein and in the applicable Supplemental Indenture and shall be held by the Trustee separate and apart from all other Funds and Accounts held under such Supplemental Indenture and from all other moneys of the Trustee. Except as otherwise provided in the applicable Supplemental Indenture, moneys to be deposited into the Series Account of the Bond Redemption Fund shall be deposited to the General Account of the Series Account of the Bond Redemption Fund. All earnings on investments held in the Series Account of the Bond Redemption Fund shall be retained therein and applied as set forth below.

(a) Moneys in the General Account of the Series Account of the Bond Redemption Fund (including all earnings on investments held therein) shall be accumulated therein to be used in the following order of priority, to the extent that the need therefor arises:

FIRST, except for moneys received as Prepayments of Assessments pursuant to Section 6.02 hereof, to make such deposits into the Series Rebate Fund, if any, as the City may direct in writing in accordance with an arbitrage rebate agreement, such moneys thereupon to be used solely for the purposes specified in said arbitrage rebate agreement. Any moneys so transferred from the General Account of the Series Account of the Bond Redemption Fund to the Series Rebate Fund shall thereupon be free from the lien and pledge of this Master Trust Indenture and the related Supplemental Indenture;

SECOND, to be used to call for redemption pursuant to Section 8.01(c)(ii) through (v) hereof an amount of Bonds of the applicable Series equal to the amount of money transferred to the General Account of the Series Account of the Bond Redemption Fund pursuant to the aforesaid clauses or provisions, as appropriate, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in such clauses or provisions, as appropriate; and

THIRD, the remainder to be utilized by the Trustee, at the written direction of an Authorized Officer, to call for redemption on each Interest Payment Date on which Bonds of the applicable Series are subject to optional redemption pursuant to Section 8.01(a) hereof such amount of Bonds of the applicable Series as, with the redemption premium, may be practicable; provided, however, that not less than Five Thousand Dollars ($5,000) principal amount of Bonds of the applicable Series shall be called for redemption at one time.

(b) Moneys in the Prepayment Account of the Series Account of the Bond Redemption Fund (including all earnings on investments held in such Prepayment Account of the Series Account of the Bond Redemption Fund) shall be accumulated therein to be used to call for redemption pursuant to Section 8.01(c)(i) hereof an amount of Bonds of the applicable Series equal to the amount of money transferred to the Prepayment Account of the Series Account of the Bond Redemption Fund pursuant to the aforesaid clauses or provisions, as appropriate, and as directed in writing by the City pursuant to the Rate and Method of Apportionment, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in such clauses or provisions, as appropriate; provided, however, that not less than Five Thousand Dollars ($5,000) principal amount of Bonds of the applicable Series shall be called for redemption at one time. Any such redemption shall be made in accordance with the provisions of Article VIII of this Master Trust Indenture.

SECTION 6.08. Administrative Expenses Fund. The Trustee is hereby authorized and directed to establish an Administrative Expenses Fund into which shall be deposited moneys in the amounts and at the times provided in Section 6.04 of this Master Trust Indenture. Moneys in the Administrative Expenses shall be used only for the purpose of paying Administrative Expenses. The Trustee is authorized to pay such

Administrative Expenses upon receipt of a requisition signed by an Authorized Officer, upon which the Trustee may conclusively rely.

SECTION 6.09. [Reserved.]

SECTION 6.10. Drawings on Credit Facility. With respect to Bonds in respect of which there has been issued a Credit Facility, the Trustee shall draw on the Credit Facility, in accordance with the provisions for drawing under such Credit Facility, and within the requisite time period, all as set forth in the Credit Facility Agreement or the Supplemental Indenture.

SECTION 6.11. Procedure When Funds Are Sufficient to Pay All Bonds of a Series. If at any time the moneys held by the Trustee in the Funds and Accounts hereunder and under a Supplemental Indenture and available therefor are sufficient to pay the principal or Redemption Price of, as the case may be, and interest on all Bonds of a Series then Outstanding under such Supplemental Indenture to maturity or prior redemption, together with any amounts due the City and the Trustee, Paying Agent and Registrar, the Trustee, at the written direction of the City, shall apply the amounts in the Series Funds and Series Accounts to the payment of the aforesaid obligations and the City shall not be required to pay over any further Pledged Revenues with respect to such Series of Bonds unless and until it shall appear that there is a deficiency in the Funds and Accounts held by the Trustee.

SECTION 6.12. Certain Moneys to Be Held for Series Bondowners Only. Each Series of Bonds issued pursuant to this Master Trust Indenture and a Supplemental Indenture shall be secured by the Trust Estate, as set forth herein, and otherwise may be secured by such additional Funds and Accounts and other security (including, but not limited to, Credit Facilities) established by the pertinent Supplemental Indenture. Moneys and investments in the various Funds and Accounts created under a Supplemental Indenture expressly and solely for the benefit of the Series of Bonds issued under such Supplemental Indenture shall be held in trust by the Trustee for the benefit of the Holders of Bonds of that Series only.

SECTION 6.13. Unclaimed Moneys. In the event any Bond shall not be presented for payment when the principal of such Bond becomes due, either at maturity or at the date fixed for redemption of such Bond or otherwise, if amounts sufficient to pay such Bond have been deposited with the Trustee for the benefit of the owner of the Bond and have remained unclaimed for five years, or such shorter period of time if required by applicable escheat laws, after the date payment thereof becomes due or such shorter period of time as shall avoid forfeiture shall, upon the written request of the City, if the City is not at the time to the knowledge of the Trustee in default with respect to any covenant in the Master Trust Indenture or the Bonds contained, be paid to the City; and the Owners of the Bonds for which the deposit was made shall thereafter be limited to a claim against the City; provided, however, that the Trustee, before making payment to the City shall, at the expense of the City, cause a notice to be published in an authorized newspaper, stating that the money remaining unclaimed will be returned to the City after a specified date.

[END OF ARTICLE VI]

ARTICLE VII

SECURITY FOR AND INVESTMENT OR DEPOSIT OF FUNDS

SECTION 7.01. Deposits and Security Therefor. All moneys received by the Trustee under a Supplemental Indenture for deposit in any Fund or Account established under this Master Trust Indenture or such Supplemental Indenture shall be considered trust funds, shall not be subject to lien or attachment, except for the lien created by this Master Trust Indenture, and shall be deposited in the trust department of the Trustee, until or unless invested or deposited as provided in Section 7.02 hereof.

SECTION 7.02. Investment or Deposit of Funds. Except to the extent otherwise provided in a Supplemental Indenture with respect to a specific Series of Bonds, the Trustee shall, as directed in writing by the City, invest moneys held in the Series Accounts in the Debt Service Fund and the Bond Redemption Fund created under any Supplemental Indenture only in Investment Securities. Except to the extent otherwise provided in a Supplemental Indenture with respect to a specific Series of Bonds, the Trustee shall, as directed in writing by the City, invest moneys held in any Series Account of the Debt Service Reserve Fund in Investment Securities. All deposits in time accounts shall be subject to withdrawal without penalty and all investments shall mature or be subject to redemption by the holder without penalty, not later than the date when the amounts will foreseeably be needed for purposes set forth herein. All securities securing investments under this Section shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than $50,000,000. The interest and income received upon such investments and any interest paid by the Trustee or any other depositary of any Fund or Account and any profit or loss resulting from the sale of securities shall be added or charged to the Fund or Account for which such investments are made; provided, however, that if the amount in any Fund or Account (or applicable sub-account therein) equals or exceeds the amount required to be on deposit therein, then subject to Section 6.05 of this Master Trust Indenture and unless otherwise provided in a Supplemental Indenture with respect to a specific Series of Bonds, any interest and other income so received shall be deposited in the related Series Interest Account of the Debt Service Fund. Upon the written request of the City the Trustee shall sell such securities as may be requested in writing to make the payment and restore the proceeds to the Fund or Account in which the securities were held. The Trustee shall not be accountable for any depreciation in the value of any such security or for any loss resulting from the sale thereof, except as a result of the Trustee's gross negligence or willful misconduct or as provided hereinafter. If net proceeds from the sale of securities held in any Fund or Account shall be less than the amount invested and, as a result, the amount on deposit in such Fund or Account is less than the amount required to be on deposit in such Fund or Account, the amount of such deficit shall be transferred to such Fund or Account from the related Series Account of the Revenue Fund.

Subject to the provisions of Section 9.24 of this Master Trust Indenture, moneys in any of the Funds and Accounts established pursuant to this Master Trust Indenture, when held by the Trustee, shall be promptly invested by the Trustee subject to all written directions from an Authorized Officer. The Trustee shall not be liable or responsible for any loss (except arising from the Trustee's gross negligence or willful misconduct) or entitled to any gain resulting from any investment or sale upon the investment instructions of an Authorized Officer or otherwise, including that set forth in the first sentence of this paragraph. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Master Trust Indenture (except arising from the Trustee's gross negligence or willful misconduct).

Notwithstanding any other provision to the contrary, in the absence of written direction, the Trustee shall hold all Funds and Accounts uninvested in cash, without liability for interest. The Trustee may conclusively rely upon the City’s written instructions as to both the suitability and legality of all investments

directed hereunder. If, at any time after an investment by the Trustee in an Investment Security, the investment ceases to be an Investment Security, the Trustee shall be so informed in writing by the City and such investment shall be sold or liquidated. The Trustee shall have no responsibility to monitor the ratings of investments after the initial purchase of such investments, including at the time of reinvestment of earnings thereon and whether such investments comply with the requirements of this Master Trust Indenture, and Supplemental Indenture and any related tax regulatory agreement.

The City acknowledges that regulations of the Comptroller of the Currency grant the City the right to receive brokerage confirmations of security transactions as they occur. The City specifically waives such right to notification to the extent permitted by law and acknowledges that it will receive periodic transaction statements from the Trustee that will detail all investment transactions.

Notwithstanding anything contained herein to the contrary, the Trustee shall have no obligation to enter into any repurchase agreement, investment agreement, or any similar agreements with respect to the investment of any monies held under this Master Trust Indenture or any Supplemental Indenture unless (i) such agreement is in form and content acceptable to the Trustee in its sole discretion, (ii) any liability of the Trustee under such agreement is limited to loss occasioned by the gross negligence of willful misconduct of the Trustee, and (iii) the City shall pay to the Trustee an additional fee established by the Trustee in accordance with its customary practices.

SECTION 7.03. Valuation of Funds. The Trustee shall value the assets in each of the Funds and Accounts established hereunder or under any Supplemental Indenture on June 30 of each Fiscal Year, and as soon as practicable after each such valuation date (but no later than ten days after each such valuation date) shall provide the City a report of the status of each Fund and Account as of the valuation date. In computing the assets of any Fund or Account, investments and accrued interest thereon shall be deemed a part thereof, subject to Section 7.02 hereof. For the purpose of determining the amount on deposit to the credit of any Fund or Account established hereunder or under any Supplemental Indenture, obligations in which money in such Fund or Account shall have been invested shall be valued at the market value thereof or at the redemption price thereof, to the extent that any such obligation is then redeemable at the option of the holder.

[END OF ARTICLE VII]

ARTICLE VIII

REDEMPTION AND PURCHASE OF BONDS

SECTION 8.01. Redemption Dates and Prices. The Bonds of a Series may be made subject to optional, mandatory sinking fund and extraordinary redemption and purchase, either in whole or in part, by the City, prior to maturity in the amounts, at the times and in the manner provided in this Article VIII and in a Supplemental Indenture applicable thereto.

(a) *Optional Redemption*. Bonds of a Series shall be subject to optional redemption at the written direction of the City, at the times and upon payment of the Redemption Price as provided in the applicable Supplemental Indenture.

(b) *Mandatory Sinking Fund Redemption*. Bonds of a Series shall be subject to mandatory sinking fund redemption at a Redemption Price of 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to, but excluding, the redemption date, in the years and amounts set forth in the applicable Supplemental Indenture. In connection with such mandatory sinking fund redemption of Bonds, amounts shall be transferred from the Revenue Fund to the Series Sinking Fund Account of the Debt Service Fund, all as more particularly described in Section 6.04 hereof. The principal amounts of scheduled Sinking Fund Installments shall be reduced as specified by the City or as provided in Section 8.04 hereof by any principal amounts of the Bonds of the applicable Series redeemed pursuant to Section 8.01(a) and (c) hereof or purchased pursuant to Section 6.05 hereof.

(c) *Extraordinary Mandatory Redemption in Whole or in Part.* Bonds of a Series are subject to extraordinary mandatory redemption prior to maturity by the City in whole, on any date, or in part, on any Interest Payment Date, at a Redemption Price equal to 100% of the principal amount of Bonds to be redeemed, plus interest accrued to, but excluding, the redemption date, as follows:

(i) from Prepayments deposited into the Prepayment Account of the Series Account of the Bond Redemption Fund as specified by the City following the payment in whole or in part of Assessments on any portion of the property within the District in accordance with the provisions of Section 6.02 hereof, including excess moneys transferred from the Series Debt Service Reserve Account to the applicable Prepayment Account of the Series Account of the Bond Redemption Fund pursuant to Section 6.06 hereof resulting from such Assessment Prepayments pursuant to Section 6.07(b) hereof.

(ii) as provided in Section 6.07 hereof, from moneys, if any, on deposit in the Funds and Accounts held for a Series of Bonds (other than any Rebate Fund) sufficient to pay and redeem all Outstanding Bonds of that Series and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under this Master Trust Indenture.

(iii) on or after the Completion Date if so directed in writing by the City, by application of moneys remaining in the Series Account of the Acquisition and Construction Fund not reserved by the City for the payment of any remaining part of the Cost of the Project, which shall be transferred to the General Account of the Series Account of the Bond Redemption Fund specified by the City pursuant to Section 5.01(c) of this Master Trust Indenture and as provided in the applicable Supplemental Indenture, and applied at the written direction of the City toward the redemption of Bonds of such Series.

(iv) from excess moneys transferred from the Revenue Fund pursuant to Section 6.04 hereof as directed in writing by the City, upon which the Trustee may conclusively rely, to the General Account of the Series Account of the Bond Redemption Fund specified by the City.

(v) following condemnation or the sale of any portion of the Project to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys which are not to be used to rebuild, replace or restore the taken portion of the Project to the Trustee by or on behalf of the City for deposit as directed in writing by the City into the General Account of the Series Account of the Bond Redemption Fund in order to effectuate redemption of such applicable Series of Bonds which moneys shall be applied by the City to redeem Bonds of the applicable Series.

(vi) following the damage or destruction of all or substantially all of the Project to such extent that, in the reasonable opinion of the City, the repair and restoration thereof would not be economical or would be impracticable, to the extent of amounts paid by the City to the Trustee with written direction to deposit such amounts into the General Account of the Series Account of the Bond Redemption Fund specified by the City which moneys shall be applied by the City to redeem Bonds of the applicable Series; provided, however, that at least 45 days prior to such extraordinary mandatory redemption, the City shall cause to be delivered to the Trustee (x) written notice setting forth the redemption date and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Project would not be economical or would be impracticable.

Upon any redemption of Bonds other than in accordance with scheduled Sinking Fund Installments, the City shall cause to be recalculated and delivered to the Trustee revised Sinking Fund Installments recalculated so as to maintain the percentage of each such recalculated Sinking Fund Installment, respectively, relative to the reduced Outstanding principal amount of the applicable Bonds of such Series (subject to rounding to Authorized Denominations of principal), as compared to the percentage of each original Sinking Fund Installment, respectively, relative to the original Outstanding principal amount of the applicable Bonds of such Series. The Sinking Fund Installments as so recalculated shall not result in an increase in the aggregate of the Sinking Fund Installments for all Bonds of such Series in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a Sinking Fund Installment is due, the foregoing recalculation shall not be made to Sinking Fund Installments due in the year in which such redemption or purchase occurs, but shall be made to Sinking Fund Installments for the immediately succeeding and subsequent years.

SECTION 8.02. Notice of Redemption and of Purchase. Except where otherwise required by a Supplemental Indenture, when required to redeem or purchase Bonds of a Series under any provision of this Master Trust Indenture or directed in writing to do so by the City, the Trustee shall cause notice of the redemption, either in whole or in part, to be mailed at least 30 but not more than 60 days prior to the redemption or purchase date to all Owners of Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth day prior to such mailing), at their registered addresses, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of the Bonds of such Series for which notice was duly mailed in accordance with this Section 8.02. Such notice shall be given in the name of the City, shall be dated, shall set forth the Bonds of such Series Outstanding which shall be called for redemption or purchase and shall include, without limitation, the following additional information:

(a) the redemption or purchase date;

(b) the redemption or purchase price;

(c) CUSIP numbers, to the extent applicable, and any other distinctive numbers and letters;

(d) if less than all Outstanding Bonds of a Series to be redeemed or purchased, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed or purchased;

(e) that on the redemption or purchase date the redemption or purchase price will become due and payable upon surrender of each such Bond or portion thereof called for redemption or purchase, and that interest thereon shall cease to accrue from and after said date; and

(f) the place where such Bonds are to be surrendered for payment of the redemption or purchase price, which place of payment shall be a Corporate Trust Office of the Trustee.

If at the time of mailing of notice of an optional redemption or purchase, the City shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all the Bonds called for redemption or purchase, such notice shall state that it is subject to the deposit of the redemption or purchase moneys with the Trustee or Paying Agent, as the case may be, not later than the opening of business on the redemption or purchase date, and such notice shall be of no effect unless such moneys are so deposited.

If the amount of funds deposited with the Trustee for such redemption, or otherwise available, is insufficient to pay the Redemption Price and accrued interest on the Bonds so called for redemption on the redemption date, the Trustee shall redeem and pay on such date an amount of such Bonds for which such funds are sufficient, selecting the Bonds to be redeemed by lot from among all such Bonds called for redemption on such date, and among different maturities of Bonds in the same manner as the initial selection of Bonds to be redeemed, and from and after such redemption date, interest on the Bonds or portions thereof so paid shall cease to accrue and become payable; but interest on any Bonds or portions thereof not so paid shall continue to accrue until paid at the same rate as it would have had such Bonds not been called for redemption.

The notices required to be given by this Section 8.02 shall state that no representation is made as to correctness or accuracy of the CUSIP numbers listed in such notice or printed on the Bonds.

SECTION 8.03. Payment of Redemption Price. If any required (a) unconditional notice of redemption has been duly mailed or waived by the Owners of all Bonds called for redemption or (b) conditional notice of redemption has been so mailed or waived and the redemption moneys have been duly deposited with the Trustee or Paying Agent, then in either case, the Bonds called for redemption shall be payable on the redemption date at the applicable Redemption Price plus accrued interest, if any, to the redemption date. Bonds so called for redemption, for which moneys have been duly deposited with the Trustee, will cease to bear interest on the specified redemption date, shall no longer be secured by this Master Trust Indenture and shall not be deemed to be Outstanding under the provisions of this Master Trust Indenture.

Payment of the Redemption Price, together with accrued interest, shall be made by the Trustee or Paying Agent to or upon the order of the Owners of the Bonds called for redemption upon surrender of such Bonds. The Redemption Price of the Bonds to be redeemed, the expenses of giving notice and any other expenses of redemption, shall be paid out of the Fund from which redemption is to be made or by the City, or as specified in a Supplemental Indenture.

SECTION 8.04. Partial Redemption of Bonds. Except to the extent otherwise provided in a Supplemental Indenture, if less than all of a Series of Bonds of a maturity are to be redeemed, the Trustee shall select the particular Bonds or portions of the Bonds to be called for redemption by lot in such

reasonable manner as the Trustee in its discretion may determine. In the case of any partial redemption of Bonds of a Series pursuant to Section 8.01(a) or (c), such redemption shall be effectuated by redeeming Bonds of such Series of such maturities in such manner as shall be specified by the City in writing, subject to the provisions of Section 8.01 hereof.

[END OF ARTICLE VIII]

ARTICLE IX

COVENANTS OF THE CITY

SECTION 9.01. Power to Issue Bonds and Create Lien. The City is duly authorized under the Act and all applicable laws of the State to issue the Bonds, to adopt and execute this Master Trust Indenture and to pledge the Trust Estate for the benefit of the Bonds. The Trust Estate is not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Bonds. The Bonds and the provisions of this Master Trust Indenture are and will be valid and legally enforceable obligations of the City in accordance with their respective terms. The City shall, at all times, to the extent permitted by law, defend, preserve and protect the pledge created by this Master Trust Indenture and all the rights of the Bondholders under this Master Trust Indenture against all claims and demands of all other Persons whomsoever.

SECTION 9.02. Payment of Principal and Interest on Bonds. The payment of the principal or Redemption Price of and interest on all of the Bonds of a Series issued under this Master Trust Indenture shall be secured forthwith equally and ratably by a first lien on and pledge of the Trust Estate, except to the extent otherwise provided herein or in a Supplemental Indenture; and Pledged Revenues in an amount sufficient to pay the principal or Redemption Price of and interest on the Bonds of a Series authorized by this Master Trust Indenture are by this Master Trust Indenture irrevocably pledged to the payment of the principal or Redemption Price of and interest on the Bonds of a Series authorized under this Master Trust Indenture, as the same become due and payable in accordance with the terms hereof. The City shall promptly pay the interest on and the principal or Redemption Price of every Bond issued hereunder according to the terms thereof, but shall be required to make such payment only out of the Trust Estate. The City shall appoint one or more Paying Agents for such purpose, each such agent to be a bank and trust company or a trust company or a national banking association having trust powers.

THE BONDS AUTHORIZED UNDER THIS MASTER TRUST INDENTURE AND THE OBLIGATION EVIDENCED THEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE CITY, INCLUDING, WITHOUT LIMITATION, THE PROJECT OR ANY PORTION THEREOF IN RESPECT OF WHICH ANY SUCH BONDS ARE BEING ISSUED, OR ANY PART THEREOF, BUT SHALL CONSTITUTE A LIEN ONLY ON THE TRUST ESTATE AS SET FORTH IN THIS MASTER TRUST INDENTURE. NOTHING IN THE BONDS AUTHORIZED UNDER THIS MASTER TRUST INDENTURE OR IN THIS MASTER TRUST INDENTURE SHALL BE CONSTRUED AS OBLIGATING THE CITY TO PAY THE BONDS OR THE REDEMPTION PRICE THEREOF OR THE INTEREST THEREON EXCEPT FROM THE TRUST ESTATE, OR AS PLEDGING THE FAITH AND CREDIT OF THE CITY OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF, OR AS OBLIGATING THE CITY OR THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS, DIRECTLY OR INDIRECTLY OR CONTINGENTLY, TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR.

SECTION 9.03. Enforcement of Payment of Assessments. The City will assess, impose, collect or cause to be collected and enforce the payment of Assessments for the payment of the Bonds in the manner prescribed by the Assessment Proceedings, this Master Trust Indenture, any Supplemental Indenture and all resolutions, ordinances or laws thereunto, and will pay or cause to be paid the proceeds of such Assessments as received to the Trustee in accordance with the provisions hereof.

SECTION 9.04. Delinquent Assessments. The City covenants to furnish to the Trustee by no later than September 1 of each year a list of all Delinquent Assessments, the current status of each of such Delinquent Assessment, and all foreclosure actions relating to such Delinquent Assessments; provided, however, that in the event the County is enforcing collection of the Delinquent Assessments, the compliance of the City with this Section is subject to receipt by the City of the requested information from the County.

SECTION 9.05. Sale of Tax Deed or Foreclosure of Assessment. The City shall support the County's measures to collect Delinquent Assessments and, in the event that the County fails to take appropriate action to collect Delinquent Assessments, the City shall take appropriate action to collect such Delinquent Assessments under the authority of the Act, Section 5-7-300 of the S.C. Code and in accordance with the terms of Sections 12-45-180 and 12-51-40, et seq. of the S.C. Code (or successor provision thereof), as applicable. If any property shall be purchased by the applicable forfeited land commission, in accordance with Section 12-51-55 of the S.C. Code (or successor provision thereof), and the forfeited land commission subsequently sells such property and remits the proceeds thereof to the City, the City shall deposit any legally available net proceeds of such sale related to Assessments, less any City Reimbursements allocable to such parcel not previously retained by the City, into the Revenue Fund.

SECTION 9.06. Other Obligations Payable from Assessments. The City may from time to time issue Subordinate Debt secured by a pledge of and payable from Assessments, which pledge and lien is junior and subordinate to the pledge and lien securing the Bonds. The City will not issue or incur any other obligations payable from the proceeds of Assessments nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge upon such Assessments other than the pledge of the Trust Estate hereunder.

SECTION 9.07. Books and Records. The City shall keep proper books of record and account in accordance with Generally Accepted Accounting Principles (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Project, and which, together with all other books and records of the City shall at all times be subject during regular business hours to the inspection of the Trustee. City shall keep books and records for the collection of the Assessments, which such books, records and accounts shall be kept separate and apart from all other books, records and accounts of the City. All reports, statements, certificates, and other documents required to be furnished by the City to the Trustee pursuant to any provisions of this Master Indenture shall be available for the inspection of Bondholders at the office of the Trustee.

SECTION 9.08. Deposit of Assessments. The City covenants to cause any Assessments collected or otherwise received by it, less any City Reimbursements, to be deposited with the Trustee within 45 days after receipt thereof for deposit into the Revenue Fund (except that amounts received as Prepayments of Assessments shall be designated by the City as such upon delivery to the Trustee and shall be deposited directly into the Prepayment Account of the applicable Series Account of the Bond Redemption Fund as directed in writing by the City) and amounts billed for estimated Administrative Expenses under the applicable Annual Assessment Report shall be deposited in the Administrative Expenses Fund.

SECTION 9.09. Covenant to Bill Assessments Adequate to Pay Debt Service. The City covenants to bill Assessments in each Assessment Year in amounts as shall be at least equal to 100% of the total Debt Service Requirements coming due during the applicable Bond Year, less other funds available for the payment of Debt Service on deposit with the Trustee, together with the portion of such Assessments billed for Administrative Expenses during the applicable Bond Year.

SECTION 9.10. [Reserved]

SECTION 9.11. [Reserved]

SECTION 9.12. Use of Pledged Revenues for Authorized Purposes Only. None of the Pledged Revenues shall be used for any purpose other than as provided in this Master Trust Indenture and no contract or contracts shall be entered into or any action taken by the City or the Trustee which will be inconsistent with the provisions of this Master Trust Indenture.

SECTION 9.13. Annual Audit. The City shall annually cause to be made and completed by Certified Public Accountants audited financial statements for the most recently-ended Fiscal Year in accordance with Generally Accepted Accounting Principles and shall file such audited financial statements with the Trustee by no later than December 31 of each year.

SECTION 9.14. Observance of Accounting Standards. The City covenants that all the accounts and records of the City relating to the Project will be kept according to Generally Accepted Accounting Principles consistently applied and consistent with the provisions of this Master Trust Indenture.

SECTION 9.15. Establishment of Fiscal Year, Annual Budget. The City has established a Fiscal Year beginning July 1 of each year and ending June 30 of the following year. The reports and budget of the City shall relate to such Fiscal Year unless and until, in accordance with applicable law, a different Fiscal Year is established by the City.

SECTION 9.16. Employment of Consulting Engineer; Consulting Engineer's Report. For the purpose of performing and carrying out the duties imposed on the Consulting Engineer by this Master Trust Indenture, the City shall rely upon the Consulting Engineer engaged by the Developer with respect to any function of the Design Professional (as defined in the Acquisition Agreement) under the terms of the Acquisition Agreement, to the extent that any such function is required of the Consulting Engineer hereunder, including, without limitation, the delivery of an Engineer's Certificate pursuant to Section 3.01(3) hereof, and may, with respect to any other function of the Consulting Engineer hereunder, (a) rely upon a Consulting Engineer engaged by the Developer, or (b) engage one or more Independent engineers or engineering firms or corporations that the City reasonably determines are qualified to perform or carry out such duties.

SECTION 9.17. Information to be Filed with Trustee. The City shall cause to be kept on file with the Trustee at all times copies of the schedules of Assessments levied on all property within the District in respect of the Project. The City shall keep accurate records and books of account with respect to the Project.

SECTION 9.18. Covenant Against Sale or Encumbrance; Exceptions. Subject to Section 9.24 hereof, the City covenants that (a) except for those improvements comprising the Project that are to be dedicated to another governmental entity and (b) except as in this Section permitted, it will not sell, lease or otherwise dispose of or encumber the Project, or any part thereof. The City may, however, from time to time, sell any machinery, fixtures, apparatus, tools, instruments or other movable property acquired by it from the proceeds of a Series of Bonds or from Pledged Revenues if the City Manager shall determine, with the approval of the Consulting Engineer, that such items are no longer needed or are no longer useful in connection with the construction, maintenance and operation of the Project, and the proceeds thereof shall be applied to the replacement of the properties so sold or disposed of or, at the written direction of the City shall be deposited to the credit of the Revenue Fund.

Upon any sale of property relating to the Project, the aggregate of which in any 30-day period exceeds Fifty Thousand Dollars ($50,000) under the provisions of this Section, the City shall provide written notice to the Trustee of the property so sold and the amount and disposition of the proceeds thereof.

The City may lease or grant easements, franchises or concessions for the use of any part of the Project not incompatible with the maintenance and operation thereof, and the net proceeds of any such lease, easement, franchise or concession (after the making of provision for payment from said proceeds of all costs incurred in financing, constructing, operating, maintaining or repairing such leases, easements, franchises or concessions) shall be deposited as received to the credit of the Revenue Fund.

SECTION 9.19. Fidelity Bonds. Every officer, agent or employee of the City having custody or control of any of the Pledged Revenues shall be bonded by a responsible corporate surety in an amount not

less than the greatest amount reasonably anticipated to be within the custody or control of such officer, agent or employee at one time.

SECTION 9.20. No Loss of Lien on Pledged Revenues. The City shall not do or omit to do, or suffer to be done or omit to be done, any matter or thing whatsoever whereby the lien of the Bonds on the Trust Estate or any part thereof, or the priority thereof, would be lost or impaired; provided, however, that this Section shall not prohibit the Trustee from transferring moneys to any Rebate Fund held by the Trustee under the applicable arbitrage rebate agreement.

SECTION 9.21. Compliance With Other Contracts and Agreements. The City shall comply with and abide by all of the terms and conditions of any and all contracts and agreements which the City enters into in connection with the Project and the issuance of the Bonds.

SECTION 9.22. Extension of Time for Payment of Interest Prohibited. The City shall not directly or indirectly extend or assent to an extension of time for payment of any claim for interest on any of the Bonds and shall not directly or indirectly be a party to or approve any arrangement therefor by purchasing or funding or in any manner keeping alive any such claim for interest; no claim for interest which in any way, at or after maturity, shall have been transferred or pledged apart from the Bonds to which it relates or which shall in any manner have been kept alive after maturity by extension or by purchase thereof by or on behalf of the City, shall be entitled, in case of a default hereunder, to any benefit or security under this Master Trust Indenture except after the prior payment in full of the principal of all Bonds and claims for interest appertaining thereto not so transferred, pledged, kept alive or extended.

SECTION 9.23. Further Assurances. The City shall not enter into any contract or take any action by which the rights of the Trustee or the Bondholders may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Master Trust Indenture.

SECTION 9.24. Use of Bond Proceeds to Comply with Internal Revenue Code. The City covenants to the Holders of the Bonds that it will not make or direct the making of any investment or other use of the proceeds of any Bonds issued hereunder which would cause such Bonds to be "arbitrage bonds" as that term is defined in Section 148 (or any successor provision thereto) of the Code and or "private activity bonds" as that term is defined in Section 141 (or any successor provision thereto) of the Code, and that it will comply with the requirements of such Code section and related regulations throughout the term of such Bonds. The City hereby further covenants and agrees to comply with the procedures and covenants contained in any arbitrage rebate agreement executed in connection with the issuance of each Series of Bonds for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on each Series of Bonds.

SECTION 9.25. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of any Continuing Disclosure Agreement. Notwithstanding any other provision of this Master Trust Indenture or any Supplemental Indenture, failure of the City to comply with any Continuing Disclosure Agreement shall not be considered an Event of Default. The only remedy for failure by the City to comply with the any Continuing Disclosure Agreement shall be an action for specific performance of this covenant under the terms of the applicable Continuing Disclosure Agreement; and failure to comply shall not constitute a default or an "Event of Default" under this Master Indenture or any Supplemental Indenture. Neither the Trustee, the Registrar, nor the Paying Agent, acting in such capacity, respectively, shall have any responsibility to monitor the Issuer's, the Developer's or the Pod I Owner's compliance with the applicable Continuing Disclosure Agreement.

[END OF ARTICLE IX]

ARTICLE X

EVENTS OF DEFAULT AND REMEDIES

SECTION 10.01. Events of Default and Remedies. Except to the extent otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, events of default and remedies with respect to each Series of Bonds shall be as set forth in this Master Trust Indenture.

SECTION 10.02. Events of Default Defined. Each of the following shall be an "Event of Default" under this Master Trust Indenture, with respect to a Series of Bonds:

(a) if payment of any installment of interest on any Bond of such Series is not made when it becomes due and payable; or

(b) if payment of the principal or Redemption Price of any Bond of such Series is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or

(c) if the City, for any reason, is rendered incapable of fulfilling its obligations under this Master Trust Indenture or under the Act; or

(d) if the City proposes or makes an assignment for the benefit of creditors or enters into a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the City or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the City and if such is not vacated, dismissed or stayed on appeal within 90 days; or

(e) if the City defaults in the due and punctual performance of any other covenant in this Master Trust Indenture or in any Bond of such Series issued pursuant to this Master Trust Indenture and such default continues for 60 days after written notice requiring the same to be remedied shall have been given to the City by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds of such Series; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such 60-day period, no Event of Default shall be deemed to have occurred or exist if, and so long as the City shall commence such performance within such 60-day period and shall diligently and continuously prosecute the same to completion.

SECTION 10.03. No Acceleration. No Series of Bonds issued under this Master Trust Indenture shall be subject to acceleration.

SECTION 10.04. Legal Proceedings by Trustee. If any Event of Default with respect to a Series of Bonds has occurred and is continuing, the Trustee shall, upon the written request of the Holders of not less than a majority of the aggregate principal amount of the Outstanding Bonds of such Series and receipt of indemnity to its sole satisfaction, in its own name:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Holders of the Bonds of such Series, including, without limitation, the right to require the City to carry out any agreements with, or for the benefit of, the Bondholders of the Bonds of such Series and to perform its or their duties under the Act;

(b) bring suit upon the Series of Bonds;

(c) by action or suit in equity require the City to account as if it were the trustee of an express trust for the Holders of the Bonds of such Series;

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Bonds of such Series; and

(e) by other proceeding in law or equity, exercise all rights and remedies provided for by any other document or instrument securing such Series of Bonds.

SECTION 10.05. Discontinuance of Proceedings by Trustee. If any proceeding taken by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, the City, the Trustee, the Paying Agent and the Bondholders shall be restored to their former positions and rights hereunder as though no such proceeding had been taken.

SECTION 10.06. Bondholders May Direct Proceedings. The Holders of a majority in aggregate principal amount of the Outstanding Bonds of a Series then subject to remedial proceedings under this Article X shall have the right to direct the method and place of conducting all remedial proceedings by the Trustee under this Master Trust Indenture, provided that such directions shall not be otherwise than in accordance with law or the provisions of this Master Trust Indenture.

SECTION 10.07. Limitations on Actions by Bondholders. No Bondholder shall have any right to pursue any remedy hereunder unless (a) the Trustee shall have been given written notice of an Event of Default, (b) the Holders of at least a majority of the aggregate principal amount of the Outstanding Bonds of the applicable Series shall have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names, (c) the Trustee shall have been offered indemnity satisfactory to it in its sole discretion against costs, expenses and liabilities, and (d) the Trustee shall have failed to comply with such request within a reasonable time.

SECTION 10.08. Trustee May Enforce Rights Without Possession of Bonds. All rights under this Master Trust Indenture and a Series of Bonds may be enforced by the Trustee without the possession of any of the Bonds of such Series or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Trustee shall be brought in its name for the ratable benefit of the Holders of the Bonds of such Series.

SECTION 10.09. Remedies Not Exclusive. Except as limited under Section 15.01 of this Master Trust Indenture, no remedy contained in this Master Trust Indenture is intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 10.10. Delays and Omissions Not to Impair Rights. No delay or omission in respect of exercising any right or power accruing upon any Event of Default shall impair such right or power or be a waiver of such Event of Default, and every remedy given by this Article X may be exercised from time to time and as often as may be deemed expedient.

SECTION 10.11. Application of Moneys in Event of Default. Any moneys received by the Trustee or the Paying Agent, as the case may be, in connection with any proceedings brought under this Article X with respect to a Series of Bonds shall be applied in the following priority:

(a) to the payment of Administrative Expenses, the costs of the Trustee, Paying Agent and the City incurred in connection with actions taken under this Article X with respect to such

Series of Bonds, including counsel fees and any disbursements of the Trustee, the Paying Agent and the City and payment of unpaid fees owed to the Trustee.

(b) unless the principal of all the Bonds of such Series shall have become or shall have been declared due and payable:

FIRST: to payment of all installments of interest then due on the Bonds of such Series in the order of maturity of such installments of interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any preference or priority of one installment of interest over any other installment; and

SECOND: to payment to the persons entitled thereto of the unpaid principal or Redemption Price of any of the Bonds of such Series which shall have become due in the order of their due dates, with interest on such Bonds from the respective dates upon which they become due and, if the amount available shall not be sufficient to pay in full the principal or Redemption Price coming due on such Bonds on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any preference or priority of one such Bond of a Series over another or of any installment of interest over another.

(c) If the principal of all Bonds of a Series shall have become or shall have been declared due and payable, to the payment of principal or Redemption Price (as the case may be) and interest then owing on the Bonds of such Series and in case such moneys shall be insufficient to pay the same in full, then to the payment of principal or Redemption Price and interest ratably, without preference or priority of one Bond of such Series over another or of any installment of interest over any other installment of interest.

Any surplus remaining after the payments described above shall be paid to the City or to the Person lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

SECTION 10.12. Trustee's Right to Receiver; Compliance with Act. The Trustee shall be entitled as of right to the appointment of a receiver and the Trustee, the Bondholders and any receiver so appointed shall have such rights and powers and be subject to such limitations and restrictions as are contained in the Act and other applicable law of the State.

SECTION 10.13. Trustee and Bondholders Entitled to all Remedies under Act. It is the purpose of this Article to provide such remedies to the Trustee and Bondholders as may be lawfully granted under the provisions of the Act and other applicable laws of the State; if any remedy herein granted shall be held unlawful, the Trustee and the Bondholders shall nevertheless be entitled to every other remedy provided by the Act and other applicable laws of the State. It is further intended that, insofar as lawfully possible, the provisions of this Article X shall apply to and be binding upon any receiver appointed in accordance with Section 10.12 hereof.

[END OF ARTICLE X]

ARTICLE XI

THE TRUSTEE; THE PAYING AGENT AND REGISTRAR

SECTION 11.01. Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article XI, to all of which the parties hereto and the Bondholders agree. The Trustee shall act as Trustee for the Bonds. Subject to the provisions of Section 11.03 hereof, the Trustee shall have only such duties as are expressly set forth herein, and no duties shall be implied on the part of the Trustee. The Trustee further agrees to comply with the procedures and covenants contained in any arbitrage rebate agreement to which it is a party for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, to the extent applicable.

SECTION 11.02. No Responsibility for Recitals. The recitals, statements and representations in this Master Trust Indenture or in the Bonds, save only the Trustee's Certificate, if any, upon the Bonds, have been made by the City and not by the Trustee and the Trustee shall be under no responsibility for the correctness thereof.

SECTION 11.03. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Negligence. The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice of Counsel concerning all questions hereunder; the Trustee shall not be answerable for the default or misconduct of any attorney or agent selected and supervised by it with reasonable care. The Trustee may act upon the opinion or advice of counsel in the exercise of reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under this Master Trust Indenture nor for anything whatever in connection with the trust hereunder, except only its own gross negligence or willful misconduct or breach of its obligations hereunder.

SECTION 11.04. Compensation and Indemnity. The City shall pay the Trustee reasonable compensation for its services hereunder, and also all its reasonable expenses and disbursements, and shall indemnify and hold the Trustee harmless against any liabilities which it may incur in the proper exercise and performance of its powers and duties hereunder, except with respect to its own willful misconduct, gross negligence or breach of its obligations hereunder. If the City defaults in respect of the foregoing obligations, the Trustee may deduct the amount owing to it from any moneys coming into its hands and payable to the City but exclusive of the Rebate Fund and moneys from a drawing on any Credit Facility, which right of payment shall be prior to the right of the holders of the Bonds. This provision shall survive the termination of this Master Trust Indenture and, as to any Trustee, its removal or resignation as Trustee.

SECTION 11.05. [Reserved]

SECTION 11.06. Notice of Default; Right to Investigate. The Trustee shall give written notice by first-class mail to registered Holders of a Series of Bonds of all defaults known to the Trustee, unless such defaults have been remedied (the term “defaults” for purposes of this Section and Section 11.07 being defined to include the events specified as “Events of Default” in Article X hereof, but not including any notice or periods of grace provided for therein). The Trustee shall not be deemed to have notice of any default other than a payment default under this Master Trust Indenture unless notified in writing of such default by the Holders of at least a majority of the aggregate principal amount of the Outstanding Bonds of a Series. The Trustee may, however, at any time require of the City full information as to the performance of any covenant hereunder, and if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the City, an investigation into the affairs of the City.

SECTION 11.07. Obligation to Act on Defaults. The Trustee shall be under no obligation to take any action in respect of any default or otherwise, unless it is directed in writing to do so by the Holders of at least a majority of the aggregate principal amount of the Outstanding Bonds which are or would be, upon the taking of such action, subject to remedial proceedings under Article X of this Master Trust Indenture if in its opinion such action may tend to involve expense or liability, and unless it is also furnished with indemnity satisfactory to it in its sole discretion.

SECTION 11.08. Reliance by Trustee. The Trustee may act on any requisition, resolution, notice, telegram, facsimile transmission, request, consent, waiver, certificate, statement, affidavit, voucher, bond, or other paper or document which it in good faith believes to be genuine and to have been passed, signed or given by the persons purporting to be authorized (which in the case of the City shall be an Authorized Officer) or to have been prepared and furnished pursuant to any of the provisions of this Master Trust Indenture; the Trustee shall be under no duty to make any investigation as to the truth or accuracy any statement contained in any such instrument, but shall accept the same as conclusive evidence of the accuracy of such statement.

The Trustee is not responsible for (i) any recital in this Master Trust Indenture or any Supplemental Indenture or in the Bonds other than the certificate of the Trustee on the Bonds, (ii) the validity of the execution by the City of this Master Trust Indenture or of any Supplemental Indenture or instruments of further assurance, or (iii) the sufficiency of the security for the Bonds issued under this Master Trust Indenture or intended to be secured by this Master Trust Indenture.

As to the existence or nonexistence of any fact or the sufficiency or validity of any instrument, paper, or proceeding, the Trustee is entitled to conclusively rely upon a certificate signed on behalf of the City by an Authorized Officer as sufficient evidence of the facts stated in the certificate. Prior to the occurrence of an Event of Default of which the Trustee has been notified or of which the Trustee is deemed to have notice as provided in Article X, the Trustee may accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient and may in its discretion secure any further evidence it deems necessary or advisable. The Trustee may accept an Officer's Certificate of the City to the effect that an ordinance or resolution in the form delivered to the Trustee has been adopted by the City Council as conclusive evidence that the ordinance or resolution, as applicable, has been adopted and is in full force and effect.

SECTION 11.09. Trustee May Deal in Bonds. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholders may be entitled to take with like effect as if the Trustee were not a party to this Master Trust Indenture. The Trustee may also engage in or be interested in any financial or other transaction with the City; provided, however, that if the Trustee determines that any such relation is in conflict with its duties under this Master Trust Indenture, it shall eliminate the conflict or resign as Trustee.

SECTION 11.10. [Reserved].

SECTION 11.11. Resignation of Trustee. The Trustee may resign and be discharged of the trusts created by this Master Trust Indenture by written resignation filed with the City Council not less than 30 days before the date when such resignation is to take effect; provided, however, that notice of such resignation shall be sent by first-class mail to each Bondholder as its name and address appears on the Bond Register and to any Paying Agent, Registrar and Authenticating Agent at least 30 days before the resignation is to take effect. Such resignation shall take effect on the day specified in the Trustee's notice of resignation unless a successor Trustee is previously appointed, in which event the resignation shall take effect immediately on the appointment of such successor; provided, however, that notwithstanding the foregoing, such resignation shall not take effect until a successor Trustee has been appointed. If a successor Trustee has not been appointed within 60 days after the Trustee has given its notice of resignation, the

Trustee may petition any court of competent jurisdiction for the appointment of a temporary successor Trustee to serve as Trustee until a successor Trustee has been duly appointed. Notice of such resignation shall also be given to any rating agency that shall then have in effect a rating on any of the Bonds.

SECTION 11.12. Removal of Trustee. The Trustee may be removed at any time by either (a) the City, if no default exists under this Master Trust Indenture, or (b) an instrument or concurrent instruments in writing, executed by the Owners of at least a majority of the aggregate principal amount of the Bonds then Outstanding and filed with the City. A photographic copy of any instrument or instruments filed with the City under the provisions of this paragraph, duly certified by an Authorized Officer, shall be delivered promptly by the City to the Trustee and to any Paying Agent, Registrar and Authenticating Agent.

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Master Trust Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the City or the Holders of not less than a majority of the aggregate principal amount of the Bonds then Outstanding.

SECTION 11.13. Appointment of Successor Trustee. If the Trustee or any successor Trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and the City shall appoint a successor and shall mail notice of such appointment by first-class mail to each Bondholder as its name and address appear on the Bond Register, and to the Paying Agent, Registrar and Authenticating Agent and any rating agency that shall then have in effect a rating on any of the Bonds. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Master Trust Indenture prior to the date specified in the notice of resignation or removal as the date when such resignation or removal was to take effect, the Holders of a majority in aggregate principal amount of all Bonds then Outstanding may appoint a successor Trustee.

SECTION 11.14. Qualification of Successor. A successor Trustee shall be a national bank with trust powers or a bank or trust company with trust powers, having a combined net capital and surplus of at least $50,000,000.

SECTION 11.15. Instruments of Succession. Any successor Trustee shall execute, acknowledge and deliver to the City an instrument accepting such appointment hereunder and thereupon, such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights , powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named Trustee herein. The Trustee ceasing to act hereunder, after deducting all amounts owed to the Trustee, shall pay over to the successor Trustee all moneys held by it hereunder and, upon request of the successor Trustee, the Trustee ceasing to act and the City shall execute and deliver an instrument or instruments prepared by the City transferring to the successor Trustee all the estates, properties, rights, powers and trusts hereunder of the predecessor Trustee, except for its rights under Section 11.04 hereof.

SECTION 11.16. Merger of Trustee. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Trustee or its Corporate Trust Department hereunder shall be a party, shall be the successor Trustee under this Master Trust Indenture, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that any such successor corporation continuing to act as Trustee hereunder shall meet the requirements of Section 11.14 hereof, and if such corporation does not meet the aforesaid requirements, a successor Trustee shall be appointed pursuant to this Article XI.

SECTION 11.17. Extension of Rights and Duties of Trustee to Paying Agent and Registrar. The provisions of Sections 11.02, 11.03, 11.04, 11.08, 11.09 and 11.10 hereof are hereby made applicable to the Paying Agent and the Registrar, as appropriate, and any Person serving as Paying Agent and/or Registrar, hereby enters into and agrees to comply with the covenants and agreements of this Master Trust Indenture applicable to the Paying Agent and Registrar, respectively.

SECTION 11.18. Resignation of Paying Agent or Registrar. The Paying Agent or Registrar may resign and be discharged of the duties created by this Master Trust Indenture by executing an instrument in writing resigning such duties and specifying the date when such resignation shall take effect, and filing the same with the City, the Trustee, and any rating agency that shall then have in effect a rating on any of the Bonds, not less than 30 days before the date specified in such instrument when such resignation shall take effect, and by giving written notice of such resignation not less than three weeks prior to such resignation date to the Bondholders, mailed to their addresses as such appear in the Bond Register. Such resignation shall take effect on the date specified in such instrument and notice, but only if a successor Paying Agent or Registrar shall have been appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor Paying Agent or Registrar. If the successor Paying Agent or Registrar shall not have been appointed within a period of 60 days following the giving of notice, then the Paying Agent or Registrar shall be authorized to petition any court of competent jurisdiction to appoint a successor Paying Agent or Registrar as provided in Section 11.22 hereof.

SECTION 11.19. Removal of Paying Agent or Registrar. The Paying Agent or Registrar may be removed at any time prior to any Event of Default by the City by filing with the Paying Agent or Registrar to be removed, and with the Trustee, an instrument or instruments in writing executed by the City appointing a successor, or an instrument or instruments in writing designating, and accompanied by an instrument or appointment by the City of, such successor. Such removal shall be effective 30 days (or such longer period as may be set forth in such instrument) after delivery of the instrument; provided, however, that no such removal shall be effective until the successor Paying Agent or Registrar appointed hereunder shall execute, acknowledge and deliver to the City an instrument accepting such appointment hereunder.

SECTION 11.20. Appointment of Successor Paying Agent or Registrar. In case at any time the Paying Agent or Registrar shall be removed, or be dissolved, or if its property or affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy, or for any other reason, then a vacancy shall forthwith and ipso facto exist in the office of the Paying Agent or Registrar, as the case may be, and a successor shall be appointed by the City; and in case at any time the Paying Agent or Registrar shall resign, then a successor shall be appointed by the City. After any such appointment, notice of such appointment shall be given by the City to the predecessor Paying Agent or Registrar, the successor Paying Agent or Registrar, the Trustee, any rating agency that shall then have in effect a rating on any of the Bonds, and all Bondholders. Any new Paying Agent or Registrar so appointed shall immediately, and without further act, supersede the predecessor Paying Agent or Registrar.

SECTION 11.21. Qualifications of Successor Paying Agent or Registrar. Every successor Paying Agent or Registrar (a) shall be a commercial bank or trust company (i) duly organized under the laws of the United States or any state or territory thereof, (ii) authorized by law to perform all the duties imposed upon it by this Master Trust Indenture and (iii) capable of meeting its obligations hereunder, and (b) shall have a combined net capital and surplus of at least $50,000,000.

SECTION 11.22. Judicial Appointment of Successor Paying Agent or Registrar. In case at any time the Paying Agent or Registrar shall resign and no appointment of a successor Paying Agent or Registrar shall be made pursuant to the foregoing provisions of this Master Trust Indenture prior to the date specified in the notice of resignation as the date when such resignation is to take effect, the retiring Paying Agent or Registrar may forthwith apply to a court of competent jurisdiction for the appointment of a successor Paying Agent or Registrar. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe,

appoint a successor Paying Agent or Registrar. Notice of such appointment shall be given by the successor Registrar or Paying Agent to the City, the Trustee, any rating agency that shall then have in effect a rating on any of the Bonds, and all Bondholders. In the absence of such an appointment, the Trustee shall become the Registrar or Paying Agent and shall so notify the City, any rating agency that shall have issued a rating on the Bonds, and all Bondholders.

SECTION 11.23. Acceptance of Duties by Successor Paying Agent or Registrar. Any successor Paying Agent or Registrar shall become duly vested with all the estates, property, rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named Paying Agent or Registrar herein. Upon request of such Paying Agent or Registrar, such predecessor Paying Agent or Registrar and the City shall execute and deliver an instrument transferring to such successor Paying Agent or Registrar all the estates, property, rights and powers hereunder of such predecessor Paying Agent or Registrar and such predecessor Paying Agent or Registrar shall pay over and deliver to the successor Paying Agent or Registrar all moneys and other assets at the time held by it hereunder.

SECTION 11.24. Successor by Merger or Consolidation. Any corporation into which any Paying Agent or Registrar hereunder may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Paying Agent or Registrar hereunder shall be a party, shall be the successor Paying Agent or Registrar under this Master Trust Indenture without the execution or filing of any paper or any further act on the part of the parties thereto, anything in this Master Trust Indenture to the contrary notwithstanding.

[END OF ARTICLE XI]

ARTICLE XII

ACTS OF BONDHOLDERS; EVIDENCE OF OWNERSHIP OF BONDS

SECTION 12.01. Acts of Bondholders; Evidence of Ownership of Bonds. Any action to be taken by Bondholders may be evidenced by one or more concurrent written instruments of similar tenor signed or executed by such Bondholders in person or by an agent appointed in writing. The fact and date of the execution by any person of any such instrument may be provided by acknowledgment before a notary public or other officer empowered to take acknowledgments or by an affidavit of a witness to such execution. Any action by the Owner of any Bond shall bind all future Owners of the same Bond in respect of anything done or suffered by the City, Trustee, Paying Agent or Registrar in pursuance thereof.

[END OF ARTICLE XII]

ARTICLE XIII

AMENDMENTS AND SUPPLEMENTS

SECTION 13.01. Amendments and Supplements Without Bondholders' Consent. This Master Trust Indenture and any Supplemental Indenture may be amended or supplemented, from time to time, without the consent of the Bondholders, by a Supplemental Indenture authorized by an ordinance of the City filed with the Trustee, for one or more of the following purposes:

(a) to add additional covenants of the City or to surrender any right or power herein conferred upon the City;

(b) for any purpose not inconsistent with the terms of this Master Trust Indenture, or to cure any ambiguity or to cure, correct or supplement any defective provision (whether because of any inconsistency with any other provision hereof or otherwise) of this Master Trust Indenture, in such manner as shall not impair the security hereof or thereof or adversely affect the rights and remedies of the Bondholders;

(c) to provide for the execution of any and all contracts and other documents as may be required in order to effectuate the conveyance of any Project to the State, the City, or any department, agency or branch thereof; provided, however, that the City shall have caused to be delivered to the Trustee an opinion of Bond Counsel stating that such conveyance shall not impair the security hereof or adversely affect the rights and remedies of the Bondholders;

(d) to make such changes as may be necessary in order to reflect amendments to the Act so long as, in the opinion of counsel to the City, such changes either: (i) do not have an adverse effect on the Holders of the Bonds; or (ii) if such changes do have an adverse effect, that they nevertheless are required to be made as a result of such amendments; and

(e) to issue additional Bonds pursuant to Section 3.01 hereof.

SECTION 13.02. Amendments With Bondholders' Consent. Subject to the provisions of Section 13.03 hereof, this Master Trust Indenture may be amended from time to time by a Supplemental Indenture and any Supplemental Indenture approved by the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding in the case of the Master Trust Indenture, and of the Series of Bonds then outstanding and secured by such Supplemental Indenture in the case of amendment of a Supplemental Indenture; provided that with respect to (a) the interest payable upon any Bonds, (b) the dates of maturity or redemption provisions of any Bonds, (c) this Article XIII and (d) the security provisions hereunder or under any Supplemental Indenture, which may only be amended by approval of the Owners of all Bonds to be so amended.

SECTION 13.03. Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel. The Trustee is authorized to join in the execution and delivery of any supplemental indenture or amendment permitted by this Article XIII and in so doing may conclusively rely on a written opinion of Counsel that such supplemental indenture or amendment is so permitted and has been duly authorized by the City and that all things necessary to make it a valid and binding agreement have been done.

[END OF ARTICLE XIII]

ARTICLE XIV

DEFEASANCE

SECTION 14.01. Defeasance. When interest on, and principal or Redemption Price (as the case may be) of, the Bonds of a Series or any portion thereof to be defeased have been paid, or there shall have been deposited with the Trustee or such other escrow agent designated by the City (the "Escrow Agent") moneys sufficient, or Defeasance Securities, the principal of and interest on which, when due, together with any moneys, remaining uninvested, will provide sufficient moneys to fully pay (i) such Bonds of a Series or portion thereof to be defeased, and (ii) any other sums payable hereunder by the City, the right, title and interest of the Trustee with respect to such Bonds of a Series or portion thereof to be defeased shall thereupon cease, the lien of this Master Trust Indenture on the Trust Estate, and the Funds and Accounts established under this Master Trust Indenture shall be defeased and discharged, and the Trustee, on demand of the City, shall release this Master Trust Indenture as to such Bonds of a Series or portion thereof to be so defeased and shall execute such documents to evidence such release as may be reasonably required by the City and shall turn over to the City or to such Person, body or authority as may be entitled to receive the same all balances remaining in any Series Funds and Accounts upon the defeasance in whole of all of the Bonds of a Series.

SECTION 14.02. Deposit of Funds for Payment of Bonds. If the City deposits with the Escrow Agent moneys sufficient, or Defeasance Securities, the principal of and interest on which, when due, together with any moneys remaining uninvested, will provide sufficient moneys to pay the principal or Redemption Price of any Bonds of a Series becoming due, either at maturity or by redemption or otherwise, together with all interest accruing thereon to the date of maturity or such prior redemption, and reimburses or causes to be reimbursed or pays or causes to be paid the other amounts required to be reimbursed or paid under Section 14.01 hereof, interest on such Bonds of a Series shall cease to accrue on such date of maturity or prior redemption and all liability of the City with respect to such Bonds of a Series shall likewise cease, except as hereinafter provided; provided, however, that (a) if any Bonds are to be redeemed prior to the maturity thereof, notice of the redemption thereof shall have been duly given in accordance with the provisions of Section 8.02 hereof, or irrevocable provision satisfactory to the Trustee shall have been duly made for the giving of such notice, and (b) in the event that any Bonds are not by their terms subject to redemption within the next succeeding 60 days following a deposit of moneys with the Escrow Agent, in accordance with this Section, the City shall have given the Escrow Agent, in form satisfactory to the Escrow Agent, irrevocable instructions to mail to the Owners of such Bonds at their addresses as they appear on the Bond Register, a notice stating that a deposit in accordance with this Section has been made with the Escrow Agent and that the Bonds to which such notice relates are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price (as the case may be) of, and interest on, said Bonds of a Series. Thereafter such Bonds shall be deemed not to be Outstanding hereunder and the Owners of such Bonds shall be restricted exclusively to the funds so deposited for any claim of whatsoever nature with respect to such Bonds, and the Escrow Agent shall hold such funds in trust for such Owners. At the time of the deposit referred to above, there shall be delivered to the Escrow Agent a verification from a firm of independent Certified Public Accountants stating that the principal of and interest on the Defeasance Securities, together with the stated amount of any cash remaining on deposit with the Escrow Agent, will be sufficient without reinvestment to pay the remaining principal of, redemption premium, if any, and interest on such defeased Bonds.

Money so deposited with the Escrow Agent which remains unclaimed five years after the date payment thereof becomes due or such shorter period of time as shall avoid forfeiture shall, upon the written request of the City, if the City is not at the time to the knowledge of the Escrow Agent in default with respect to any covenant in this Master Trust Indenture or the Bonds contained, be paid to the City; and the

Owners of the Bonds for which the deposit was made shall thereafter be limited to a claim against the City; provided, however, that the Escrow Agent, before making payment to the City, may, at the expense of the City, cause a notice to be published in an authorized newspaper, stating that the money remaining unclaimed will be returned to the City after a specified date.

[END OF ARTICLE XIV]

ARTICLE XV

MISCELLANEOUS PROVISIONS

SECTION 15.01. Limitations on Recourse. No personal recourse shall be had for any claim based on this Master Trust Indenture or the Bonds against any member of the City Council, officer, employee or agent, past, present or future, of the City or of any successor body as such, either directly or through the City or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

The Bonds are payable solely from the Trust Estate, and any other moneys held by the Trustee under this Master Trust Indenture for such purpose. There shall be no other recourse under the Bonds, this Master Trust Indenture or otherwise, against the City or any other property now or hereafter owned by it.

SECTION 15.02. Payment Dates. In any case where an Interest Payment Date or the maturity date of the Bonds or the date fixed for the redemption of any Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

SECTION 15.03. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Bonds.

SECTION 15.04. Illegal Provisions Disregarded. If any term of this Master Trust Indenture or the Bonds or the application thereof for any reason or circumstances shall to any extent be held invalid or unenforceable, the remaining provisions or the application of such terms or provisions to Persons and situations other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision hereof and thereof shall be valid and enforced to the fullest extent permitted by law.

SECTION 15.05. Substitute Notice. If for any reason it shall be impossible to make duplication of any notice required hereby in a newspaper or newspapers, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice.

SECTION 15.06. Notices. Any notice, demand, direction, request or other instrument authorized or required by this Master Trust Indenture to be given to or filed with the City or the Trustee shall be deemed to have been sufficiently given or filed for all purposes of this Master Trust Indenture if and when personally delivered and receipted for, or sent by registered United States mail, return receipt requested, addressed as follows:

(a) As to the City:

City of Hardeeville
205 Main Street
Hardeeville, South Carolina 29927
Attention: City Manager

(b) As to the Trustee:

U.S. Bank Trust Company, National Association
1441 Main Street, Suite 775
Columbia, South Carolina
Attn: Corporate Trust

Notwithstanding any other provision to the contrary, the Trustee shall have the right to accept and act upon any notice, instruction, or other communication, including any funds transfer instruction, (each, a "Trustee Notice") received pursuant to this Master Trust Indenture or any Supplemental Indenture by electronic transmission (including by e-mail, facsimile transmission, web portal or other electronic methods) and shall not have any duty to confirm that the person sending such Trustee Notice is, in fact, a person authorized to do so. Electronic signatures believed by the Trustee to comply with the ESIGN Act of 2000 or other applicable law (including electronic images of handwritten signatures and digital signatures provided by DocuSign, Orbit, Adobe Sign or any other digital signature provider identified by any other party hereto and acceptable to the Trustee) shall be deemed original signatures for all purposes. The City assumes all risks arising out of the use of electronic signatures and electronic methods to send Trustee Notices to the Trustee, including without limitation the risk of the Trustee acting on an unauthorized Trustee Notice and the risk of interception or misuse by third parties. Notwithstanding the foregoing, the Trustee may in any instance and in its sole discretion require that a Trustee Notice in the form of an original document bearing a manual signature be delivered to the Trustee in lieu of, or in addition to, any such electronic Trustee Notice.

Any of the foregoing may, by notice sent to each of the others, designate a different or additional address to which notices under this Master Trust Indenture are to be sent.

All documents received by the Trustee under the provisions of this Master Trust Indenture and not required to be redelivered shall be retained in its possession, subject at all reasonable times to the inspection of the City, any Bondholder and the agents and representatives thereof as evidence in writing.

SECTION 15.07. Controlling Law. This Master Trust Indenture shall be governed by and construed in accordance with the laws of the State.

SECTION 15.08. Successors and Assigns. All the covenants, promises and agreements in this Master Trust Indenture contained by or on behalf of the City or by or on behalf of the Trustee shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 15.09. Headings for Convenience Only. The table of contents and descriptive headings in this Master Trust Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 15.10. Counterparts. This Master Trust Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 15.11. Appendices and Exhibits. Any and all appendices or exhibits referred to in and attached to this Master Trust Indenture are hereby incorporated herein and made a part hereof for all purposes.

(Signature page to follow)

IN WITNESS WHEREOF, the City of Hardeeville, South Carolina has caused this Master Trust Indenture to be executed by the [Mayor/City Manager] and its seal to be hereunto affixed and attested by the Municipal Clerk and U.S. Bank Trust Company, National Association, has caused this Master Trust Indenture to be executed by one of its authorized officers, all as of the day and year first above written.

CITY OF HARDEEVILLE, SOUTH CAROLINA

By:_____
[Mayor][City Manager]

(SEAL)

Attest:

_____
Municipal Clerk

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Trustee

By:_____
Its: Vice President

EXHIBIT A

LEGAL DESCRIPTION OF
HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT

The present boundaries of the Hilton Head Lakes West Tract Improvement District are as follows:

EXHIBIT B

DESCRIPTION OF THE PROJECT

The Project includes the following "District Improvements" as described in the Improvement Plan:

EXHIBIT C

FORM OF BOND

No. _____ $_____

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA

CITY OF HARDEEVILLE
HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT
SPECIAL ASSESSMENT REVENUE BOND, SERIES _____

Interest Rate	Maturity Date	Dated Date	CUSIP

Registered Owner: [CEDE & CO.]

Principal Amount:

City of Hardeeville, South Carolina (the "City"), for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the Registered Owner set forth above, or registered assigns (the "Owner"), on the Maturity Date shown hereon, unless this bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the hereinafter defined Master Trust Indenture) shall have been duly made or provided for, the Principal Amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding Principal Amount hereof from the most recent Interest Payment Date (as defined herein) to which interest has been paid or provided for, or, if no interest has been paid, from the Dated Date shown above on [May 1] and [November 1] of each year (each, an "Interest Payment Date"), commencing on [_____ 1, 20__], until payment of said Principal Amount has been made or provided for, at the Interest Rate per annum set forth above. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Master Trust Indenture, be paid to the Owner hereof at the close of business on the regular record date for such interest, which shall be the 15th day next preceding such Interest Payment Date (the "Record Date"); provided, however, that on or after the occurrence and continuance of an Event of Default under Section 10.02(a) of the Master Trust Indenture relating to a failure to pay Debt Service (as defined in the Master Trust Indenture), when due, the payment of interest and principal or Redemption Price or Sinking Fund Installments (as such terms are defined in the Master Trust Indenture) shall be made by the Paying Agent (as defined herein) to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than 15 and not less than ten days prior to the date of such proposed payment, appears on the registration books of the Registrar as the Owner of this bond. Any payment of principal or Redemption Price shall be made only upon presentation hereof at the designated Corporate Trust Office of U.S. Bank Trust Company, National Association, as paying agent (the "Paying Agent"). Payment of interest shall be made by check or draft mailed by the Paying Agent and Registrar (or by wire transfer to an account within the continental United States, and at the expense of, the Owner if such Owner requests such method of payment in writing on or prior to the Record Date for the respective interest payment to such account as shall be specified in such request, but only if the Owner owns not less than $1,000,000 in aggregate principal

amount of the hereafter defined Series ____ Bonds). Interest on this bond will be computed on the basis of a 360-day year of twelve 30-day months.

This bond is one of a duly authorized series of bonds of the City designated "Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series ____" in the aggregate principal amount of $_____ (the "Series ____ Bonds"), issued under a Master Trust Indenture dated as of [_____] 1, 2026 (the "Master Trust Indenture") and a ____ Supplemental Trust Indenture, dated as of [_____] 1, [____] (the "Supplemental Indenture" and, together with the Master Trust Indenture, the "Indenture"), each between the City and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The Series ____ Bonds are issued for the purposes of (i) defraying the cost of acquisition of certain public infrastructure as described in the Supplemental Indenture; [(ii) funding interest on the Series ____ Bonds through _____ 1, 20__;] (iii) funding the Series ____ Debt Service Reserve Account; and (iv) paying certain costs and expenses relating to the issuance of the Series ____ Bonds. All terms used herein and not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

THIS BOND IS A SPECIAL OBLIGATION OF THE CITY. NEITHER THIS BOND NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY STATE OF SOUTH CAROLINA (THE "STATE") CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION (OTHER THAN ARTICLE X, SECTION 14(10) OF THE STATE CONSTITUTION AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A SOURCE OF REVENUES DERIVED OTHER THAN FROM A TAX OR LICENSE). THIS BOND AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE CITY OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE CITY OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER TRUST INDENTURE, THE SUPPLEMENTAL INDENTURE OR THIS BOND. DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER TRUST INDENTURE, THE SUPPLEMENTAL INDENTURE OR THIS BOND SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE TRUST ESTATE, INCLUDING THE PLEDGED REVENUES AND PLEDGED FUNDS, ALL AS PROVIDED IN THE INDENTURE.

The Series ____ Bonds, together with any additional series of bonds [heretofore or hereafter] issued pursuant to the Master Trust Indenture on a parity with the Series ____ Bonds (collectively, the "Bonds"), are issued under and pursuant to the Constitution and laws of the State, including the Municipal Improvements Act of 1999, codified as Chapter 37 of Title 5 of the Code of Laws of South Carolina 1976, as amended, and the Revenue Bond Act for Utilities, codified as Chapter 21 of Title 6 of the Code of Laws of South Carolina 1976, as amended, and other applicable provisions of law and pursuant to the Master Trust Indenture, executed counterparts of which are on file at the Corporate Trust Office of the Trustee. The Bonds are equally and ratably secured by the Trust Estate, without preference or priority of one bond over another. Reference is hereby made to the Master Trust Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Bonds of a Series issued under the Master Trust Indenture, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal and Redemption Price of, and the interest on, the Bonds, the nature and extent of the security thereby created, the covenants of the City with respect to the levy and collection of Assessments, the terms and conditions under which the Bonds are or may be issued, the rights, duties, obligations and immunities of the City and the Trustee under the Master Trust Indenture and the rights of the Owners of the Bonds, and, by the acceptance of this bond, the Owner assents to all of the provisions of the Master Trust Indenture.

The Series ____ Bonds are issuable only as registered bonds without coupons and initially issuable in denominations of $_____ and any integral multiple of $_____ in excess thereof, and thereafter, in denominations of $_____ and any integral multiple thereof (an "Authorized Denomination"). This bond is transferable by the Owner hereof or his duly authorized attorney at the designated corporate trust office of [_____, in _____], as Registrar (the "Registrar"), upon surrender of this bond, accompanied by an assignment and a written instrument of transfer in form satisfactory to the Registrar, subject to such reasonable regulations as the City or the Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new Series ____ Bond or Bonds, in the same aggregate principal amount as the Series ____ Bond or Bonds transferred, will be issued to the transferee at the corporate trust office of the Registrar in [_____], in the manner and subject to the limitations and conditions provided in the Master Trust Indenture and without cost, except for any tax or other governmental charge. Series ____ Bonds may be exchanged for an equal aggregate principal amount of Series ____ Bonds of the same maturity, of Authorized Denominations and bearing interest at the same rate or rates.

The Series ____ Bonds may, at the option of the City, be called for redemption prior to maturity as a whole, at any time, or in part on any Interest Payment Date, on or after _____ 1, 20__ (less than all Series ____ Bonds of a maturity to be selected by lot), at par plus accrued interest from the most recent Interest Payment Date to the redemption date.

The Series ____ Bonds maturing on [_____] 1, 20__, are subject to mandatory redemption in part by the City by lot prior to their scheduled maturity from moneys in the Series ____ Sinking Fund Account in satisfaction of applicable Sinking Fund Installments at a Redemption Price equal to 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on October 1 of the years and in the principal amounts set forth below:

Year	Principal Amount	Year	Principal Amount

_____
*Final Maturity

The Series ____ Bonds maturing on [_____] 1, 20__, are subject to mandatory redemption in part by the City by lot prior to their scheduled maturity from moneys in the Series ____ Sinking Fund Account in satisfaction of applicable Sinking Fund Installments at a Redemption Price equal to 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on November 1 of the years and in the principal amounts set forth below:

Year	Principal Amount	Year	Principal Amount

_____
*Final Maturity

Any Series ____ Bonds that are purchased by the City with amounts held to pay a Sinking Fund Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Sinking Fund Installment of Series ____ Bonds. Sinking Fund Installments are also subject to recalculation, as provided in the Master Trust Indenture, as the result of the redemption of Series ____ Bonds so as to reamortize the remaining Outstanding principal balance of the Series ____ Bonds.

The Series ____ Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any Interest Payment Date, in the manner determined by the Registrar, at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption, as follows:

(i) from Prepayments deposited into the Prepayment Account of the Series ____ Bond Redemption Account as specified by the City following the payment in whole or in part of Assessments on any portion of the property within the Improvement District in accordance with the provisions of the Master Trust Indenture, including excess moneys transferred from the Series ____ Debt Service Reserve Account to the Prepayment Account of the Series ____ Bond Redemption Account resulting from such Assessment Prepayments.

(ii) from moneys, if any, on deposit in the Funds and Accounts held for the Series ____ Bonds (other than any Rebate Fund) sufficient to pay and redeem all Outstanding Series ____ Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Trust Indenture.

(iii) on or after the Completion Date if so directed by the City, by application of moneys remaining in the Series ____ Acquisition and Construction Account not reserved by the City for the payment of any remaining part of the Cost of the Project, which shall be transferred to the General Account of the Series ____ Bond Redemption Account specified by the City pursuant to the Master Trust Indenture and as provided in the Supplemental Indenture, and applied at the direction of the City toward the redemption of Series ____ Bonds.

(iv) from excess moneys transferred from the Revenue Fund pursuant to the Master Trust Indenture, as directed by the City to the General Account of the Series ____ Bond Redemption Account as specified by the City.

(v) following condemnation or the sale of any portion of the Series ____ Project to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys which are not to be used to rebuild, replace or restore the taken portion of the Series ____ Project to the Trustee by or on behalf of the City for deposit as directed by the City into the General Account of the Series ____ Bond Redemption Account in order to effectuate redemption of Series ____ Bonds which moneys shall be applied by the City to redeem Series ____ Bonds.

(vi) following the damage or destruction of all or substantially all of the Series ____ Project to such extent that, in the reasonable opinion of the City, the repair and restoration thereof

would not be economical or would be impracticable, to the extent of amounts paid by the City to the Trustee with direction to deposit such amounts into the General Account of the Series ____ Bond Redemption Account specified by the City which moneys shall be applied by the City to redeem Series ____ Bonds.

If less than all of the Series ____ Bonds of a maturity shall be called for redemption, the particular Series ____ Bonds or portions of Series ____ Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Master Trust Indenture.

Notice of each redemption of Series ____ Bonds is required to be mailed by the Registrar, postage prepaid, not less than [__] nor more than [__] days prior to the redemption date to each registered Owner of Bonds to be redeemed at the address of such registered Owner recorded on the bond register maintained by the Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Master Trust Indenture, the Series ____ Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series ____ Bonds or such portions thereof on such date, interest on such Series ____ Bonds or such portions thereof so called for redemption shall cease to accrue, such Series ____ Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Master Trust Indenture and the Owners thereof shall have no rights in respect of such Series ____ Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent.

The Owner of this bond shall have no right to enforce the provisions of the Master Trust Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Master Trust Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Master Trust Indenture.

Modifications, amendments or alterations of the Master Trust Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Master Trust Indenture.

If the City deposits or causes to be deposited with the Trustee funds or Defeasance Securities sufficient to pay the principal or Redemption Price of any Series ____ Bonds becoming due at maturity or by call for redemption in the manner set forth in the Master Trust Indenture, together with the interest accrued to the due date, the lien of the Series ____ Bonds as to the Trust Estate shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Master Trust Indenture.

This bond is issued with the intent that the laws of the State shall govern its construction.

All acts, conditions and things required by the Constitution and laws of the State and the ordinances and resolutions of the City to happen, exist and be performed precedent to and in the issuance of this bond and the execution of the Master Trust Indenture, have happened, exist and have been performed as so required. This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Master Trust Indenture until it shall have been authenticated by the execution by the Trustee of the Certificate of Authentication endorsed hereon.

IN WITNESS WHEREOF, City of Hardeeville, South Carolina has caused this bond to bear the signature of its [Mayor][City Manager] and the official seal of the City to be impressed, imprinted or reproduced hereon and attested by the signature of the Municipal Clerk.

CITY OF HARDEEVILLE, SOUTH CAROLINA

(SEAL)

By:_____
[Mayor] [City Manager]

Attest:

_____
Municipal Clerk

FORM OF CERTIFICATE OF AUTHENTICATION

This bond is one of the Series ____ Bonds designated herein, described in the within-mentioned Indenture.

[_____], as Trustee

By:_____
Authorized Signatory

Date of Authentication:

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ (Name and address of Transferee) the within bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

_____

Notice: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agents Medallion Program ("STAMP") or similar program.

(Authorized Officer)

_____

Notice: The signature to the assignment must correspond with the name of the registered holder as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT D-1

FORM OF REQUISITION

The undersigned, an Authorized Officer of the City of Hardeeville, South Carolina (the "City"), hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture dated as of [_____ __], 2026 (the "Master Trust Indenture") and [____] Supplemental Trust Indenture, dated as of [_____ __], 2026, each between the City and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"):

(A) Requisition Number:

(B) Name of Payee:

(C) Amount Payable:

(D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state costs of issuance, if applicable):

(E) Based solely upon documentation and certifications provided by [Developer] pursuant to the Public Improvements Acquisition Agreement, dated [_____], 2026, between the City and the Developer (the "Acquisition Agreement"), the undersigned hereby certifies that [**the amounts set forth above have been incurred by the City, that each disbursement set forth above is a proper charge against the Acquisition and Construction Fund, that each disbursement set forth above was incurred in connection with the acquisition and construction of the Project and each represents a Cost of the Project, and has not previously been paid] OR [this requisition is for Costs of Issuance payable from the [ ] Cost of Issuance Account that has not previously been paid**].

The undersigned hereby further certifies that there has not been filed with or served upon the City notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

The undersigned hereby further certifies that such requisition contains no item representing payment on account of any retained percentage which the City is at the date of such certificate entitled to retain.

[Attached hereto are originals of the invoice(s) from the vendor of the property acquired or services rendered with respect to which disbursement is hereby requested.] [Attached hereto is the Disbursement Request (as defined in the Acquisition Agreement) to be paid and instructions for payments with respect to which disbursement is hereby requested.]

CITY OF HARDEEVILLE, SOUTH CAROLINA

By:_____
Authorized Officer

EXHIBIT D-2

COPY OF DISBURSEMENT REQUEST OF THE DEVELOPER

APPENDIX B-2

FORM OF FIRST SUPPLEMENTAL INDENTURE

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FIRST SUPPLEMENTAL TRUST INDENTURE

between

CITY OF HARDEEVILLE, SOUTH CAROLINA

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

Dated as of [_____ __], 2026

Authorizing and Securing

$[_____]
CITY OF HARDEEVILLE, SOUTH CAROLINA
HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT
SPECIAL ASSESSMENT REVENUE BONDS
SERIES 2026

TABLE OF CONTENTS

Page

ARTICLE I - DEFINITIONS 3

ARTICLE II - THE SERIES 2026 BONDS 5

SECTION 2.01. Amounts and Terms of Series 2026 Bonds; Issue of Series 2026 Bonds 5
SECTION 2.02. Execution 5
SECTION 2.03. Authentication 5
SECTION 2.04. Purpose, Designation and Denominations of, and Interest Accruals on, the Series 2026 Bonds 5
SECTION 2.05. Debt Service on the Series 2026 Bonds. 6
SECTION 2.06. Disposition of Series 2026 Bond Proceeds. 7
SECTION 2.07. Book-Entry Form of Series 2026 Bonds 7
SECTION 2.08. Appointment of Registrar and Paying Agent 7
SECTION 2.09. Special Obligations 7

ARTICLE III - REDEMPTION OF SERIES 2026 BONDS 9

SECTION 3.01. Redemption Dates and Prices 9
SECTION 3.02. Notice of Redemption 10

ARTICLE IV - ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS; ADDITIONAL COVENANTS OF THE CITY; PREPAYMENTS; REMOVAL OF SPECIAL ASSESSMENT LIENS 11

SECTION 4.01. Establishment of Certain Funds and Accounts. 11
SECTION 4.02. Power to Issue Series 2026 Bonds and Create Lien 12

ARTICLE V - MISCELLANEOUS PROVISIONS 13

SECTION 5.01. Interpretation of Supplemental Indenture 13
SECTION 5.02. Amendments 13
SECTION 5.03. Counterparts 13
SECTION 5.04. Appendices and Exhibits 13
SECTION 5.05. Payment Dates 13
SECTION 5.06. No Rights Conferred on Others 13

EXHIBIT A - DESCRIPTION OF SERIES 2026 PROJECT

THIS FIRST SUPPLEMENTAL TRUST INDENTURE (the "First Supplemental Indenture"), dated as of [_____ __], 2026 between **CITY OF HARDEEVILLE, SOUTH CAROLINA** (the "City"), a body politic and corporate and a political subdivision organized and existing under the laws of the State of South Carolina, and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association duly organized and existing under the laws of the United States and having the authority to exercise corporate trust powers, as trustee (said banking corporation and any bank or trust company becoming successor trustee under this First Supplemental Indenture being hereinafter referred to as the "Trustee");

W I T N E S S E T H:

WHEREAS, the City is a body politic and corporate and a political subdivision organized and existing under the laws of the State of South Carolina and is governed by the City Council of the City (the "City Council"); and

WHEREAS, the City has established the Hilton Head Lakes West Tract Improvement District (the "District") pursuant to Ordinance No. 2025-10-02C, enacted by the City Council on October 16, 2025, as amended and restated by Ordinance No. 2026-01-08A enacted by the City Council, on January 22, 2026 (the "District Ordinance"); in order to raise a portion of the moneys necessary to defray the costs of certain improvements within the District (the "Project"), the City Council has determined to issue Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds pursuant to the provisions of the Master Trust Indenture (the "Master Trust Indenture") dated as of [_____ __], 2026, between the City and the Trustee as supplemented by this First Supplemental Indenture (hereinafter sometimes together referred to as the "Indenture"); and

WHEREAS, the City has determined to acquire the Project in one or more phases with the first such phase described in Exhibit A attached hereto and hereinafter referred to as the "Series 2026 Project"; the portions of the Project constituting the Series 2026 Project will benefit all assessed parcels of real property in the District; and

WHEREAS, pursuant to the Master Trust Indenture and this First Supplemental Indenture, the City has determined to issue $[30,000,000] aggregate principal amount of City of Hardeeville, South Carolina, Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series 2026 (Assessment A) (the "Series 2026 Bonds"); and

WHEREAS, the proceeds of the Series 2026 Bonds will be used to provide funds for (i) the acquisition and construction of the Series 2026 Project, (ii) the payment of interest on the Series 2026 Bonds through November 1, 2027, (iii) the funding of the Series 2026 Debt Service Reserve Account (as defined herein) in an amount equal to the Series 2026 Debt Service Reserve Requirement (as defined herein), and (iv) payment of the costs of issuance of the Series 2026 Bonds; and

WHEREAS, the Series 2026 Bonds will be secured by a pledge of the Trust Estate (as defined in the Master Trust Indenture), including particularly the Pledged Revenues and Pledged Funds (as such terms are defined in the Master Trust Indenture).

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH, that to provide for the issuance of the Series 2026 Bonds, the security and payment of the principal or redemption price thereof (as the case may be) and interest thereon, the rights of the Bondholders (as defined in the Master Trust Indenture) and the performance and observance of all of the covenants contained herein and in said Series 2026 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2026 Bonds by the Owners (as defined in the Master Trust

Indenture) thereof, from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the City does hereby assign, transfer, set over and pledge to U.S. Bank Trust Company, National Association, as Trustee, its successors in trust and its assigns forever, and grants a lien on all of the right, title and interest of the City in and to the Trust Estate (as defined in the Master Trust Indenture) as security for the payment of the principal, redemption or purchase price of (as the case may be) and interest on the Series 2026 Bonds issued hereunder, all in the manner hereinafter provided, and the City further hereby agrees with and covenants unto the Trustee as follows:

TO HAVE AND TO HOLD the same and any other revenues, property, contracts or contract rights, accounts receivable, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, which may, by delivery, assignment or otherwise, be subject to the lien created by the Indenture with respect to the Series 2026 Bonds;

IN TRUST NEVERTHELESS, for the equal and ratable benefit and security of all present and future Owners of the Series 2026 Bonds issued and to be issued under this First Supplemental Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this First Supplemental Indenture) of any one Series 2026 Bond over any other Series 2026 Bond, all as provided in the Indenture;

PROVIDED, HOWEVER, that if the City, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal or redemption price of the Series 2026 Bonds issued, secured and Outstanding hereunder and the interest due or to become due thereon, at the times and in the manner mentioned in such Series 2026 Bonds and the Indenture, according to the true intent and meaning thereof and hereof, and the City shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this First Supplemental Indenture and the rights hereby granted shall cease and terminate, otherwise this First Supplemental Indenture to be and remain in full force and effect.

ARTICLE I - DEFINITIONS

In this First Supplemental Indenture capitalized terms used without definition shall have the meanings ascribed thereto in the Master Trust Indenture and, in addition, the following terms shall have the meanings specified below, unless otherwise expressly provided or unless the context otherwise requires:

"Authorized Denomination" shall mean, with respect to the Series 2026 Bonds, minimum denominations of $100,000 and any integral multiple of $5,000 in excess thereof; provided that on and after any date on which Moody's Investors Services, Inc. shall have rated the Series 2026 Bonds "Baa" or higher, S&P Global Ratings shall have rated the Series 2026 Bonds "BBB" or higher, or Fitch Ratings, Inc. shall have rated the Series 2026 Bonds "BBB" or higher, without regard to plus (+) or minus (-) or comparable designations, and upon compliance with applicable securities laws, $5,000 or any integral multiple thereof, notwithstanding any subsequent downgrade, suspension, or withdrawal of such rating.

"Bond Ordinance" shall mean Ordinance No. 2025-10-16C enacted by the City Council on November 6, 2025, which authorized the execution and delivery of the Master Trust Indenture and this First Supplemental Indenture, and the issuance of the Series 2026 Bonds thereunder, in the maximum principal amount of $30,000,000.

"First Supplemental Indenture" shall mean this First Supplemental Trust Indenture, dated as of [_____ __], 2026, by and between the City and the Trustee, as supplemented or amended.

"Indenture" shall mean, collectively, the Master Trust Indenture and this First Supplemental Indenture.

"Master Trust Indenture" shall mean the Master Trust Indenture, dated as of [_____ __], 2026 by and between the City and the Trustee, as supplemented and amended with respect to matters pertaining solely to the Master Trust Indenture or the Series 2026 Bonds (as opposed to supplements or amendments relating to Series of Bonds other than the Series 2026 Bonds as specifically defined in this First Supplemental Indenture).

"Series 2026 Acquisition and Construction Account" shall mean the Account so designated, established as a separate account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this First Supplemental Indenture.

"Series 2026 Bond Redemption Account" shall mean the Account so designated, established as a separate account within the Bond Redemption Fund pursuant to Section 4.01(f) of this First Supplemental Indenture.

"Series 2026 Bonds" shall mean the $[30,000,000] aggregate principal amount of City of Hardeeville, South Carolina, Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series 2026 (Assessment A), to be issued as fully registered Bonds in accordance with the provisions of the Master Trust Indenture and this First Supplemental Indenture, and secured and authorized by the Master Trust Indenture and this First Supplemental Indenture.

"Series 2026 Capitalized Interest" shall mean interest due or to become due on the Series 2026 Bonds through November 1, 2027, which will be paid, or is expected to be paid, from the proceeds of the Series 2026 Bonds.

"Series 2026 Capitalized Interest Subaccount" shall mean the subaccount so designated, established as a separate subaccount within the Series 2026 Interest Account of the Debt Service Fund pursuant to Section 4.01(b) of this First Supplemental Indenture.

"Series 2026 Completion Date" shall mean the date of completion of the acquisition of the Series 2026 Project, as evidenced by the delivery of an Engineer's Certificate.

"Series 2026 Costs of Issuance Subaccount" shall mean the subaccount so designated, established as a separate subaccount within the Series 2026 Acquisition and Construction Account pursuant to Section 4.01(g) of this First Supplemental Indenture.

"Series 2026 Debt Service Reserve Account" shall mean the Account so designated, established as a separate account within the Debt Service Reserve Fund pursuant to Section 4.01(e) of this First Supplemental Indenture.

"Series 2026 Debt Service Reserve Requirement" shall mean the least of, (i) the maximum annual Debt Service on the Series 2026 Bonds, as calculated as of the first day of any Bond Year, (ii) 10% of the outstanding principal amount of the Series 2026 Bonds, and (iii) 125% of average annual Debt Service of the Series 2026 Bonds calculated on the date of original issuance of the Series 2026 Bonds, as described in Section 2.06(b) of this First Supplemental Trust Indenture.

"Series 2026 General Account" shall mean the Account so designated, established as a separate account under the Series 2026 Bond Redemption Account pursuant to Section 4.01(f) of this First Supplemental Indenture.

"Series 2026 Interest Account" shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(b) of this First Supplemental Indenture.

"Series 2026 Prepayment Account" shall mean the Account so designated, established as a separate account under the Series 2026 Bond Redemption Account pursuant to Section 4.01(f) of this First Supplemental Indenture.

"Series 2026 Principal Account" shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(c) of this First Supplemental Indenture.

"Series 2026 Project" shall mean the portions of the Project funded with the Series 2026 Bonds, as further described in Exhibit A hereto.

"Series 2026 Sinking Fund Account" shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(d) of this First Supplemental Indenture.

The words "hereof," "herein," "hereto," "hereby," and "hereunder" (except in the forms of Series 2026 Bonds) refer to the entire Indenture.

Every "request," "requisition," "order," "demand," "application," "notice," "statement," "certificate," "consent," or similar action hereunder by the City shall, unless the form or execution thereof is otherwise specifically provided, be in writing signed by the Authorized Officer of the City.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa.

[End of Article I]

ARTICLE II - THE SERIES 2026 BONDS

SECTION 2.01. Amounts and Terms of Series 2026 Bonds; Issue of Series 2026 Bonds. No Series 2026 Bonds may be issued under this First Supplemental Indenture except in accordance with the provisions of this Article II and Articles II and III of the Master Trust Indenture.

(a) The total principal amount of Series 2026 Bonds that may be issued under this First Supplemental Indenture is expressly limited to $[30,000,000]. The Series 2026 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Series 2026 Bonds shall be issued substantially in the form attached as Exhibit C to the Master Trust Indenture, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture and with such additional changes as may be necessary or appropriate to conform to the provisions of the Indenture. The City shall issue the Series 2026 Bonds upon execution of this First Supplemental Indenture and satisfaction of the requirements of Section 3.01 of the Master Trust Indenture; and the Trustee shall, at the City's request, authenticate such Series 2026 Bonds and deliver them as specified in the request.

SECTION 2.02. Execution. The Series 2026 Bonds shall be executed by the City as set forth in the Master Trust Indenture.

SECTION 2.03. Authentication. The Series 2026 Bonds shall be authenticated as set forth in the Master Trust Indenture. No Series 2026 Bond shall be valid until the certificate of authentication shall have been duly executed by the Trustee, as provided in the Master Trust Indenture.

SECTION 2.04. Purpose, Designation and Denominations of, and Interest Accruals on, the Series 2026 Bonds.

(a) The Series 2026 Bonds are being issued hereunder in order to provide funds (i) to pay the costs of acquisition and construction of the Series 2026 Project, (ii) to pay interest on the Series 2026 Bonds through November 1, 2027, (iii) to fund the Series 2026 Debt Service Reserve Account in an amount equal to the Series 2026 Debt Service Reserve Requirement, and (iv) to pay the Costs of Issuance of the Series 2026 Bonds. The Series 2026 Bonds shall be designated "City of Hardeeville, South Carolina, Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series 2026 (Assessment A)," and shall be issued as fully registered bonds without coupons in Authorized Denominations.

Until such time as the minimum Authorized Denomination of the Series 2026 Bonds is reduced to $5,000, (i) the Series 2026 Bonds and beneficial interests therein may be sold or transferred (initially or in the secondary market) only to qualified institutional buyers (as defined in Rule 144A promulgated under the Securities Act of 1933, as amended ("Rule 144A") or to institutional accredited investors (as defined in Rule 501(a)(1), (2), (3), (7), (8), (9), (12), OR (13) of Regulation D promulgated under the Securities Act of 1933, as amended ("Reg D") and (ii) each purchaser and beneficial owner of the Series 2026 Bonds shall acquire such Series 2026 Bonds for its own account or for the account of a qualified institutional buyer or or institutional accredited investor and not with a view to the further distribution thereof, but shall have the express limited right to sell or transfer such Series 2026 Bonds. Until such time as the minimum Authorized Denomination of the Series 2026 Bonds is reduced to $5,000, each purchaser and beneficial owner of the Series 2026 Bonds will be deemed to have represented and warranted as follows (terms used below that are defined in Rule 144A and Rule 501(a)(1), (2), (3), (7), (8), (9), (12), or (13) of Reg D are as defined therein):

Each purchaser and beneficial owner (1) is an institutional accredited investor or qualified institutional buyer, (2) acquiring such Series 2026 Bonds for its own account or for the account of an institutional accredited investor or a qualified institutional buyer, as the case may be, but expressly reserves the right to sell the Series 2026 Bonds, and (3) until such restriction does not apply, it will sell or transfer Series 2026 Bonds only to institutional accredited investors or qualified institutional buyers. A purchaser and beneficial owner who is an institutional accredited investor or qualified institutional buyer may sell all or a portion of the Series 2026 Bonds to a broker-dealer and any resale by such broker-dealer must be to an institutional accredited investor or qualified institutional buyer. The Series 2026 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance on the exemption provided by Section 3(a)(2) therein.

If a particular Series 2026 Bond has been redeemed in part in accordance with the provisions hereof while the Authorized Denominations for the Series 2026 Bonds remain $100,000 or any integral multiple of $5,000 in excess of $100,000 and, following such partial redemption, such unredeemed portion of such Series 2026 Bond is an integral multiple of $5,000 that is less than $100,000 in accordance with this Indenture, such Series 2026 Bond may be transferred only to institutional accredited investors or qualified institutional buyers in such Outstanding principal amount.

(b) The Series 2026 Bonds shall be dated as of their date of delivery. Interest on the Series 2026 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2026 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to May 1, 2026, in which case from the date of delivery of the Series 2026 Bonds, or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

SECTION 2.05. Debt Service on the Series 2026 Bonds.

(a) The Series 2026 Bonds will mature on November 1 in the years and amounts and bear interest at the rates set forth below subject to the right of prior redemption in accordance with their terms:

Maturity Date (November 1)	Principal Amount	Interest Rate

(b) Interest on the Series 2026 Bonds will be computed in all cases on the basis of a 360-day year of twelve 30-day months. Interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by the Series 2026 Bonds on the day before the default occurred.

SECTION 2.06. Disposition of Series 2026 Bond Proceeds.

The net proceeds of sale of the Series 2026 Bonds of $[_____] (representing the par amount thereof, less an Underwriter's discount of $[_____] less net original issue discount of $[_____]) shall be applied as follows:

(a) $[_____] representing Series 2026 Capitalized Interest shall be deposited in the Series 2026 Capitalized Interest Subaccount of the Series 2026 Interest Account of the Debt Service Fund;

(b) $[_____] (which is an amount equal to the Series 2026 Debt Service Reserve Requirement) shall be deposited in the Series 2026 Debt Service Reserve Account of the Debt Service Reserve Fund;

(c) $[_____] constituting the Costs of Issuance of the Series 2026 Bonds shall be deposited in the Series 2026 Costs of Issuance Subaccount of the Series 2026 Acquisition and Construction Account of the Acquisition and Construction Fund to be disbursed for costs of issuance as set forth in Section 4.01(g) herein;

(d) $[65,000] shall be deposited in the Administrative Expenses Fund to be used to pay Administrative Expenses; and

(e) $[_____] constituting all remaining proceeds of the Series 2026 Bonds shall be deposited in the Series 2026 Acquisition and Construction Account of the Acquisition and Construction Fund to be applied in accordance with Article V of the Master Trust Indenture.

SECTION 2.07. Book-Entry Form of Series 2026 Bonds. The Series 2026 Bonds shall be issued as one fully registered bond per maturity of each series and deposited with The Depository Trust Company, ("DTC"), which is responsible for establishing and maintaining records of ownership for its participants.

The City shall enter into a letter of representations with DTC providing for such book-entry only system, in accordance with the provisions of Section 2.11 of the Master Trust Indenture. Such agreement may be terminated at any time by either DTC or the City. In the event of such termination, the City shall select another securities depository. If the City does not replace DTC, the Trustee will register and deliver to the Beneficial Owners replacement Series 2026 Bonds in the form of fully-registered Series 2026 Bonds in accordance with the instructions from Cede & Co or applicable rules and procedures on file with the U.S. Securities and Exchange Commission.

SECTION 2.08. Appointment of Registrar and Paying Agent. The City shall keep, at the designated corporate trust office of the Registrar, books (the "Bond Register") for the registration, transfer and exchange of the Series 2026 Bonds, and hereby appoints U.S. Bank Trust Company, National Association, as its Registrar to keep such books and make such registrations, transfers, and exchanges as required hereby. U.S. Bank Trust Company, National Association hereby accepts its appointment as Registrar and its duties and responsibilities as Registrar hereunder. Registrations, transfers and exchanges shall be without charge to the Bondholder requesting such registration, transfer or exchange, but such Bondholder shall pay any taxes or other governmental charges on all registrations, transfers and exchanges. The City hereby appoints U.S. Bank Trust Company, National Association as Paying Agent for the Series 2026 Bonds. U.S. Bank Trust Company, National Association hereby accepts its appointment as Paying Agent and its duties and responsibilities as Paying Agent hereunder.

SECTION 2.09. Special Obligations. The Series 2026 Bonds shall be special obligations of the City. Neither the Series 2026 Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or indebtedness of the City within the meaning of any State constitutional provision or

statutory limitation (other than Article X, Section 14(10) of the State Constitution authorizing indebtedness payable solely from a source of revenue derived other than from a tax or license). The Series 2026 Bonds and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the City or a charge against the general credit or taxing power of the City. No Owner or any other person shall ever have the right to compel the exercise of any ad valorem taxing power of the City or any other public authority or governmental body to pay Debt Service or to pay any other amounts required to be paid pursuant to the Master Trust Indenture, this First Supplemental Indenture, or the Series 2026 Bonds. Debt Service and any other amounts required to be paid pursuant to the Master Trust Indenture, this First Supplemental Indenture or the Series 2026 Bonds shall be payable solely from, and shall be secured solely by, the Trust Estate, all as provided in the Master Trust Indenture and this First Supplemental Indenture.

[End of Article II]

ARTICLE III - REDEMPTION OF SERIES 2026 BONDS

SECTION 3.01. Redemption Dates and Prices. The Series 2026 Bonds shall be subject to redemption at the times and in the manner provided in Article VIII of the Master Trust Indenture and in this Article III. All payments of the Redemption Price of the Series 2026 Bonds shall be made on the dates hereinafter required. Except as otherwise provided in this Section 3.01, if less than all the Series 2026 Bonds are to be redeemed pursuant to an extraordinary mandatory redemption, the City shall direct the Trustee in writing as to the Series 2026 Bonds or portions of the Series 2026 Bonds to be redeemed. Partial redemptions of Series 2026 Bonds shall be made in such a manner that the remaining Series 2026 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Series 2026 Bond.

(a) Optional Redemption. The Series 2026 Bonds are not subject to optional redemption prior to November 1, [2036]. The Series 2026 Bonds maturing on or after November 1, [2036] may, at the option of the City, be called for redemption prior to maturity as a whole, at any time, or in part on any Interest Payment Date, on or after November 1, [2036], at a redemption price equal to 100 percent of the principal amount to be redeemed, plus accrued interest, if any, to the date of redemption, without premium. If less than all of the Series 2026 Bonds are called for redemption, the Trustee shall select the Series 2026 Bonds or portions of the Series 2026 Bonds to be redeemed by lot in such reasonable manner as the Trustee in its discretion may determine. The portion of Series 2026 Bonds to be redeemed shall be in an Authorized Denomination.

(b) Extraordinary Mandatory Redemption in Whole or in Part. The Series 2026 Bonds are subject to extraordinary mandatory redemption prior to maturity as directed by the City in whole, on any date, or in part, on any Interest Payment Date, at a Redemption Price equal to 100% of the principal amount of the Series 2026 Bonds to be redeemed, plus interest accrued to the redemption date, as set forth in Section 8.01(c) of the Master Trust Indenture.

(c) Mandatory Sinking Fund Redemption. The Series 2026 Bonds maturing on November 1, 20[__] are subject to mandatory sinking fund redemption in part by the City by lot prior to their scheduled maturity from moneys in the Series 2026 Sinking Fund Account established under this First Supplemental Indenture in satisfaction of the applicable Sinking Fund Installment at the Redemption Price of 100% of the principal amount thereof, together with accrued interest to the date of redemption on November 1 of the years and in the principal amounts set forth below:

Year (November)	Principal Amount

_____
*Final Maturity

SECTION 3.02. Notice of Redemption. When required to redeem Series 2026 Bonds under any provision of this First Supplemental Indenture or directed to redeem Series 2026 Bonds by the City, the Trustee shall give or cause to be given to Owners of the Series 2026 Bonds to be redeemed notice of the redemption, as set forth in Section 8.02 of the Master Trust Indenture.

[End of Article III]

ARTICLE IV - ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS; ADDITIONAL COVENANTS OF THE CITY; PREPAYMENTS; REMOVAL OF SPECIAL ASSESSMENT LIENS

SECTION 4.01. Establishment of Certain Funds and Accounts.

(a) The Trustee shall establish a separate account within the Acquisition and Construction Fund designated as the "Series 2026 Acquisition and Construction Account." The net proceeds of the Series 2026 Bonds shall be deposited into the Series 2026 Acquisition and Construction Account in the amount set forth in Section 2.06(d) of this First Supplemental Indenture. Moneys deposited into the Series 2026 Acquisition and Construction Account, together with any moneys subsequently transferred or deposited thereto, including moneys transferred from the Series 2026 Debt Service Reserve Account pursuant to Section 4.01(e), shall be applied as set forth in this Section 4.01(a) and Section 5.01 of the Master Trust Indenture.

(b) Pursuant to Section 6.05 of the Master Trust Indenture, the Trustee shall establish a separate account within the Debt Service Fund designated as the "Series 2026 Interest Account" and within such Account, the "Series 2026 Capitalized Interest Subaccount." Moneys deposited into the Series 2026 Interest Account pursuant to the Master Trust Indenture shall be applied for the purposes provided therein and as provided in this Section 4.01(b) of this First Supplemental Indenture. Proceeds of the Series 2026 Bonds shall be deposited into the Series 2026 Capitalized Interest Subaccount in the amount set forth in Section 2.06(a) of this First Supplemental Indenture, and shall be used without further direction to pay Series 2026 Capitalized Interest.

[In the event that on [_____, _____], the amount of proceeds of the Series 2026 Bonds representing Series 2026 Capitalized Interest on deposit in the Series 2026 Capitalized Interest Subaccount exceeds the amount needed for Series 2026 Capitalized Interest with respect to the Series 2026 Bonds through and including the interest due on [_____, _____], such excess shall be transferred at the written direction of the City from the Series 2026 Capitalized Interest Subaccount first, prior to the Series 2026 Completion Date, to the Series 2026 Acquisition and Construction Account of the Acquisition and Construction Fund, and thereafter to the Revenue Fund.]

(c) Pursuant to Section 6.05 of the Master Trust Indenture, the Trustee shall establish a separate account within the Debt Service Fund designated as the "Series 2026 Principal Account." Moneys shall be deposited into the Series 2026 Principal Account as provided in Article VI of the Master Trust Indenture and applied for the purposes provided therein.

(d) Pursuant to Section 6.05 of the Master Trust Indenture, the Trustee shall establish a separate account within the Debt Service Fund designated as the "Series 2026 Sinking Fund Account." Moneys shall be deposited into the Series 2026 Sinking Fund Account as provided in Article VI of the Master Trust Indenture and applied for the purposes provided therein.

(e) Pursuant to Section 6.06 of the Master Trust Indenture, the Trustee shall establish a separate account within the Debt Service Reserve Fund designated as the "Series 2026 Debt Service Reserve Account." Proceeds of the Series 2026 Bonds shall be deposited into the Series 2026 Debt Service Reserve Account in the amount set forth in Section 2.06(b) of this First Supplemental Indenture, and such moneys, together with any other moneys deposited into the Series 2026 Debt Service Reserve Account pursuant to the Master Trust Indenture, shall be applied for the purposes provided therein.

In the event that the amount in the Series 2026 Debt Service Reserve Account exceeds the Series 2026 Debt Service Reserve Requirement due to a decrease thereof, the excess amount shall be applied as provided in Section 6.06 of the Master Trust Indenture.

(f) Pursuant to Section 6.07 of the Master Trust Indenture, the Trustee shall establish a separate Series Account within the Bond Redemption Fund designated as the "Series 2026 Bond Redemption Account" and within such Account, a "Series 2026 General Account," and a "Series 2026 Prepayment Account." Moneys to be deposited into the Series 2026 Bond Redemption Account shall be applied as provided in Article VI of the Master Trust Indenture.

(g) The Trustee shall establish a separate sub-account within the Series 2026 Acquisition and Construction Account designated as the "Series 2026 Costs of Issuance Subaccount." Proceeds of the Series 2026 Bonds shall be deposited into the Series 2026 Costs of Issuance Subaccount in the amount set forth in Section 2.06(c) of this First Supplemental Indenture, and shall be used to pay Costs of Issuance upon requisition to the Trustee pursuant to the Requisition Form attached to the Master Trust Indenture, upon which the Trustee may conclusively rely. Six months after the date of issuance of the Series 2026 Bonds, any moneys remaining in the Series 2026 Costs of Issuance Subaccount in excess of the amounts requested to be disbursed by the City to pay Costs of Issuance of the Series 2026 Bonds shall be transferred or deposited into the Series 2026 Interest Account and the Series 2026 Costs of Issuance Subaccount shall be closed.

SECTION 4.02. Power to Issue Series 2026 Bonds and Create Lien. The City is duly authorized under the Act and all applicable laws of the State to issue the Series 2026 Bonds, to execute and deliver the Indenture and to pledge the Trust Estate for the benefit of the Series 2026 Bonds to the extent set forth herein. The Trust Estate is not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Series 2026 Bonds, except as otherwise permitted under the Master Trust Indenture. The Series 2026 Bonds and the provisions of the Indenture are and will be valid and legally enforceable obligations of the City in accordance with their respective terms. The City shall, at all times, to the extent permitted by law, defend, preserve and protect the pledge created by the Indenture and all the rights of the Owners of the Series 2026 Bonds under the Indenture against all claims and demands of all persons whomsoever.

[End of Article IV]

ARTICLE V - MISCELLANEOUS PROVISIONS

SECTION 5.01. Interpretation of Supplemental Indenture. This First Supplemental Indenture supplements the Master Trust Indenture with respect to the Series 2026 Bonds, and all of the provisions of the Master Trust Indenture, to the extent not inconsistent herewith, are incorporated in this First Supplemental Indenture by reference. To the maximum extent possible, the Master Trust Indenture and the Supplemental Indenture shall be read and construed as one document.

SECTION 5.02. Amendments. Any amendments to this First Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Trust Indenture.

SECTION 5.03. Counterparts. This First Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 5.04. Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this First Supplemental Indenture are hereby incorporated herein and made a part of this First Supplemental Indenture for all purposes.

SECTION 5.05. Payment Dates. In any case in which an Interest Payment Date or the maturity date of the Series 2026 Bonds or the date fixed for the redemption of any Series 2026 Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

SECTION 5.06. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Series 2026 Bonds.

[End of Article V]

IN WITNESS WHEREOF, the City of Hardeeville, South Carolina has caused this First Supplemental Indenture to be executed by the [Mayor][City Manager] and its seal to be hereunto affixed and attested by the Municipal Clerk and [_____] has caused this First Supplemental Indenture to be executed by one of its authorized officers, all as of the day and year first above written.

CITY OF HARDEEVILLE, SOUTH CAROLINA

By:_____
[Mayor][City Manager]

(SEAL)

Attest:

_____
Municipal Clerk

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By:_____
Its: Vice President

[Signature Page to First Supplemental Trust Indenture]

EXHIBIT A

DESCRIPTION OF SERIES 2026 PROJECT

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APPENDIX C

FORM OF APPROVING OPINION OF BOND COUNSEL

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[FORM OF BOND COUNSEL OPINION]

[_____ __], 2026

City Council of the City of Hardeeville,
South Carolina
Hardeeville, South Carolina

Re: $[_____] City of Hardeeville, South Carolina, Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series 2026

Ladies and Gentlemen:

As bond counsel to the City of Hardeeville, South Carolina (the "City"), we have examined a certified copy of the Transcript of Proceedings and other proofs submitted to us, including the Constitution and Statutes of the State of South Carolina, in relation to the issuance by the City, a perpetual body politic and corporate and a municipal corporation under the laws of the State of South Carolina, of its $[_____] Hilton Head Lakes West Tract Improvement District Assessment Revenue Bonds, Series 2026 (the "Series 2026 Bonds"). The Series 2026 Bonds are issued pursuant to and in accordance with the Constitution and other laws of the State of South Carolina, including Article X, Section 14(10) of the South Carolina Constitution; Title 5, Chapter 37 of the Code of Laws of South Carolina 1976, as amended and continued by Section 11-27-40 of the Code of Laws of South Carolina 1976, as amended; a Master Trust Indenture, dated as of [_____ __], 2026 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture, dated as of [_____ __], 2026 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the City and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"); and an ordinance enacted by the City Council of the City on November 6, 2025 (the "Bond Ordinance"). The Series 2026 Bonds are being issued to provide funds (i) to pay the cost of acquisition and construction of the Project (as defined in the Indenture), (ii) to pay interest on the Series 2026 Bonds during acquisition and construction of the Series 2026 Project, (iii) to fund the Series 2026 Debt Service Reserve Account (as defined in the First Supplemental Indenture), and (iv) to pay the costs of issuance of the Series 2026 Bonds.

As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Indenture, the Bond Ordinance, the certified Transcript of Proceedings, and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

We have assumed that all signatures on documents, certificates, and instruments examined by us are genuine, all documents, certificates, and instruments submitted to us as originals are authentic, and all documents, certificates, and instruments submitted to us as copies conform to the originals. In addition, we have assumed that all documents, certificates, and instruments relating to the issuance of the Series 2026 Bonds have been duly authorized, executed, and delivered by all parties thereto, other than the City, and we have further assumed the due organization, existence, and powers of such other parties relating to the issuance of the Series 2026 Bonds.

We express no opinion herein as to the accuracy, completeness, or sufficiency of the Preliminary Limited Offering Memorandum, the Limited Offering Memorandum, or other offering materials, if any, relating to the Series 2026 Bonds.

Based upon the foregoing, including the assumptions and limitations set forth herein, we are of the opinion as of the date hereof and, under existing law, as follows:

1. The City is duly created and validly existing as a perpetual body politic and corporate and a municipal corporation under the laws of the State of South Carolina, with the corporate power to enact the Bond Ordinance, execute and deliver the Indenture, perform the agreements on its part contained therein, and issue the Series 2026 Bonds.

2. The Master Indenture and the First Supplemental Indenture have been duly authorized, executed, and delivered by the City and constitute valid and binding obligations of the City, enforceable upon the City in accordance with their terms.

3. The Indenture creates a valid pledge of the Trust Estate (as defined in the Indenture) for the security of the Series 2026 Bonds, superior to all other liens except the lien securing any additional Bonds (as defined in the Indenture) to be issued under the Indenture on a parity with the Series 2026 Bonds. All conditions precedent to the issuance of the Series 2026 Bonds as set forth in the Indenture have been fulfilled.

4. The Series 2026 Bonds have been duly authorized, executed, and delivered by the City and are valid and binding limited obligations of the City, payable solely from the Trust Estate.

5. The Assessment Proceedings (as defined in the Indenture) have been taken in accordance with South Carolina law, the City has taken all action necessary to levy and impose the Assessments (as defined in the Indenture), and the Assessments are legal, valid, and binding

liens upon the property against which the Assessments are made, superior to all other liens except property taxes.

6. Interest on the Series 2026 Bonds is excludable from gross income for federal and South Carolina income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Series 2026 Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal and South Carolina income tax purposes under Section 103 of the Code. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Series 2026 Bonds to be includable in gross income for federal and South Carolina income tax purposes retroactively to the date of issuance of the Series 2026 Bonds.

It is to be understood that the rights of the owners of the Series 2026 Bonds and the enforceability of the Series 2026 Bonds and the Indenture may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionality applicable and by equitable principles, whether considered at law or in equity. We express no opinion as to the enforceability of any indemnification provisions in the Indenture.

Except as expressly stated above, we express no opinion regarding any other federal or state income tax consequences of acquiring, carrying, owning, or disposing of the Series 2026 Bonds. Owners of the Series 2026 Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Series 2026 Bonds, which may include original issue premium, purchase at market discount or at a premium, taxation upon sale, redemption, or other disposition, and various withholding requirements.

We have examined executed Series 2026 Bond No. R-1 and, in our opinion, it is in due form of law.

We advise you that certain circumstances set forth in the Indenture require the delivery of supplemental opinions of bond counsel. Our opinion expressed herein speaks only as of the date of this letter. The availability of such supplemental opinion will depend upon the facts and law existing at the time the supplemental opinion is sought.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Our services as Bond Counsel for purposes of rendering the foregoing opinions have been based on our review of such legal proceedings, documents, and certificates from the City as we deem necessary to make the statements contained in this letter with respect to the validity of the Series 2026 Bonds, and the tax-exempt status of the interest on the Series 2026 Bonds. We have not examined any documents or other information concerning the business or financial resources of the City or the sufficiency of the Assessments to timely pay debt service on the Series 2026 Bonds, and we express no opinion herein as to the accuracy or completeness of any information with respect to the City or the Assessments that may have been relied upon by the owners of the Series 2026 Bonds in making their decision to purchase the Series 2026 Bonds.

Very truly yours,

APPENDIX D

FORMS OF CONTINUING DISCLOSURE AGREEMENTS

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APPENDIX D-1

CITY CONTINUING DISCLOSURE AGREEMENT

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CONTINUING DISCLOSURE AGREEMENT

City of Hardeeville, South Carolina
$[Amount] Hilton Head Lakes West Tract Improvement District
Assessment Revenue Bonds, Series 2026

This Continuing Disclosure Agreement (the "*Disclosure Agreement*") is executed and delivered on _____, 2026, by the **CITY OF HARDEEVILLE, SOUTH CAROLINA** (the "*City*") and **MUNICAP, INC.**, as dissemination agent (the "*Disclosure Dissemination Agent*"), in connection with the issuance by the City of its $[Amount] aggregate principal amount of Hilton Head Lakes West Tract Improvement District Assessment Revenue Bonds, Series 2026 (the "*Bonds*").

The Bonds are being issued pursuant to a Master Trust Indenture dated as of _____, 2026 (the "*Master Indenture*"), as supplemented by a First Supplemental Trust Indenture dated as of _____, 2026 (collectively with the Master Indenture, the "*Indenture*"), each by and between the City and U.S. Bank Trust Company, National Association, as trustee (the "*Trustee*"). This Disclosure Agreement is being executed and delivered by the City and the Disclosure Dissemination Agent for the benefit of the Holders of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (as defined below).

SECTION 1. ***Definitions.*** Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Master Indenture or in the Limited Offering Memorandum (as defined herein). The capitalized terms shall have the following meanings:

"Administrative Services Agreement" means the agreement by that name between the City and MuniCap, Inc., as administrator.

"Annual Filing Date" means the March 1 (or if such date is not a Business Day, on the next succeeding Business Day) following the end of a Fiscal Year, which is the date by which the Annual Report is to be filed with the MSRB. If the City changes its Fiscal Year, then the Annual Filing Date may be changed by the City by providing written notice to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent shall provide notice of the change in the Annual Filing Date to the MSRB.

"Annual Filing Information" means the information specified in Section 3 of this Disclosure Agreement.

"Annual Report" means the annual reports described in and consistent with Section 3 of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements of the City for the prior fiscal year, certified by an independent auditor, as prepared in accordance with generally accepted accounting principles, as specified in Sections 2 and 3 of this Disclosure Agreement.

"Bonds" means the bonds as listed on the attached **Exhibit A**, with the 9-digit CUSIP numbers relating thereto.

"Developers" means LK Development Group, LLC and Lennar Carolinas, LLC, each a Delaware limited liability company, and their successors and assigns.

"Developers' Continuing Disclosure Agreements" shall mean the Developers' Continuing Disclosure Agreements, each of even date herewith by and between MuniCap Inc., as Dissemination Agent, and each of the respective Developers.

"Disclosure Dissemination Agent" means the Person or Person from time to time selected by the City to serve as disclosure dissemination agent hereunder, or any successor disclosure dissemination agent hereunder subsequently designated in writing by the City and which has filed with the City a written acceptance of such designation. MuniCap, Inc. is the initial Disclosure Dissemination Agent, subject to the terms of the Administrative Services Agreement.

"Disclosure Representative" means the Person from time to time selected by the City and designated in writing to the Disclosure Dissemination Agent as the Person to serve as Disclosure Representative hereunder. MuniCap, Inc. is the initial Disclosure Representative and serves in such capacity, until resignation or removal as Disclosure Representative and the payment of fees and expenses incurred as Disclosure Representative, subject to the terms of the Administrative Services Agreement.

"District" means the Hilton Head Lakes West Tract Improvement District.

"Financial Obligation" means (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either clause (a) or (b) above. The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"*Fiscal Year*" means the twelve-month period beginning July 1 of each calendar year and ending on June 30 of the following calendar year or such other consecutive twelve-month period as may be established by the City for budgeting and accounting purposes as authorized by South Carolina law.

"Holder" means a person (a) which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Information" means the Annual Filing Information, the Notice Event notices, and the Voluntary Reports.

"Limited Offering Memorandum" means that Limited Offering Memorandum dated _____, 2026, prepared in connection with the issuance of the Bonds.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

"Notice Event" means any of the events listed in Section 4(a) of this Disclosure Agreement, as well as the event described in Section 2(c) of this Disclosure Agreement.

"Participating Underwriter" means Stifel, Nicolaus & Company, Incorporated, Bethesda, Maryland.

"Person" means an individual, estate, trust, corporation, partnership, limited liability company or any other organization or entity (whether governmental or private).

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, as in effect on the date of this Disclosure Agreement, including any official interpretations thereof issued either before or after the effective date of this Disclosure Agreement which are applicable to this Disclosure Agreement.

"State" means the State of South Carolina.

"Voluntary Report" means the report provided to the Disclosure Dissemination Agent by the City pursuant to Section 7 of this Disclosure Agreement.

SECTION 2. ***Provision of Annual Reports.***

(a) The City, or the Disclosure Representative on the City's behalf, shall provide, annually, an electronic copy of the Annual Report to the Disclosure Dissemination Agent, not later than 15 days prior to the Annual Filing Date, commencing with the March 1, 2027 Annual Filing Date. Upon receipt of an electronic copy of such Annual Report, the Disclosure Dissemination Agent shall provide such Annual Report to the MSRB not later than the Annual Filing Date, or such period of time as is reasonably acceptable. Notwithstanding the foregoing, any component of the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement; provided, further, that if the Audited Financial Statements are not available by March 1 of the applicable year, unaudited financial statements are required to be delivered as part of the Annual Report, on or before such Annual Filing Date, in a format similar to the Audited Financial Statements, with the Audited Financial Statements to be delivered as soon as they are available. If the City's fiscal year changes, the City shall give notice of such change in the same manner as for a Notice Event under Section 4 of this Disclosure Agreement.

(b) If the City, or the Disclosure Representative on the City's behalf, is unable to provide the Annual Report to the Disclosure Dissemination Agent within 15 days of the Annual Filing Date of the applicable year, the City or the Disclosure Representative on the City's behalf, in a timely manner shall send a notice to the Disclosure Dissemination Agent in substantially the form attached as **Exhibit B**.

(c) If the Disclosure Dissemination Agent has not received an Annual Report by 12:00 noon on the first business day following the Annual Filing Date for the Annual Report, a Notice Event shall have occurred and the City irrevocably directs the Disclosure Dissemination Agent to promptly send a notice to the MSRB in substantially the form attached as **Exhibit B**.

Unless otherwise required by the MSRB, all notices, documents and information provided to the MSRB shall be provided to the MSRB's Electronic Municipal Market Access ("EMMA") system, the current Internet Web address of which is www.emma.msrb.org. All notices, documents and information provided to the MSRB shall be in an electronic format as prescribed by the MSRB.

SECTION 3. ***Content of Annual Reports.*** Each Annual Report shall contain the following Annual Filing Information with respect to the District, which shall be provided no later than the Annual Filing Date:

1. A report in substance and form substantially as shown on **Exhibit C** attached hereto; and

2. The Audited Financial Statements of the City, subject to the terms and conditions of Section 2(a) of this Disclosure Agreement.

The Annual Filing Information set forth in subsection 1 above shall contain updates to the information and tables substantially in the format shown on **Exhibit C** attached hereto; provided, however, that as and to the extent any of such items are included in the Audited Financial Statements referred to in subsection 2 above, such items do not have to be separately set forth in the report referred to in subsection 1 above. In addition, any or all of the items shown on **Exhibit C** may be included by specific reference from other documents which have been previously filed with the MSRB. If the document incorporated by

reference is a final official statement, it must be available from the MSRB. The City will clearly identify each such document so incorporated by reference.

SECTION 4. ***Reporting of Notice Events.***

(a) Pursuant to the provisions of this Section 4, the City shall promptly give or cause to be given written notice to the Disclosure Dissemination Agent of the occurrence of any of the following events with respect to the Bonds:

(i) Principal and interest payment delinquencies;

(ii) Non-payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;

(vii) Modifications to rights of Bond holders, if material;

(viii) Bond calls, if material, and tender offers (other than pursuant to an extraordinary redemption under the terms of the Indenture);

(ix) Defeasances;

(x) Upon obtaining actual knowledge thereof, the release, substitution, or sale of property securing repayment of the Bonds, but with respect to any such sale, only if such sale is a Material Transfer (as defined in the Developers' Continuing Disclosure Agreements);

(xi) Rating changes, if any, on the Bonds;

(xii) Bankruptcy, insolvency, receivership or similar Event of the City (for the purposes of this Disclosure Agreement, an Event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City);

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

The City will, upon determination that knowledge of the occurrence of a Notice Event which is subject to a materiality determination would be material under applicable federal securities laws, promptly notify the Disclosure Dissemination Agent. Such notice shall be accompanied with the text of the disclosure that the City desires to make, the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information, and the date the City desires for the Disclosure Dissemination Agent to disseminate such information.

On the occurrence of a Notice Event, the Disclosure Dissemination Agent, on behalf of the City, shall file a notice of the Notice Event, in the form provided by the City, in a timely manner, not in excess of ten business days of such occurrence or such period of time as is reasonably acceptable, with the MSRB.

SECTION 5. ***CUSIP Numbers.*** Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, notices of Notice Events, and Voluntary Reports filed pursuant to Section 8(a) of this Disclosure Agreement, the City shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. ***Additional Disclosure Obligations.*** The City acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the City, and that the failure of the Disclosure Dissemination Agent to so advise the City shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The City acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement. The City and Disclosure Dissemination Agent acknowledge and understand that the duties of the Disclosure Representative relate exclusively to execution of the mechanical tasks of helping the City prepare the Annual Filing Information, excluding the Audited Financial Statements, and if directed by the City to do so, to provide the Annual Report to the Disclosure Dissemination Agent.

SECTION 7. ***Voluntary Reports.***

(a) The City may instruct the Disclosure Dissemination Agent to file information with the MSRB, from time to time, a "Voluntary Report."

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Annual Filing Information, Voluntary Report or Notice Event notice, in addition to that required by this Disclosure Agreement. If the City chooses to include any information in any Annual Report, Annual Filing Information, Voluntary Report or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement, the City shall not have any obligation under this Disclosure

Agreement to update such information or include it in any future Annual Report, Annual Filing Information, Voluntary Report or Notice Event notice.

SECTION 8. ***Termination of Reporting Obligation.*** The obligations of the City and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 9. ***Disclosure Dissemination Agent.*** In accordance with the terms and provisions hereof and the Administrative Services Agreement, the City hereby appoints MuniCap, Inc. ("MuniCap"), as Disclosure Dissemination Agent. MuniCap hereby agrees to provide the services of Disclosure Dissemination Agent hereunder. The City may, upon thirty days written notice to MuniCap, remove MuniCap, as Disclosure Dissemination Agent under this Disclosure Agreement. Likewise, MuniCap may, upon thirty-days written notice to the City, resign as Disclosure Dissemination Agent under this Disclosure Agreement. In either such case, MuniCap's services as Disclosure Dissemination Agent shall be terminated. Upon termination of MuniCap's services as Disclosure Dissemination Agent, whether by notice of the City or MuniCap, the City will appoint a successor Disclosure Dissemination Agent for the benefit of the Holders of the Bonds or, alternatively, will assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor Disclosure Dissemination Agent, the City shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent hereunder (including fees and expenses of its legal counsel). It is expressly understood that amounts due and payable to the Disclosure Dissemination Agent and its legal counsel shall constitute Administrative Expenses, under and as defined in the Master Indenture, and pursuant to the Master Indenture such Administrative Expenses may be paid from Assessments.

SECTION 10. ***Remedies in Event of Default.*** In the event of a failure of the City to comply with any provision of this Disclosure Agreement, the Disclosure Dissemination Agent, at the written request of the Holders of at least a majority in aggregate principal amount in Outstanding Bonds and after provision is made for the payment of all expenses of the Disclosure Dissemination Agent (including fees and expenses of its legal counsel or other advisors) or receipt of indemnity therefor, each to the sole satisfaction of the Disclosure Dissemination Agent, shall take such actions as may be necessary and appropriate, including action in mandamus or for specific performance, to compel performance of the City's obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. ***Duties and the Limited Liability of the Disclosure Dissemination Agent.***

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in the Administrative Services Agreement and this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the reports and information at the times and with the contents described herein shall be limited to the extent the City, or the Disclosure Representative on the City's behalf, has provided such reports or information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify, nor be responsible for, any Information or any other information, disclosures or notices provided to it by the City, or the Disclosure Representative on the City's behalf. The Disclosure Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the Developers, the City, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall not be charged with actual or constructive notice of any matter known to the Trustee. The Disclosure Dissemination Agent shall have no responsibility for the City's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure

Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the City has complied with this Disclosure Agreement. No person shall have any claim against the Disclosure Dissemination Agent, or any of its officers, officials, agents or employees, for damages suffered as a result of the Disclosure Dissemination Agent's failure to perform in any respect any covenant, undertaking, or obligation under this Disclosure Agreement; provided, however, that nothing contained herein shall be construed to preclude any action or proceeding in any court or before any governmental body, agency or instrumentality against the Disclosure Dissemination Agent or any of its officers, officials, agents or employees to specifically enforce the provisions of this Disclosure Agreement.

The obligations of the City under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of their own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and the Disclosure Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the City.

SECTION 12. ***Duties and the Limited Liability of the Disclosure Representative.***

(a) The Disclosure Representative shall have only such duties as are specifically set forth in the Administrative Services Agreement and this Disclosure Agreement. The Disclosure Representative shall have no duty with respect to the delivery of the Annual Report unless directed by the City to do so. The Disclosure Representative shall have no duty or obligation to review or verify, nor be responsible for, any information provided to it by the administrator of the District, the Trustee, the City, Jasper County or the Developers. The Disclosure Representative shall not be deemed to be acting in any fiduciary capacity for, nor is serving as a Municipal Adviser (as defined by SEC Rule 15Ba1) for, the Developers, the City, the Holders of the Bonds, the Trustee, the Disclosure Dissemination Agent or any other party. The Disclosure Representative shall have no responsibility for the City's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Representative shall have no duty to determine, or liability for failing to determine, whether the City has complied with this Disclosure Agreement. No person shall have any claim against the Disclosure Representative, or any of its officers, officials, agents or employees, for damages suffered as a result of the Disclosure Representative's failure to perform in any respect any covenant, undertaking, or obligation under this Disclosure Agreement; provided, however, that nothing contained herein shall be construed to preclude any action or proceeding in any court or before any governmental body, agency or instrumentality against the Disclosure Representative or any of its officers, officials, agents or employees to specifically enforce the provisions of this Disclosure Agreement.

(b) The Disclosure Representative may, from time to time, consult with legal counsel (either in-house or external) of their own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and the Disclosure Representative shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the City.

SECTION 13. ***State-Mandated Continuing Disclosure.*** In addition to the requirements in this Disclosure Agreement, the City agrees, pursuant to the requirements of Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended, to file with a central repository for availability in the secondary bond market when requested (a) its annual independent audit within 30 days of receipt and (b) event-specific information within 30 days of an event adversely affecting more than five percent of its revenue or tax base.

The City expects that in meeting the requirements of Sections 2, 3 and 4 of this Disclosure Agreement, it will also meet the requirements of this Section; however, to the extent the City is required to file certain information according to State law which is not required to be filed under Sections 2, 3 and 4 of this Disclosure Agreement or other provisions of this Disclosure Agreement, the City will provide such information to the MSRB. However, under no circumstance will the City's compliance with this covenant require the Disclosure Dissemination Agent to make any additional filing with any such central repository absent a written, clear direction from the City to the Disclosure Dissemination Agent and payment of the Disclosure Dissemination Agent's reasonable fees and costs associated with such filing.

SECTION 14. ***Amendment; Waiver.*** Notwithstanding any other provision of this Disclosure Agreement, the Disclosure Dissemination Agent and the City may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, provided that the amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of the Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders of the Bonds. In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Disclosure Dissemination Agent shall describe such amendment in the next report provided pursuant to Section 2 of this Disclosure Agreement, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type of information being presented by the City.

SECTION 15. ***Limited Liability of the City.*** Any and all obligations of the City arising out of or related to this Disclosure Agreement are special obligations of the City and shall not constitute a general obligation debt of the City or a pledge of the City's full faith and credit, and the City's obligations to make any payments hereunder are restricted entirely to the Trust Estate and the Administrative Expenses Fund (which is expressly excluded from the Trust Estate under the terms of the Master Indenture) and from no other source. No person, including any Holder, shall have any claim against the City or any of its officers, officials, agents or employees for damages suffered as a result of the City's failure to perform in any respect any covenant, undertaking, or obligation under this Disclosure Agreement, the Bonds or any other agreement, document, instrument or certificate executed, delivered or approved in connection with the issuance, sale and delivery of the Bonds (collectively, the "Bond Documents") or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent expressly set forth in this Disclosure Agreement, or in the Bond Documents, provided however, that, subject to Section 11 of this Disclosure Agreement, nothing contained herein shall be construed to preclude any action or proceeding in any court or before any governmental body, agency or instrumentality against the City or any of its officers, officials, agents or employees to specifically enforce the provisions of this Disclosure Agreement.

SECTION 16. ***Severability.*** In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 17. ***Beneficiaries.*** This Disclosure Agreement shall inure solely to the benefit of the City, the Disclosure Dissemination Agent, the Participating Underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 18. ***Governing Law.*** This Disclosure Agreement shall be governed by the laws of the State of South Carolina.

SECTION 19. ***Counterparts.*** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 20. ***Notice***. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

If to the Disclosure Dissemination Agent:	MuniCap, Inc. 8965 Guilford Road, Suite 210 Columbia, Maryland 21046 Attention: Keenan Rice keenan.rice@municap.com
If to the City:	City Manager City of Hardeeville, South Carolina 205 Main Street Hardeeville, South Carolina 29927

[*Remainder of Page Left Blank*]

The Disclosure Dissemination Agent and the City have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

CITY OF HARDEEVILLE, SOUTH CAROLINA

By:_____
City Manager

MUNICAP, INC.,
as Disclosure Dissemination Agent

By:_____
Vice President

EXHIBIT A
NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer: City of Hardeeville, South Carolina

Name of Bond Issue: $_____ Hilton Head Lakes West Tract Improvement District Assessment Revenue Bonds, Series 2026

Date of Issuance: _____, 2026

Date of Limited Offering Memorandum: _____, 2026

CUSIP Numbers:

Maturity Date	CUSIP

EXHIBIT B
NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Hardeeville, South Carolina (the "City")

Name of Bond Issue: $_____ Hilton Head Lakes West Tract Improvement District Assessment Revenue Bonds, Series 2026

Date of Issuance: _____, 2026

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Agreement, dated _____, 2026, between the City and MuniCap, Inc., as Disclosure Dissemination Agent. *[The following sentence will be included in this Notice if such information is available and provided by the City to the Disclosure Dissemination Agent by a date which allows the Disclosure Dissemination Agent to meet its obligations in Section 2(b) and (c) of the Continuing Disclosure Agreement]* The City has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be provided to the Disclosure Dissemination Agent by _____.

Dated: _____

MUNICAP, INC., as Disclosure Dissemination Agent, on behalf of the City

By: _____
Name: _____
Title: _____

cc: City of Hardeeville

EXHIBIT C
FORM OF ANNUAL REPORT

City of Hardeeville, South Carolina
Hilton Head Lakes West Tract Improvement District
Assessment Revenue Bonds, Series 2026

The information in this report is provided to meet the annual reporting requirements of City of Hardeeville, South Carolina (the "City") provided for in Section 3 of the Continuing Disclosure Agreement dated _____, 2026 (the "Continuing Disclosure Agreement"), between the City and MuniCap, Inc. (the "Dissemination Agent"). The information provided in this report comprises the Annual Filing Information to be included in the Annual Report to be filed on or before the Annual Filing Date (each as defined in the Continuing Disclosure Agreement).

The City, or the Disclosure Representative on the City's behalf, has prepared this report. The information presented in this report was provided by a number of sources and is believed to be accurate; however, the Dissemination Agent has made no efforts to independently verify this information. All information in this Annual Report is provided as of December 31, 20___, unless otherwise stated.

The information provided herein is not intended to supplement or otherwise relate to the information provided in the Limited Offering Memorandum relating to the Bonds (as defined in the Continuing Disclosure Agreement) and any such intent is expressly disavowed. Rather, this report responds to the specific requirements of the Continuing Disclosure Agreement.

A. ACCOUNT AND FUND BALANCES

Table 1 below shows the account balances as of December 31, _____, interest paid, additional proceeds and disbursements during the year ending December 31, ____ for all of the funds and accounts provided for in the Master Indenture (as defined in the Continuing Disclosure Agreement).

TABLE 1
Fund Balances

Fund or Account	Balance 12/31/__	Disbursements	Additional Proceeds	Interest Earned	Balance 12/31/__
Revenue Fund					
Administrative Expenses Fund					
Principal Account					
Interest Account					
Prepayment Account					
Bond Redemption Fund					
Sinking Fund Account					
Debt Service Reserve Account					
Cost of Issuance Account					
General Account					
Total					

B. CHANGES TO THE RATE AND METHOD OF APPORTIONMENT OF ASSESSMENTS

The following is a list of all changes, if any, to the Rate and Method of Apportionment of Assessments since the previous year's Annual Report.

(Describe here, if any)

C. ASSESSMENTS BILLED AND COLLECTED

Annual Assessment billings totaling $_____ were billed for the 20__-20__ Assessment Year. These annual Assessment billings were due January 15, 20__. As of January __, 20__, the City reports that annual Assessment billings in the amount of $_____ have been collected, representing approximately __ percent of the annual Assessment billings for the 20__-20__ Assessment Year. As of January __, 20__, the City reports that annual Assessment billings in the amount of $_____ remain outstanding, representing approximately __ percent of the annual Assessment billings for the 20__-20__ Assessment Year.

D. OUTSTANDING ASSESSMENT BILLINGS

As of January __, 20__, the City reports outstanding Assessment billings as shown in the table below.

[Table to be provided]

If the amount of outstanding Assessment billings is more than 10 percent of the amount of the Assessments billed in any Assessment Year, the property owners responsible for the outstanding Assessment billings in that Assessment Year shall be provided.

E. FORECLOSURE PROCEEDINGS

Table 2 below shows the amount of Assessment billings subject to foreclosure proceedings for any relevant Assessment Year.

Table 2
Assessment Billings Subject to Foreclosure Proceedings

Status	Assessment Billings for 20__ Assessment Year
Subject to foreclosure but not yet instituted	$0
Foreclosure instituted but have not been concluded	$0
Reduced to judgment but not collected	$0
Judgment collected	$0
Total	**$0**

F. ANNUAL ASSESSMENTS BY PROPERTY OWNER

Table 3 below lists any property owners responsible for the payment of more than five percent of the Assessments billed in the most recent Assessment Year, the amount of Assessments billed to such property owner and the percentage of such billed Assessments relative to the entire annual billing of Assessments.

Table 3
Concentration of Annual Assessments by Property Owner

Owner	Annual Assessments Billed	Percentage of Total
Total		

G. PREPAYMENT OF ASSESSMENTS AND REDEMPTION BY PREPAYMENTS

The following is a list of any Assessment prepayments received since the prior Annual Report, if any, and the amount of Bonds redeemed or called for redemption as a result of such Assessment prepayments.

[List, if any]

H. DEBT SERVICE SCHEDULE

Table 4 below shows the debt service schedule for the remaining term of the Bonds as of the date of this Annual Report.

Table 4
Debt Service Schedule

Year Ending October 1	Principal	Annual Interest Expense	Total Debt Service
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
2054			
2055			
2056			
Total			

I. UNPLATTED PROPERTY ASSESSMENTS

The following table represents an indication of the amount and percentage of the Annual Assessment Payments that are billed to (i) Platted Property and Lot Property and (ii) Unplatted Property (if any) based upon the Annual Assessment billings for the 20__-20__ Assessment Year.

Table 5
Annual Assessment Billings for Unplatted Property

Billed Annual Assessment Installments		
Platted Property[(1)]	$	%
Unplatted Property[(1)]		%
Total Billed Annual Assessment Installments	$	100.00%

(1) Represents billed Annual Assessment Installments for the 20__-20__ Assessment Year.

J. AUDITED FINANCIAL STATEMENTS

The City's Audited Financial Statements for the City's fiscal year ended June 30, ___, have been separately provided on EMMA (as defined in the Continuing Disclosure Agreement).

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APPENDIX D-2

DEVELOPER CONTINUING DISCLOSURE AGREEMENT

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DEVELOPER'S CONTINUING DISCLOSURE AGREEMENT

City of Hardeeville, South Carolina
$[Amount] Hilton Head Lakes West Tract Improvement District
Special Assessment Revenue Bonds, Series 2026

This Developer's Continuing Disclosure Agreement (the "*Disclosure Agreement*") is executed and delivered on _____, 2026, by **LK DEVELOPMENT GROUP, LLC**, a Delaware limited liability company (the "*Developer*"), and **MUNICAP, INC.** (the "*Disclosure Dissemination Agent*") in connection with the issuance by the City of Hardeeville, South Carolina (the "*City*") of its $[Amount] aggregate principal amount of Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series 2026 (the "*Bonds*").

The Bonds are being issued pursuant to a Master Trust Indenture dated as of _____, 2026 (the "*Master Indenture*"), as supplemented by a First Supplemental Trust Indenture dated as of _____, 2026 (collectively with the Master Indenture, the "*Indenture*"), each by and between the City and U.S. Bank Trust Company, National Association (the "*Trustee*"). This Disclosure Agreement is being executed and delivered by the Developer for the benefit of the Holders of the Bonds.

SECTION 1. ***Definitions.*** All capitalized terms used herein shall be as defined in the Master Indenture or in the hereinafter defined Limited Offering Memorandum. In addition, the following capitalized terms shall have the following meanings:

"Affiliate" shall mean any Person directly or indirectly controlling, controlled by, or under common control with, the Developer. For the purposes of this definition, "control" (including with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, partnership interests, membership interests or by contract or otherwise.

"City" means the City of Hardeeville, South Carolina.

"Credit Facility" means any financing arrangement entered into by the Developer or any Affiliate of the Developer (other than Bonds) in connection with the development of the Developer Portion of the District.

"Developer" means LK Development Group, LLC, a Delaware limited liability company.

"Developer Portion of the District" means the District, excluding the Lennar Portion of the District.

"Disclosure Dissemination Agent" means MuniCap, Inc., or any successor disclosure dissemination agent subsequently designated in writing by the City and which has filed with the City and the Developer a written acceptance of such designation.

"District" means the Hilton Head Lakes West Tract Improvement District.

"Holder" means a person (a) which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

"*Land Bank Owner*" means, in connection with any Land Bank Transaction in which the Developer has not exercised the option to repurchase the applicable land, the owner of such land.

"*Land Bank Transaction*" means the sale of all or substantially all of the land within the Developer Portion of the District by the Developer to a buyer that includes an option of the Developer to repurchase such land from such buyer.

"Lennar Land Bank Owner" means, in connection with any Lennar Land Bank Transaction in which Lennar has not exercised the option to repurchase the applicable land, the owner of such land.

"Lennar Land Bank Transaction" means the sale of land within the District to a buyer that includes an option of Lennar to repurchase such land from such buyer.

"Lennar Portion of the District" means the portions of the real property within the District now or hereafter owned by Lennar or a Lennar Land Bank Owner or any of their successors.

"Limited Offering Memorandum" means that Limited Offering Memorandum dated _____, 2026, prepared in connection with the issuance of the Bonds.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

"Participating Underwriter" means Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri.

"Person" means an individual, estate, trust, corporation, partnership, limited liability company or any other organization or entity (whether governmental or private).

"Reporting Date" means each March 31, June 30, September 30, and December 31, commencing September 30, 2026.

"State" means the State of South Carolina.

SECTION 2A. ***Provision of Quarterly Statements.***

(a) The Developer shall, within 30 days of the end of each quarterly period ending on a Reporting Date, provide a report to the Disclosure Dissemination Agent which provides the following information with respect to the Developer Portion of the District as of the end of such quarterly period, and the Disclosure Dissemination Agent shall cause such report to be provided to MSRB, the Participating Underwriter (by email to _____), and the City within 15 days of the Disclosure Dissemination Agent's receipt thereof:

(i) Prior to completion of the 2026 Project and delivery and acceptance thereof by the applicable governmental entities, a statement as to the status of the completion of components of the 2026 Project, as described and listed under the heading of the Limited Offering Memorandum, "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT—Report of Developer Engineer; Public Improvements";

(ii) A statement as to any material change in (A) the Developer's Development Budget, and (B) the expected plans by the Developer to develop the Developer Portion of the District, together with updates of the table under "THE DISTRICT—Development Budget" and the tables under "THE DISTRICT—Current Development Status and Plan—*Overview*" and "—Projected Absorption;"

(iii) A list of Lot Sale Agreements or Bulk Sale Agreements that the Developer has entered into or closed during the applicable quarterly period, including statements describing the applicable Pod, or portion thereof, the purchaser or prospective purchaser, as applicable, and the scope of the Developer's delivery of real property under such Lot Sale Agreement or Bulk Sale Agreement;

(iv) A statement as to the following as of the applicable Reporting Date:

(A) Total number of platted lots, including finished homes, within each Pod owned by (i) the Developer, (ii) Builders, (iii) Other Residential Developers, and (iv) a homeowner; and

(B) Total acres of Unplatted Property within each Pod owned by (i) the Developer, (ii) Builders, and (iii) Other Residential Developers and the anticipated number of Parcels of Platted Property to be developed within the Unplatted Property for each Pod.

(v) A statement as to the following during the quarterly period ending on the applicable Reporting Date:

(A) Total number of lots platted in each Pod;

(B) Total number of lots within each Pod sold to Builders and the name of each such Builder;

(C) Total amount of acres within each Pod sold to Other Residential Developers and the name of each such Other Residential Developer;

(D) Total number of building permits issued within each Pod;

(E) Total number of homes within each Pod under contract to be sold to homeowners (excluding homes under contract and sold during such quarterly period); and

(F) Total number of homes within each Pod sold and the average sales price of such homes.

(vi) A statement with respect to any Credit Facility, including the name of the lender, the loan balance, the remaining term, the existence of a mortgage or other encumbrance against property within the Developer Portion of the District, and the existence of any default under such Credit Facility;

(vii) A statement as to material changes, if any, in the form, organization or ownership of the Developer or any Affiliate who owns more than 100 acres of the property in the Developer Portion of the District;

(viii) Any material amendment or supplement to the Development Agreement affecting the Developer, and a statement concerning any material change in the zoning or land use laws or regulations applicable to the development of the Developer Portion of the District that would have a material adverse impact on the Developer's ability to develop the Developer Portion of the District, as contemplated in the Limited Offering Memorandum;

(ix) A statement or statements as to the existence of any administrative or judicial challenge or the status of any adverse litigation against the Developer or any Affiliate that owns more than 100 acres of property within the Developer Portion of the District which, if adversely decided, could be reasonably expected to have a material adverse effect on such party's ability to perform its obligations under the Development Agreement, construct the 2026 Project or to develop the Developer Portion of the District to be developed by the Developer as contemplated by the Limited Offering Memorandum; and

(x) A statement as to any material default by the Developer with respect to any material public works agreement, permit, or approval with respect to the Developer Portion of the District.

(b) The information under this Section 2A may be delivered to the Disclosure Dissemination Agent in the form attached to this Disclosure Agreement as Schedule I.

(c) If the Developer does not provide the report specified in subsection (a) of this Section to the Disclosure Dissemination Agent within 30 days of the end of each quarterly period, as applicable, then the Disclosure Dissemination Agent in a timely manner will provide notice of the lack of submission of such report to the MSRB.

(d) If (i) more than 50% of the total amount of residential units planned to be built in the Developer Portion of the District have been sold to individual homeowners, (ii) the Developer has given written notice thereof to the Disclosure Dissemination Agent, and (iii) the Disclosure Dissemination Agent has verified the same in writing, then the Developer's reporting obligation under this Section 2A shall be changed from quarterly to semi-annual and, accordingly, (A) each reference in this Section 2A to a quarterly period or the provision of quarterly statements shall be automatically amended to refer to a semi-annual period or the provision of semi-annual statements, (B) the definition of "*Reporting Date*" in Section 1 hereof shall be amended to read as follows: *"Reporting Date"* means each June 30 and December 31", and (C) the reference to the quarterly statement in Schedule I attached hereto shall be automatically amended to refer to the semi-annual statement. The terms of this subsection (d) shall take effect immediately following the satisfaction of the conditions set forth in items (i) – (iii) of the first sentence of this subsection (d) and the initial semi-annual report shall be provided by the Developer to the Disclosure Dissemination Agent within 30 days of the end of the first semi-annual period ending on a Reporting Date (as such term is defined under this subsection).

(e) The Disclosure Dissemination Agent shall provide documentation to the Developer confirming that the report provided by the Developer has been provided to the MSRB pursuant to this Disclosure Agreement and stating the date it was provided.

(f) Unless otherwise required by the MSRB, all reports, notices, and documents provided by the Disclosure Dissemination Agent to the MSRB shall be provided to the MSRB's Electronic Municipal Market Access (EMMA) system, the current Internet Web address of which is www.emma.msrb.org. All reports, notices, and documents provided by the Developer to the Disclosure Dissemination Agent shall be in an electronic format acceptable to the MSRB.

SECTION 2B. ***Reporting of Significant Events***. Whenever any of the officers of the Developer in charge of the routine day-to-day operations of the Developer's activities within the Developer Portion of the District obtains actual knowledge of the occurrence of one or more of the following events, the Developer shall provide a report stating the particulars of such event the Disclosure Dissemination Agent within five business days of obtaining such actual knowledge (provided for purposes of any event described in subsection (a) below, this period shall be ten days, as provided in such subsection, which shall be inclusive of the five business days referred to above) and the Disclosure Dissemination Agent shall promptly provide such report to the City and shall promptly provide such report to the MSRB:

(a) failure to pay by the due date the Assessments billed to a parcel within the Developer Portion of the District owned by the Developer and any Affiliate which failure to pay by the due date is in an amount in excess of $10,000 and only if such Assessments remain unpaid more than ten days after any of the officers of the Developer in charge of the routine day-to-day activities within the Developer Portion of the District has obtained actual knowledge of such failure to pay;

(b) any appeal by the Developer or an Affiliate of any Assessment imposed on a parcel or parcels in the Developer Portion of the District owned by the Developer or any Affiliate, which parcel or parcels comprise 130 acres or more of property;

(c) material damage to or destruction of any material development or improvements owned by the Developer, any Affiliate, or any Land Bank Owner within the Developer Portion of the District;

(d) the filing in bankruptcy by or with respect to, the Developer or any Affiliate that owns property within the Developer Portion of the District or any determination that the Developer is unable to pay its debts as they become due; and

(e) the filing of any adverse litigation against the Developer or any Affiliate that owns property within the Developer Portion of the District which, if adversely decided, could be reasonably expected to have a material adverse effect on such party's ability to perform its obligations under the Development Agreement or develop the Developer Portion of the District as contemplated by the Limited Offering Memorandum.

SECTION 3. ***Termination of Reporting Obligation; Limitations on Reporting Obligations.*** The Developer's obligations under this Disclosure Agreement shall terminate upon the earlier of (1) legal defeasance of all of the Bonds, (2) prior redemption of all of the Bonds, and (3) payment in full of all of the Bonds. In addition, if the Developer transfers property in the Developer Portion of the District to a Person who is not an Affiliate or Land Bank Owner, the Developer's obligations under this Disclosure Agreement with respect to such property shall terminate upon such transferee's assumption in writing of the Developer's obligations under this Disclosure Agreement with respect to such property or such transferee entering a disclosure agreement substantially similar to this Disclosure Agreement with respect to such property. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, TO THE EXTENT DEVELOPER (OR A LAND BANK OWNER) IS NOT THE OWNER OF REAL PROPERTY WITHIN THE DEVELOPER PORTION OF THE DISTRICT AS OF THE APPLICABLE REPORTING DATE (SUCH REAL PROPERTY NOT OWNED BY THE DEVELOPER (OR A LAND BANK OWNER) BEING COLLECTIVELY REFERRED TO AS, THE "THIRD PARTY PROPERTY"), THE DEVELOPER (I) SHALL ONLY BE OBLIGATED TO USE COMMERCIALLY REASONABLE EFFORTS TO OBTAIN FROM THE OWNERS OF THE THIRD PARTY PROPERTY THE INFORMATION NEEDED TO MAKE THE STATEMENTS AND REPORTING CONTEMPLATED BY SECTION 2A AND SECTION 2B HEREOF WITH RESPECT TO THE THIRD PARTY PROPERTY (COLLECTIVELY, THE "THIRD PARTY PROPERTY INFORMATION") AND SO LONG AS SUCH COMMERCIALLY REASONABLE EFFORTS ARE SO USED, THE DEVELOPER SHALL NOT BE IN DEFAULT UNDER THIS AGREEMENT TO THE EXTENT THE OWNER OF THE THIRD PARTY PROPERTY DOES NOT TIMELY PROVIDE THIRD PARTY PROPERTY INFORMATION TO THE DEVELOPER, AND (II) SHALL NOT AND DOES NOT MAKE ANY REPRESENTATIONS OF ANY KIND OR NATURE WITH RESPECT TO SUCH THIRD PARTY PROPERTY INFORMATION.

SECTION 4. ***Disclosure Dissemination Agent.*** The City hereby appoints MuniCap, Inc. ("*MuniCap*") as Disclosure Dissemination Agent under this Disclosure Agreement and MuniCap hereby agrees to provide the services of Disclosure Dissemination Agent hereunder. The City may, upon thirty days written notice to MuniCap and the Developer, remove MuniCap as Disclosure Dissemination Agent under this Disclosure Agreement. Likewise, MuniCap may, upon 30-days written notice to the City and the Developer, resign as Disclosure Dissemination Agent under this Disclosure Agreement. In either such case, MuniCap's services as Disclosure Dissemination Agent shall be terminated. Upon termination of MuniCap's services as Disclosure Dissemination Agent, whether by notice of the City or MuniCap, the City will appoint a successor Disclosure Dissemination Agent who shall execute an acknowledgment of this Disclosure Agreement agreeing to be such successor, including its name and notice address, and provide a copy of such acknowledgment to the Developer. The Disclosure Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Developer pursuant to this Disclosure Agreement. It is expressly understood that amounts due and payable to the Disclosure Dissemination Agent hereunder shall constitute Administrative Expenses, under and as defined in the Master Indenture, and pursuant to the Master Indenture such Administrative Expenses may be paid from Assessments.

SECTION 5. ***Limited Liability of Developer; Remedies in Event of Default.***

(a) No person shall have any claim against the Developer, or any of its officers, officials, agents or employees for damages suffered as a result of the Developer's failure to perform in any respect any covenant, undertaking, or obligation of the Developer under this Disclosure Agreement.

(b) In the event of a failure of the Developer to comply with any provision of this Disclosure Agreement, any Holder of the Bonds may seek specific performance by court order, to cause the Developer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture or any other document related to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Developer to comply with this Disclosure Agreement shall be an action to compel specific performance.

SECTION 6. ***Duties, Immunities and the Limited Liability of the Disclosure Dissemination Agent.***

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the report at the times described herein shall be limited to the extent the Developer has provided such report to the Disclosure Dissemination Agent as

required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any reports, disclosures, or notice made pursuant to the terms of this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify, nor be responsible for, any reports, information, disclosures, or notices provided to it by the Developer, and the Disclosure Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the Developer, the City, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent is not serving as a Municipal Adviser (as defined by SEC Rule 15Ba1) for the Developer, the City, the Holders of the Bonds, the Trustee or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Developer's failure to provide the report specified in Section 2A hereof or for the Developer's failure to report to the Disclosure Dissemination Agent the occurrence of one or more of the events listed in Section 2B hereof. The Disclosure Dissemination Agent shall have no responsibility or duty to determine the materiality with respect to any report or information disclosed hereunder. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Developer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Developer at all times. No person shall have any claim against the Disclosure Dissemination Agent, or any of its officers, officials, agents or employees for damages suffered as a result of the Disclosure Dissemination Agent's failure to perform in any respect any covenant, undertaking, or obligation under this Disclosure Agreement; provided, however, that nothing contained herein shall be construed to preclude any action or proceeding in any court or before any governmental body, agency or instrumentality against the Disclosure Dissemination Agent or any of their officers, officials, agents or employees to specifically enforce the provisions of this Disclosure Agreement.

THE DEVELOPER AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT AND ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY ACTUAL LOSS, EXPENSE AND LIABILITIES BUT NOT INCLUDING SPECIAL, SPECULATIVE, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, AS THE SAME RELATES SOLELY TO THE DEVELOPER'S OBLIGATIONS HEREUNDER, INCLUDING THE ACTUAL, REASONABLE AND DOCUMENTED OUT-OF-POCKET COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S NEGLIGENCE OR MISCONDUCT.

The obligations of the Developer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions of this Disclosure Agreement or its respective duties hereunder, and neither of them shall incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the City as Administrative Expenses, but only to the extent that funds are on hand and available to the City within the Administrative Expenses Fund to pay such Administrative Expenses.

SECTION 7. ***Severability.*** In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 8. ***Beneficiaries.*** This Disclosure Agreement shall inure solely to the benefit of the Developer, the Disclosure Dissemination Agent, the Participating Underwriter, the City and the Holders from time to

time of the Bonds, and shall create no rights in any other person or entity. This Disclosure Agreement does not create a relationship or agency, partnership, joint venture or license between the parties.

SECTION 9. ***Governing Law.*** This Disclosure Agreement shall be governed by the laws of the State of South Carolina.

SECTION 10. ***Counterparts.*** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 11. ***Amendment and Waiver.*** Notwithstanding any other provision of this Disclosure Agreement, the Disclosure Dissemination Agent and the Developer may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, provided that the amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of the Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders of the Bonds. In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Disclosure Dissemination Agent shall describe such amendment in the next report provided pursuant to Section 2A of this Disclosure Agreement, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type of information being presented by Developer.

SECTION 12. ***Notice.*** Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

If to the Disclosure Dissemination Agent:	MuniCap, Inc. 8965 Guilford Road, Suite 210 Columbia, MD 21046 Attention: Keenan Rice Telephone: (443) 539-4102 keenan.rice@municap.com
If to the Developer:	LK Development Group, LLC 14025 Riveredge Drive, Suite 175 Tampa, FL 33637 Attention: Brian Keirnan Doug Pattillo Jim Harvey

SECTION 13. ***City's Role under this Disclosure Agreement.*** The City is executing this Disclosure Agreement solely for the purposes of acknowledging and accepting (a) (i) its role in appointing the initial Disclosure Dissemination Agent hereunder, (ii) its right to remove the Disclosure Dissemination Agent, and (iii) its duty to appoint a successor Disclosure Dissemination Agent upon the removal or resignation of the Disclosure Dissemination Agent acting hereunder, all as provided in Section 4 of this Disclosure Agreement, (b) its right to receive the information provided on a quarterly basis as provided in Section 2A of this Disclosure Agreement (or on a semi-annual basis, subject to the satisfaction of the conditions set forth in such Section 2A), and (c) its rights as a beneficiary under this Disclosure Agreement as provided in Section 8 of this Disclosure Agreement. Except as expressly provided in the immediately preceding sentence of this Section, the City shall have no duties, obligations or liability under this Disclosure Agreement.

[Remainder of Page Left Blank]

The Developer and the Disclosure Dissemination Agent have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

LK DEVELOPMENT GROUP, LLC

By: _____
Title: _____

MUNICAP, INC.
as Disclosure Dissemination Agent

By: _____
Title: _____

Accepted and Acknowledged by City of Hardeeville, South Carolina as provided in Section 13 of this Disclosure Agreement:

CITY OF HARDEEVILLE, SOUTH CAROLINA

By: _____
Mayor

SCHEDULE I
Form of Quarterly Statement
$[Amount]
CITY OF HARDEEVILLE, SOUTH CAROLINA
HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2026

CUSIP NUMBER:

DEVELOPER'S CONTINUING DISCLOSURE STATEMENT

Attn: Keenan Rice
MuniCap, Inc.
8965 Guilford Road, Suite 210
Columbia, MD 21046

In accordance with the Developer's Continuing Disclosure Agreement (the "*Disclosure Agreement*") executed and delivered by LK Development Group, LLC (the "*Developer*") and MuniCap, Inc. (the "*Disclosure Dissemination Agent*"), dated as of _____, 2026, the Developer hereby provides the following quarterly statement as of [____ __, 20__]. All terms having initial capitalization and not defined herein shall have the same meanings set forth in the Limited Offering Memorandum dated _____, 2026 (the "*Limited Offering Memorandum*") or in the Disclosure Agreement.

The information provided herein is not intended to supplement the information provided in the Limited Offer Memorandum. This statement responds to the specific requirements of the Disclosure Agreement. No representation is made as to the materiality or completeness of the information provided herein or as to whether other relevant information exists with respect to the period covered by this statement. Other matters or events may have occurred or become known during or since that period that may be material. All information is provided as of _____ __, 20__, unless otherwise stated, and no representation is made that the information contained herein is indicative of information that may pertain since the end of the period covered by this statement or in the future.

To the best of the knowledge of the undersigned:

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APPENDIX D-3

LENNAR HOMES CONTINUING DISCLOSURE AGREEMENT

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DEVELOPER'S CONTINUING DISCLOSURE AGREEMENT

City of Hardeeville, South Carolina
$[Amount] Hilton Head Lakes West Tract Improvement District
Special Assessment Revenue Bonds, Series 2026

This Developer's Continuing Disclosure Agreement (the "*Disclosure Agreement*") is executed and delivered on _____, 2026, by **LENNAR CAROLINAS, LLC**, a Delaware limited liability company (the "*Developer*"), and **MUNICAP, INC.** (the "*Disclosure Dissemination Agent*") in connection with the issuance by the City of Hardeeville, South Carolina (the "*City*") of its $[Amount] aggregate principal amount of Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series 2026 (the "*Bonds*").

The Bonds are being issued pursuant to a Master Trust Indenture dated as of _____, 2026 (the "*Master Indenture*"), as supplemented by a First Supplemental Trust Indenture dated as of _____, 2026 (collectively with the Master Indenture, the "*Indenture*"), each by and between the City and U.S. Bank Trust Company, National Association (the "*Trustee*"). This Disclosure Agreement is being executed and delivered by the Developer for the benefit of the Holders of the Bonds.

SECTION 1. ***Definitions.*** All capitalized terms used herein shall be as defined in the Master Indenture or in the hereinafter defined Limited Offering Memorandum. In addition, the following capitalized terms shall have the following meanings:

"Affiliate" shall mean any Person directly or indirectly controlling, controlled by, or under common control with, the Developer. For the purposes of this definition, "control" (including with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, partnership interests, membership interests or by contract or otherwise.

"City" means the City of Hardeeville, South Carolina.

"Credit Facility" means any financing arrangement entered into by the Developer or any Affiliate of the Developer (other than Bonds) in connection with the development of the Lennar Portion of the District.

"Developer" means Lennar Carolinas, LLC, a Delaware limited liability company.

"Disclosure Dissemination Agent" means MuniCap, Inc., or any successor disclosure dissemination agent subsequently designated in writing by the City and which has filed with the City and the Developer a written acceptance of such designation.

"District" means the Hilton Head Lakes West Tract Improvement District.

"Holder" means a person (a) which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

"*Land Bank Owner*" means, in connection with any Land Bank Transaction in which the Developer has not exercised the option to repurchase the applicable land, the owner of such land.

"*Land Bank Transaction*" means the sale of land within Lennar Portion of the District by the Developer to a buyer that includes an option of the Developer to repurchase such land from such buyer.

"Lennar Portion of the District" means the portions of the real property within the District owned by Lennar or a Land Bank Owner or any of their successors.

"Limited Offering Memorandum" means that Limited Offering Memorandum dated _____, 2026, prepared in connection with the issuance of the Bonds.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

"Participating Underwriter" means Stifel, Nicolaus & Company, Incorporated, St. Louis, Missouri.

"Person" means an individual, estate, trust, corporation, partnership, limited liability company or any other organization or entity (whether governmental or private).

"Reporting Date" means each March 31, June 30, September 30, and December 31, commencing September 30, 2026.

"State" means the State of South Carolina.

SECTION 2A. ***Provision of Quarterly Statements.***

(a) The Developer shall, within 30 days of the end of each quarterly period ending on a Reporting Date, provide a report to the Disclosure Dissemination Agent which provides the following information with respect to the Lennar Portion of the District as of the end of such quarterly period, and the Disclosure Dissemination Agent shall cause such report to be provided to MSRB, the Participating Underwriter (by email to _____), and the City within 15 days of the Disclosure Dissemination Agent's receipt thereof:

(i) A statement as to any material change in the expected plans by the Developer to develop the Lennar Portion of the District, including, without limitation, a list of contract(s) for the sale of property within the Lennar Portion of the District of 25 acres or more that the Developer has entered into or closed upon during the applicable quarterly period, and an update of the table under the heading "THE DISTRICT—Lennar Homes' Development of Pod I—Pod I Projected Absorption";

(ii) A statement as to the following as of the applicable Reporting Date:

(A) Total number of platted lots, including finished homes, within each Pod owned by (i) the Developer, (ii) other Persons that are not homeowners, and (iii) homeowners; and

(B) Total acres of Unplatted Property within each Pod owned by (i) the Developer, and (ii) other Persons and the anticipated number of Parcels of Platted Property to be developed within the Unplatted Property for each Pod.

(iii) A statement as to the following during the quarterly period ending on the applicable Reporting Date:

(A) Total number of lots platted in each Pod;

(B) Total number of lots within each Pod sold to other homebuilders and the name of each such homebuilder;

(C) Total amount of acres within each Pod sold to other developers and the name of each such other developer;

(D) Total number of building permits issued within each Pod;

(E) Total number of homes within each Pod under contract to be sold to homeowners (excluding homes under contract and closed during such quarterly reporting period); and

(F) Total number of homes within each Pod that have closed.

(iv) A statement of any default under any Credit Facility, which default could be reasonably expected to have a material adverse impact on the Developer's ability to develop the Lennar Portion of the District as contemplated in the Limited Offering Memorandum;

(v) A statement as to material changes, if any, in the form, organization or ownership of the Developer or any Affiliate that owns property within the Lennar Portion of the District;

(vi) Any material amendment or supplement to the Development Agreement affecting the Developer, and a statement concerning any material change in the zoning or land use laws or regulations applicable to the development of the Lennar Portion of the District, in each case, which could be reasonably expected to have a material adverse impact on the Developer's ability to develop the Lennar Portion of the District, as contemplated in the Limited Offering Memorandum;

(vii) A statement or statements as to the existence of any administrative or judicial challenge or the status of any adverse litigation against the Developer or any Affiliate that owns property within the Lennar Portion of the District which, if adversely decided, could be reasonably expected to materially adversely affect such party's ability to perform its obligations under the Development Agreement or develop the Lennar Portion of the District as contemplated by the Limited Offering Memorandum; and

(viii) A statement as to any material default by the Developer with respect to any material public works agreement, permit, or approval with respect to the Lennar Portion of the District, which default could be reasonably expected to have a material adverse effect on the Developer's ability to develop the Lennar Portion of the District as contemplated by the Limited Offering Memorandum.

(b) The information under this Section 2 may be delivered to the Disclosure Dissemination Agent in the form attached to this Disclosure Agreement as Schedule I.

(c) If the Developer does not provide the report specified in subsection (a) of this Section to the Disclosure Dissemination Agent within 30 days of the end of each quarterly period, as applicable, then the Disclosure Dissemination Agent in a timely manner will provide notice of the lack of submission of such report to the MSRB.

(d) If (i) more than 50% of the total amount of residential units planned to be built in the Lennar Portion of the District have been sold to individual homeowners, (ii) the Developer has given written notice thereof to the Disclosure Dissemination Agent, and (iii) the Disclosure Dissemination Agent has verified the same in writing, then the Developer's reporting obligation under this Section 2A shall be changed from quarterly to semi-annual and, accordingly, (A) each reference in this Section 2A to a quarterly period or the provision of quarterly statements shall be automatically amended to refer to a semi-annual period or the provision of semi-annual statements, (B) the definition of "*Reporting Date*" in Section 1 hereof shall be amended to read as follows: *"Reporting Date"* means each June 30 and December 31", and (C) the reference to the quarterly statement in Schedule I attached hereto shall be automatically amended to refer to the semi-annual statement. The terms of this subsection (d) shall take effect immediately following the satisfaction of the conditions set forth in items (i) – (iii) of the first sentence of this subsection (d) and the initial semi-annual report shall be provided by the Developer to the Disclosure Dissemination Agent within 30 days of the end of the first semi-annual period ending on a Reporting Date (as such term is defined under this subsection).

(e) The Disclosure Dissemination Agent shall provide documentation to the Developer confirming that the report provided by the Developer has been provided to the MSRB pursuant to this Disclosure Agreement and stating the date it was provided.

(f) Unless otherwise required by the MSRB, all reports, notices, and documents provided by the Disclosure Dissemination Agent to the MSRB shall be provided to the MSRB's Electronic Municipal Market Access (EMMA) system, the current Internet Web address of which is www.emma.msrb.org. All reports, notices, and

documents provided by the Developer to the Disclosure Dissemination Agent shall be in an electronic format acceptable to the MSRB.

SECTION 2B. ***Reporting of Significant Events***. Whenever any of the officers of the Developer in charge of the routine day-to-day operations of the Developer's activities within the Lennar Portion of the District obtains actual knowledge of the occurrence of one or more of the following events, the Developer shall provide a report stating the particulars of such event the Disclosure Dissemination Agent within five business days of obtaining such actual knowledge (provided for purposes of any event described in subsection (a) below, this period shall be ten days, as provided in such subsection, which shall be inclusive of the five business days referred to above) and the Disclosure Dissemination Agent shall promptly provide such report to the City and shall promptly provide such report to the MSRB:

(a) failure to pay by the due date the Assessments billed to a parcel within the Lennar Portion of the District owned by the Developer, any Affiliate, or a Land Bank Owner which failure to pay by the due date is in an amount in excess of $10,000 and only if such Assessments remain unpaid more than ten business days after any of the officers of the Developer in charge of the routine day-to-day activities within the Lennar Portion of the District has obtained actual knowledge of such failure to pay;

(b) any appeal by the Developer, an Affiliate, or a Land Bank Owner of any Assessment in excess of $10,000 imposed on a parcel or parcels in the Lennar Portion of the District owned by the Developer or any Affiliate;

(c) material damage to or destruction of any material development or improvements owned by the Developer or any Affiliate within the Lennar Portion of the District which could be reasonably expected to have a material adverse effect on such party's ability to develop the Lennar Portion of the District as contemplated by the Limited Offering Memorandum;

(d) the filing in bankruptcy by or with respect to, the Developer or any Affiliate that owns property within the Lennar Portion of the District, or any determination that the Developer is unable to pay its debts as they become due; and

(e) the filing of any adverse litigation against the Developer or any Affiliate that owns property within the Lennar Portion of the District which, if adversely decided, could be reasonably expected to have a material adverse effect on such party's ability to develop the Lennar Portion of the District as contemplated by the Limited Offering Memorandum.

SECTION 3. ***Termination of Reporting Obligation; Limitations on Reporting Obligations.*** The Developer's obligations under this Disclosure Agreement shall terminate upon the earlier of (1) legal defeasance of all of the Bonds, (2) prior redemption of all of the Bonds, and (3) payment in full of all of the Bonds. In addition, if the Developer transfers property in the Lennar Portion of the District to a Person who is not an Affiliate or Land Bank Owner, the Developer's obligations under this Disclosure Agreement with respect to such property shall terminate upon such transferee's assumption of the Developer's obligations under this Disclosure Agreement with respect to such property or such transferee entering a disclosure agreement substantially similar to this Disclosure Agreement with respect to such property. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, TO THE EXTENT DEVELOPER (OR A LAND BANK OWNER) IS NOT THE OWNER OF REAL PROPERTY WITHIN THE LENNAR PORTION OF THE DISTRICT AS OF THE APPLICABLE REPORTING DATE (SUCH REAL PROPERTY NOT OWNED BY THE DEVELOPER (OR A LAND BANK OWNER) BEING COLLECTIVELY REFERRED TO AS, THE "THIRD PARTY PROPERTY"), THE DEVELOPER (I) SHALL ONLY BE OBLIGATED TO USE COMMERCIALLY REASONABLE EFFORTS TO OBTAIN FROM THE OWNERS OF THE THIRD PARTY PROPERTY THE INFORMATION NEEDED TO MAKE THE STATEMENTS AND REPORTING CONTEMPLATED BY SECTION 2 AND SECTION 2B HEREOF WITH RESPECT TO THE THIRD PARTY PROPERTY (COLLECTIVELY, THE "THIRD PARTY PROPERTY INFORMATION") AND SO LONG AS SUCH COMMERCIALLY REASONABLE EFFORTS ARE SO USED, THE DEVELOPER SHALL NOT BE IN DEFAULT UNDER THIS AGREEMENT TO THE EXTENT THE OWNER OF THE THIRD PARTY PROPERTY DOES NOT TIMELY PROVIDE THIRD PARTY PROPERTY INFORMATION TO THE DEVELOPER, AND (II) SHALL NOT AND DOES NOT MAKE ANY

REPRESENTATIONS OF ANY KIND OR NATURE WITH RESPECT TO SUCH THIRD PARTY PROPERTY INFORMATION.

SECTION 4. ***Disclosure Dissemination Agent.*** The City hereby appoints MuniCap, Inc. ("*MuniCap*") as Disclosure Dissemination Agent under this Disclosure Agreement and MuniCap hereby agrees to provide the services of Disclosure Dissemination Agent hereunder. The City may, upon thirty days written notice to MuniCap and the Developer, remove MuniCap as Disclosure Dissemination Agent under this Disclosure Agreement. Likewise, MuniCap may, upon 30-days written notice to the City and the Developer, resign as Disclosure Dissemination Agent under this Disclosure Agreement. In either such case, MuniCap's services as Disclosure Dissemination Agent shall be terminated. Upon termination of MuniCap's services as Disclosure Dissemination Agent, whether by notice of the City or MuniCap, the City will appoint a successor Disclosure Dissemination Agent who shall execute an acknowledgment of this Disclosure Agreement agreeing to be such successor, including its name and notice address, and provide a copy of such acknowledgement to the Developer. The Disclosure Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Developer pursuant to this Disclosure Agreement. It is expressly understood that amounts due and payable to the Disclosure Dissemination Agent hereunder shall constitute Administrative Expenses, under and as defined in the Master Indenture, and pursuant to the Master Indenture such Administrative Expenses may be paid from Assessments.

SECTION 5. ***Limited Liability of Developer; Remedies in Event of Default.***

(a) No person shall have any claim against the Developer, or any of its officers, officials, agents or employees for damages suffered as a result of the Developer's failure to perform in any respect any covenant, undertaking, or obligation of the Developer under this Disclosure Agreement.

(b) In the event of a failure of the Developer to comply with any provision of this Disclosure Agreement, any Holder of the Bonds may seek specific performance by court order, to cause the Developer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture or any other document related to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Developer to comply with this Disclosure Agreement shall be an action to compel specific performance.

SECTION 6. ***Duties, Immunities and the Limited Liability of the Disclosure Dissemination Agent.***

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the report at the times described herein shall be limited to the extent the Developer has provided such report to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any reports, disclosures, or notice made pursuant to the terms of this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify, nor be responsible for, any reports, information, disclosures, or notices provided to it by the Developer, and the Disclosure Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the Developer, the City, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent is not serving as a Municipal Adviser (as defined by SEC Rule 15Ba1) for the Developer, the City, the Holders of the Bonds, the Trustee or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Developer's failure to provide the report specified in Section 2A hereof or for the Developer's failure to report to the Disclosure Dissemination Agent the occurrence of one or more of the events listed in Section 2B hereof. The Disclosure Dissemination Agent shall have no responsibility or duty to determine the materiality with respect to any report or information disclosed hereunder. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Developer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Developer at all times. No person shall have any claim against the Disclosure Dissemination Agent, or any of its officers, officials, agents or employees for damages suffered as a result of the Disclosure Dissemination Agent's failure to perform in any respect any covenant, undertaking, or obligation under this Disclosure Agreement; provided, however, that nothing contained herein shall be construed to preclude any action or proceeding in any court or before any governmental body, agency or instrumentality against the Disclosure Dissemination Agent or any of their officers, officials, agents or employees to specifically enforce the provisions of this Disclosure Agreement.

THE DEVELOPER AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT AND ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY ACTUAL LOSS, EXPENSE AND LIABILITIES BUT NOT INCLUDING SPECIAL, SPECULATIVE, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, AS THE SAME RELATES SOLELY TO THE DEVELOPER'S OBLIGATIONS HEREUNDER, INCLUDING THE ACTUAL, REASONABLE AND DOCUMENTED OUT-OF-POCKET COSTS AND EXPENSES (INCLUDING REASONABLE ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S NEGLIGENCE OR MISCONDUCT.

The obligations of the Developer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions of this Disclosure Agreement or its respective duties hereunder, and neither of them shall incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the City as Administrative Expenses, but only to the extent that funds are on hand and available to the City within the Administrative Expenses Fund to pay such Administrative Expenses.

SECTION 7. ***Severability.*** In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 8. ***Beneficiaries.*** This Disclosure Agreement shall inure solely to the benefit of the Developer, the Disclosure Dissemination Agent, the Participating Underwriter, the City and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity. This Disclosure Agreement does not create a relationship or agency, partnership, joint venture or license between the parties.

SECTION 9. ***Governing Law.*** This Disclosure Agreement shall be governed by the laws of the State of South Carolina.

SECTION 10. ***Counterparts.*** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 11. ***Amendment and Waiver.*** Notwithstanding any other provision of this Disclosure Agreement, the Disclosure Dissemination Agent and the Developer may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, provided that the amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of the Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders of the Bonds. In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Disclosure Dissemination Agent shall describe such amendment in the next report provided pursuant to Section 2A of this Disclosure Agreement, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type of information being presented by Developer.

SECTION 12. ***Notice***. Any notices or communications to or among any of the parties to this Disclosure Agreement may be given as follows:

If to the Disclosure Dissemination Agent:	MuniCap, Inc. 8965 Guilford Road, Suite 210 Columbia, MD 21046 Attention: Keenan Rice Telephone: (443) 539-4102 keenan.rice@municap.com
If to the Developer:	Lennar Carolinas, LLC 1941 Savage Road, Suite 100C Charleston, SC 29407

SECTION 13. ***City's Role under this Disclosure Agreement.*** The City is executing this Disclosure Agreement solely for the purposes of acknowledging and accepting (a) (i) its role in appointing the initial Disclosure Dissemination Agent hereunder, (ii) its right to remove the Disclosure Dissemination Agent, and (iii) its duty to appoint a successor Disclosure Dissemination Agent upon the removal or resignation of the Disclosure Dissemination Agent acting hereunder, all as provided in Section 4 of this Disclosure Agreement, (b) its right to receive the information provided on a quarterly basis as provided in Section 2A of this Disclosure Agreement (or on a semi-annual basis, subject to the satisfaction of the conditions set forth in such Section 2A), and (c) its rights a beneficiary under this Disclosure Agreement as provided in Section 8 of this Disclosure Agreement. Except as expressly provided in the immediately preceding sentence of this Section, the City shall have no duties, obligations or liability under this Disclosure Agreement.

[Remainder of Page Left Blank]

The Developer and the Disclosure Dissemination Agent have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

LENNAR CAROLINAS, LLC

By: _____
Title: _____

MUNICAP, INC.
as Disclosure Dissemination Agent

By: _____
Title: _____

Accepted and Acknowledged by City of Hardeeville, South Carolina as provided in Section 13 of this Disclosure Agreement:

CITY OF HARDEEVILLE, SOUTH CAROLINA

By: _____
Mayor

SCHEDULE I
Form of Quarterly Statement
$[Amount]
CITY OF HARDEEVILLE, SOUTH CAROLINA
HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2026

CUSIP NUMBER:

DEVELOPER'S CONTINUING DISCLOSURE STATEMENT

Attn: Keenan Rice
MuniCap, Inc.
8965 Guilford Road, Suite 210
Columbia, MD 21046

In accordance with the Continuing Disclosure Agreement (Developer) (the "*Disclosure Agreement*") executed and delivered by Lennar Carolinas, LLC (the "*Developer*") and MuniCap, Inc. (the "*Disclosure Dissemination Agent*"), dated as of _____, 2026, the Developer hereby provides the following quarterly statement as of [____ __, 20__]. All terms having initial capitalization and not defined herein shall have the same meanings set forth in the Limited Offering Memorandum dated _____, 2026 (the "*Limited Offering Memorandum*") or in the Disclosure Agreement.

The information provided herein is not intended to supplement the information provided in the Limited Offer Memorandum. This statement responds to the specific requirements of the Disclosure Agreement. No representation is made as to the materiality or completeness of the information provided herein or as to whether other relevant information exists with respect to the period covered by this statement. Other matters or events may have occurred or become known during or since that period that may be material. All information is provided as of _____ __, 20__, unless otherwise stated, and no representation is made that the information contained herein is indicative of information that may pertain since the end of the period covered by this statement or in the future.

To the best of the knowledge of the undersigned:

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APPENDIX E

INFORMATION REGARDING THE CITY OF HARDEEVILLE, SOUTH CAROLINA AND JASPER COUNTY, SOUTH CAROLINA

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General Description

The City of Hardeeville, South Carolina (the "*City*"), was founded in 1911 in the southern Lowcountry region. The City is located just north of Savannah, Georgia, and is a gateway to the Hilton Head Island, Bluffton, and Beaufort/Port Royal tourism markets. The City occupies a land area of 56 square miles. The City's population estimate as of July 1, 2025, is approximately 16,459.

Jasper County, South Carolina (the "*County*") was named for Sergeant William Jasper, a Revolutionary War hero. The County was formed from parts of Beaufort and Hampton counties in 1912. The county seat is the Town of Ridgeland, which, according to the 2020 Census, had a population of 3,753. Ridgeland has been the county seat since the County's formation.

The County is in the southernmost part of the State of South Carolina (the "*State*" or "*South Carolina*") and has an area of 662 square miles. It is bordered on the north by Hampton County, on the east by Beaufort County, on the south by Chatham County, Georgia, and on the west by Effingham County, Georgia. According to the 2020 Census, the population of the County was 28,791; the population of the County as of July 1, 2025, is estimated to be 38,533.

History of Assessed Values of the County

The following table shows the historical and current, unaudited assessed and market values of all taxable real and personal property located in the City for each of the fiscal years as follows:

Fiscal Year Ended June 30	Assessed Value of Real Property	Assessed Value of Personal Property	Total	Market
2021	$59,671,360	$5,717,938	$65,389,298	$1,441,427,774
2022	74,422,200	6,323,611	80,745,811	1,698,177,135
2023	80,633,870	6,940,203	87,574,073	1,868,220,700
2024	89,762,380	7,876,562	97,638,942	2,025,750,401
2025	102,777,925	9,018,663	111,796,588	2,270,866,199

Source: City 2025 ACFR

The following table shows the historical and current, unaudited assessed and market values of all taxable real and personal property located in the County for each of the fiscal years as follows:

Fiscal Year Ended June 30	Assessed Value of Real Property	Assessed Value of Personal Property	Total	Market
2021	$106,338,030	$66,964,004	$173,302,034	$3,179,717,256
2022	117,335,040	71,864,859	189,199,899	3,931,534,293
2023	140,254,080	74,848,872	215,102,952	4,343,038,718
2024	163,038,430	82,701,804	245,740,234	5,489,833,808
2025	192,810,610	90,554,736	283,365,346	6,596,238,296

Source: County 2025 ACFR

Property Tax Levies and Collections

The following table shows the tax collection record of the City for each of the fiscal years as follows:

Fiscal Year Ended June 30	Tax Levied	Current Taxes Collected	% of Levy Collected	Delinquent Taxes Collected & Penalties	Total Tax Collection	% of Total Taxes Collected to Taxes Levied
2021	$5,072,593	$4,921,504	97.0%	$93,751	$5,015,255	98.9%
2022	6,180,375	5,954,412	96.3	-	5,954,412	96.3
2023	6,795,175	6,667,929	98.1	-	6,667,929	98.1
2024	7,165,973	7,062,909	98.6	-	7,062,909	98.6
2025	8,758,402	8,552,162	97.6	-	8,552,162	97.6

Source: City 2025 ACFR

The following table shows the tax collection record of the County for each of the fiscal years as follows:

Fiscal Year Ended June 30	Tax Levied	Current Taxes Collected	% of Levy Collected	Delinquent Taxes Collected & Penalties	Total Tax Collection	% of Total Taxes Collected to Taxes Levied
2021	$22,649,654	$21,910,415	96.7%	$589,236	$22,499,651	99.3%
2022	24,740,005	23,899,443	96.6	798,206	24,697,649	99.8
2023	29,156,873	27,904,590	95.7	1,008,993	28,913,583	99.2
2024	32,195,557	31,023,823	96.4	-	31,023,823	98.9
2025	38,568,764	37,354,144	96.9	-	37,354,144	96.9

Source: County 2025 ACFR

Largest Taxpayers

The ten largest taxpayers in the City, the assessed value of the taxable property of each, and the percentage of the City's total taxable assessed value that each taxpayer represents for Fiscal Year 2025 are shown below:

Taxpayer	Assessed Valuation	Percentage of Total Assessed Value
Dominion Energy South Carolina	$17,567,714	15.71%
Palmetto Electric Coop Inc.	5,169,789	4.62
Central Electric Power Coop	2,962,770	2.65
SC Ridgeland Investors	2,522,400	2.26
Triangle Palisades at New River	2,118,530	1.89
CSX Transportation	1,738,570	1.56
RAIA SC Exchange VG Mahwah LLC	1,553,310	1.39
Minto Latitude HH LLC	1,511,150	1.35
Carolina Gas Transmission LLC	1,417,830	1.27
Austin Chase I LTD Partnership	1,207,920	1.08
Total	$37,769,983	33.78%

Source: City 2025 ACFR; Finance Department

The ten largest taxpayers in the County, the assessed value of the taxable property of each, and the percentage of the County's total taxable assessed value that each taxpayer represents for Fiscal Year 2025 are shown below:

Taxpayer	Assessed Valuation	Percentage of Total Assessed Value
Dominion Energy/South Carolina Electric	$17,567,714	6.20%
Palmetto Electric	5,169,789	1.82
Central Electric Power Cooperative	2,962,770	1.05
SC Ridgeland Investors LLC	2,522,400	0.89
Triangle Palisades at New River	2,118,530	0.75
CSX Transportation	1,738,570	0.61
Raia SC Exchange VG Mahwah LLC	1,553,310	0.55
Minto Latitude HH LLC	1,512,230	0.53
Carolina Gas Transmission Corporation	1,417,830	0.50
Coastal Carolina Medical Center	1,365,548	0.48
Total	$37,928,691	13.39%

Source: County 2025 ACFR

Population Growth

The following table illustrates the population growth of the County. Population statistics for the State and the United States are included for comparison purposes.

	Jasper County		South Carolina		United States	
	Population	% change	Population	% change	Population	% change
1990	15,487	7%	3,486,703	12%	248,709,873	10%
2000	20,678	33	4,012,012	15	281,421,906	13
2010	24,777	20	4,625,364	15	308,745,538	10
2020	28,791	16	5,118,425	11	331,449,281	7
2024[1]	35,618	24	5,478,831	7	340,110,988	3

[1]Estimate
Source: U.S. Department of Commerce, Bureau of the Census

The 2010 Census and 2020 Census populations of the incorporated municipalities located in the County are set forth in the table below:

Municipality	2010 Census	2020 Census
Ridgeland	3,833	3,753
Hardeeville	2,952	7,473

Source: U.S. Department of Commerce, Bureau of the Census

Labor Force

The labor force participation rates of residents of the County (regardless of place of employment) for the five calendar years shown are as follows:

	2021	2022	2023	2024	2025
Civilian Labor Force[1]	12,438	12,990	13,854	14,677	15,041
Employed	11,997	12,580	13,469	14,083	14,376
Unemployed	441	410	385	594	665
Unemployment rate	3.5%	3.2%	2.8%	4.0%	4.4%

Source: U.S. Department of Labor, Bureau of Labor Statistics.
[1] Workers involved in labor disputes are included among the employed. Total employment also includes agricultural workers, proprietors, self-employed persons, workers in private households and unpaid family workers.

Unemployment Rates

The average unemployment rate in the County, State, and United States for each of the last five years for which information is available is shown below.

Year	County	State	U.S.
2021	3.5%	3.9%	5.3%
2022	3.2	3.2	3.6
2023	2.8	3.0	3.6
2024	4.0	4.1	4.0
2025*	4.4	4.5	4.3

* Annual estimates for 2025 are 11-month averages that exclude October. Data for October 2025 was not collected due to the federal government shutdown.
Source: U.S. Department of Labor, Bureau of Labor Statistics

Principal Employers

The following table shows the top employers located within the City, type of business, and approximate number of employees:

Name	Type of Business	Approximate Number of Employees
Novant Health, Coastal Carolina Medical Center	Healthcare	452
City of Hardeeville	Government	176
Jasper County School District	Education	335
Ecofoam	Distributer of Insulation	78
Beaufort Memorial Okatie	Medical Services	40
Cracker Barrell	Restaurant/Retail	80
Terry Lee Contracting	Utility Construction	56
Waste Pro	Sanitation	36
Verizon	Retail	10
Pilot Travel Center	Fuel Supplier	44

Source: City 2025 ACFR

The average unemployment rate in the County for each of the last 12 months for which data is available is shown below.

Date	Rate
June 2025	4.6%
July 2025	4.5
August 2025	5.0
September 2025	4.8
October 2025	N/A[1]
November 2025	5.0
December 2025	4.8
January 2026	5.7
February 2026	5.6
March 2026	4.2
April 2026	3.5
May 2026	3.7[P]

[1] Data not collected in October 2025 due to federal government shutdown from October 1 to November 12, 2025.
[P] Preliminary
Source: U.S. Department of Labor, Bureau of Labor Statistics
Note: Rates shown are not seasonally adjusted

Per Capita Personal Income

The per capita income in the County for each of the last five years for which information is available is shown below, along with figures for the State and the United States.

Year	County	State	United States
2020	$39,364	$48,760	$59,151
2021	42,492	53,390	64,692
2022	45,332	54,561	66,298
2023	47,144	57,766	70,002
2024	50,184	60,776	73,204

Source: U.S. Department of Commerce, Bureau of Economic Analysis

The following table shows the top employers located within the County, type of business, and approximate number of employees:

Name	Type of Business	Approximate Number of Employees
Novant Health, Coastal Carolina Medical Center	Health Care	452
Jasper County	Government	372
Jasper County School District	Education	335
Tico Manufacturing	Manufacturing	250
Atlantic Personnel, Inc.	Staffing	213
Cleland Site Prep Inc.	Construction	210
City of Hardeeville	Government	176
Southeastern Limb & Tree	Tree Service	120
O.C. Welch Ford Lincoln Mercury Inc.	Automotive Dealership	114
Ridgeland Correctional Institution	State Corrections Facility	110

Source: County 2025 ACFR; County Finance Department

Building Permits and Construction Activity

The following table shows the number of building permits issued by the County for new, privately-owned, single-family residential units and new commercial properties along with the approximate value of new construction represented by those permits in each of the last five fiscal years.

Fiscal Year ending June 30	Single-Family Residential Permits	Construction Value	Commercial and Industrial Permits	Construction Value
2021	410	$34,099,205	51	$ 7,570,563
2022	341	20,557,379	71	17,744,995
2023	377	39,116,534	49	26,302,262
2024	390	34,706,363	52	30,952,089
2025	425	35,325,875	96	41,666,143

Source: County 2025 ACFR; Jasper County Planning and Building Department

Retail Sales

The following table shows gross retail sales for businesses located in the County for the last five fiscal years for which information is available:

Year	Gross Retail Sales
2021	$1,753,345,433
2022	1,811,321,094
2023	1,664,177,493
2024	1,832,027,223
2025	1,892,993,298

Source: South Carolina Department of Revenue

Capital Investment

The following table sets forth the total announced capital investment for new and expanded industry within the County for the last five years together with available information for the current year.

Year	New Investment	New Employment
2021	$16,000,000	140
2022	1,300,000	58
2023	0	0
2024	26,900,000	176
2025	134,000,000	490
2026*	N/A	N/A

* No capital investment announcements as of July 2026
Source: South Carolina Department of Commerce

Commerce and Industry

The three major industrial parks located within the County comprise diverse industrial activities, including bulk export and import products, food processing, musical instrument manufacturing, truck chassis manufacturing and building material fabrication. Transportation advantages, including proximity to the ports of Charleston, South Carolina, and Savannah, Georgia, have helped the County expand its industrial base and attract various manufacturing activity to the area. Point South Commerce Park located at I-95 exit 33 offers 445 acres of industrial and commercial parcels anchored by a leading supplier of structural building products, which established operations in 2021. Cypress Ridge Business Park located 5 miles from I-95 exit 21 offers over 205 acres of green field among eight existing businesses. Riverport Commerce Park, a joint venture with a private developer, offers 4.6 million square feet targeted toward logistics and distribution companies using the Port of Savannah which is 9 miles from this property. In partnership with the State of South Carolina, the Sherwood Tract offers over 1,400 acres of industrial parcels at I-95 and 5 miles from the Port of Savannah. Pin Tail Industrial Park offers 100 acres for development. South Atlantic Logistics Center offers 880 acres. Clarius Park in the City offers 220 acres. The County has and continues to strategically position itself for massive growth in the distribution and manufacturing sectors. Hardeeville Commerce Park offers build to suit opportunities and 26.63 acres.

In the past two years, the County Council has authorized numerous fee-in-lieu (FILOT) and incentive agreements with companies proposing to locate in the County and celebrated the announcements of four new companies, the expansion of one existing company, and the ongoing development of two industrial/distribution/logistics parks which will collectively be investing $164 million and creating around 690 jobs.

In April 2025, Palmetto Plastics Innovations, a plastic extrusion manufacturer, announced plans to establish operations in the County. The company's new state-of-the-art thermoforming facility is expected to create 28 new jobs.

In March 2025, TS Conductor, a manufacturer of next-generation advanced conductors that enable utilities to double transmission capacity while cutting costs, announced plans to establish operations in the County, its first South Carolina operation and its second U.S. manufacturing facility. The company's $134 million investment will create 462 new jobs.

In December 2024, Senn Brothers Produce, a family-owned produce distributor, announced new operations in the County. The company delivers fresh, high-quality fruits and vegetables sourced from local farmers and producers. The $2.9 million investment will create 19 new jobs.

In September 2024, Unified Resources in Display, an innovative retail agency and manufacturer of permanent and semi-permanent point of purchase displays, announced its plans to establish its first South Carolina operations in the County. The company's $14 million investment will create 143 new jobs.

In April 2024, Master Steel, LLC, a structural steel fabrication and erection company, announced its expansion of operations in the County. The two-phased expansion includes a new fabrication shop, a 10-ton outside crane, and new robotic machinery at the company's current facility in the City. The company's $10 million investment will create 14 new jobs.

In October 2022, Hardee Greens LLC, a startup indoor, vertical farm company, announced plans to establish operations in the County. The company's $1.3 million investment will create 58 new jobs. The new farm is initially expected to produce 10,000 pounds of greens and salads monthly to serve restaurants, schools and grocery stores in the Beaufort, Bluffton, Hilton Head and Savannah areas.

In November 2021, Builders FirstSource, a leading supplier of structural building products, announced plans to establish operations in the County. The new location will allow the company to expand its offerings and production capacity. The $16 million investment is expected to create 126 new jobs over the next five years.

In September 2021, The Home Depot, Inc., a world-leading home improvement retailer, announced plans to expand its operations in the County, as well as in Charleston, Greenville, and Lexington counties. The combined expansion will create nearly 100 new jobs.

Financial Institutions

According to the Federal Deposit Insurance Corporation, as of June 30, 2025, there were three branches of commercial banks in the County, with deposits at all institutions totaling more than $394,236,000.

Education

The Jasper County School District operates seven public schools throughout the County, including two elementary schools, one middle school, one high school, one alternative school, and two career education schools. The South Carolina Department of Education took full control of Jasper County School District in August 2025. The County Auditor and County Treasurer bill and collect taxes on behalf of the school district. For more information on Jasper County School District see "THE DISTRICT—Nearby Schools."

In addition, Jasper County is home to three public charter schools. Royal Live Oaks Academy of the Arts & Sciences ("*RLOA*"), located within the City, currently has an enrollment of approximately 688 students in grades K-12. RLOA students have learning opportunities in engineering, computer science, business administration, finance, and biomedical science. Polaris Tech Charter School ("*Polaris*") is located in Ridgeland, South Carolina, and serves approximately 514 students in grades K-12, which includes students from Jasper, Colleton, Beaufort, and Hampton Counties. Polaris has implemented a comprehensive school-wide program known as the Personalized Learning Framework, which incorporates five research-based strategies designed to engage students who have traditionally been disengaged: Learner Profiles, Personal Learning Path, Competency-Based Progression, Flexible Learning Environments, and an Emphasis on College and Career Readiness. Heartwood Community School ("*Heartwood*"), located in Ridgeland, South Carolina, serves approximately 87 students in grades K-2. Heartwood's academic program is rooted in research-based, high-quality curricula.

Higher Education

The University of South Carolina Beaufort ("*USCB*") has three campuses in the Lowcountry, including one four-year campus located just beyond the City limits. USCB campuses include Beaufort, Bluffton and Hilton Head Island, offering more than 50 undergraduate and graduate academic programs. The Technical College of the Lowcountry, a public two-year community college serving approximately 5,000 students annually, has a Beaufort campus, Hampton campus, and New River campus.

Healthcare Services

Novant Health Coastal Carolina Medical Center is a 41-bed acute care hospital located within the City. Coastal Carolina Medical Center provides 24-hour emergency care, imaging, surgical services, rehabilitation, as well as a Wound Healing Center and the Women's Pavilion. The Tidewatch Emergency Department is a freestanding emergency facility located in the City, which serves as an extension of the Coastal Carolina Medical Center.

Beaufort-Jasper-Hampton Comprehensive Health Services, Inc., operates two clinics within Jasper County, the Ruth P. Field Medical Center located in Ridgeland, South Carolina, and the Donald E. Gatch Medical Center, located in the City. These clinics provide OB/GYN services, family medicine, dental care, pediatrics, and pharmacy services.

The Beaufort Memorial Okatie Medical Pavilion is located in Okatie, South Carolina, and houses primary care services and specialty clinics covering cardiology, general surgery, gastroenterology, and pulmonology, and a Breast Health Center offering screening and diagnostic mammography, diagnostic ultrasound, and bone density screening. The Okatie Medical Pavilion is also home to the New River Cancer Center, a full-service cancer center which includes medical and radiation oncology specialists. MUSC Health also operates a hematology/oncology clinic out of the Okatie Medical Pavilion.

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APPENDIX F

HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT ASSESSMENT REVENUE REPORT

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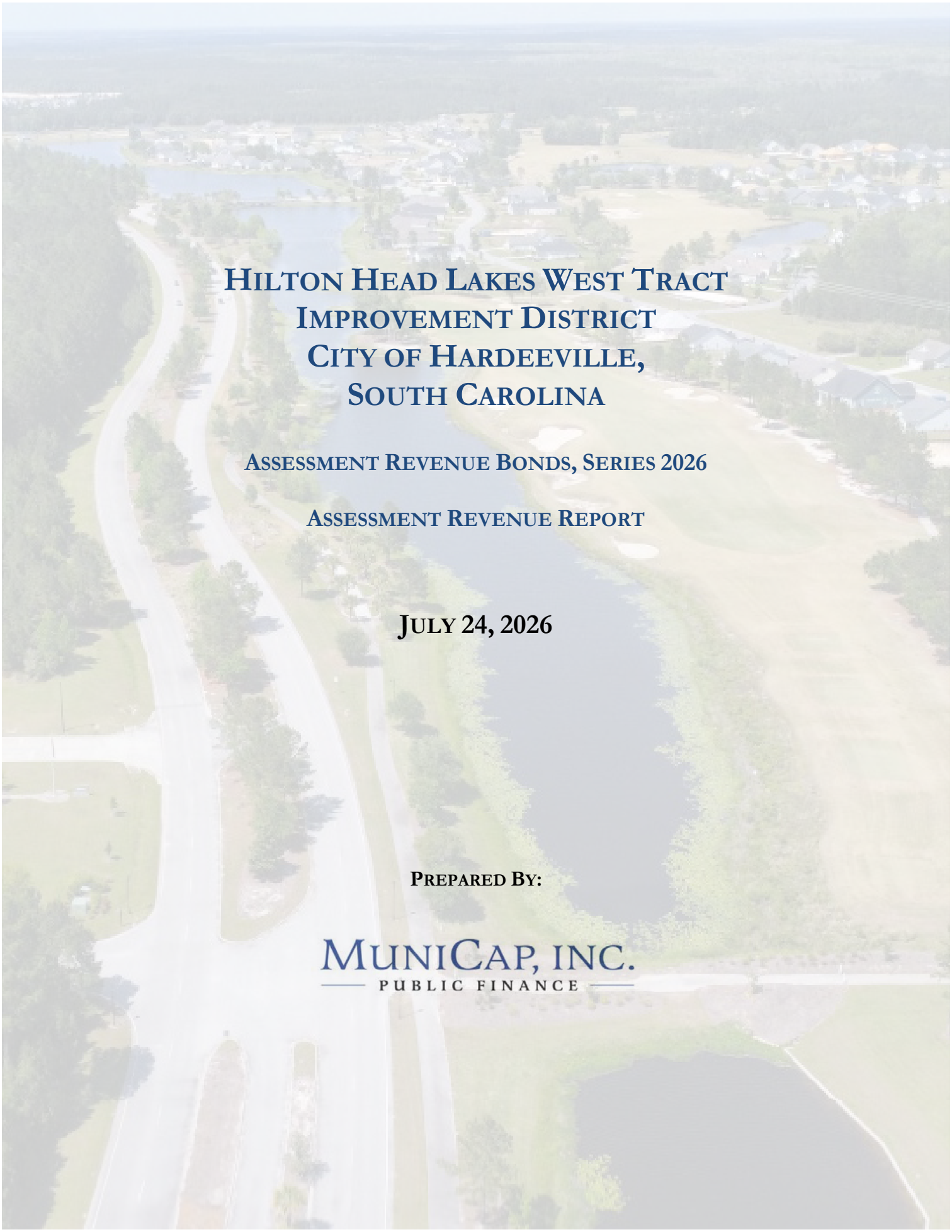


HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT CITY OF HARDEEVILLE, SOUTH CAROLINA

ASSESSMENT REVENUE BONDS, SERIES 2026

ASSESSMENT REVENUE REPORT

JULY 24, 2026

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT CITY OF HARDEEVILLE, SOUTH CAROLINA

ASSESSMENT REVENUE BONDS, SERIES 2026

ASSESSMENT REVENUE REPORT

JULY 24, 2026

TABLE OF CONTENTS

I. SUMMARY OF RESULTS 1

PURPOSE OF REPORT 1
THE DEVELOPMENT 1
ASSESSMENT REVENUE PROJECTION RESULTS 2

II. ASSESSMENT METHODOLOGY 12

INTRODUCTION 12
LEVY OF ASSESSMENT A 12
PREPAYMENT OF BOND ASSESSMENT 14
MANDATORY FULL PREPAYMENT OF ASSESSMENT A 15
REDUCTION IN THE ASSESSMENTS 15

III. ASSESSMENT REVENUE PROJECTIONS 16

ASSESSMENT REVENUE PROJECTION RESULTS 16

IV. ASSUMPTIONS & LIMITATIONS 19

I. SUMMARY OF RESULTS[1]

PURPOSE OF REPORT

The purpose of this report is to provide estimates of certain future assessment revenues under various assumed scenarios from the Hilton Head Lakes West Tract Improvement District (the "District") located within the City of Hardeeville, South Carolina (the "City"). These revenues would be available for the payment of debt service on the City's $30,000,000 Hilton Head Lakes West Tract Improvement District Assessment Revenue Bonds, Series 2026 (the "Series 2026 Bonds")[2], as well as future bonds anticipated to be issued for the District (the Series 2026 Bonds and the future bonds collectively the "Bonds").

Specifically, this report provides estimates of assessment revenues under various scenarios. Assessment A revenues may be applied to pay debt service, administrative expenses, and related expenses on the Bonds. The Bonds will provide funds to LK Development Group, LLC (the "Developer"), the master developer of the real property within the District, to reimburse expenditures on Public Improvements.[3] A portion of the Assessment A revenues are the Bond Assessments, which will be applied to repay the Bonds. There is also an Administrative Expenses Assessment, which is a component of Assessment A, and will be applied to pay administrative expenses related to the District and which are not pledged to the Bonds.

This report is intended to be appended to the PLOM for the Series 2026 Bonds. Additional information on the Series 2026 Bonds, including the uses of the proceeds and security thereof, can be found in the PLOM.

THE DEVELOPMENT

The Hilton Head Lakes West development (the "Development") is located on approximately 2,606 acres within the City. The Developer commenced land development within the Development in 2021. As more fully described in a subsequent section of this report and shown in **TABLE I**, the Development is a residential community expected to include an estimated 731 townhouses and 3,310 single-family detached units.[4] As further described in the PLOM and shown in **TABLE I**, the District is divided by wetlands into two areas, a southern and a northern portion, which are to be connected by a bridge. The southern portion of the District (the "South Section") is the first phase and is currently under development. The northern portion (the "North Section") is a later phase of development.

[1] Capitalized terms not defined herein have the meaning as defined in the Rate and Method of Apportionment of Assessment A (the "RMA"), attached as an exhibit to the Assessment A Assessment Roll, which is attached as Appendix A to the offering document (the "Preliminary Limited Offering Memorandum" or the "PLOM"), except as noted.

[2] The Series 2026 Bonds are being issued by the City pursuant to Title 5, Chapter 37 of the Code of Laws of South Carolina 1976, as amended (the "Act"). The Series 2026 Bonds have been authorized pursuant to the City's approval of such in Ordinance No. 2025-10-16C enacted on November 6, 2025 (the "Bond Ordinance").

[3] See the PLOM sections entitled "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT" and "THE DISTRICT" for further explanation.

[4] Additional information on land development, infrastructure improvements, and residential units is outlined in the sections of the PLOM titled "INFRASTRUCTURE AND LAND DEVELOPMENT AND COSTS; 2026 PROJECT" and "THE DISTRICT," respectively. This report will generally not repeat information in the PLOM unless the context makes it helpful.

TABLE I
Estimated Total Development within the District

	Units
Unit types:	
Townhouses	731
Single-family detached	3,310
Total	**4,041**
Development areas:	
South Section	2,373
North Section	1,668
Total	**4,041**

ASSESSMENT REVENUE PROJECTION RESULTS

Three scenarios of projected Assessment A revenues have been prepared, all of which are attached hereto as **APPENDIX A**, **APPENDIX B,** and **APPENDIX C**. Scenarios A and B assume completion of the development in the District as described in **TABLE I** and vary in their financing assumptions as described below. Scenario C assumes the same financing assumptions as Scenario A but assumes that only the South Section of the District is developed. This scenario excludes the development of the 1,668 units anticipated for the North Section.

The Developer anticipates platting Parcels, excluding Pods G, F-1, and I, in the same year in which they are anticipated to be sold to builders. Pods G, F-1, and I are to be developed primarily by Lennar Homes and Lennar Homes has provided the schedule of platting for these pods. This pace for the patting of Parcels can be seen in Appendices A-2.a, B-2.a, and C-2.a to represent Scenarios A, B, and C, respectively. This report provides estimated Bond Assessment revenues under the following additional assumptions:

Scenario A:

- Only the Series 2026 Bonds are issued with a par amount of $30,000,000.
- Series 2026 Bonds are sized to fund approximately $22,101,717.64 of public improvements.
- Maximum Annual Installment for Platted Property is $600 per Parcel of Platted Property, increasing 3% annually.[5] (The Annual Installment is the portion of the Bond Assessment due and payable each year.)
    - If no further bonds are issued, Assessment A will need to be reduced to reflect the bonds issued.
- The Bond Assessment is collected first from Platted Property and then from Unplatted Property.[6]

[5] According to the RMA, a Parcel is any lot within the District with a tax map identification number assigned or to be assigned for real property tax collection. Platted Property means any lot or parcel for which a final plat has been recorded creating individual lots on which vertical development may be built without further subdivision. The Maximum Annual Installment for Platted Property is the maximum amount of Assessment A levied on each Parcel per year. Additional definitions and explanations can be found in the RMA.

[6] Unplatted Property means all Parcels of Assessed Property other than Platted Property.

Scenario B (differs from Scenario A as follows):

- One additional series of parity bonds is issued in 2029 with a par amount of $16,250,000.
    - The additional series is to be repaid from Bond Assessment revenues.
    - The additional series is sized to maximize proceeds based on the following:
        - Maximum aggregate principal amount is not to exceed $47,100,000 (as established in the Bond Ordinance); and
        - The Maximum Assessment A may not exceed $115,351,353.[7]

Scenario C (differs from Scenario A as follows):

- Only the South Section of the District is shown as developed, which includes 368 townhouses and 2,005 single-family detached units, resulting in 2,373 total assessed units. This scenario identifies the debt service on the Series 2026 Bonds that can be paid with Bond Assessments from the South Section and the portion of debt service that would need to be paid with Bond Assessments from the North Section.

TABLE II provides a representation of the projected Bond Assessment revenues from Platted and Unplatted Property in Scenario A. **CHART A** shows the projected Bond Assessment revenues and net annual debt service on the Series 2026 Bonds. Under Scenario A, Bond Assessments from Unplatted Property are projected to be necessary from bond years 2028 through 2032 to pay debt service. The Bond Assessment revenues from Platted Property are projected to be sufficient to pay debt service by bond year 2033.

[7] The Maximum Assessment A is set by the City Council ordinance approved October 16, 2025, Ordinance 2025-10-02D, and amended January 22, 2026, Ordinance 2026-01-08B (the "Assessment Ordinance").

Table II
Projected Bond Assessment Revenues – Scenario A

Bond Year Ending	Parcels of Platted Property[a]	Maximum Annual Installment for Platted Property[b]	Net Annual Debt Service[c]	Annual Payment Per EU[d]	Annual Payment from Platted Property[c]	Surplus / Deficit[e]	Unplatted Property Annual Payment Revenue[e]	Debt Service Coverage	
								Platted Property	Unplatted Property
1-Nov-26	0	$0	$0	$0	$0	$0	$0	NA	NA
1-Nov-27	0	$600	$0	$0	$0	$0	$0	NA	NA
1-Nov-28	281	$618	$1,907,751	$618	$173,658	($1,734,093)	$1,734,093	9.1%	90.9%
1-Nov-29	763	$637	$1,909,104	$637	$485,680	($1,423,424)	$1,423,424	25.4%	74.6%
1-Nov-30	1,421	$656	$1,910,483	$656	$931,790	($978,693)	$978,693	48.8%	51.2%
1-Nov-31	2,039	$675	$1,911,890	$675	$1,376,947	($534,943)	$534,943	72.0%	28.0%
1-Nov-32	2,642	$696	$1,913,326	$696	$1,837,681	($75,644)	$75,644	96.0%	4.0%
1-Nov-33	3,311	$716	$1,914,790	$578	$1,914,790	$0	$0	100.0%	0.0%
1-Nov-34	3,585	$738	$1,916,283	$535	$1,916,283	$0	$0	100.0%	0.0%
1-Nov-35	3,836	$760	$1,927,806	$503	$1,927,806	$0	$0	100.0%	0.0%
1-Nov-36	4,041	$783	$2,093,785	$518	$2,093,785	$0	$0	100.0%	0.0%
1-Nov-37	4,041	$806	$2,155,307	$533	$2,155,307	$0	$0	100.0%	0.0%
1-Nov-38	4,041	$831	$2,222,836	$550	$2,222,836	$0	$0	100.0%	0.0%
1-Nov-39	4,041	$855	$2,285,797	$566	$2,285,797	$0	$0	100.0%	0.0%
1-Nov-40	4,041	$881	$2,354,191	$583	$2,354,191	$0	$0	100.0%	0.0%
1-Nov-41	4,041	$908	$2,427,444	$601	$2,427,444	$0	$0	100.0%	0.0%
1-Nov-42	4,041	$935	$2,499,981	$619	$2,499,981	$0	$0	100.0%	0.0%
1-Nov-43	4,041	$963	$2,576,516	$638	$2,576,516	$0	$0	100.0%	0.0%
1-Nov-44	4,041	$992	$2,651,474	$656	$2,651,474	$0	$0	100.0%	0.0%
1-Nov-45	4,041	$1,021	$2,729,568	$675	$2,729,568	$0	$0	100.0%	0.0%
1-Nov-46	4,041	$1,052	$2,815,224	$697	$2,815,224	$0	$0	100.0%	0.0%
1-Nov-47	4,041	$1,084	$2,897,581	$717	$2,897,581	$0	$0	100.0%	0.0%
1-Nov-48	4,041	$1,116	$2,984,551	$739	$2,984,551	$0	$0	100.0%	0.0%
1-Nov-49	4,041	$1,150	$3,070,936	$760	$3,070,936	$0	$0	100.0%	0.0%
1-Nov-50	4,041	$1,184	$3,166,111	$783	$3,166,111	$0	$0	100.0%	0.0%
1-Nov-51	4,041	$1,220	$3,258,827	$806	$3,258,827	$0	$0	100.0%	0.0%
1-Nov-52	4,041	$1,256	$3,358,460	$831	$3,358,460	$0	$0	100.0%	0.0%
1-Nov-53	4,041	$1,294	$3,458,760	$856	$3,458,760	$0	$0	100.0%	0.0%
1-Nov-54	4,041	$1,333	$3,563,792	$882	$3,563,792	$0	$0	100.0%	0.0%
1-Nov-55	4,041	$1,373	$3,672,305	$909	$3,672,305	$0	$0	100.0%	0.0%
1-Nov-56	4,041	$1,414	$3,778,051	$935	$3,778,051	$0	$0	100.0%	0.0%
1-Nov-57	4,041	$1,456	$0	$0	$0	$0	$0	NA	NA
Total			**$75,332,926**		**$70,586,130**	**($4,746,796)**	**$4,746,796**		

[a] See Appendix A-2.a.

[b] In the first year of platted lots, the Maximum Annual Installment for Platted Property is $600 per equivalent unit and is to increase by three percent each year thereafter. See Appendix A-5.

[c] See Appendix A-6. Net annual debt service includes Administrative Expenses Assessment and Series 2026 Bonds.

[d] The Annual Payment per EU will be the lesser of the Maximum Annual Installment for Platted Property and the Annual Payment needed for the total Annual Payment to pay annual debt service. See Appendix A-5.

[e] Represents the Annual Payment anticipated for Unplatted Property. See Appendix A-6.

Chart A
Projected Bond Assessment Revenues – Scenario A

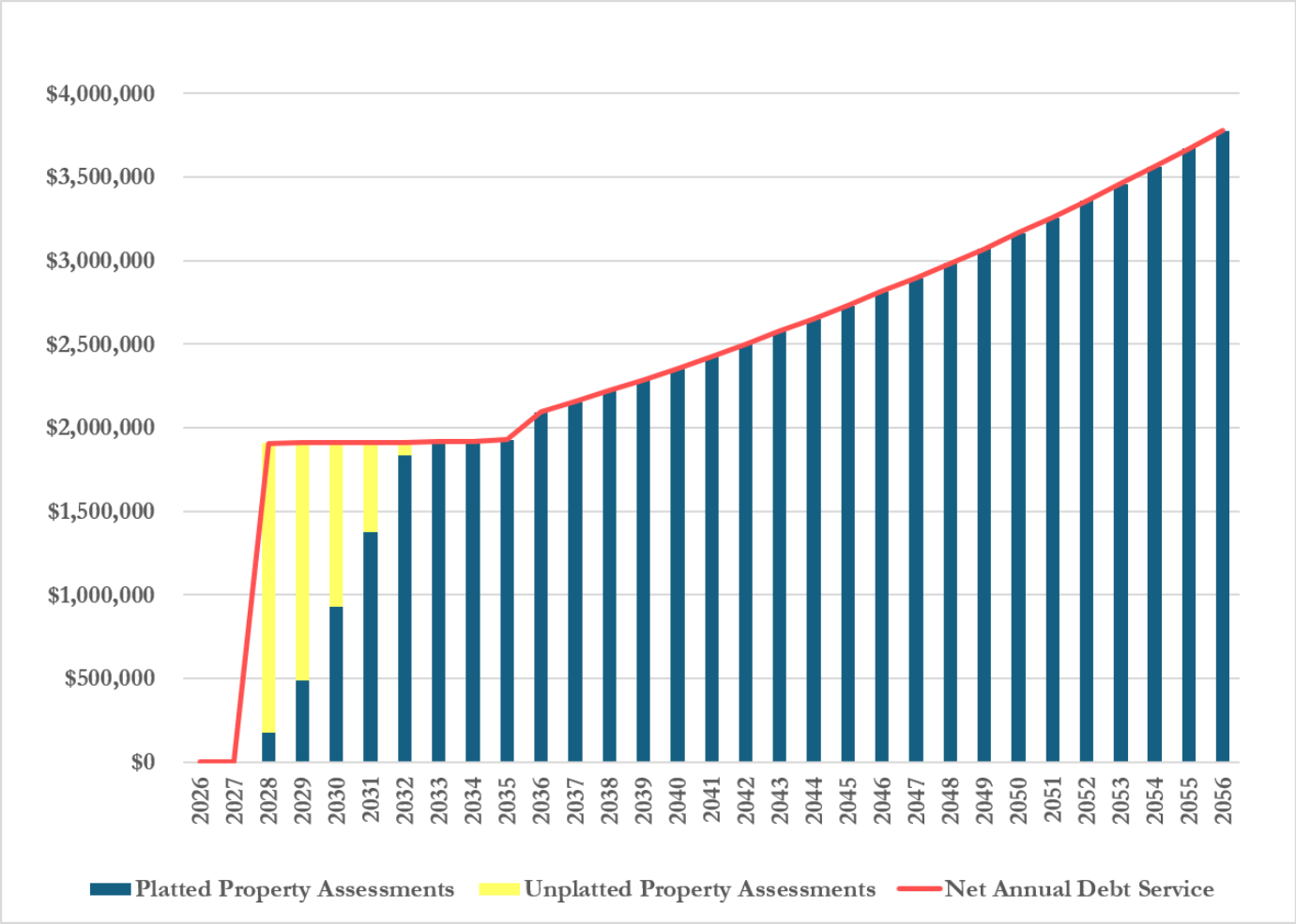


TABLE III provides a representation of the projected Bond Assessment revenues from Platted and Unplatted Property in Scenario B. **CHART B** shows the projected Bond Assessment revenues and net annual debt service on both the Series 2026 Bonds and the assumed additional bonds. Under Scenario B, Bond Assessments from Unplatted Property are projected to be necessary from bond years 2028 through 2035 to pay debt service. Bond Assessment revenues from Platted Property are projected to be sufficient to pay debt service by bond year 2036.

Table III
Projected Assessment A Revenues – Scenario B

Bond Year Ending	Parcels of Platted Property[a]	Maximum Annual Installment for Platted Property[b]	Net Annual Debt Service[c]	Annual Payment Per EU[d]	Annual Payment from Platted Property[c]	Surplus / Deficit[e]	Unplatted Property Annual Payment Revenue[e]	Debt Service Coverage	
								Platted Property	Unplatted Property
1-Nov-26	0	$0	$0	$0	$0	$0	$0	NA	NA
1-Nov-27	0	$600	$0	$0	$0	$0	$0	NA	NA
1-Nov-28	281	$618	$1,907,751	$618	$173,658	($1,734,093)	$1,734,093	9.1%	90.9%
1-Nov-29	763	$637	$1,909,104	$637	$485,680	($1,423,424)	$1,423,424	25.4%	74.6%
1-Nov-30	1,421	$656	$1,910,483	$656	$931,790	($978,693)	$978,693	48.8%	51.2%
1-Nov-31	2,039	$675	$2,978,340	$675	$1,376,947	($1,601,393)	$1,601,393	46.2%	53.8%
1-Nov-32	2,642	$696	$2,979,980	$696	$1,837,681	($1,142,298)	$1,142,298	61.7%	38.3%
1-Nov-33	3,311	$716	$2,981,652	$716	$2,372,104	($609,547)	$609,547	79.6%	20.4%
1-Nov-34	3,585	$738	$2,983,357	$738	$2,645,459	($337,898)	$337,898	88.7%	11.3%
1-Nov-35	3,836	$760	$2,995,097	$760	$2,915,598	($79,499)	$79,499	97.3%	2.7%
1-Nov-36	4,041	$783	$3,161,296	$782	$3,161,296	$0	$0	100.0%	0.0%
1-Nov-37	4,041	$806	$3,258,044	$806	$3,258,044	$0	$0	100.0%	0.0%
1-Nov-38	4,041	$831	$3,353,527	$830	$3,353,527	$0	$0	100.0%	0.0%
1-Nov-39	4,041	$855	$3,452,498	$854	$3,452,498	$0	$0	100.0%	0.0%
1-Nov-40	4,041	$881	$3,559,306	$881	$3,559,306	$0	$0	100.0%	0.0%
1-Nov-41	4,041	$908	$3,663,053	$906	$3,663,053	$0	$0	100.0%	0.0%
1-Nov-42	4,041	$935	$3,773,488	$934	$3,773,488	$0	$0	100.0%	0.0%
1-Nov-43	4,041	$963	$3,889,677	$963	$3,889,677	$0	$0	100.0%	0.0%
1-Nov-44	4,041	$992	$4,005,718	$991	$4,005,718	$0	$0	100.0%	0.0%
1-Nov-45	4,041	$1,021	$4,126,001	$1,021	$4,126,001	$0	$0	100.0%	0.0%
1-Nov-46	4,041	$1,052	$4,249,627	$1,052	$4,249,627	$0	$0	100.0%	0.0%
1-Nov-47	4,041	$1,084	$4,375,733	$1,083	$4,375,733	$0	$0	100.0%	0.0%
1-Nov-48	4,041	$1,116	$4,506,584	$1,115	$4,506,584	$0	$0	100.0%	0.0%
1-Nov-49	4,041	$1,150	$4,641,654	$1,149	$4,641,654	$0	$0	100.0%	0.0%
1-Nov-50	4,041	$1,184	$4,784,670	$1,184	$4,784,670	$0	$0	100.0%	0.0%
1-Nov-51	4,041	$1,220	$4,924,059	$1,219	$4,924,059	$0	$0	100.0%	0.0%
1-Nov-52	4,041	$1,256	$5,073,869	$1,256	$5,073,869	$0	$0	100.0%	0.0%
1-Nov-53	4,041	$1,294	$5,227,204	$1,294	$5,227,204	$0	$0	100.0%	0.0%
1-Nov-54	4,041	$1,333	$5,382,476	$1,332	$5,382,476	$0	$0	100.0%	0.0%
1-Nov-55	4,041	$1,373	$5,543,111	$1,372	$5,543,111	$0	$0	100.0%	0.0%
1-Nov-56	4,041	$1,414	$5,712,210	$1,414	$5,712,210	$0	$0	100.0%	0.0%
1-Nov-57	4,041	$1,456	$4,037,444	$999	$4,037,444	$0	$0	100.0%	0.0%
1-Nov-58	3,278	$1,500	$0	$0	$0	$0	$0	NA	NA
Total			**$115,347,013**		**$107,440,168**	**($7,906,845)**	**$7,906,845**		

[a]See Appendix B-2.a.

[b]In the first year of platted lots, the Maximum Annual Installment for Platted Property is $600 per equivalent unit and is to increase by three percent each year thereafter. See Appendix B-5.

[c]See Appendix B-6. Net annual debt service includes Administrative Expenses Assessment, Series 2026, and Series 2029 Bonds.

[d]The Annual Payment per EU will be the lesser of the Maximum Annual Installment for Platted Property and the Annual Payment needed for the total Annual Payment to pay annual debt service. See Appendix B-5.

[e]Represents the Annual Payment anticipated for Unplatted Property. See Appendix B-6.

Chart B
Projected Assessment A Revenues – Scenario B

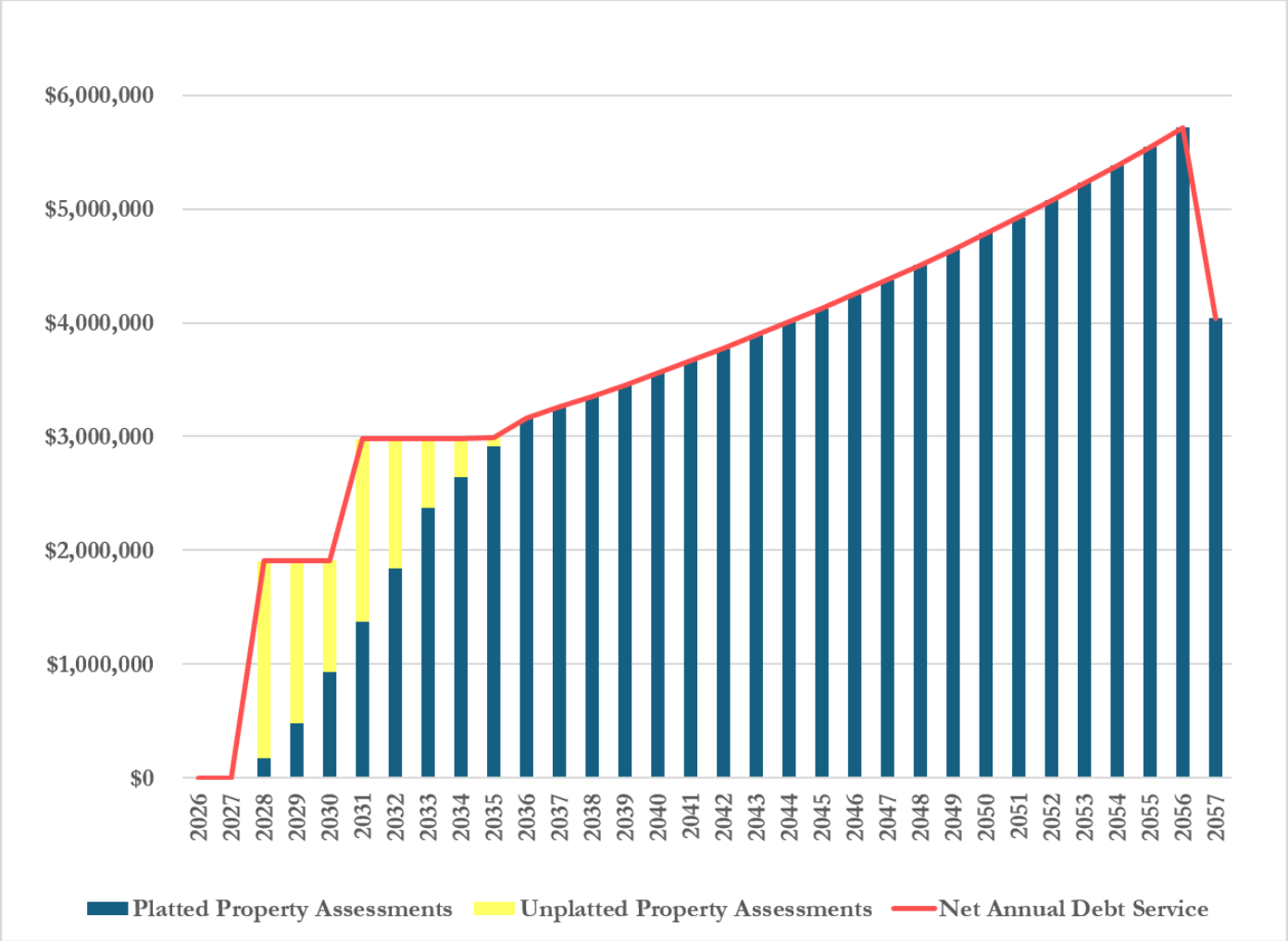


TABLE IV provides a representation of the projected Bond Assessment revenues from Platted and Unplatted Property in Scenario C. **CHART C** shows the projected Bond Assessment revenues and net annual debt service on the Series 2026 Bonds. The property in the South Section is not able to entirely pay debt service on the Series 2026 Bonds. As a result, in this scenario, approximately eleven percent of Annual Installments would be collected from property in the North Section through the repayment of the Series 2026 Bonds.

Table IV
Projected Assessment A Revenues – Scenario C

Bond Year Ending	Parcels of Platted Property[a]	Maximum Annual Installment for Platted Property[b]	Net Annual Debt Service[c]	Annual Payment Per EU[d]	Annual Payment from Platted Property[c]	Surplus / Deficit[e]	Unplatted Property Annual Payment Revenue[e]	Debt Service Coverage		
								South Section		North Section
								Platted	Unplatted	Unplatted[c]
1-Nov-26	0	$0	$0	$0	$0	$0	$0	NA	NA	NA
1-Nov-27	0	$600	$0	$0	$0	$0	$0	NA	NA	NA
1-Nov-28	281	$618	$1,907,751	$618	$173,658	($1,734,093)	$1,734,093	9.1%	50.6%	40.3%
1-Nov-29	763	$637	$1,909,104	$637	$485,680	($1,423,424)	$1,423,424	25.4%	36.6%	37.9%
1-Nov-30	1,294	$656	$1,910,483	$656	$848,524	($1,061,959)	$1,061,959	44.4%	21.8%	33.8%
1-Nov-31	1,661	$675	$1,911,890	$675	$1,121,682	($790,208)	$790,208	58.7%	12.4%	29.0%
1-Nov-32	2,013	$696	$1,913,326	$696	$1,400,171	($513,154)	$513,154	73.2%	4.8%	22.1%
1-Nov-33	2,349	$716	$1,914,790	$716	$1,682,897	($231,892)	$231,892	87.9%	0.2%	11.9%
1-Nov-34	2,373	$738	$1,916,283	$738	$1,751,094	($165,188)	$165,188	91.4%	0.0%	8.6%
1-Nov-35	2,373	$760	$1,927,806	$760	$1,803,627	($124,179)	$124,179	93.6%	0.0%	6.4%
1-Nov-36	2,373	$783	$2,093,785	$783	$1,857,736	($236,049)	$236,049	88.7%	0.0%	11.3%
1-Nov-37	2,373	$806	$2,155,307	$806	$1,913,468	($241,839)	$241,839	88.8%	0.0%	11.2%
1-Nov-38	2,373	$831	$2,222,836	$831	$1,970,872	($251,964)	$251,964	88.7%	0.0%	11.3%
1-Nov-39	2,373	$855	$2,285,797	$855	$2,029,998	($255,799)	$255,799	88.8%	0.0%	11.2%
1-Nov-40	2,373	$881	$2,354,191	$881	$2,090,898	($263,293)	$263,293	88.8%	0.0%	11.2%
1-Nov-41	2,373	$908	$2,427,444	$908	$2,153,625	($273,819)	$273,819	88.7%	0.0%	11.3%
1-Nov-42	2,373	$935	$2,499,981	$935	$2,218,234	($281,747)	$281,747	88.7%	0.0%	11.3%
1-Nov-43	2,373	$963	$2,576,516	$963	$2,284,781	($291,735)	$291,735	88.7%	0.0%	11.3%
1-Nov-44	2,373	$992	$2,651,474	$992	$2,353,324	($298,149)	$298,149	88.8%	0.0%	11.2%
1-Nov-45	2,373	$1,021	$2,729,568	$1,021	$2,423,924	($305,644)	$305,644	88.8%	0.0%	11.2%
1-Nov-46	2,373	$1,052	$2,815,224	$1,052	$2,496,642	($318,582)	$318,582	88.7%	0.0%	11.3%
1-Nov-47	2,373	$1,084	$2,897,581	$1,084	$2,571,541	($326,040)	$326,040	88.7%	0.0%	11.3%
1-Nov-48	2,373	$1,116	$2,984,551	$1,116	$2,648,687	($335,864)	$335,864	88.7%	0.0%	11.3%
1-Nov-49	2,373	$1,150	$3,070,936	$1,150	$2,728,148	($342,788)	$342,788	88.8%	0.0%	11.2%
1-Nov-50	2,373	$1,184	$3,166,111	$1,184	$2,809,992	($356,118)	$356,118	88.8%	0.0%	11.2%
1-Nov-51	2,373	$1,220	$3,258,827	$1,220	$2,894,292	($364,535)	$364,535	88.8%	0.0%	11.2%
1-Nov-52	2,373	$1,256	$3,358,460	$1,256	$2,981,121	($377,339)	$377,339	88.8%	0.0%	11.2%
1-Nov-53	2,373	$1,294	$3,458,760	$1,294	$3,070,555	($388,205)	$388,205	88.8%	0.0%	11.2%
1-Nov-54	2,373	$1,333	$3,563,792	$1,333	$3,162,671	($401,120)	$401,120	88.7%	0.0%	11.3%
1-Nov-55	2,373	$1,373	$3,672,305	$1,373	$3,257,551	($414,753)	$414,753	88.7%	0.0%	11.3%
1-Nov-56	2,373	$1,414	$3,778,051	$1,414	$3,355,278	($422,773)	$422,773	88.8%	0.0%	11.2%
1-Nov-57	2,373	$1,456	$0	$0	$0	$0	$0	NA	NA	NA
Total			**$75,332,926**		**$62,540,676**	**($12,792,250)**	**$12,792,250**			

[a]See Appendix C-2.a.

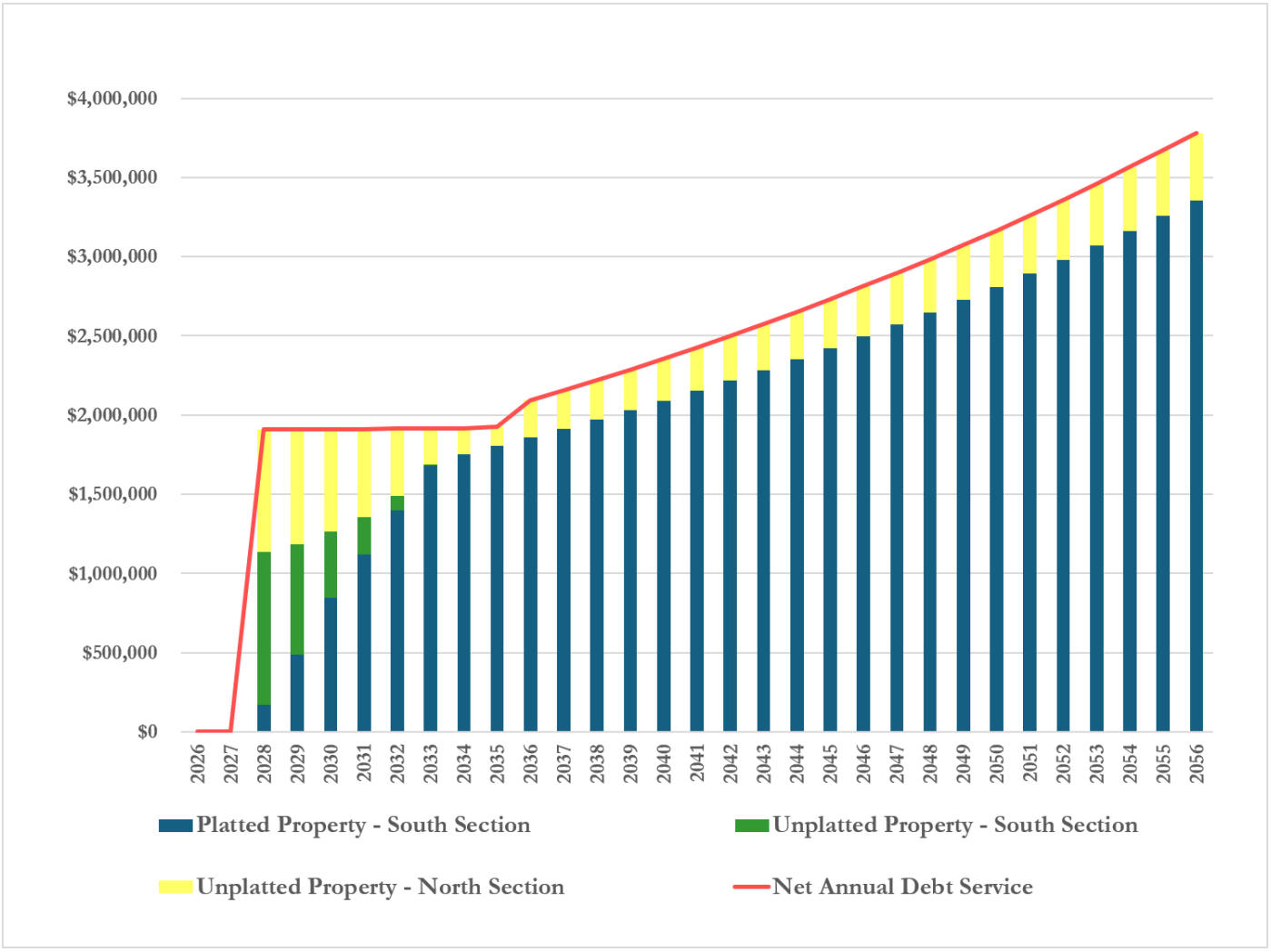
[b]In the first year of platted lots, the Maximum Annual Installment for Platted Property is $600 per equivalent unit and is to increase by three percent each year thereafter. See Appendix C-5.

[c]See Appendix C-6. Net annual debt service includes Administrative Expenses Assessment and Series 2026 Bonds.

[d]The Annual Payment per EU will be the lesser of the Maximum Annual Installment for Platted Property and the Annual Payment needed for the total Annual Payment to pay annual debt service. See Appendix C-5.

[e]Represents the Annual Payment anticipated for Unplatted Property. See Appendix C-6.

Chart C
Projected Assessment A Revenues – Scenario C



II. Assessment Methodology

Introduction

The following descriptions of Assessment A, as well as the attached appendices (**Appendix A**, **Appendix B,** and **Appendix C**), all of which include projections of Bond Assessment revenues, are qualified by reference to the RMA. For a complete understanding of Assessment A and the assessment methodology, the RMA should be read in its entirety.[8]

Levy of Assessment A

The City of Hardeeville City Council (the "City Council") enacted Ordinance No. 2025-10-02C on October 16, 2025, as amended by Ordinance No. 2026-01-08A, enacted on January 22, 2026, which designated the District as a municipal improvement district (the "District Ordinance"). The City Council further enacted the Assessment Ordinance, which imposed Assessment A to provide for the funding of capital costs of certain Public Improvements within the District and the related administrative expenses. In connection with the designation of the District as an improvement district and the levy of Assessment A, City Council approved: (i) the Assessment A Assessment Roll; (ii) the RMA; and (iii) the Report on the Reasonable Basis of Special Assessment A. The following describes Assessment A and its assessment methodology.

Assessment A is allocated to Parcels in the District equally per expected development of residential units. Assessment A consists of the following two parts:

Bond Assessment

Pursuant to the RMA, the Bond Assessment represents the obligation of a Parcel for repayment of the Bonds, including a Parcel's share of the principal and interest on any Bonds which are supported by Assessment A, excluding the Parcel's obligation for the Administrative Expense Assessment.[9] The Principal Portion of the Bond Assessment is equal to the principal portion of all Bonds to be supported by Assessment A. The Principal Portion of the Bonds may be increased for refunding bonds, so long as the total of the Bond Assessment is not increased.[10] The Bond Assessment is applied to the repayment of the Bonds.

Administrative Expense Assessment

Pursuant to the RMA, the Administrative Expense Assessment is equal to the amount necessary to fund the Administrative Expenses of the District. The Administrative Expenses are the costs directly related to the administration of Assessment A as described in the RMA. The Administrative Expense Annual Payment for each Parcel is the amount to be collected from each Parcel to fund the Administrative Expenses for each year. The Administrative Expense Annual Payment is allocated to each Parcel proportionate to the amount of Bond Assessment remaining on each Parcel. The Administrative Expense Assessment is not available to be applied to repayment of the Bonds.

The Bond Assessment allocated to a Parcel may be adjusted as a result of a subdivision of a Parcel. In the event of a subdivision of a Parcel, the Bond Assessment for the parent Parcel will be divided among the new

[8] Additional information on Assessment A can also be found in the PLOM and Assessment Ordinance.
[9] Pursuant to the RMA, "Bonds" means any bonds or other debt issued or expected to be issued by the City pursuant to the Act which are secured by the Bond Assessment, whether in one or more series, including any bonds issued to refund such bonds.
[10] For the Principal Portion of the Bond Assessment and the total Bond Assessment refer to the Assessment A Assessment Roll.

subdivided Parcels. The Bond Assessment for the parent Parcel will be divided among the subdivided Parcels in proportion to the Equivalent Units of the new subdivided Parcels.

If not prepaid, the Bond Assessment is paid annually over the term of the Bonds as the Annual Installment. The Annual Installment for each Parcel is projected to be paid for thirty years. The amount of Annual Installment to be collected each year from each Parcel is the Bond Annual Payment. The Bond Annual Payment plus the Administrative Expense Annual Payment equals the Annual Payment for each Parcel. These terms are described further in the next section.

TABLE V below shows the Parcels within the District as of May 1, 2026, and both the Principal Portion of the Assessment and the total Assessment allocated to each Parcel. The Assessments as shown in this table, can be reallocated and updated as described in the RMA.

TABLE V
District Parcels and Allocation of Assessments

Hilton Head Lakes West Tract Improvement District Parcels					
			Assessment A[c]		
Parcel ID[a]	Acres[b]	Owner	Principal Portion	Total Assessment	Percent of Total
042-00-06-045	2,216.51	LK Development Group LLC	$40,062,675	$98,116,428	85.1%
042-00-06-129	228.56	TPG AG EHC III (LEN) Multi State 1, LLC	$4,131,049	$10,117,243	8.8%
042-00-06-130	10.13	LK Development Group LLC	$183,042	$448,283	0.4%
042-00-06-131	18.14	TPG AG EHC III (LEN) Multi State 1, LLC	$327,802	$802,810	0.7%
042-00-06-132	132.53	Millrose Properties South Carolina LLC	$2,395,432	$5,866,589	5.1%
Total	**2,605.86**		**$47,100,000**	**$115,351,353**	**100.0%**

[a]Source: Jasper County Assessor's Office as of May 1, 2026.

[b]Source: Developer.

[c]Source: *Hilton Head Lakes West Tract Improvement District Assessment A Assessment Roll* as enacted by the Assessment Roll Ordinance. Assessment and Principal Portion shown represent the maximum assessments approved pursuant to the District and Assessment Ordinances. Actual assessments are subject to change pursuant to the RMA.

The total Assessments levied on all property in the District are $115,351,353. The total of the Assessments that may be collected from a parcel of Platted Property is $28,545 less any amount collected and allocated to this parcel as Unplatted Property. Assessments may not be collected in the full amount if not required to pay debt service. The Assessments must be reduced for the actual costs of the District, which include any Bonds issued to be repaid by the Assessments, interest on those bonds, and administrative expenses incurred related to the Bonds.

A. ANNUAL INSTALLMENT

An owner of a Parcel within the District has the right to prepay the Bond Assessment at any time. If not prepaid, the Bond Assessment is paid annually pursuant to the RMA. These scheduled payments are defined as the Annual Installments. The Maximum Annual Installment for Platted Property is $600 per year, increasing annually at a rate of 3%. Assessments may not be collected from a parcel once the full Assessment amount of

$28,545 which has been levied on the parcel has been collected. The Maximum Annual Installment would be reduced if less than all of the bonds supported by the Bond Assessments were issued.

B. ANNUAL PAYMENT

The Annual Payment for a given year is the sum of the Bond Annual Payment and the Administrative Expense Annual Payment. Upon the Completion of Construction[11], the RMA allows the Bond Assessment collected each year to be less than the Annual Installment if the Annual Revenue Requirement is less than the total of the Annual Installments.

Pursuant to the RMA, the Annual Revenue Requirement is defined as follows:

> ". . . for any Assessment Year, the sum of the following: (1) regularly scheduled debt service on the Bonds; and (2) periodic costs associated with such Bonds, including but not limited to rebate payments and credit enhancement on the Bonds; less (a) any other funds available pursuant to the Indenture to apply to the Annual Revenue Requirement, such as capitalized interest and interest earnings on any account balances and (b) any other funds available to the District that may be applied to the Annual Revenue Requirement."

The Annual Payment on Platted Property will be the lesser of the Annual Installment as calculated above and the amount per unit required to meet the Annual Revenue Requirement.

If the Annual Payments on Platted Property are not sufficient to meet the Annual Revenue Requirement, Annual Payments are collected from Unplatted Property to make up the difference. The Bond Annual Payment on Unplatted Property is divided among all Parcels of Unplatted Property using the proportion of the Principal Portion of the Bond Assessment for each Unplatted Parcel as compared to the total Principal Portion of all Unplatted Parcels.

PREPAYMENT OF BOND ASSESSMENT

Property owners have the option to prepay the Bond Assessment on any Parcel in the District during the term of the Bonds. In the event the Bond Assessment is prepaid in full, the Assessment A is reduced to zero, and the obligation to pay the Annual Payment for the Parcel is permanently satisfied.

A prepayment of the Bond Assessment is equal to the sum of: (i) Principal, (ii) Defeasance, and (iii) Expenses, less the (iv) Reserve Fund Credit, where the terms have the following meanings.

PRINCIPAL

The Principal is an amount equal to the Principal Portion of the Bond Assessment for the Parcel.

DEFEASANCE

Defeasance is an amount, if any, needed to pay interest on the outstanding Bonds to be redeemed, less appropriate adjustments, as determined by the Administrator, for the estimated investment earnings, if any, on the prepayment amount until the applicable Bonds can be called and redeemed pursuant to the Indenture.

[11] Pursuant to the RMA, Completion of Construction means the Assessment Year after all Bonds expected to be issued have been issued and capitalized interest on the Bonds has been applied.

EXPENSES

The Expenses are the fees and Administrative Expenses related to the prepayment of the Bond Assessment allocable to such Parcel, to include a pro rata share of future expenses of the district as determined by the Administrator.

RESERVE FUND CREDIT

The Reserve Fund Credit is a credit for the amount, if any, by which the Debt Service Reserve Fund will be reduced pursuant to the Indenture as a result of a redemption resulting from the prepayment.[12]

MANDATORY FULL PREPAYMENT OF ASSESSMENT A

The Mandatory Full Prepayment of Assessment A will be required in the event a Parcel is acquired resulting in the Parcel being classified as Non-Assessed Property and the Assessment A cannot be reapportioned to a Parcel of Assessed Property using the methodology provided for in the RMA.

REDUCTION IN THE ASSESSMENTS

A reduction in the Bond Assessment can also occur in the event the City Council determines that the total costs related to the issuance and repayment of the Bonds are reduced to an amount less than the total of the Bond Assessments. In such a case, the Bond Assessment for each Parcel shall be reduced such that the total Bond Assessments equal the costs to be paid by the Bond Assessments. A reduction in the Bond Assessments shall not cause the Bond Assessments to be less than the remaining principal and interest on the Bonds outstanding and to be issued, through maturity, plus estimated Administrative Expenses.

[12] For additional information, refer to the Master Trust Indenture.

III. ASSESSMENT REVENUE PROJECTIONS

ASSESSMENT REVENUE PROJECTION RESULTS

Three scenarios of projected Assessment A revenues have been prepared, which are attached to this report as **APPENDIX A**, **APPENDIX B,** and **APPENDIX C**. As explained below, Scenarios A and B include the same projected absorption of 731 townhouses and 3,310 single-family detached residential units, as provided by the Developer, and assume different financing scenarios. Scenario C assumes only the 2,373 units of the South Section of the District, using the projected absorption provided by the Developer.[13] Scenarios A and C have been prepared to estimate the Bond Assessment revenues under the same financing scenario (which includes only the Series 2026 Bonds). Scenario B assumes all proposed bonds are issued. The financing scenarios are explained below. These scenarios represent certain hypothetical assumptions and have **not** been prepared to, nor do they, represent a long-term, projected outcome for the District.

- **Scenario A** assumes a single bond issuance scheduled for 2026 (the Series 2026 Bonds), featuring two term bonds, each with a fixed interest rate. The Series 2026 Bonds are presumed to be issued in the amount of $30,000,000 and are sized to cover $22,101,718 of Public Improvement costs.

- **Scenario B** assumes an issuance of bonds in the future in addition to the Series 2026 Bonds. This scenario assumes the Series 2026 Bonds are issued as contemplated in Scenario A, and a subsequent series of Bonds is issued in 2029 in an amount which, in the aggregate, does not exceed either the maximum aggregate principal amount for Assessment A of $47,100,000, set by the Bond Ordinance, or the maximum Assessment A of $115,351,353, set by the Assessment Ordinance.

- **Scenario C** assumes the same single bond issuance in 2026 (the Series 2026 Bonds) as in Scenario A and illustrates the portion of the debt service on the Series 2026 Bonds estimated to be paid with Assessment revenues from the South Section.

The projection of Assessment A revenues utilizes the assessment billing methodology established in the RMA. As noted in **SECTION II**, Assessments are collected first from Platted Property. The Maximum Annual Installment for Platted Property is $600, increasing annually at 3%. If additional Assessment A revenues are required, revenues are collected from Unplatted Property. A description of each scenario is below. **TABLE VI** also shows the Annual Payments for the year of stabilization and the first year when assessments on Platted Property are sufficient to cover debt service. Assessments may not be collected from a parcel once the full Assessment amount of $28,545 which has been levied on the parcel has been collected.

Scenario A

As represented in **TABLE II** and **CHART A**, and detailed in **APPENDIX A**, Scenario A projects Bond Assessment revenues based on a single bond issuance in calendar year 2026 and assumes the development in the District is completed as shown on **TABLE I**. Revenues are projected through calendar year 2054, which is the year in which the Series 2026 Bonds are projected to be repaid and the final year Bond Assessments are projected to be collected. The bond structure includes:

[13] Projection of absorption as provided by the Developer and contracted builders can be found on Appendices A-2.a, B-2.a, and C-2.a.

- One series of bonds, comprised of two term bonds
    - First term bond set to mature in 2046 with a coupon rate of 5.750%
    - Second term bond set to mature in 2056 with a coupon rate of 6.250%
- 14 months of capitalized interest
- Nine years of interest-only payments
- 22 years of amortization

TABLE II and **CHART A,** and details in **APPENDIX A,** show that Bond Assessment revenues from Platted Property will not fully meet annual debt service obligations until bond year 2033, requiring Bond Assessments to be collected from Unplatted Property in a total estimated amount of $4,746,796 from bond years 2028 to 2032. Beginning in bond year 2033, projected Bond Assessment revenues from Platted Property are sufficient to pay debt service in Scenario A. Bond Assessment revenues collected from Platted Property are sufficient to meet debt service once there are approximately 2,700 units of Platted Property.

Scenario B

As shown in **TABLE III** and **CHART B** and detailed in **APPENDIX B**, Scenario B projects Bond Assessment revenues based on the Series 2026 Bonds projected in Scenario A and one additional series of Bonds, assumed to be issued in calendar year 2029. This scenario also assumes development of all of the property in the District as shown in **TABLE I**.

The terms for the Series 2026 Bonds projected in Scenario A, listed above, are repeated for the Series 2026 Bonds projected in Scenario B. The structure for the bonds assumed to be issued in calendar year 2029 includes:

- An interest rate of 6.50% on the bonds
- Eleven months of capitalized interest
- 7 years of interest-only payments
- 21 years of amortization

The actual terms on the bonds and the year of issuance are likely to be different than assumed herein.

TABLE III and **CHART B,** and details in **APPENDIX B,** show that Bond Assessment revenues from Platted Property will not fully meet annual debt service obligations until bond year 2036, requiring Bond Assessments to be collected from Unplatted Property in a total estimated amount of $7,906,845 from bond years 2028 to 2035. Beginning in bond year 2036, projected Bond Assessment revenues from Platted Property are sufficient to pay debt service in Scenario B. Bond Assessment revenues collected from Platted Property are sufficient to meet debt service once there are approximately 4,000 units of Platted Property.

Scenario C

As represented in **TABLE IV** and **CHART C**, and detailed in **APPENDIX C**, Scenario C projects Bond Assessment revenues based on the Series 2026 Bonds as projected in Scenario A. Scenario C differs from Scenario A in that it includes development only from the South Section of the District. The same schedule of platting is assumed in Scenario C as is used in Scenario A. The development summary for this scenario includes:

- Townhouses – 368
- Single-family detached units – 2,005
    - Total units - 2,373

TABLE IV and **CHART C,** and details in **APPENDIX C,** show that Bond Assessment revenues from the property in the South Section will fund approximately 88.8% percent of the debt service on the Series 2026 Bonds. Bond Assessment revenues will need to be collected from Unplatted Property in the North Section to repay the bonds. In this scenario, the average annual Assessments from Unplatted Parcels projected to be collected from the North Section is estimated to be approximately $320,000 per year once the South Section is completed.

TABLE VI
Milestones for Debt Service Coverage from Platted Property

	Scenario A[(a)]	Scenario B[(b)]	Scenario C[(c)]
Build-out:			
Bond year of build-out	2036	2036	2034
Annual Payment on Platted Property at build-out	$518	$782	$738
Annual Payment from Platted Property	$2,093,785	$3,161,296	$1,751,094
Platted Property required to cover debt service:			
Bond year Platted Property projected to cover debt service	2033	2036	-
Parcels of Platted Property to cover debt service[(d)]	2,700	4,000	-
Annual Payment	$1,914,790	$3,161,296	-

[(a)]See Appendix A-5.

[(b)]See Appendix B-5.

[(c)]See Appendix C-5. Year of build-out for Scenario C refers to the year when the South Section only is anticipated to be complete.

[(d)]The Annual Installment per Equivalent Unit increases every year, which makes the exact number of units required to cover debt service different depending on the Annual Installment for a given year. The number shown is projected based on the Platted Property required to cover debt service from the year before and after Platted Property is actually sufficient to cover debt service.

IV. ASSUMPTIONS & LIMITATIONS

For the inputs used in developing the projections shown in the appendices, MuniCap, Inc. relied on a variety of sources, which are noted in the accompanying schedules. MuniCap, Inc. believes the information to be accurate but did not attempt to verify the information. The actual performance of the Development, including absorption, interest rates, and development components, is likely to be different than assumed. Differences in these and other factors would likely change the results of the projections, including the Bond Assessment revenues. The conclusions in this report are not intended to be a prediction of the future, but rather, indications of the projected Bond Assessment revenues resulting from specified assumptions.

This report provides estimates based on the development program and projected absorption as provided by the Developer. MuniCap has not undertaken an independent evaluation of the general market viability of the Developer's proposed development program or the reasonableness of the Developer's estimated pace of absorption. MuniCap does not opine on the Developer's ability to meet the estimated absorption. A delay in delivery or curtailing of the development program would materially reduce the estimated Bond Assessment revenues from Platted Property available for debt service on the Series 2026 Bonds.

As noted above, Scenario A and Scenario B assume the delivery of all infrastructure that is necessary for full development. MuniCap has not undertaken an independent evaluation of the viability of the delivery of the required infrastructure.

This report assumes that the annual billings of the Bond Assessment will be collected in a timely fashion. This report does not include an analysis to determine if the owners of property within the District will be able or willing to pay the annual billings of the Bond Assessment or if the City will be able to collect delinquent billings of the Bond Assessments. The actual delinquencies in the payment of the Bond Assessments will likely be different than assumed in this report. A significant increase in the failure to pay the annual billings of the Bond Assessments would materially affect the revenues available for debt service on the Series 2026 Bonds.

The PLOM includes additional information on the Development, as well as information regarding the District, the collection of Assessment A, and other matters relevant to this report, including risk factors related to the Series 2026 Bonds. This report should be reviewed in conjunction with the PLOM, and all relevant information therein applies to this report.

The RMA includes additional information on Assessment A. This report should be reviewed in conjunction with the RMA, and all relevant information therein applies to this report.

Numerous sources of information were relied on in the preparation of this report. These sources are believed to be reliable; however, no effort has been made to verify information obtained from other sources.

In summary, this report necessarily incorporates numerous estimates and assumptions with respect to 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 will inevitably not materialize, and unanticipated events and circumstances will occur. As a result, actual results will vary from the estimates in this report, and the variations may be material.

Other assumptions made in the preparation of this report and limiting conditions to this report are as follows:

1. There are no zoning, building, safety, environmental, or other federal, state, or local laws, regulations, or codes that would prohibit or impair the development, marketing, or operation of the subject properties in the manner contemplated in this report, and the subject properties will be developed, marketed, and operated in compliance with all applicable laws, regulations, and codes.

2. No material changes will occur in (a) any federal, state, or local law, regulation, or code affecting the subject properties or (b) any federal, state, or local grant, financing, or other program to be utilized in connection with the subject properties.

3. The local, national, and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.

4. The subject properties will be served by adequate transportation, utilities, and governmental facilities.

5. The subject properties will not be subjected to any war, energy crises, embargo, strike, earthquake, flood, fire, or other casualty or act of God.

6. The subject properties will be developed, marketed, and operated in a highly professional manner.

7. There are no existing, impending, or threatened litigation that could hinder the development, marketing, or operation of the subject properties.

8. MuniCap, Inc. does not have expertise in and has no responsibility for legal, environmental, architectural, geologic, engineering, and other matters related to the development and operation of the subject properties.

Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Appendices to Assessment Revenue Report

Prepared By:

MUNICAP, INC.
PUBLIC FINANCE

July 27, 2026

Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Projections of Assessment Revenue
Table of Contents

Appendix A
Scenario A - Base Scenario

Projected Development

A-1. Summary of Projected Development A-1

A-2. Projected Schedule of Development
- a. Platting of Properties A-2
- b. Sales to Builders A-3
- c. Sales to Homeowners A-4

Assessments and
Projected Payment of Debt Service
Series 2026

A-3. Allocation of Assessment A A-5

A-4. Equivalent Units from Platted Property A-6

A-5. Projected Annual Payment Revenues from Platted Property A-7

A-6. Projected Payment of Debt Service - Series 2026 Bonds A-8

Appendix B
Scenario B - Alternate Scenario

Projected Development

B-1. Summary of Projected Development B-1

B-2. Projected Schedule of Development
- a. Platting of Properties B-2
- b. Sales to Builders B-3
- c. Sales to Homeowners B-4

Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Projections of Assessment Revenue
Table of Contents

Assessments and
Projected Payment of Debt Service
Series 2026 and 2029

B-3.	**Allocation of Assessment A**	**B-5**
B-4.	**Equivalent Units from Platted Property**	**B-6**
B-5.	**Projected Annual Payment Revenues from Platted Property**	**B-7**
B-6.	**Projected Payment of Debt Service - Series 2026 and Series 2029 Bonds**	**B-8**

Appendix C
Scenario C - Alternate Scenario

Projected Development

C-1.	**Summary of Projected Development**	**C-1**
C-2.	**Projected Schedule of Development**	
	a. Platting of Properties	**C-2**
	b. Sales to Builders	**C-3**
	c. Sales to Homeowners	**C-4**

Assessments and
Projected Payment of Debt Service
Series 2026

C-3.	**Allocation of Assessment A**	**C-5**
C-4.	**Equivalent Units from Platted Property**	**C-6**
C-5.	**Projected Annual Payment Revenues from Platted Property**	**C-7**
C-6.	**Projected Payment of Debt Service - Series 2026 Bonds**	**C-8**

Appendix A
Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Projections of Assessment Revenue
Scenario A - Base Scenario

Assumptions
Full Development Completed
Only Series 2026 Bonds Issued
Estimated Total Gross Bond Proceeds - $30,000,000

Assessment A Bonds
Series 2026
Gross Bond Proceeds - $30,000,000
Net Bond Proceeds - $22,101,718

For Sale Units (Land Use Class 1) - 4,041 Units
For Rent Units (Land Use Class 2) - 0 Units

Annual Assessment per Unit: $600 (3% Escalation Until Assessment Cap is Reached)

Appendix A
Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Projected Development

Appendix A
Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Appendix A-1: Summary of Projected Development

Development Use	Land Use Class	Units[(a)]
Residential		
For sale:		
Townhouses	Land Use Class 1	731
Single-family detached	Land Use Class 1	3,310
Total for sale		4,041
For rent:		
Apartments	Land Use Class 2	0
Total		4,041

MuniCap, Inc. *27-Jul-26*

[(a)]Based on information provided by Developer, unless otherwise noted.

Appendix A-2.a: Projected Schedule of Development - Platting of Properties[a]

Calendar Year Ending[b]	Platted As Of	Assessment Fee Final Due Date[c]	Bond Year Ending	Townhouses		Single-Family Detached		Total Residential For Sale Platting	
				Units	Cumulative	Units	Cumulative	Units	Cumulative
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	0	0	0	0	0	0
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	0	0	0	0	0	0
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	0	0	281	281	281	281
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	29	29	453	734	482	763
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	98	127	560	1,294	658	1,421
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	169	296	449	1,743	618	2,039
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	134	430	469	2,212	603	2,642
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	149	579	520	2,732	669	3,311
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	54	633	220	2,952	274	3,585
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	54	687	197	3,149	251	3,836
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	44	731	161	3,310	205	4,041
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	0	731	0	3,310	0	4,041
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	0	731	0	3,310	0	4,041
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	0	731	0	3,310	0	4,041
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	0	731	0	3,310	0	4,041
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	0	731	0	3,310	0	4,041
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	0	731	0	3,310	0	4,041
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	0	731	0	3,310	0	4,041
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	0	731	0	3,310	0	4,041
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	0	731	0	3,310	0	4,041
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	0	731	0	3,310	0	4,041
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	0	731	0	3,310	0	4,041
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	0	731	0	3,310	0	4,041
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	0	731	0	3,310	0	4,041
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	0	731	0	3,310	0	4,041
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	0	731	0	3,310	0	4,041
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	0	731	0	3,310	0	4,041
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	0	731	0	3,310	0	4,041
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	0	731	0	3,310	0	4,041
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	0	731	0	3,310	0	4,041
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	0	731	0	3,310	0	4,041
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	0	731	0	3,310	0	4,041
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	0	731	0	3,310	0	4,041
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	0	731	0	3,310	0	4,041
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	0	731	0	3,310	0	4,041
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	0	731	0	3,310	0	4,041
31-Dec-60	1-Jan-61	15-Jan-62	1-Nov-62	0	731	0	3,310	0	4,041
Total				731		3,310		4,041	

MuniCap, Inc. *27-Jul-26*

[a]Based on information provided by Developer and additional contracted builders, unless otherwise noted. See PLOM for additional information. Developer assumes North Section Parcels are platted at approximately the same pace as South Section Parcels.

[b]Represents the year in which lots are billed as independent parcels. Horizontal line represents platting of all Parcels.

[c]According to the Jasper County Assessor's Office, property taxes are due January 15 of each year. Assessments are assumed to be collected at the same time and in the same manner as property taxes.

Appendix A-2.b: Projected Schedule of Development - Sales to Builders[a]

Calendar Year Ending[b]	Assessment Fee Final Due Date[c]	Bond Year Ending	Townhouses		Single-Family Detached		Total Developer Sales to Builders	
			Units	Cumulative	Units	Cumulative	Units	Cumulative
31-Dec-24	15-Jan-26	1-Nov-26	0	0	0	0	0	0
31-Dec-25	15-Jan-27	1-Nov-27	0	0	450	450	450	450
31-Dec-26	15-Jan-28	1-Nov-28	0	0	260	710	260	710
31-Dec-27	15-Jan-29	1-Nov-29	26	26	372	1,082	398	1,108
31-Dec-28	15-Jan-30	1-Nov-30	246	272	841	1,923	1,087	2,195
31-Dec-29	15-Jan-31	1-Nov-31	107	379	320	2,243	427	2,622
31-Dec-30	15-Jan-32	1-Nov-32	84	463	317	2,560	401	3,023
31-Dec-31	15-Jan-33	1-Nov-33	253	716	51	2,611	304	3,327
31-Dec-32	15-Jan-34	1-Nov-34	15	731	699	3,310	714	4,041
31-Dec-33	15-Jan-35	1-Nov-35	0	731	0	3,310	0	4,041
31-Dec-34	15-Jan-36	1-Nov-36	0	731	0	3,310	0	4,041
31-Dec-35	15-Jan-37	1-Nov-37	0	731	0	3,310	0	4,041
31-Dec-36	15-Jan-38	1-Nov-38	0	731	0	3,310	0	4,041
31-Dec-37	15-Jan-39	1-Nov-39	0	731	0	3,310	0	4,041
31-Dec-38	15-Jan-40	1-Nov-40	0	731	0	3,310	0	4,041
31-Dec-39	15-Jan-41	1-Nov-41	0	731	0	3,310	0	4,041
31-Dec-40	15-Jan-42	1-Nov-42	0	731	0	3,310	0	4,041
31-Dec-41	15-Jan-43	1-Nov-43	0	731	0	3,310	0	4,041
31-Dec-42	15-Jan-44	1-Nov-44	0	731	0	3,310	0	4,041
31-Dec-43	15-Jan-45	1-Nov-45	0	731	0	3,310	0	4,041
31-Dec-44	15-Jan-46	1-Nov-46	0	731	0	3,310	0	4,041
31-Dec-45	15-Jan-47	1-Nov-47	0	731	0	3,310	0	4,041
31-Dec-46	15-Jan-48	1-Nov-48	0	731	0	3,310	0	4,041
31-Dec-47	15-Jan-49	1-Nov-49	0	731	0	3,310	0	4,041
31-Dec-48	15-Jan-50	1-Nov-50	0	731	0	3,310	0	4,041
31-Dec-49	15-Jan-51	1-Nov-51	0	731	0	3,310	0	4,041
31-Dec-50	15-Jan-52	1-Nov-52	0	731	0	3,310	0	4,041
31-Dec-51	15-Jan-53	1-Nov-53	0	731	0	3,310	0	4,041
31-Dec-52	15-Jan-54	1-Nov-54	0	731	0	3,310	0	4,041
31-Dec-53	15-Jan-55	1-Nov-55	0	731	0	3,310	0	4,041
31-Dec-54	15-Jan-56	1-Nov-56	0	731	0	3,310	0	4,041
31-Dec-55	15-Jan-57	1-Nov-57	0	731	0	3,310	0	4,041
31-Dec-56	15-Jan-58	1-Nov-58	0	731	0	3,310	0	4,041
31-Dec-57	15-Jan-59	1-Nov-59	0	731	0	3,310	0	4,041
31-Dec-58	15-Jan-60	1-Nov-60	0	731	0	3,310	0	4,041
31-Dec-59	15-Jan-61	1-Nov-61	0	731	0	3,310	0	4,041
31-Dec-60	15-Jan-62	1-Nov-62	0	731	0	3,310	0	4,041
Total			731		3,310		4,041	

[a]Based on information provided by Developer and additional contracted builders, unless otherwise noted. See PLOM for additional information.

[b]Represents the year in which lots are sold to builders.

[c]According to the Jasper County Assessor's Office, property taxes are due January 15 of each year. Assessments are assumed to be collected at the same time and in the same manner as property taxes.

Appendix A-2.c: Projected Schedule of Development - Sales to Homeowners[a]

Calendar Year Ending[b]	Assessment Fee Final Due Date[c]	Bond Year Ending	Townhouses		Single-Family Detached		Total Sales to Homeowners	
			Units	Cumulative	Units	Cumulative	Units	Cumulative
31-Dec-24	15-Jan-26	1-Nov-26	0	0	0	0	0	0
31-Dec-25	15-Jan-27	1-Nov-27	0	0	0	0	0	0
31-Dec-26	15-Jan-28	1-Nov-28	0	0	17	17	17	17
31-Dec-27	15-Jan-29	1-Nov-29	0	0	152	169	152	169
31-Dec-28	15-Jan-30	1-Nov-30	26	26	437	606	463	632
31-Dec-29	15-Jan-31	1-Nov-31	92	118	488	1,094	580	1,212
31-Dec-30	15-Jan-32	1-Nov-32	162	280	555	1,649	717	1,929
31-Dec-31	15-Jan-33	1-Nov-33	139	419	453	2,102	592	2,521
31-Dec-32	15-Jan-34	1-Nov-34	145	564	482	2,584	627	3,148
31-Dec-33	15-Jan-35	1-Nov-35	69	633	368	2,952	437	3,585
31-Dec-34	15-Jan-36	1-Nov-36	54	687	197	3,149	251	3,836
31-Dec-35	15-Jan-37	1-Nov-37	44	731	161	3,310	205	4,041
31-Dec-36	15-Jan-38	1-Nov-38	0	731	0	3,310	0	4,041
31-Dec-37	15-Jan-39	1-Nov-39	0	731	0	3,310	0	4,041
31-Dec-38	15-Jan-40	1-Nov-40	0	731	0	3,310	0	4,041
31-Dec-39	15-Jan-41	1-Nov-41	0	731	0	3,310	0	4,041
31-Dec-40	15-Jan-42	1-Nov-42	0	731	0	3,310	0	4,041
31-Dec-41	15-Jan-43	1-Nov-43	0	731	0	3,310	0	4,041
31-Dec-42	15-Jan-44	1-Nov-44	0	731	0	3,310	0	4,041
31-Dec-43	15-Jan-45	1-Nov-45	0	731	0	3,310	0	4,041
31-Dec-44	15-Jan-46	1-Nov-46	0	731	0	3,310	0	4,041
31-Dec-45	15-Jan-47	1-Nov-47	0	731	0	3,310	0	4,041
31-Dec-46	15-Jan-48	1-Nov-48	0	731	0	3,310	0	4,041
31-Dec-47	15-Jan-49	1-Nov-49	0	731	0	3,310	0	4,041
31-Dec-48	15-Jan-50	1-Nov-50	0	731	0	3,310	0	4,041
31-Dec-49	15-Jan-51	1-Nov-51	0	731	0	3,310	0	4,041
31-Dec-50	15-Jan-52	1-Nov-52	0	731	0	3,310	0	4,041
31-Dec-51	15-Jan-53	1-Nov-53	0	731	0	3,310	0	4,041
31-Dec-52	15-Jan-54	1-Nov-54	0	731	0	3,310	0	4,041
31-Dec-53	15-Jan-55	1-Nov-55	0	731	0	3,310	0	4,041
31-Dec-54	15-Jan-56	1-Nov-56	0	731	0	3,310	0	4,041
31-Dec-55	15-Jan-57	1-Nov-57	0	731	0	3,310	0	4,041
31-Dec-56	15-Jan-58	1-Nov-58	0	731	0	3,310	0	4,041
31-Dec-57	15-Jan-59	1-Nov-59	0	731	0	3,310	0	4,041
31-Dec-58	15-Jan-60	1-Nov-60	0	731	0	3,310	0	4,041
31-Dec-59	15-Jan-61	1-Nov-61	0	731	0	3,310	0	4,041
31-Dec-60	15-Jan-62	1-Nov-62	0	731	0	3,310	0	4,041
Total			731		3,310		4,041	

MuniCap, Inc. *27-Jul-26*

[a]Based on information provided by Developer and additional contracted builders, unless otherwise noted. See PLOM for additional information. Developer assumes North Section Parcels are sold to homeowners at approximately the same pace as South Section Parcels.

[b]Represents the year in which lots are sold to homeowners.

[c]According to the Jasper County Assessor's Office, property taxes are due January 15 of each year. Assessments are assumed to be collected at the same time and in the same manner as property taxes.

Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Assessments and
Projected Payment of Debt Service
Series 2026

Appendix A-3: Allocation of Assessment A

Table 1: Development by Land Use Class and Equivalent Unit Factors

Land Use Class	Development Use	Number of Units[a]	Equivalent Unit Factor[b]
Residential			*(Per Unit)*
For sale:			
Land Use Class 1	Townhouses	731	1.00
Land Use Class 1	Single-family detached	3,310	1.00
Total		4,041	

Table 2: Total Equivalent Units (EUs)

Land Use Class	Equivalent Unit Factor	Number of Units[a]	Total Equivalent Units
Residential	*(Per Unit)*		
For sale:			
Land Use Class 1	1.00	4,041	4,041
Total			4,041

Table 3: Total Maximum Assessment A per Equivalent Unit

Total Assessments[c]	Total Equivalent Units	Assessment Cap per Equivalent Unit
$115,351,353	4,041	$28,545

Table 4: Principal Portion of Bond Assessment per Equivalent Unit

Principal Portion of Bond Assessment[d]	Total Equivalent Units	Principal Portion of Bond Assessment Per Unit
$30,000,000	4,041	$7,424

[a]See Appendix A-1.

[b]Equivalent unit factor is equal to 1.00 as there is only one land use class. See Assessment Proceedings for additional information.

[c]Assumes each Parcel of Platted Property pays $600 per year increasing at 3% annually for 30 years from the date in which the independent parcel is created and continuing beyond the term of the bonds or until assessment cap is reached ($28,545). Source: Assessment A Assessment Roll.

[d]Estimated by Stifel. Includes Series 2026 bonds only.

Appendix A-4: Equivalent Units from Platted Property

				Land Use Class 1				
				Townhouses		Single-Family Detached		
Calendar		Assessment	Bond	EU Factor:	1.00	EU Factor:	1.00	Equivalent Units
Year	Platted	Fee Final	Year	No. of	Sub-Total	No. of	Sub-Total	From Platted
Ending	As Of	Due Date	Ending	Units[(a)]	EU's	Units[(a)]	EU's	Property
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	0	0	0	0	0
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	0	0	0	0	0
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	0	0	281	281	281
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	29	29	734	734	763
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	127	127	1,294	1,294	1,421
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	296	296	1,743	1,743	2,039
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	430	430	2,212	2,212	2,642
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	579	579	2,732	2,732	3,311
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	633	633	2,952	2,952	3,585
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	687	687	3,149	3,149	3,836
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	731	731	3,310	3,310	4,041
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	731	731	3,310	3,310	4,041
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	731	731	3,310	3,310	4,041
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	731	731	3,310	3,310	4,041
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	731	731	3,310	3,310	4,041
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	731	731	3,310	3,310	4,041
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	731	731	3,310	3,310	4,041
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	731	731	3,310	3,310	4,041
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	731	731	3,310	3,310	4,041
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	731	731	3,310	3,310	4,041
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	731	731	3,310	3,310	4,041
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	731	731	3,310	3,310	4,041
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	731	731	3,310	3,310	4,041
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	731	731	3,310	3,310	4,041
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	731	731	3,310	3,310	4,041
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	731	731	3,310	3,310	4,041
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	731	731	3,310	3,310	4,041
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	731	731	3,310	3,310	4,041
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	731	731	3,310	3,310	4,041
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	731	731	3,310	3,310	4,041
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	731	731	3,310	3,310	4,041
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	731	731	3,310	3,310	4,041
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	702	702	2,576	2,576	3,278
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	435	435	1,567	1,567	2,002
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	152	152	578	578	730
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	44	44	161	161	205
31-Dec-60	1-Jan-61	15-Jan-62	1-Nov-62	0	0	0	0	0

[(a)]See Appendix A-2.a. Assumes that each unit is subject to assessments for 30 years from the date in which the Parcel is platted or until total assessment cap is reached; the cap is $28,545, which is $600 in the initial year, increasing at 3%. Horizontal line represents platting of all Parcels.

Appendix A-5: Projected Annual Payment Revenues from Platted Property

Calendar Year Ending	Platted As Of	Assessment Fee Final Due Date	Bond Year Ending	Increase Factor[a]	Equivalent Units From Platted Property[b]	Maximum Annual Installment for Platted Property[c]	Maximum Potential Annual Payment[d]	Series 2026 Net Annual Debt Service[e]	Annual Payment per EU[f]	Annual Payment from Platted Property
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	100%	0	$0	$0	$0	$0	$0
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	100%	0	$600	$0	$0	$0	$0
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	103%	281	$618	$173,658	$1,907,751	$618	$173,658
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	106%	763	$637	$485,680	$1,909,104	$637	$485,680
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	109%	1,421	$656	$931,790	$1,910,483	$656	$931,790
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	113%	2,039	$675	$1,376,947	$1,911,890	$675	$1,376,947
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	116%	2,642	$696	$1,837,681	$1,913,326	$696	$1,837,681
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	119%	3,311	$716	$2,372,104	$1,914,790	$578	$1,914,790
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	123%	3,585	$738	$2,645,459	$1,916,283	$535	$1,916,283
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	127%	3,836	$760	$2,915,598	$1,927,806	$503	$1,927,806
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	130%	4,041	$783	$3,163,553	$2,093,785	$518	$2,093,785
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	134%	4,041	$806	$3,258,460	$2,155,307	$533	$2,155,307
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	138%	4,041	$831	$3,356,213	$2,222,836	$550	$2,222,836
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	143%	4,041	$855	$3,456,900	$2,285,797	$566	$2,285,797
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	147%	4,041	$881	$3,560,607	$2,354,191	$583	$2,354,191
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	151%	4,041	$908	$3,667,425	$2,427,444	$601	$2,427,444
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	156%	4,041	$935	$3,777,448	$2,499,981	$619	$2,499,981
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	160%	4,041	$963	$3,890,771	$2,576,516	$638	$2,576,516
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	165%	4,041	$992	$4,007,494	$2,651,474	$656	$2,651,474
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	170%	4,041	$1,021	$4,127,719	$2,729,568	$675	$2,729,568
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	175%	4,041	$1,052	$4,251,551	$2,815,224	$697	$2,815,224
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	181%	4,041	$1,084	$4,379,097	$2,897,581	$717	$2,897,581
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	186%	4,041	$1,116	$4,510,470	$2,984,551	$739	$2,984,551
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	192%	4,041	$1,150	$4,645,784	$3,070,936	$760	$3,070,936
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	197%	4,041	$1,184	$4,785,158	$3,166,111	$783	$3,166,111
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	203%	4,041	$1,220	$4,928,713	$3,258,827	$806	$3,258,827
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	209%	4,041	$1,256	$5,076,574	$3,358,460	$831	$3,358,460
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	216%	4,041	$1,294	$5,228,871	$3,458,760	$856	$3,458,760
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	222%	4,041	$1,333	$5,385,737	$3,563,792	$882	$3,563,792
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	229%	4,041	$1,373	$5,547,309	$3,672,305	$909	$3,672,305
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	236%	4,041	$1,414	$5,713,729	$3,778,051	$935	$3,778,051
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	243%	4,041	$1,456	$5,529,616	$0	$0	$0
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	250%	3,278	$1,500	$3,916,229	$0	$0	$0
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	258%	2,002	$1,545	$1,884,603	$0	$0	$0
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	265%	730	$1,591	$561,868	$0	$0	$0
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	273%	205	$1,639	$534	$0	$0	$0
31-Dec-60	1-Jan-61	15-Jan-62	1-Nov-62	281%	0	$1,688	$0	$0	$0	$0
Total							$115,351,353	$75,332,926		$70,586,130

[a]Represents the increase factor for the Maximum Annual Installment for Platted Property after the initial year assessments are anticipated to be collected.

[b]See Appendix A-4.

[c]Beginning with the Commencement Year, the Maximum Annual Installment for Platted Property is $600 per equivalent unit and is to increase by three percent (3%) each year thereafter. Provided by Developer.

[d]Represents maximum potential Annual Payment that can be collected, accounting for absorption pace shown on Appendix A-2.a and ceasing when each EU reaches its Assessment cap of $28,545 as shown on Appendix A-3.

[e]Estimated by Stifel. Includes Administrative Expense Assessment and Series 2026 bonds only.

[f]The Annual Payment shall be the lesser of the Maximum Annual Installment for Platted Property and the Annual Payment per EU needed for the total Annual Payment to pay net annual debt service. Source: Rate and Method of Apportionment of Assessment A.

Appendix A-6: Projected Payment of Debt Service - Series 2026 Bonds

Calendar Year Ending	Platted As Of	Assessment Fee Final Due Date	Bond Year Ending	Series 2026 Net Annual Debt Service[(a)]	Annual Payment from Platted Property[(a)]	Surplus/ (Deficit)	Shortfall Billed To Unplatted Property	Debt Service Coverage		
								Platted Property	Unplatted Property	Total
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	$0	$0	$0	$0	NA	NA	NA
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	$0	$0	$0	$0	NA	NA	NA
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	$1,907,751	$173,658	($1,734,093)	$1,734,093	9.1%	90.9%	100.0%
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	$1,909,104	$485,680	($1,423,424)	$1,423,424	25.4%	74.6%	100.0%
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	$1,910,483	$931,790	($978,693)	$978,693	48.8%	51.2%	100.0%
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	$1,911,890	$1,376,947	($534,943)	$534,943	72.0%	28.0%	100.0%
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	$1,913,326	$1,837,681	($75,644)	$75,644	96.0%	4.0%	100.0%
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	$1,914,790	$1,914,790	$0	$0	100.0%	0.0%	100.0%
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	$1,916,283	$1,916,283	$0	$0	100.0%	0.0%	100.0%
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	$1,927,806	$1,927,806	$0	$0	100.0%	0.0%	100.0%
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	$2,093,785	$2,093,785	$0	$0	100.0%	0.0%	100.0%
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	$2,155,307	$2,155,307	$0	$0	100.0%	0.0%	100.0%
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	$2,222,836	$2,222,836	$0	$0	100.0%	0.0%	100.0%
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	$2,285,797	$2,285,797	$0	$0	100.0%	0.0%	100.0%
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	$2,354,191	$2,354,191	$0	$0	100.0%	0.0%	100.0%
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	$2,427,444	$2,427,444	$0	$0	100.0%	0.0%	100.0%
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	$2,499,981	$2,499,981	$0	$0	100.0%	0.0%	100.0%
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	$2,576,516	$2,576,516	$0	$0	100.0%	0.0%	100.0%
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	$2,651,474	$2,651,474	$0	$0	100.0%	0.0%	100.0%
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	$2,729,568	$2,729,568	$0	$0	100.0%	0.0%	100.0%
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	$2,815,224	$2,815,224	$0	$0	100.0%	0.0%	100.0%
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	$2,897,581	$2,897,581	$0	$0	100.0%	0.0%	100.0%
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	$2,984,551	$2,984,551	$0	$0	100.0%	0.0%	100.0%
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	$3,070,936	$3,070,936	$0	$0	100.0%	0.0%	100.0%
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	$3,166,111	$3,166,111	$0	$0	100.0%	0.0%	100.0%
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	$3,258,827	$3,258,827	$0	$0	100.0%	0.0%	100.0%
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	$3,358,460	$3,358,460	$0	$0	100.0%	0.0%	100.0%
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	$3,458,760	$3,458,760	$0	$0	100.0%	0.0%	100.0%
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	$3,563,792	$3,563,792	$0	$0	100.0%	0.0%	100.0%
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	$3,672,305	$3,672,305	$0	$0	100.0%	0.0%	100.0%
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	$3,778,051	$3,778,051	$0	$0	100.0%	0.0%	100.0%
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	$0	$0	$0	$0	NA	NA	NA
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	$0	$0	$0	$0	NA	NA	NA
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	$0	$0	$0	$0	NA	NA	NA
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	$0	$0	$0	$0	NA	NA	NA
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	$0	$0	$0	$0	NA	NA	NA
31-Dec-60	1-Jan-61	15-Jan-62	1-Nov-62	$0	$0	$0	$0	NA	NA	NA
Total				$75,332,926	$70,586,130	($4,746,796)	$4,746,796			

MuniCap, Inc. *27-Jul-26*

[(a)]See Appendix A-5.

Appendix B
Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Projections of Assessment Revenue
Scenario B - Alternate Scenario

Assumptions

Full Development Completed
Series 2026 and Series 2029 Bonds Issued
Estimated Total Gross Bond Proceeds - $46,250,000

Assessment A Bonds

Series 2026
Gross Bond Proceeds - $30,000,000
Net Bond Proceeds - $22,101,718

Series 2029
Gross Bond Proceeds - $16,250,000
Net Bond Proceeds - $12,653,021

For Sale Single Family (Land Use Class 1) - 4,041 Units
For Rent Multi-Family (Land Use Class 2) - 0 Units

Annual Assessment per Unit: $600 (3% Escalation Until Assessment Cap is Reached)

Appendix B
Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Projected Development

Appendix B
Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Appendix B-1: Summary of Projected Development

Development Use	Land Use Class	Units[(a)]
Residential		
For sale		
Townhouses	Land Use Class 1	731
Single-family detached	Land Use Class 1	3,310
Total for sale		4,041
For rent		
Apartments	Land Use Class 2	0
Total		4,041

MuniCap, Inc. *27-Jul-26*

[(a)]Based on information provided by Developer, unless otherwise noted.

Appendix B-2.a: Projected Schedule of Development - Platting of Properties[a]

Calendar Year Ending[b]	Platted As Of	Assessment Fee Final Due Date[c]	Bond Year Ending	Townhouses		Single-Family Detached		Total Residential For Sale Platting	
				Units	Cumulative	Units	Cumulative	Units	Cumulative
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	0	0	0	0	0	0
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	0	0	0	0	0	0
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	0	0	281	281	281	281
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	29	29	453	734	482	763
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	98	127	560	1,294	658	1,421
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	169	296	449	1,743	618	2,039
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	134	430	469	2,212	603	2,642
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	149	579	520	2,732	669	3,311
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	54	633	220	2,952	274	3,585
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	54	687	197	3,149	251	3,836
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	44	731	161	3,310	205	4,041
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	0	731	0	3,310	0	4,041
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	0	731	0	3,310	0	4,041
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	0	731	0	3,310	0	4,041
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	0	731	0	3,310	0	4,041
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	0	731	0	3,310	0	4,041
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	0	731	0	3,310	0	4,041
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	0	731	0	3,310	0	4,041
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	0	731	0	3,310	0	4,041
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	0	731	0	3,310	0	4,041
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	0	731	0	3,310	0	4,041
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	0	731	0	3,310	0	4,041
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	0	731	0	3,310	0	4,041
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	0	731	0	3,310	0	4,041
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	0	731	0	3,310	0	4,041
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	0	731	0	3,310	0	4,041
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	0	731	0	3,310	0	4,041
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	0	731	0	3,310	0	4,041
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	0	731	0	3,310	0	4,041
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	0	731	0	3,310	0	4,041
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	0	731	0	3,310	0	4,041
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	0	731	0	3,310	0	4,041
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	0	731	0	3,310	0	4,041
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	0	731	0	3,310	0	4,041
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	0	731	0	3,310	0	4,041
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	0	731	0	3,310	0	4,041
31-Dec-60	1-Jan-61	15-Jan-62	1-Nov-62	0	731	0	3,310	0	4,041
Total				731		3,310		4,041	

MuniCap, Inc. *27-Jul-26*

[a]Based on information provided by Developer and additional contracted builders, unless otherwise noted. See PLOM for additional information. Developer assumes North Section Parcels are platted at approximately the same pace as South Section Parcels.

[b]Represents the year in which lots are billed as independent parcels. Horizontal line represents platting of all Parcels.

[c]According to the Jasper County Assessor's Office, property taxes are due January 15 of each year. Assessments are assumed to be collected at the same time and in the same manner as property taxes.

Appendix B-2.b: Projected Schedule of Development - Sales to Builders[a]

Calendar Year Ending[b]	Assessment Fee Final Due Date[c]	Bond Year Ending	Townhouses		Single-Family Detached		Total Developer Sales to Builders	
			Units	Cumulative	Units	Cumulative	Units	Cumulative
31-Dec-24	15-Jan-26	1-Nov-26	0	0	0	0	0	0
31-Dec-25	15-Jan-27	1-Nov-27	0	0	450	450	450	450
31-Dec-26	15-Jan-28	1-Nov-28	0	0	260	710	260	710
31-Dec-27	15-Jan-29	1-Nov-29	26	26	372	1,082	398	1,108
31-Dec-28	15-Jan-30	1-Nov-30	246	272	841	1,923	1,087	2,195
31-Dec-29	15-Jan-31	1-Nov-31	107	379	320	2,243	427	2,622
31-Dec-30	15-Jan-32	1-Nov-32	84	463	317	2,560	401	3,023
31-Dec-31	15-Jan-33	1-Nov-33	253	716	51	2,611	304	3,327
31-Dec-32	15-Jan-34	1-Nov-34	15	731	699	3,310	714	4,041
31-Dec-33	15-Jan-35	1-Nov-35	0	731	0	3,310	0	4,041
31-Dec-34	15-Jan-36	1-Nov-36	0	731	0	3,310	0	4,041
31-Dec-35	15-Jan-37	1-Nov-37	0	731	0	3,310	0	4,041
31-Dec-36	15-Jan-38	1-Nov-38	0	731	0	3,310	0	4,041
31-Dec-37	15-Jan-39	1-Nov-39	0	731	0	3,310	0	4,041
31-Dec-38	15-Jan-40	1-Nov-40	0	731	0	3,310	0	4,041
31-Dec-39	15-Jan-41	1-Nov-41	0	731	0	3,310	0	4,041
31-Dec-40	15-Jan-42	1-Nov-42	0	731	0	3,310	0	4,041
31-Dec-41	15-Jan-43	1-Nov-43	0	731	0	3,310	0	4,041
31-Dec-42	15-Jan-44	1-Nov-44	0	731	0	3,310	0	4,041
31-Dec-43	15-Jan-45	1-Nov-45	0	731	0	3,310	0	4,041
31-Dec-44	15-Jan-46	1-Nov-46	0	731	0	3,310	0	4,041
31-Dec-45	15-Jan-47	1-Nov-47	0	731	0	3,310	0	4,041
31-Dec-46	15-Jan-48	1-Nov-48	0	731	0	3,310	0	4,041
31-Dec-47	15-Jan-49	1-Nov-49	0	731	0	3,310	0	4,041
31-Dec-48	15-Jan-50	1-Nov-50	0	731	0	3,310	0	4,041
31-Dec-49	15-Jan-51	1-Nov-51	0	731	0	3,310	0	4,041
31-Dec-50	15-Jan-52	1-Nov-52	0	731	0	3,310	0	4,041
31-Dec-51	15-Jan-53	1-Nov-53	0	731	0	3,310	0	4,041
31-Dec-52	15-Jan-54	1-Nov-54	0	731	0	3,310	0	4,041
31-Dec-53	15-Jan-55	1-Nov-55	0	731	0	3,310	0	4,041
31-Dec-54	15-Jan-56	1-Nov-56	0	731	0	3,310	0	4,041
31-Dec-55	15-Jan-57	1-Nov-57	0	731	0	3,310	0	4,041
31-Dec-56	15-Jan-58	1-Nov-58	0	731	0	3,310	0	4,041
31-Dec-57	15-Jan-59	1-Nov-59	0	731	0	3,310	0	4,041
31-Dec-58	15-Jan-60	1-Nov-60	0	731	0	3,310	0	4,041
31-Dec-59	15-Jan-61	1-Nov-61	0	731	0	3,310	0	4,041
31-Dec-60	15-Jan-62	1-Nov-62	0	731	0	3,310	0	4,041
Total			731		3,310		4,041	

[a]Based on information provided by Developer and additional contracted builders, unless otherwise noted. See PLOM for additional information.

[b]Represents the year in which lots are sold to builders.

[c]According to the Jasper County Assessor's Office, property taxes are due January 15 of each year. Assessments are assumed to be collected at the same time and in the same manner as property taxes.

Appendix B-2.c: Projected Schedule of Development - Sales to Homeowners[a]

Calendar Year Ending[b]	Assessment Fee Final Due Date[c]	Bond Year Ending	Townhouses		Single-Family Detached		Total Sales to Homeowners	
			Units	Cumulative	Units	Cumulative	Units	Cumulative
31-Dec-24	15-Jan-26	1-Nov-26	0	0	0	0	0	0
31-Dec-25	15-Jan-27	1-Nov-27	0	0	0	0	0	0
31-Dec-26	15-Jan-28	1-Nov-28	0	0	17	17	17	17
31-Dec-27	15-Jan-29	1-Nov-29	0	0	152	169	152	169
31-Dec-28	15-Jan-30	1-Nov-30	26	26	437	606	463	632
31-Dec-29	15-Jan-31	1-Nov-31	92	118	488	1,094	580	1,212
31-Dec-30	15-Jan-32	1-Nov-32	162	280	555	1,649	717	1,929
31-Dec-31	15-Jan-33	1-Nov-33	139	419	453	2,102	592	2,521
31-Dec-32	15-Jan-34	1-Nov-34	145	564	482	2,584	627	3,148
31-Dec-33	15-Jan-35	1-Nov-35	69	633	368	2,952	437	3,585
31-Dec-34	15-Jan-36	1-Nov-36	54	687	197	3,149	251	3,836
31-Dec-35	15-Jan-37	1-Nov-37	44	731	161	3,310	205	4,041
31-Dec-36	15-Jan-38	1-Nov-38	0	731	0	3,310	0	4,041
31-Dec-37	15-Jan-39	1-Nov-39	0	731	0	3,310	0	4,041
31-Dec-38	15-Jan-40	1-Nov-40	0	731	0	3,310	0	4,041
31-Dec-39	15-Jan-41	1-Nov-41	0	731	0	3,310	0	4,041
31-Dec-40	15-Jan-42	1-Nov-42	0	731	0	3,310	0	4,041
31-Dec-41	15-Jan-43	1-Nov-43	0	731	0	3,310	0	4,041
31-Dec-42	15-Jan-44	1-Nov-44	0	731	0	3,310	0	4,041
31-Dec-43	15-Jan-45	1-Nov-45	0	731	0	3,310	0	4,041
31-Dec-44	15-Jan-46	1-Nov-46	0	731	0	3,310	0	4,041
31-Dec-45	15-Jan-47	1-Nov-47	0	731	0	3,310	0	4,041
31-Dec-46	15-Jan-48	1-Nov-48	0	731	0	3,310	0	4,041
31-Dec-47	15-Jan-49	1-Nov-49	0	731	0	3,310	0	4,041
31-Dec-48	15-Jan-50	1-Nov-50	0	731	0	3,310	0	4,041
31-Dec-49	15-Jan-51	1-Nov-51	0	731	0	3,310	0	4,041
31-Dec-50	15-Jan-52	1-Nov-52	0	731	0	3,310	0	4,041
31-Dec-51	15-Jan-53	1-Nov-53	0	731	0	3,310	0	4,041
31-Dec-52	15-Jan-54	1-Nov-54	0	731	0	3,310	0	4,041
31-Dec-53	15-Jan-55	1-Nov-55	0	731	0	3,310	0	4,041
31-Dec-54	15-Jan-56	1-Nov-56	0	731	0	3,310	0	4,041
31-Dec-55	15-Jan-57	1-Nov-57	0	731	0	3,310	0	4,041
31-Dec-56	15-Jan-58	1-Nov-58	0	731	0	3,310	0	4,041
31-Dec-57	15-Jan-59	1-Nov-59	0	731	0	3,310	0	4,041
31-Dec-58	15-Jan-60	1-Nov-60	0	731	0	3,310	0	4,041
31-Dec-59	15-Jan-61	1-Nov-61	0	731	0	3,310	0	4,041
31-Dec-60	15-Jan-62	1-Nov-62	0	731	0	3,310	0	4,041
Total			731		3,310		4,041	

MuniCap, Inc. *27-Jul-26*

[a]Based on information provided by Developer and additional contracted builders, unless otherwise noted. See PLOM for additional information. Developer assumes North Section Parcels are sold to homeowners at approximately the same pace as South Section Parcels.

[b]Represents the year in which lots are sold to homeowners.

[c]According to the Jasper County Assessor's Office, property taxes are due January 15 of each year. Assessments are assumed to be collected at the same time and in the same manner as property taxes.

Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Assessments and
Projected Payment of Debt Service
Series 2026 and 2029

Appendix B-3: Allocation of Assessment A

Table 1: Development by Land Use Class and Equivalent Unit Factors

Land Use Class	Development Use	Number of Units[a]	Equivalent Unit Factor[b]
Residential			*(Per Unit)*
For sale			
Land Use Class 1	Townhouses	731	1.00
Land Use Class 1	Single-family detached	3,310	1.00
Average		4,041	

Table 2: Total Equivalent Units (EUs)

Land Use Class	Equivalent Unit Factor	Number of Units[a]	Total Equivalent Units
Residential	*(Per Unit)*		
For sale			
Land Use Class 1	1.00	4,041	4,041
Total			4,041

Table 3: Total Maximum Assessment A per Equivalent Unit

Total Assessments[c]	Total Equivalent Units	Assessment Cap per Equivalent Unit
$115,351,353	4,041	$28,545

Table 4: Principal Portion of Bond Assessment per Equivalent Unit

Principal Portion of Bond Assessment[d]	Total Equivalent Units	Principal Portion of Bond Assessment Per Unit
$46,250,000	4,041	$11,445

MuniCap, Inc. *27-Jul-26*

[a]See Appendix B-1.

[b]Equivalent unit factor is equal to 1.00 as there is only one land use class. See Assessment Proceedings for additional information.

[c]Assumes each Parcel of Platted Property pays $600 per year increasing at 3% annually for 30 years from the date in which the independent parcel is created and continuing beyond the term of the bonds or until assessment cap is reached ($28,545). Source: Assessment A Assessment Roll.

[d]Estimated by Stifel. Includes Series 2026 and Series 2029 bonds.

Appendix B-4: Equivalent Units from Platted Property

				Land Use Class 1				
				Townhouses		Single-Family Detached		
Calendar		Assessment	Bond	EU Factor:	1.00	EU Factor:	1.00	Equivalent Units
Year	Platted	Fee Final	Year	No. of	Sub-Total	No. of	Sub-Total	From Platted
Ending	As Of	Due Date	Ending	Units[(a)]	EU's	Units[(a)]	EU's	Property
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	0	0	0	0	0
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	0	0	0	0	0
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	0	0	281	281	281
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	29	29	734	734	763
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	127	127	1,294	1,294	1,421
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	296	296	1,743	1,743	2,039
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	430	430	2,212	2,212	2,642
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	579	579	2,732	2,732	3,311
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	633	633	2,952	2,952	3,585
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	687	687	3,149	3,149	3,836
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	731	731	3,310	3,310	4,041
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	731	731	3,310	3,310	4,041
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	731	731	3,310	3,310	4,041
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	731	731	3,310	3,310	4,041
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	731	731	3,310	3,310	4,041
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	731	731	3,310	3,310	4,041
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	731	731	3,310	3,310	4,041
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	731	731	3,310	3,310	4,041
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	731	731	3,310	3,310	4,041
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	731	731	3,310	3,310	4,041
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	731	731	3,310	3,310	4,041
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	731	731	3,310	3,310	4,041
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	731	731	3,310	3,310	4,041
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	731	731	3,310	3,310	4,041
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	731	731	3,310	3,310	4,041
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	731	731	3,310	3,310	4,041
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	731	731	3,310	3,310	4,041
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	731	731	3,310	3,310	4,041
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	731	731	3,310	3,310	4,041
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	731	731	3,310	3,310	4,041
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	731	731	3,310	3,310	4,041
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	731	731	3,310	3,310	4,041
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	702	702	2,576	2,576	3,278
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	435	435	1,567	1,567	2,002
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	152	152	578	578	730
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	44	44	161	161	205
31-Dec-60	1-Jan-61	15-Jan-62	1-Nov-62	0	0	0	0	0

[(a)]See Appendix B-2.a. Assumes that each unit is subject to assessments for 30 years from the date in which the Parcel is platted or until total assessment cap is reached; the cap is $28,545, which is $600 in the initial year, increasing at 3%. Horizontal line represents platting of all Parcels.

Appendix B-5: Projected Annual Payment Revenues from Platted Property

Calendar Year Ending	Platted As Of	Assessment Fee Final Due Date	Bond Year Ending	Increase Factor[a]	Equivalent Units From Platted Property[b]	Maximum Annual Installment for Platted Property[c]	Maximum Potential Annual Payment[d]	Net Annual Debt Service[e]			Annual Payment per EU[f]	Annual Payment from Platted Property
								Series 2026	Series 2029	Total		
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	100%	0	$0	$0	$0	$0	$0	$0	$0
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	100%	0	$600	$0	$0	$0	$0	$0	$0
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	103%	281	$618	$173,658	$1,907,751	$0	$1,907,751	$618	$173,658
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	106%	763	$637	$485,680	$1,909,104	$0	$1,909,104	$637	$485,680
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	109%	1,421	$656	$931,790	$1,910,483	$0	$1,910,483	$656	$931,790
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	113%	2,039	$675	$1,376,947	$1,911,890	$1,066,450	$2,978,340	$675	$1,376,947
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	116%	2,642	$696	$1,837,681	$1,913,326	$1,066,654	$2,979,980	$696	$1,837,681
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	119%	3,311	$716	$2,372,104	$1,914,790	$1,066,862	$2,981,652	$716	$2,372,104
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	123%	3,585	$738	$2,645,459	$1,916,283	$1,067,074	$2,983,357	$738	$2,645,459
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	127%	3,836	$760	$2,915,598	$1,927,806	$1,067,291	$2,995,097	$760	$2,915,598
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	130%	4,041	$783	$3,163,553	$2,093,785	$1,067,512	$3,161,296	$782	$3,161,296
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	134%	4,041	$806	$3,258,460	$2,155,307	$1,102,737	$3,258,044	$806	$3,258,044
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	138%	4,041	$831	$3,356,213	$2,222,836	$1,130,692	$3,353,527	$830	$3,353,527
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	143%	4,041	$855	$3,456,900	$2,285,797	$1,166,701	$3,452,498	$854	$3,452,498
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	147%	4,041	$881	$3,560,607	$2,354,191	$1,205,115	$3,559,306	$881	$3,559,306
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	151%	4,041	$908	$3,667,425	$2,427,444	$1,235,609	$3,663,053	$906	$3,663,053
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	156%	4,041	$935	$3,777,448	$2,499,981	$1,273,507	$3,773,488	$934	$3,773,488
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	160%	4,041	$963	$3,890,771	$2,576,516	$1,313,161	$3,889,677	$963	$3,889,677
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	165%	4,041	$992	$4,007,494	$2,651,474	$1,354,245	$4,005,718	$991	$4,005,718
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	170%	4,041	$1,021	$4,127,719	$2,729,568	$1,396,434	$4,126,001	$1,021	$4,126,001
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	175%	4,041	$1,052	$4,251,551	$2,815,224	$1,434,403	$4,249,627	$1,052	$4,249,627
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	181%	4,041	$1,084	$4,379,097	$2,897,581	$1,478,152	$4,375,733	$1,083	$4,375,733
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	186%	4,041	$1,116	$4,510,470	$2,984,551	$1,522,032	$4,506,584	$1,115	$4,506,584
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	192%	4,041	$1,150	$4,645,784	$3,070,936	$1,570,718	$4,641,654	$1,149	$4,641,654
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	197%	4,041	$1,184	$4,785,158	$3,166,111	$1,618,559	$4,784,670	$1,184	$4,784,670
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	203%	4,041	$1,220	$4,928,713	$3,258,827	$1,665,232	$4,924,059	$1,219	$4,924,059
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	209%	4,041	$1,256	$5,076,574	$3,358,460	$1,715,410	$5,073,869	$1,256	$5,073,869
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	216%	4,041	$1,294	$5,228,871	$3,458,760	$1,768,444	$5,227,204	$1,294	$5,227,204
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	222%	4,041	$1,333	$5,385,737	$3,563,792	$1,818,684	$5,382,476	$1,332	$5,382,476
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	229%	4,041	$1,373	$5,547,309	$3,672,305	$1,870,806	$5,543,111	$1,372	$5,543,111
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	236%	4,041	$1,414	$5,713,729	$3,778,051	$1,934,159	$5,712,210	$1,414	$5,712,210
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	243%	4,041	$1,456	$5,529,616	$0	$4,037,444	$4,037,444	$999	$4,037,444
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	250%	3,278	$1,500	$3,916,229	$0	$0	$0	$0	$0
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	258%	2,002	$1,545	$1,884,603	$0	$0	$0	$0	$0
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	265%	730	$1,591	$561,868	$0	$0	$0	$0	$0
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	273%	205	$1,639	$534	$0	$0	$0	$0	$0
31-Dec-60	1-Jan-61	15-Jan-62	1-Nov-62	281%	0	$1,688	$0	$0	$0	$0	$0	$0
Total							$115,351,353	$75,332,926	$40,014,087	$115,347,013		$107,440,168

[a]Represents the increase factor for the Maximum Annual Installment for Platted Property after the initial year assessments are anticipated to be collected.

[b]See Appendix B-4.

[c]Beginning with the Commencement Year, the Maximum Annual Installment for Platted Property is $600 per equivalent unit and is to increase by three percent (3%) each year thereafter. Provided by Developer.

[d]Represents maximum potential Annual Payment that can be collected, accounting for absorption pace shown on Appendix B-2.a and ceasing when each Equivalent Unit reaches its Assessment cap of $28,545 as shown on Appendix B-3.

[e]Estimated by Stifel. Includes Administrative Expense Assessment.

[f]The Annual Payment shall be the lesser of the Maximum Annual Installment for Platted Property and the Annual Payment per EU needed for the total Annual Payment to pay net annual debt service. Source: Rate and Method of Apportionment of Assessment A.

Appendix B-6: Projected Payment of Debt Service - Series 2026 and Series 2029 Bonds

Calendar Year Ending	Platted As Of	Assessment Fee Final Due Date	Bond Year Ending	Total Net Annual Debt Service[a]	Annual Payment from Platted Property[a]	Surplus/ (Deficit)	Shortfall Billed To Unplatted Property	Debt Service Coverage		
								Platted Property	Unplatted Property	Total
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	$0	$0	$0	$0	NA	NA	NA
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	$0	$0	$0	$0	NA	NA	NA
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	$1,907,751	$173,658	($1,734,093)	$1,734,093	9.1%	90.9%	100.0%
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	$1,909,104	$485,680	($1,423,424)	$1,423,424	25.4%	74.6%	100.0%
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	$1,910,483	$931,790	($978,693)	$978,693	48.8%	51.2%	100.0%
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	$2,978,340	$1,376,947	($1,601,393)	$1,601,393	46.2%	53.8%	100.0%
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	$2,979,980	$1,837,681	($1,142,298)	$1,142,298	61.7%	38.3%	100.0%
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	$2,981,652	$2,372,104	($609,547)	$609,547	79.6%	20.4%	100.0%
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	$2,983,357	$2,645,459	($337,898)	$337,898	88.7%	11.3%	100.0%
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	$2,995,097	$2,915,598	($79,499)	$79,499	97.3%	2.7%	100.0%
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	$3,161,296	$3,161,296	$0	$0	100.0%	0.0%	100.0%
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	$3,258,044	$3,258,044	$0	$0	100.0%	0.0%	100.0%
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	$3,353,527	$3,353,527	$0	$0	100.0%	0.0%	100.0%
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	$3,452,498	$3,452,498	$0	$0	100.0%	0.0%	100.0%
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	$3,559,306	$3,559,306	$0	$0	100.0%	0.0%	100.0%
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	$3,663,053	$3,663,053	$0	$0	100.0%	0.0%	100.0%
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	$3,773,488	$3,773,488	$0	$0	100.0%	0.0%	100.0%
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	$3,889,677	$3,889,677	$0	$0	100.0%	0.0%	100.0%
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	$4,005,718	$4,005,718	$0	$0	100.0%	0.0%	100.0%
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	$4,126,001	$4,126,001	$0	$0	100.0%	0.0%	100.0%
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	$4,249,627	$4,249,627	$0	$0	100.0%	0.0%	100.0%
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	$4,375,733	$4,375,733	$0	$0	100.0%	0.0%	100.0%
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	$4,506,584	$4,506,584	$0	$0	100.0%	0.0%	100.0%
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	$4,641,654	$4,641,654	$0	$0	100.0%	0.0%	100.0%
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	$4,784,670	$4,784,670	$0	$0	100.0%	0.0%	100.0%
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	$4,924,059	$4,924,059	$0	$0	100.0%	0.0%	100.0%
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	$5,073,869	$5,073,869	$0	$0	100.0%	0.0%	100.0%
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	$5,227,204	$5,227,204	$0	$0	100.0%	0.0%	100.0%
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	$5,382,476	$5,382,476	$0	$0	100.0%	0.0%	100.0%
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	$5,543,111	$5,543,111	$0	$0	100.0%	0.0%	100.0%
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	$5,712,210	$5,712,210	$0	$0	100.0%	0.0%	100.0%
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	$4,037,444	$4,037,444	$0	$0	100.0%	0.0%	100.0%
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	$0	$0	$0	$0	NA	NA	NA
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	$0	$0	$0	$0	NA	NA	NA
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	$0	$0	$0	$0	NA	NA	NA
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	$0	$0	$0	$0	NA	NA	NA
31-Dec-60	1-Jan-61	15-Jan-62	1-Nov-62	$0	$0	$0	$0	NA	NA	NA
Total				$115,347,013	$107,440,168	($7,906,845)	$7,906,845			

MuniCap, Inc. *27-Jul-26*

[a]See Appendix B-5.

Appendix C
Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Projections of Assessment Revenue
Scenario C - Alternate Scenario

Assumptions

Includes South Section of Development Only
Only Series 2026 Bonds Issued
Estimated Total Gross Bond Proceeds - $30,000,000

Assessment A Bonds

Series 2026
Gross Bond Proceeds - $30,000,000
Net Bond Proceeds - $22,101,718

For Sale Single Family (Land Use Class 1) - 4,041 Units
For Rent Multi-Family (Land Use Class 2) - 0 Units

Annual Assessment per Unit: $600 (3% Escalation Until Assessment Cap is Reached)

Appendix C
Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Projected Development

Appendix C
Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Appendix C-1: Summary of Projected Development

Development Use	Land Use Class	Units[(a)]
Residential		
For sale		
Townhouses	Land Use Class 1	368
Single-family detached	Land Use Class 1	2,005
Total for sale		2,373
For rent		
Apartments	Land Use Class 2	0
Total		2,373

MuniCap, Inc. *27-Jul-26*

[(a)]Based on information provided by Developer, unless otherwise noted.

Appendix C-2.a: Projected Schedule of Development - Platting of Properties[a]

Calendar Year Ending[b]	Platted As Of	Assessment Fee Final Due Date[c]	Bond Year Ending	Townhouses		Single-Family Detached		Total Residential For Sale Platting	
				Units	Cumulative	Units	Cumulative	Units	Cumulative
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	0	0	0	0	0	0
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	0	0	0	0	0	0
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	0	0	281	281	281	281
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	29	29	453	734	482	763
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	70	99	461	1,195	531	1,294
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	114	213	253	1,448	367	1,661
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	79	292	273	1,721	352	2,013
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	76	368	260	1,981	336	2,349
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	0	368	24	2,005	24	2,373
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	0	368	0	2,005	0	2,373
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	0	368	0	2,005	0	2,373
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	0	368	0	2,005	0	2,373
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	0	368	0	2,005	0	2,373
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	0	368	0	2,005	0	2,373
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	0	368	0	2,005	0	2,373
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	0	368	0	2,005	0	2,373
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	0	368	0	2,005	0	2,373
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	0	368	0	2,005	0	2,373
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	0	368	0	2,005	0	2,373
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	0	368	0	2,005	0	2,373
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	0	368	0	2,005	0	2,373
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	0	368	0	2,005	0	2,373
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	0	368	0	2,005	0	2,373
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	0	368	0	2,005	0	2,373
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	0	368	0	2,005	0	2,373
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	0	368	0	2,005	0	2,373
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	0	368	0	2,005	0	2,373
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	0	368	0	2,005	0	2,373
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	0	368	0	2,005	0	2,373
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	0	368	0	2,005	0	2,373
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	0	368	0	2,005	0	2,373
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	0	368	0	2,005	0	2,373
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	0	368	0	2,005	0	2,373
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	0	368	0	2,005	0	2,373
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	0	368	0	2,005	0	2,373
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	0	368	0	2,005	0	2,373
31-Dec-60	1-Jan-61	15-Jan-62	1-Nov-62	0	368	0	2,005	0	2,373
Total				368		2,005		2,373	

[a]Based on information provided by Developer and additional contracted builders, unless otherwise noted. See PLOM for additional information.

[b]Represents the year in which lots are billed as independent parcels.

[c]According to the Jasper County Assessor's Office, property taxes are due January 15 of each year. Assessments are assumed to be collected at the same time and in the same manner as property taxes.

Appendix C-2.b: Projected Schedule of Development - Sales to Builders[a]

Calendar Year Ending[b]	Assessment Fee Final Due Date[c]	Bond Year Ending	Townhouses		Single-Family Detached		Total Developer Sales to Builders	
			Units	Cumulative	Units	Cumulative	Units	Cumulative
31-Dec-24	15-Jan-26	1-Nov-26	0	0	0	0	0	0
31-Dec-25	15-Jan-27	1-Nov-27	0	0	450	450	450	450
31-Dec-26	15-Jan-28	1-Nov-28	0	0	260	710	260	710
31-Dec-27	15-Jan-29	1-Nov-29	26	26	372	1,082	398	1,108
31-Dec-28	15-Jan-30	1-Nov-30	64	90	188	1,270	252	1,360
31-Dec-29	15-Jan-31	1-Nov-31	107	197	320	1,590	427	1,787
31-Dec-30	15-Jan-32	1-Nov-32	84	281	317	1,907	401	2,188
31-Dec-31	15-Jan-33	1-Nov-33	72	353	51	1,958	123	2,311
31-Dec-32	15-Jan-34	1-Nov-34	15	368	47	2,005	62	2,373
31-Dec-33	15-Jan-35	1-Nov-35	0	368	0	2,005	0	2,373
31-Dec-34	15-Jan-36	1-Nov-36	0	368	0	2,005	0	2,373
31-Dec-35	15-Jan-37	1-Nov-37	0	368	0	2,005	0	2,373
31-Dec-36	15-Jan-38	1-Nov-38	0	368	0	2,005	0	2,373
31-Dec-37	15-Jan-39	1-Nov-39	0	368	0	2,005	0	2,373
31-Dec-38	15-Jan-40	1-Nov-40	0	368	0	2,005	0	2,373
31-Dec-39	15-Jan-41	1-Nov-41	0	368	0	2,005	0	2,373
31-Dec-40	15-Jan-42	1-Nov-42	0	368	0	2,005	0	2,373
31-Dec-41	15-Jan-43	1-Nov-43	0	368	0	2,005	0	2,373
31-Dec-42	15-Jan-44	1-Nov-44	0	368	0	2,005	0	2,373
31-Dec-43	15-Jan-45	1-Nov-45	0	368	0	2,005	0	2,373
31-Dec-44	15-Jan-46	1-Nov-46	0	368	0	2,005	0	2,373
31-Dec-45	15-Jan-47	1-Nov-47	0	368	0	2,005	0	2,373
31-Dec-46	15-Jan-48	1-Nov-48	0	368	0	2,005	0	2,373
31-Dec-47	15-Jan-49	1-Nov-49	0	368	0	2,005	0	2,373
31-Dec-48	15-Jan-50	1-Nov-50	0	368	0	2,005	0	2,373
31-Dec-49	15-Jan-51	1-Nov-51	0	368	0	2,005	0	2,373
31-Dec-50	15-Jan-52	1-Nov-52	0	368	0	2,005	0	2,373
31-Dec-51	15-Jan-53	1-Nov-53	0	368	0	2,005	0	2,373
31-Dec-52	15-Jan-54	1-Nov-54	0	368	0	2,005	0	2,373
31-Dec-53	15-Jan-55	1-Nov-55	0	368	0	2,005	0	2,373
31-Dec-54	15-Jan-56	1-Nov-56	0	368	0	2,005	0	2,373
31-Dec-55	15-Jan-57	1-Nov-57	0	368	0	2,005	0	2,373
31-Dec-56	15-Jan-58	1-Nov-58	0	368	0	2,005	0	2,373
31-Dec-57	15-Jan-59	1-Nov-59	0	368	0	2,005	0	2,373
31-Dec-58	15-Jan-60	1-Nov-60	0	368	0	2,005	0	2,373
31-Dec-59	15-Jan-61	1-Nov-61	0	368	0	2,005	0	2,373
31-Dec-60	15-Jan-62	1-Nov-62	0	368	0	2,005	0	2,373
Total			368		2,005		2,373	

[a]Based on information provided by Developer and additional contracted builders, unless otherwise noted. See PLOM for additional information.

[b]Represents the year in which lots are sold to builders.

[c]According to the Jasper County Assessor's Office, property taxes are due January 15 of each year. Assessments are assumed to be collected at the same time and in the same manner as property taxes.

Appendix C-2.c: Projected Schedule of Development - Sales to Homeowners[a]

Calendar Year Ending[b]	Assessment Fee Final Due Date[c]	Bond Year Ending	Townhouses		Single-Family Detached		Total Sales to Homeowners	
			Units	Cumulative	Units	Cumulative	Units	Cumulative
31-Dec-24	15-Jan-26	1-Nov-26	0	0	0	0	0	0
31-Dec-25	15-Jan-27	1-Nov-27	0	0	0	0	0	0
31-Dec-26	15-Jan-28	1-Nov-28	0	0	17	17	17	17
31-Dec-27	15-Jan-29	1-Nov-29	0	0	152	169	152	169
31-Dec-28	15-Jan-30	1-Nov-30	26	26	437	606	463	632
31-Dec-29	15-Jan-31	1-Nov-31	64	90	389	995	453	1,085
31-Dec-30	15-Jan-32	1-Nov-32	107	197	359	1,354	466	1,551
31-Dec-31	15-Jan-33	1-Nov-33	84	281	257	1,611	341	1,892
31-Dec-32	15-Jan-34	1-Nov-34	72	353	222	1,833	294	2,186
31-Dec-33	15-Jan-35	1-Nov-35	15	368	172	2,005	187	2,373
31-Dec-34	15-Jan-36	1-Nov-36	0	368	0	2,005	0	2,373
31-Dec-35	15-Jan-37	1-Nov-37	0	368	0	2,005	0	2,373
31-Dec-36	15-Jan-38	1-Nov-38	0	368	0	2,005	0	2,373
31-Dec-37	15-Jan-39	1-Nov-39	0	368	0	2,005	0	2,373
31-Dec-38	15-Jan-40	1-Nov-40	0	368	0	2,005	0	2,373
31-Dec-39	15-Jan-41	1-Nov-41	0	368	0	2,005	0	2,373
31-Dec-40	15-Jan-42	1-Nov-42	0	368	0	2,005	0	2,373
31-Dec-41	15-Jan-43	1-Nov-43	0	368	0	2,005	0	2,373
31-Dec-42	15-Jan-44	1-Nov-44	0	368	0	2,005	0	2,373
31-Dec-43	15-Jan-45	1-Nov-45	0	368	0	2,005	0	2,373
31-Dec-44	15-Jan-46	1-Nov-46	0	368	0	2,005	0	2,373
31-Dec-45	15-Jan-47	1-Nov-47	0	368	0	2,005	0	2,373
31-Dec-46	15-Jan-48	1-Nov-48	0	368	0	2,005	0	2,373
31-Dec-47	15-Jan-49	1-Nov-49	0	368	0	2,005	0	2,373
31-Dec-48	15-Jan-50	1-Nov-50	0	368	0	2,005	0	2,373
31-Dec-49	15-Jan-51	1-Nov-51	0	368	0	2,005	0	2,373
31-Dec-50	15-Jan-52	1-Nov-52	0	368	0	2,005	0	2,373
31-Dec-51	15-Jan-53	1-Nov-53	0	368	0	2,005	0	2,373
31-Dec-52	15-Jan-54	1-Nov-54	0	368	0	2,005	0	2,373
31-Dec-53	15-Jan-55	1-Nov-55	0	368	0	2,005	0	2,373
31-Dec-54	15-Jan-56	1-Nov-56	0	368	0	2,005	0	2,373
31-Dec-55	15-Jan-57	1-Nov-57	0	368	0	2,005	0	2,373
31-Dec-56	15-Jan-58	1-Nov-58	0	368	0	2,005	0	2,373
31-Dec-57	15-Jan-59	1-Nov-59	0	368	0	2,005	0	2,373
31-Dec-58	15-Jan-60	1-Nov-60	0	368	0	2,005	0	2,373
31-Dec-59	15-Jan-61	1-Nov-61	0	368	0	2,005	0	2,373
31-Dec-60	15-Jan-62	1-Nov-62	0	368	0	2,005	0	2,373
Total			368		2,005		2,373	

MuniCap, Inc. *27-Jul-26*

[a]Based on information provided by Developer and additional contracted builders, unless otherwise noted. See PLOM for additional information.

[b]Represents the year in which lots are sold to homeowners.

[c]According to the Jasper County Assessor's Office, property taxes are due January 15 of each year. Assessments are assumed to be collected at the same time and in the same manner as property taxes.

Hilton Head Lakes West Tract Improvement District
City of Hardeeville, South Carolina

Assessments and
Projected Payment of Debt Service
Series 2026

Appendix C-3: Allocation of Assessment A

Table 1: Development by Land Use Class and Equivalent Unit Factors

Land Use Class	Development Use	Number of Units[a]	Equivalent Unit Factor[b]
Residential			*(Per Unit)*
For sale			
Land Use Class 1	Townhouses	731	1.00
Land Use Class 1	Single-family detached	3,310	1.00
Average		4,041	

Table 2: Total Equivalent Units (EUs)

Land Use Class	Equivalent Unit Factor	Number of Units[a]	Total Equivalent Units
Residential	*(Per Unit)*		
For sale			
Land Use Class 1	1.00	4,041	4,041
Total			4,041

Table 3: Total Maximum Assessment A per Equivalent Unit

Total Assessments[c]	Total Equivalent Units	Assessment per Equivalent Unit
$115,351,353	4,041	$28,545

Table 4: Principal Portion of Bond Assessment per Equivalent Unit

Principal Portion of Bond Assessment[d]	Total Equivalent Units	Principal Portion of Bond Assessment Per Unit
$30,000,000	4,041	$7,424

[a]See Appendix C-1.

[b]Equivalent unit factor is equal to 1.00 as there is only one land use class. See Assessment Proceedings for additional information.

[c]Assumes each Parcel of Platted Property pays $600 per year increasing at 3% annually for 30 years from the date in which the independent parcel is created and continuing beyond the term of the bonds or until assessment cap is reached ($28,545). Source: Assessment A Assessment Roll.

[d]Estimated by Stifel. Includes Series 2026 bonds only.

Appendix C-4: Equivalent Units from Platted Property

				Land Use Class 1				
				Townhouses		Single-Family Detached		
Calendar		Assessment	Bond	EU Factor:	1.00	EU Factor:	1.00	Equivalent Units
Year	Platted	Fee Final	Year	No. of	Sub-Total	No. of	Sub-Total	From Platted
Ending	As Of	Due Date	Ending	Units[(a)]	EU's	Units[(a)]	EU's	Property
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	0	0	0	0	0
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	0	0	0	0	0
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	0	0	281	281	281
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	29	29	734	734	763
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	99	99	1,195	1,195	1,294
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	213	213	1,448	1,448	1,661
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	292	292	1,721	1,721	2,013
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	368	368	1,981	1,981	2,349
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	368	368	2,005	2,005	2,373
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	368	368	2,005	2,005	2,373
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	368	368	2,005	2,005	2,373
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	368	368	2,005	2,005	2,373
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	368	368	2,005	2,005	2,373
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	368	368	2,005	2,005	2,373
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	368	368	2,005	2,005	2,373
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	368	368	2,005	2,005	2,373
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	368	368	2,005	2,005	2,373
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	368	368	2,005	2,005	2,373
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	368	368	2,005	2,005	2,373
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	368	368	2,005	2,005	2,373
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	368	368	2,005	2,005	2,373
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	368	368	2,005	2,005	2,373
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	368	368	2,005	2,005	2,373
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	368	368	2,005	2,005	2,373
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	368	368	2,005	2,005	2,373
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	368	368	2,005	2,005	2,373
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	368	368	2,005	2,005	2,373
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	368	368	2,005	2,005	2,373
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	368	368	2,005	2,005	2,373
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	368	368	2,005	2,005	2,373
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	368	368	2,005	2,005	2,373
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	368	368	2,005	2,005	2,373
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	339	339	1,271	1,271	1,610
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	155	155	557	557	712
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	0	0	24	24	24
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	0	0	0	0	0

[(a)]See Appendix C-2.a. Assumes that each unit is subject to assessments for 30 years from the date in which the Parcel is platted or until total assessment cap is reached; the cap is $28,545, which is $600 in the initial year, increasing at 3%. Horizontal line represents platting of all Parcels.

Appendix C-5: Projected Annual Payment Revenues from Platted Property

Calendar Year Ending	Platted As Of	Assessment Fee Final Due Date	Bond Year Ending	Increase Factor[a]	Equivalent Units From Platted Property[b]	Maximum Annual Installment for Platted Property[c]	Maximum Potential Annual Payment[d]	Series 2026 Net Annual Debt Service[e]	Annual Payment per EU[f]	Annual Payment from Platted Property
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	100%	0	$0	$0	$0	$0	$0
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	100%	0	$600	$0	$0	$0	$0
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	103%	281	$618	$173,658	$1,907,751	$618	$173,658
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	106%	763	$637	$485,680	$1,909,104	$637	$485,680
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	109%	1,294	$656	$848,524	$1,910,483	$656	$848,524
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	113%	1,661	$675	$1,121,682	$1,911,890	$675	$1,121,682
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	116%	2,013	$696	$1,400,171	$1,913,326	$696	$1,400,171
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	119%	2,349	$716	$1,682,897	$1,914,790	$716	$1,682,897
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	123%	2,373	$738	$1,751,094	$1,916,283	$738	$1,751,094
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	127%	2,373	$760	$1,803,627	$1,927,806	$760	$1,803,627
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	130%	2,373	$783	$1,857,736	$2,093,785	$783	$1,857,736
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	134%	2,373	$806	$1,913,468	$2,155,307	$806	$1,913,468
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	138%	2,373	$831	$1,970,872	$2,222,836	$831	$1,970,872
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	143%	2,373	$855	$2,029,998	$2,285,797	$855	$2,029,998
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	147%	2,373	$881	$2,090,898	$2,354,191	$881	$2,090,898
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	151%	2,373	$908	$2,153,625	$2,427,444	$908	$2,153,625
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	156%	2,373	$935	$2,218,234	$2,499,981	$935	$2,218,234
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	160%	2,373	$963	$2,284,781	$2,576,516	$963	$2,284,781
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	165%	2,373	$992	$2,353,324	$2,651,474	$992	$2,353,324
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	170%	2,373	$1,021	$2,423,924	$2,729,568	$1,021	$2,423,924
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	175%	2,373	$1,052	$2,496,642	$2,815,224	$1,052	$2,496,642
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	181%	2,373	$1,084	$2,571,541	$2,897,581	$1,084	$2,571,541
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	186%	2,373	$1,116	$2,648,687	$2,984,551	$1,116	$2,648,687
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	192%	2,373	$1,150	$2,728,148	$3,070,936	$1,150	$2,728,148
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	197%	2,373	$1,184	$2,809,992	$3,166,111	$1,184	$2,809,992
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	203%	2,373	$1,220	$2,894,292	$3,258,827	$1,220	$2,894,292
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	209%	2,373	$1,256	$2,981,121	$3,358,460	$1,256	$2,981,121
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	216%	2,373	$1,294	$3,070,555	$3,458,760	$1,294	$3,070,555
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	222%	2,373	$1,333	$3,162,671	$3,563,792	$1,333	$3,162,671
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	229%	2,373	$1,373	$3,257,551	$3,672,305	$1,373	$3,257,551
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	236%	2,373	$1,414	$3,355,278	$3,778,051	$1,414	$3,355,278
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	243%	2,373	$1,456	$3,100,412	$0	$0	$0
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	250%	1,610	$1,500	$1,666,090	$0	$0	$0
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	258%	712	$1,545	$428,395	$0	$0	$0
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	265%	24	$1,591	$2,305	$0	$0	$0
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	273%	0	$1,639	$0	$0	$0	$0
Total							$67,737,877	$75,332,926		$62,540,676

[a]Represents the increase factor for the Maximum Annual Installment for Platted Property after the initial year assessments are anticipated to be collected.
[b]See Appendix C-4.
[c]Beginning with the Commencement Year, the Maximum Annual Installment for Platted Property is $600 per equivalent unit and is to increase by three percent (3%) each year thereafter. Provided by Developer.
[d]Represents maximum potential Annual Payment that can be collected, accounting for absorption pace shown on Appendix C-2.a and ceasing when each Equivalent Unit reaches its Assessment cap of $28,545 as shown on Appendix C-3.
[e]Estimated by Stifel. Includes Administrative Expense Assessment and Series 2026 bonds only.
[f]The Annual Payment shall be the lesser of the Maximum Annual Installment for Platted Property and the Annual Payment per EU needed for the total Annual Payment to pay net annual debt service. Source: Rate and Method of Apportionment of Assessment A.

Appendix C-6: Projected Payment of Debt Service - Series 2026 Bonds

Calendar Year Ending	Platted As Of	Assessment Fee Final Due Date	Bond Year Ending	Series 2026 Net Annual Debt Service[a]	Annual Payment from Platted Property[a]	Surplus/ (Deficit)	Shortfall Billed to Unplatted Property[b]			Debt Service Coverage			
							South Section	North Section	Total	South Section		North Section	
										Platted	Unplatted	Unplatted[c]	Total
31-Dec-24	1-Jan-25	15-Jan-26	1-Nov-26	$0	$0	$0	NA	NA	$0	NA	NA	NA	NA
31-Dec-25	1-Jan-26	15-Jan-27	1-Nov-27	$0	$0	$0	$0	$0	$0	NA	NA	NA	0.0%
31-Dec-26	1-Jan-27	15-Jan-28	1-Nov-28	$1,907,751	$173,658	($1,734,093)	$964,820	$769,273	$1,734,093	9.1%	50.6%	40.3%	100.0%
31-Dec-27	1-Jan-28	15-Jan-29	1-Nov-29	$1,909,104	$485,680	($1,423,424)	$699,119	$724,305	$1,423,424	25.4%	36.6%	37.9%	100.0%
31-Dec-28	1-Jan-29	15-Jan-30	1-Nov-30	$1,910,483	$848,524	($1,061,959)	$417,082	$644,877	$1,061,959	44.4%	21.8%	33.8%	100.0%
31-Dec-29	1-Jan-30	15-Jan-31	1-Nov-31	$1,911,890	$1,121,682	($790,208)	$236,398	$553,810	$790,208	58.7%	12.4%	29.0%	100.0%
31-Dec-30	1-Jan-31	15-Jan-32	1-Nov-32	$1,913,326	$1,400,171	($513,154)	$91,092	$422,062	$513,154	73.2%	4.8%	22.1%	100.0%
31-Dec-31	1-Jan-32	15-Jan-33	1-Nov-33	$1,914,790	$1,682,897	($231,892)	$3,289	$228,603	$231,892	87.9%	0.2%	11.9%	100.0%
31-Dec-32	1-Jan-33	15-Jan-34	1-Nov-34	$1,916,283	$1,751,094	($165,188)	$0	$165,188	$165,188	91.4%	0.0%	8.6%	100.0%
31-Dec-33	1-Jan-34	15-Jan-35	1-Nov-35	$1,927,806	$1,803,627	($124,179)	$0	$124,179	$124,179	93.6%	0.0%	6.4%	100.0%
31-Dec-34	1-Jan-35	15-Jan-36	1-Nov-36	$2,093,785	$1,857,736	($236,049)	$0	$236,049	$236,049	88.7%	0.0%	11.3%	100.0%
31-Dec-35	1-Jan-36	15-Jan-37	1-Nov-37	$2,155,307	$1,913,468	($241,839)	$0	$241,839	$241,839	88.8%	0.0%	11.2%	100.0%
31-Dec-36	1-Jan-37	15-Jan-38	1-Nov-38	$2,222,836	$1,970,872	($251,964)	$0	$251,964	$251,964	88.7%	0.0%	11.3%	100.0%
31-Dec-37	1-Jan-38	15-Jan-39	1-Nov-39	$2,285,797	$2,029,998	($255,799)	$0	$255,799	$255,799	88.8%	0.0%	11.2%	100.0%
31-Dec-38	1-Jan-39	15-Jan-40	1-Nov-40	$2,354,191	$2,090,898	($263,293)	$0	$263,293	$263,293	88.8%	0.0%	11.2%	100.0%
31-Dec-39	1-Jan-40	15-Jan-41	1-Nov-41	$2,427,444	$2,153,625	($273,819)	$0	$273,819	$273,819	88.7%	0.0%	11.3%	100.0%
31-Dec-40	1-Jan-41	15-Jan-42	1-Nov-42	$2,499,981	$2,218,234	($281,747)	$0	$281,747	$281,747	88.7%	0.0%	11.3%	100.0%
31-Dec-41	1-Jan-42	15-Jan-43	1-Nov-43	$2,576,516	$2,284,781	($291,735)	$0	$291,735	$291,735	88.7%	0.0%	11.3%	100.0%
31-Dec-42	1-Jan-43	15-Jan-44	1-Nov-44	$2,651,474	$2,353,324	($298,149)	$0	$298,149	$298,149	88.8%	0.0%	11.2%	100.0%
31-Dec-43	1-Jan-44	15-Jan-45	1-Nov-45	$2,729,568	$2,423,924	($305,644)	$0	$305,644	$305,644	88.8%	0.0%	11.2%	100.0%
31-Dec-44	1-Jan-45	15-Jan-46	1-Nov-46	$2,815,224	$2,496,642	($318,582)	$0	$318,582	$318,582	88.7%	0.0%	11.3%	100.0%
31-Dec-45	1-Jan-46	15-Jan-47	1-Nov-47	$2,897,581	$2,571,541	($326,040)	$0	$326,040	$326,040	88.7%	0.0%	11.3%	100.0%
31-Dec-46	1-Jan-47	15-Jan-48	1-Nov-48	$2,984,551	$2,648,687	($335,864)	$0	$335,864	$335,864	88.7%	0.0%	11.3%	100.0%
31-Dec-47	1-Jan-48	15-Jan-49	1-Nov-49	$3,070,936	$2,728,148	($342,788)	$0	$342,788	$342,788	88.8%	0.0%	11.2%	100.0%
31-Dec-48	1-Jan-49	15-Jan-50	1-Nov-50	$3,166,111	$2,809,992	($356,118)	$0	$356,118	$356,118	88.8%	0.0%	11.2%	100.0%
31-Dec-49	1-Jan-50	15-Jan-51	1-Nov-51	$3,258,827	$2,894,292	($364,535)	$0	$364,535	$364,535	88.8%	0.0%	11.2%	100.0%
31-Dec-50	1-Jan-51	15-Jan-52	1-Nov-52	$3,358,460	$2,981,121	($377,339)	$0	$377,339	$377,339	88.8%	0.0%	11.2%	100.0%
31-Dec-51	1-Jan-52	15-Jan-53	1-Nov-53	$3,458,760	$3,070,555	($388,205)	$0	$388,205	$388,205	88.8%	0.0%	11.2%	100.0%
31-Dec-52	1-Jan-53	15-Jan-54	1-Nov-54	$3,563,792	$3,162,671	($401,120)	$0	$401,120	$401,120	88.7%	0.0%	11.3%	100.0%
31-Dec-53	1-Jan-54	15-Jan-55	1-Nov-55	$3,672,305	$3,257,551	($414,753)	$0	$414,753	$414,753	88.7%	0.0%	11.3%	100.0%
31-Dec-54	1-Jan-55	15-Jan-56	1-Nov-56	$3,778,051	$3,355,278	($422,773)	$0	$422,773	$422,773	88.8%	0.0%	11.2%	100.0%
31-Dec-55	1-Jan-56	15-Jan-57	1-Nov-57	$0	$0	$0	$0	$0	$0	NA	NA	NA	NA
31-Dec-56	1-Jan-57	15-Jan-58	1-Nov-58	$0	$0	$0	$0	$0	$0	NA	NA	NA	NA
31-Dec-57	1-Jan-58	15-Jan-59	1-Nov-59	$0	$0	$0	$0	$0	$0	NA	NA	NA	NA
31-Dec-58	1-Jan-59	15-Jan-60	1-Nov-60	$0	$0	$0	$0	$0	$0	NA	NA	NA	NA
31-Dec-59	1-Jan-60	15-Jan-61	1-Nov-61	$0	$0	$0	$0	$0	$0	NA	NA	NA	NA
Total				$75,332,926	$62,540,676	($12,792,250)	$2,411,801	$10,380,449	$12,792,250				

MuniCap, Inc.

[a]See Appendix C-5.

[b]Allocation of Unplatted Assessments between South Section and North Section based on Parcel information provided by Developer and shown on Appendices A-2.a and C-2.a.

[c]Scenario C assumes only the South Section is developed, meaning all North Section Parcels will be Unplatted.

APPENDIX G

ENGINEER'S REPORT

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THOMAS & HUTTON

ENGINEER'S REPORT

FOR:

HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT

HARDEEVILLE, SC

PREPARED FOR:
LK DEVELOPMENT GROUP, LLC

28258.2000

APRIL 2026

thomasandhutton.com

TABLE OF CONTENTS

Section 1 – Introduction ..... Page 1

Section 2 – Proposed Improvements ..... Page 1

2.1 – Land Use ..... Page 2

2.2 – Roadway Improvements ..... Page 2

2.3 – Stormwater Management System ..... Page 4

2.4 – Water and Wastewater Utilities ..... Page 4

2.5 – Hardscape, Landscape, Power and Irrigation ..... Page 5

2.6 – Environmental Conservation ..... Page 5

2.7 – Professional Services ..... Page 5

Section 3 – Operation and Maintenance ..... Page 6

3.1 – Roadways ..... Page 6

3.2 – Stormwater Management ..... Page 7

3.3 – Water and Wastewater Utilities ..... Page 7

3.4 – Hardscape, Landscape, Power and Irrigation ..... Page 7

Section 4 – Permitting / Construction Status ..... Page 7

Section 5 – Opinion of Probable Construction Costs ..... Page 8

EXHIBITS

Hilton Head Lakes West Tract Improvement District ..... Exhibit A

SECTION 1 – INTRODUCTION

The purpose of this Engineer's Report (the "Report") is to document the boundary of the Hilton Head Lakes West Tract Improvement District (the "District"), describe the public improvements and infrastructure ("Improvements") to be financed, and present the estimated cost of those Improvements under the assumptions set forth herein. We provide this Report to LK Development Group, LLC (the "Owner/Developer") in support of development of the real property encompassed by the District, which was created by petition to the City of Hardeeville, South Carolina (the "City"). This Report will also be referenced and included in the preliminary and final offering documents related to the City's special assessment revenue bonds (the "Bonds").

The Hilton Head Lakes West Planned Development District ("PDD") contains approximately 3,391.69 acres, of which about 2,605.86 acres presently lie within the District. The property is situated northeast of U.S. Highway 278 and east of Interstate 95, between the existing Lakeside Boulevard corridor and North of the Jasper County School campus. Primary access will be provided by the extension of Lakeside Boulevard, to be known as Main Road Section South and Main Road Section North for MID purposes, and a new single-lane roundabout connection to Red Dam Road.

Of the overall PDD acreage, roughly 2,185.15 acres are uplands and 1,206.54 acres are jurisdictional wetlands under the Owner/Developer's control. The Development Agreement authorizes up to 4,356 residential dwelling units (single-family detached, single-family attached and multifamily), together with supporting recreation, open-space and civic uses.

Consistent with the Development Agreement, the Owner/Developer has already conveyed 19.69 acres and 0.81 acre of right-of-way to the City for the extension of Lakeside Boulevard—now designated Main Road Section South—thereby establishing the backbone roadway for future development phases.

Based on the projected construction schedule and cash-flow requirements, we anticipate that the City will issue multiple series of special assessment revenue bonds (collectively, the "Bonds").

The District presently comprises five tax-map parcels totaling about 2,605.86 acres (see Exhibit A included herein). Additional portions of the PDD under common ownership may be annexed into the District with City approval as development progresses.

We have prepared this Report under our responsible charge as licensed professional engineers to provide City Council with the technical basis required by South Carolina Code, to guide the design and permitting of the Improvements, and to establish the engineering foundation for the proposed financing. Anyone reviewing this Report should also consult the official bond ordinances, assessment methodologies, the offering document and related agreements for definitive information and for clarification of any discrepancies.

SECTION 2 – PROPOSED IMPROVEMENTS

The Improvements constitute a coordinated package of roadway, drainage, water, wastewater, pedestrian, power and landscape infrastructure required for the orderly build-out of the District. Portions of this infrastructure have been planned at the conceptual level, and the remaining components will be fully designed in accordance with City of Hardeeville ordinances, Beaufort-Jasper Water & Sewer Authority (BJWSA) technical specifications, and the South Carolina Stormwater Management Manual.

Bond proceeds will fund the construction of certain public improvements to be dedicated to governmental entities for ownership and maintenance, including the roadway, drainage, paving, grading, earthwork, bridge, erosion-control, and professional-service components of Main Road Section South and Main Road Section North, as well as the associated water and sewer infrastructure to be dedicated to BJWSA.

Items not funded by Bond proceeds include other construction costs that will not be dedicated to a public entity for ownership and maintenance or that are located outside of the boundaries of the District. These include off-site roadway improvements known as Road A, which consists of three components:

1. A single-lane roundabout connecting to Red Dam Road;
2. Intersection improvements at Red Dam Road and Brickyard Road to incorporate turn lanes and re-align the intersection closer to ninety degrees for improved traffic flow; and
3. Pavement overlays along portions of Red Dam Road, including the addition of a two-foot shoulder.

Additional improvements not funded by Bond proceeds include the 10-foot multi-use pathway along Main Road Sections North and South, associated irrigation and landscaping, and power service to both regional pump stations and street lights. The pathway, irrigation, and landscaping will be funded by the Developer and maintained by the homeowners association (HOA) or another common-ownership entity. The power infrastructure will be provided, owned, and maintained by Dominion Energy.

The District boundary and the overall layout of proposed roadways, traffic improvements, water, sewer, and drainage infrastructure are illustrated on Exhibit A, included herein. Portions of Main Road Section South—including its roadway, water, sewer, and drainage components—have already been fully designed and are currently under construction. A detailed summary of the estimated costs associated with the public improvements to be funded by Bond proceeds, as well as those not eligible for bond reimbursement, is provided in Section 5 of this report.

2.1 Land Use

Current projections call for approximately 4,041 single-family detached homes. The PDD authorizes up to 700 multifamily units, but none are planned at this stage. Should multifamily be introduced later, the detached-lot count will be reduced so that the combined dwelling-unit total never exceeds the PDD maximum of 4,356 units. Commercial uses are not permitted within the PDD.

Homes will range from single-family homes on 40- to 70-foot-wide detached lots, townhomes, and alley-loaded cottages, ensuring a varied housing mix. About 35 percent of the site will remain in open space, wetlands, greenways, and passive-recreation corridors, preserving the property's natural character.

2.2 Roadway Improvements

The backbone roadway system will provide two points of connection to the regional network and establish the internal spine upon which neighborhood streets will tie:

- Main Road Section South – An approximately 3.13-mile (16,565 LF) roadway. Roughly 2.82 miles (14,915 LF) will be constructed as a divided, four-lane boulevard extending west

from the existing Lakeside Boulevard roundabout to a tee intersection; from that point the four-lane section branches both north—past the regional pump station South to end prior to a bridge crossing a wetland system—and south toward a residential neighborhood, ending at another tee intersection. From that southern tee, a two-lane segment (1,650 LF) continues west to a proposed single-lane roundabout on Red Dam Road. The corridor is designed as a four-lane section divided by a 20-foot landscaped median with curb, and building all four lanes in the current phase will eliminate future widening and maintain smooth traffic flow. The short approach immediately adjacent to the roundabout will remain a two-lane curb-and-gutter section.

- Main Road Section North – Approximately 1.67 miles (8,812 LF) of two-lane roadway will extend north, beginning at the wetland with a bridge crossing, into areas slated for future development, complete with water, sewer, and drainage utilities sized for later residential phases.

Both corridors will feature a 10-foot-wide multi-use path for pedestrian and bicycle connectivity. The roadway pavement section will comprise 24 inches of compacted sand subgrade, 10 inches of graded aggregate base, 2 inches of asphalt binder, and 2 inches of asphalt surface. The multi-use path will be constructed over 12 inches of sand subgrade, 4 inches of graded aggregate base, and 1.5 inches of asphalt surface. Four-lane segments will have median curb, while two-lane segments will use outside curb and gutter. Street lighting, landscaping, signage, and pavement markings will be included along all roads, but are not funded from Bond proceeds. The multi-use paths are also not funded by Bond proceeds.

In addition to the Main Road corridors, off-site improvements referred to as Road A are planned to enhance regional connectivity and intersection safety. Road A improvements are not funded by Bond proceeds. Road A consists of three principal components, as outlined below:

1. Brickyard Road / Red Dam Road Intersection Improvements:
   - Realignment of the intersection to form a true 90-degree approach;
   - Addition of dedicated left and right turn lanes from Red Dam Road into Brickyard Road; and
   - Addition of dedicated left and right turn lanes from Brickyard Road into Red Dam Road.

   These improvements are intended to improve alignment, reduce congestion, and enhance turning movements at the existing intersection.

2. Roundabout:
   Construction of a single-lane roundabout at the junction of Red Dam Road and Eades Glades Road, establishing a new connection into the District. The roundabout will improve traffic circulation and provide a key access point for residents and visitors entering from Red Dam Road.

3. Red Dam Road Pavement and Shoulder Enhancements:
   - Section 1: South of the roundabout, approximately 3,070 linear feet of roadway will receive an asphalt overlay and addition of a two-foot paved shoulder on each side.
   - Section 2: West of the roundabout, approximately 4,080 linear feet of roadway will receive a similar overlay and shoulder improvement.

2.3 Stormwater Management System

Stormwater will be managed through an integrated system of grassed swales, curb inlets, reinforced-concrete pipe, and wet-detention ponds sized to satisfy the design-storm criteria adopted by the City and the State. Hydrologic and hydraulic modeling will establish pipe diameters and regulate each pond's outfall structure. The ponds will deliver both water-quality treatment—achieving at least 80 percent total suspended-solids removal—and detention storage for the roadway. As development progresses, certain pond footprints may extend into adjoining residential pods, allowing those neighborhoods to share the regional stormwater facilities and satisfy their detention and treatment requirements. A maintenance access road will encircle every pond, and all conveyance features located within the public right-of-way will be deeded to the City for perpetual ownership, operation, and maintenance.

2.4 Water and Wastewater Utilities

The regional BJWSA water and sewer systems will be extended into the District to provide reliable potable-water, fire-flow capacity and wastewater collection.

Utility improvements include:

- Extension of the existing BJWSA potable-water grid with a 16-inch ductile-iron water main serving future development areas to the north and a 12-inch C900 PVC loop back to Red Dam Road, establishing redundant feed paths.

- Installation of isolation valves, combination air-release valves, and fire hydrants at spacings that meet BJWSA criteria, together with stub-outs for future neighborhood side streets and amenity connections.

- Construction of a regional pump station along Main Road Section South (BJWSA designation CP-TR-12) featuring a large wet well; two 85-HP duty pumps plus one standby, providing a firm capacity of 2,000 gpm; SCADA-equipped control panels housed in a covered building; and an emergency quick-connect for a portable generator.

- Regional Pump Station – Main Road Section North – A smaller regional station will be constructed along Main Road Section North, outfitted with two submersible pumps, SCADA telemetry, and an emergency generator quick-connect. The station's force main will connect to the local gravity sewer and ultimately discharge through the Main Road Section South regional pump station.

- Gravity sewer lines will extend from both regional pump stations at the deepest practical depth, serving each adjacent development pod and minimizing the need for additional lift stations in accordance with BJWSA policy. Depending on final grades and service reach, some future pods may still require their own local pump station.

- Placement of a 16-inch ductile-iron force main with restrained-joint crossings, air-release valves, and plug valves, ultimately discharging to the BJWSA-owned and maintained Cherry Point Wastewater Treatment Plant.

All water and sewer facilities will be designed to BJWSA standards, inspected by BJWSA staff during construction, tested prior to service, and formally dedicated to BJWSA upon acceptance.

2.5 Hardscape, Landscape, Power and Irrigation

The Improvements include signature gateway monuments, stone-veneered sign walls, decorative fencing at key locations, landscaped medians and berms planted with native Lowcountry species, median street trees, decorative LED lighting, and irrigation sleeves sized for reclaimed-water service. Irrigation systems will be installed to support these landscaped areas.
A continuous 10-foot-wide multi-use path will extend along one side of both Main Road Section South and Main Road Section North. The asphalt path—constructed per the section described in Section 2.2—will include ADA-compliant concrete curb ramps at each roadway crossing and will interconnect all residential neighborhoods, providing safe and enjoyable pedestrian and bicycle access throughout the community.

Power service for the development will be provided by Dominion Energy, which requires an aid-to-construct fee for extending its infrastructure to serve the project. Three-phase power will be extended along both Main Road Section South and Main Road Section North to supply electrical service to the regional pump stations that provide sanitary sewer conveyance for the development.

All of the above—hardscape, landscape, irrigation, multi-use path, lighting, and power extension costs—are not funded by Bond proceeds. These items will be funded by the Developer and maintained by the homeowners association (HOA), Dominion Energy, or other responsible ownership entities, as applicable.

A Cost Summary Chart in Section 5 presents the estimated costs associated with these improvements and other items not funded by Bond proceeds.

2.6 Environmental Conservation

Approximately 803.15 acres of jurisdictional wetlands, upland buffers, and forest habitat—located outside the Municipal Improvement District boundary—will be permanently protected under a conservation easement granted to the North American Land Trust. Stewardship will follow an approved Land Management Plan that addresses invasive-species control, prescribed burning, and annual monitoring. The easement allows passive recreation such as hunting and fishing but prohibits development.

The property also includes interior wetland pockets buffered by upland setbacks. Impacts required for roadway and utility crossings were authorized under U.S. Army Corps of Engineers Permit SAC-2006-4167-1IW. The preserved wetlands and buffers are additionally protected by covenants recorded on August 24, 2015 in Deed Book 0903, pages 551–657 of the Jasper County Register of Deeds. A separate Declaration of Preservation covering three archaeological sites was recorded on March 21, 2007 in Deed Book 531, pages 1–11. No portion of the proposed roadways or utilities encroaches upon these conserved wetlands, buffers, or protected archaeological resources.

2.7 Professional Services

Budget allowances cover engineering design, topographic and boundary survey, geotechnical exploration, utility coordination, traffic-analysis support, preparation of construction documents and specifications, bidding assistance, and construction-monitoring and materials-testing services. These professional fees are necessary to obtain all permits, oversee construction, certify completion, and secure maintenance acceptance of the Improvements by the City of Hardeeville and BJWSA. Allowances have been calculated using standard

percentage-of-construction-cost benchmarks and have been adjusted for project complexity, anticipated schedule, and current market rates for specialized sub-consultants.

SECTION 3 – OPERATION AND MAINTENANCE

The Improvements described in Section 2 will be conveyed to the appropriate public or private entities upon completion and certification. Routine operation and long-term maintenance will be funded through a combination of City budgets, BJWSA user rates, Dominion Energy as allowed by the South Carolina Public Service Commission, or homeowners' association (HOA) assessments. The table below summarizes the anticipated ownership and operator for each major asset category.

Improvement	Ownership	Operation and Maintenance Entity
Roadway (Main Road South & North, signage, striping)	City of Hardeeville	City of Hardeeville Public Works
Stormwater Conveyance & Detention Ponds (within easements)	City of Hardeeville	City of Hardeeville Public Works
Potable-Water Mains	Beaufort Jasper Water and Sewer Authority	Beaufort Jasper Water and Sewer Authority
Gravity Sewer & Force Mains	Beaufort Jasper Water and Sewer Authority	Beaufort Jasper Water and Sewer Authority
Regional Pump Stations (CP-TR-12 & Main Road North)	Beaufort Jasper Water and Sewer Authority	Beaufort Jasper Water and Sewer Authority
Power Service - 3 Phase to Regional Pump Stations	Dominion Energy	Dominion Energy
Multi-Use Path & Landscape / Irrigation	HOA / City (easement areas)	HOA

3.1 Roadways

Upon completion, the Main Road Section South and Main Road Section North corridors—including pavement, curb and gutter, signage, and striping—will be dedicated to the City of Hardeeville. The City's Public Works Department will be responsible for routine maintenance such as pothole repairs, pavement markings, sign upkeep, and general right-of-way care.

3.2 Stormwater Management

All stormwater conveyance systems and detention ponds located within public rights-of-way or easements will likewise be conveyed to the City. Routine maintenance will be handled by the City's Stormwater Division or Public Works Department.

3.3 Water and Wastewater Utilities

Water distribution mains, gravity sewers, force mains, and the two regional pump stations will be dedicated to BJWSA upon satisfactory completion and testing. Ongoing operation, maintenance, and future rehabilitation will be funded through BJWSA user rates in accordance with BJWSA's system-wide rate structure.

3.4 Hardscape, Landscape, Power and Irrigation

The 10-foot-wide multi-use path, landscape areas, and irrigation systems outside the public roadway prism will be owned by the master HOA or, where located in public easements, jointly by the HOA and the City. Day-to-day upkeep—including mowing, tree trimming, path resurfacing, irrigation maintenance, and lighting repairs for light poles—will be funded through HOA assessments, with supplemental support from special-assessment revenues for major capital repairs. Dominion Energy will maintain the electrical system components with the exclusion of the light poles.

SECTION 4 – PERMITTING / CONSTRUCTION STATUS

The required federal, state, and local authorizations for Main Road Section South and the Regional Pumps Station South have been secured, and construction is well advanced:

- Site clearing and grubbing are complete along the entire alignment.
- Embankment and select fill have been placed on over 50 percent of the roadway.
- Graded-aggregate base and asphalt binder courses are in place on approximately one-half of the corridor, along with curb-and-gutter and the final surface-asphalt lift.
- Gravity sewer and potable-water mains have been installed up to the CP-TR-12 regional pump station, and the 16-inch force main is fully in the ground.
- The pump-station wet well has been set; mechanical and electrcal work is under way, with start-up testing scheduled once power is available.

Current efforts are concentrated on completing the pump station and obtaining BJWSA acceptance of the installed utilities, milestones that will open the first development pods along Main Road Section South. Once the station is fully operational and the utilities are formally accepted, the contractor will move ahead with construction of the remaining roadway segments.

In contrast, Main Road Section North remains in the conceptual stage. Surveying, detailed design, and permit applications have not yet begun. The environmental permits cover the entire project, so this requirement has already been satisfied. The schedule for that segment will depend on market absorption and the release of subsequent Bond proceeds.

SECTION 5 – OPINION OF PROBABLE CONSTRUCTION COSTS

This opinion of probable construction costs is based on the contractor's executed bid schedule and approved change orders for the "Site Development Plans of Lakeside Boulevard at West Argent," dated January 16, 2023 and last revised June 20, 2025. These bid prices establish the budget for the majority of Main Road Section South; therefore, no contingency is applied to that portion of the work.

All items associated with Main Road Section North have not yet been designed and have been estimated by scaling Main Road Section South unit prices to the anticipated quantities, cross-section, utility diameters, and reduced pump station capacity. A 15 percent contingency has been added only to the Main Road Section North subtotal to account for anticipated refinement during final design, permitting, and bidding. A professional services allowance of 13 percent is embedded in each probable construction cost opinion subtotal.

Two cost summary charts are included in this section: one presenting the estimated costs of Public improvements funded by Bond proceeds, and a second summarizing additional improvements not eligible for bond reimbursement.

Public Improvement	Public Improvement Costs Incurred as of 12/31/25	Public Improvement Costs to be Incurred after 12/32/25	Total Estimated Cost of Public Improvements
Public Improvements Serving South Section - Main Road Section South (excluding bridge)			
Paving, Grading, and Earthwork	$ 8,069,914	$ 4,094,922	$ 12,164,836
Sanitary Sewer System - Excludes Regional Pump Station South	$ 3,056,371	$ -	$ 3,056,371
Water Distribution	$ 2,805,109	$ 1,160,138	$ 3,965,247
Storm Drainage	$ 1,958,935	$ 1,112,453	$ 3,071,388
Erosion Control and Layout	$ 811,722	$ 310,465	$ 1,122,187
Regional Pump Station South		$ 2,715,429	$ 2,715,429
*Professional Services (13%)	$ 2,171,267	$ 1,221,143	$ 3,392,410
Subtotal South Section Public Improvements	**$ 18,873,318**	**$ 10,614,550**	**$ 29,487,868**
Public Improvements Serving North Section - Main Road Section North (including bridge between South Section and North Section)			
Paving, Grading, and Earthwork		$ 5,024,077	$ 5,024,077
Sanitary Sewer System - Excludes Regional Pump Station North		$ 1,262,281	$ 1,262,281
Water Distribution		$ 1,637,647	$ 1,637,647
Storm Drainage		$ 1,268,483	$ 1,268,483
Erosion Control and Layout		$ 463,463	$ 463,463
Regional Pump Station North		$ 1,900,800	$ 1,900,800
Bridge over Wetland		$ 2,480,000	$ 2,480,000
*Professional Services (13%)		$ 1,824,778	$ 1,824,778
Contingency (15%)		$ 2,379,229	$ 2,379,229
Subtotal North Section Public Improvements		**$ 18,240,759**	**$ 18,240,759**
Total Estimated Public Improvement Costs			**$ 47,728,627**

* Professional Services include civil-site engineering design; structural engineering (bridge, retaining walls, culverts); traffic engineering (roundabout geometry, roadway lane analysis); topographic surveying; geotechnical exploration and pavement design; utility coordination with BJWSA and franchise utilities; landscape architecture and irrigation design; electrical and SCADA controls for pump stations and lighting; materials testing and construction observation; and bidding and contract-administration support.

Other Development Improvements		
Offsite Traffic Improvements		
Road A - Single Lane Roundabout	$	1,257,500
Road A -Red Dam and Brickyard Road Intersection	$	882,755
Road A - Pavement Overlay	$	1,167,769
Subtotal Offsite Traffic Costs	**$**	**3,308,024**
Other Development Improvements within District - South Section		
Utility Lines -Power Spine to Regional Pump Station South	$	3,800,000
Utility Lines - Power for Street Lights	$	2,600,000
10 foot Multiuse Pathway along Main Road Section South	$	642,500
Irrigation - Main Road Section South	$	1,598,882
Landscaping - Main Road Section South	$	1,789,800
Subtotal - South Section other Development Improvements	**$**	**10,431,182**
Other Development Improvements within District - North Section		
Utility Lines -Power Spine to Regional Pump Station North	$	2,470,000
Utility Lines - Power for Street Lights	$	2,011,615
10 foot Multiuse Pathway along Main Road Section North	$	417,500
Irrigation - Main Road Section North	$	1,039,273
Landscaping - Main Road Section North	$	1,163,370
Subtotal - North Section other Development Improvements	**$**	**7,101,758**
Subtotal other Development Improvements	**$**	**20,840,964**
Contingency (15%)	**$**	**3,126,145**
Total other Development Improvement Costs	**$**	**23,967,109**

Opinions of probable project and construction cost are based on our experience and qualifications and represent our best judgment as licensed professional engineers familiar with current construction practices. We do not guarantee that actual costs will match these opinions, as we have no control over labor rates, material pricing, equipment availability, contractor means and methods, or competitive bidding conditions.

It is our opinion, subject to the limitations noted herein, that the proposed Improvements—and the estimated costs presented—are fair and reasonable, and that the Improvements can be permitted, constructed, and placed into service for the amounts shown.

It is our opinion that the foregoing is a true and correct copy of the Engineer's Report for the District.

_____

Nathan B. Long, P.E. April 21, 2026

SC License No. 25353

THOMAS & HUTTON

ENGINEER'S REPORT FOR:

HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT

EXHIBIT A

HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT MAP

28258.2000

FEBRUARY 2026

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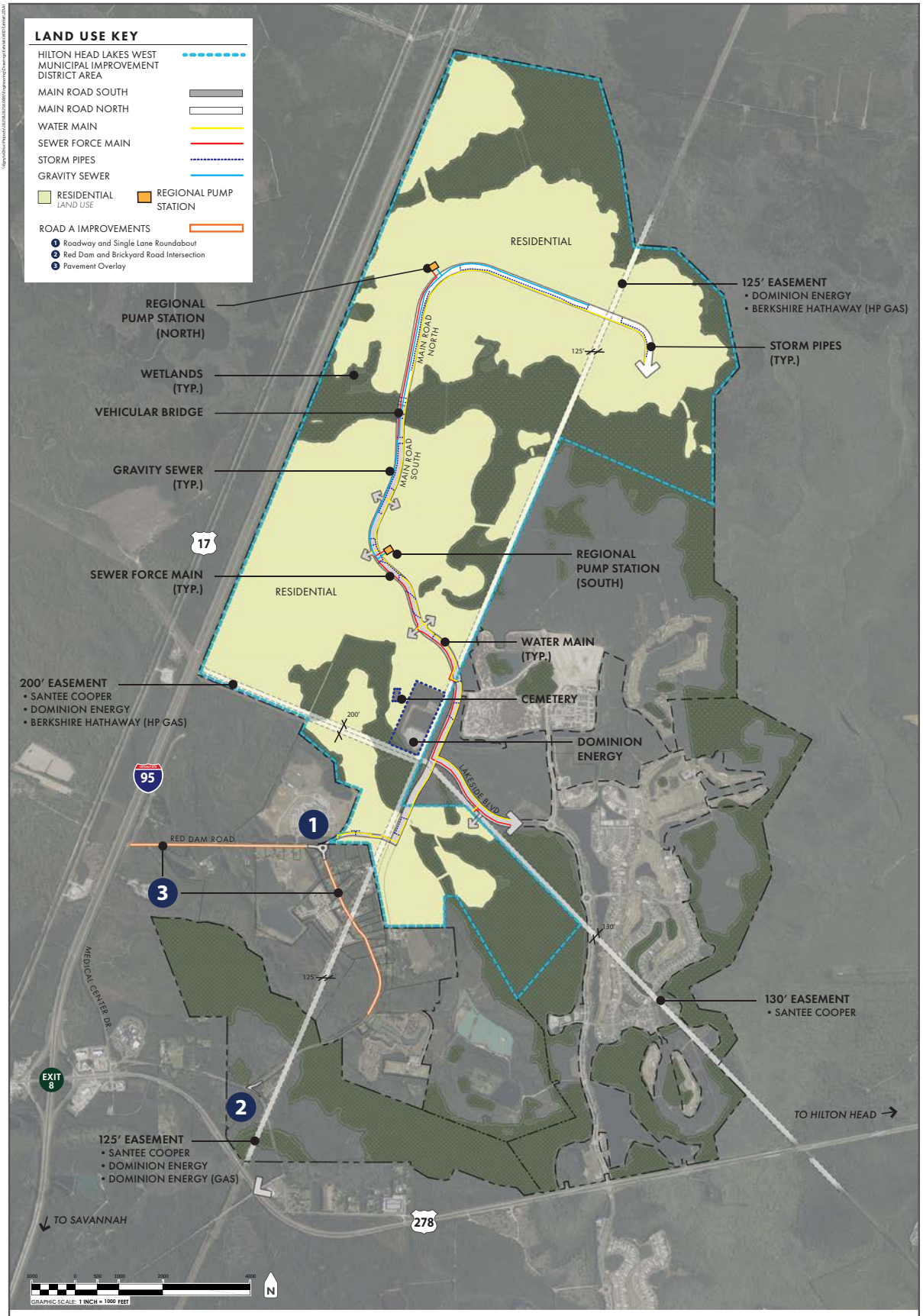

EXHIBIT A

HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT

LK DEVELOPMENT GROUP PROPERTY

HARDEEVILLE, SOUTH CAROLINA

APRIL 2026

PREPARED BY:
THOMAS & HUTTON
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APPENDIX H

MARKET STUDY

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Value and Risk Advisory

Market Study Specialty Practice

Client: LK Development Group, LLC

Property: Proposed 'For-Sale' Single-Family Residential Development
Hilton Head Lakes West Tract MID
Hardeeville, SC 29927

Month/Year: January 16, 2026

Client Reference #: VRA-25-8884452

January 16, 2026

LK Development Group LLC
Attn: Brian Keirnan
14025 Riveredge Dr, Ste. 175
Tampa, FL 33637

Subject: Proposed 'For-Sale' Single-Family Residential Development
Hilton Head Lakes West
Hardeeville, SC 29927

Pursuant to your request, we have completed a Market Study for the above referenced development. Accompanying this letter is a self-contained report that includes a detailed identification of the properties, factual data concerning the communities and their surroundings, comparable market data, appropriate analyses, and conclusions and recommendations. This report has been prepared in accordance and Standards of Professional practice of the Appraisal Institute. Further, the report is intended to comply with the Uniform Standards of Professional Appraisal Practice.

The scope of this engagement includes a project overview, assessment of the competitive market area and its key demographics, an analysis of supply conditions, pipeline research, demand/absorption estimates, estimated floor plan types and sizes, and the determination of achievable pricing by product type.

Summary of Conclusions

Supply and Demand

Hardeeville is a growing bedroom community that has experienced substantial residential and commercial expansion over the past decade. Hardeeville remains one of the area's more attainable housing markets within the region.

The market is concluded to have an opportunity for the development of additional 'for sale' product at this time. From 2023 to year-to-date 2025, the existing inventory of 'for sale' housing has increased by 16.9% for detached product and 57.3% for attached product. And as of year-to-date 2025, home prices are historically high figures of $837,358 for detached product and $809,124 for attached product. Utilizing the growth from 2024 to year-to-date 2025 and average home sizes remaining the same, detached pricing is expected to increase from the current figure of $783,483 to $1,049,640 by 2030, while attached product pricing is anticipated to experience lesser rate of appreciation, rising from approximately $711,928 in the current period to $829,451 by the end of the forecast period.

Total households in the PMA are forecast to increase by 10,873 (or 2,175 households per year) by 2030. Utilizing the owner-occupied percentage of 76.2% for the PMA, the forecasted demand estimate equates to 8,284 households (or 1,657 households annually) from 2025 to 2030. With an anticipated pipeline supply of 4,739 lots/homes (including the subject's 1,342 lots/homes), the resulting excess unmet demand specific to 'for sale' product in the PMA is for an additional 3,545 lots/homes over the next several years. Note that we are assuming all of the subject homes come online over the next five years. However, this is unlikely to be the case and would result in a higher unmet demand figure.

The non-age restricted single-family communities indicate absorption/sell-off paces ranging from 2.7 to 3.5 homes per month, averaging 3.0 homes per month. In comparison, the age restricted single-family communities indicate paces ranging from 1.2 to 4.2 homes per month, with an average of 2.7 homes per month. Lastly, the non-age restricted townhome communities indicate paces ranging from 1.6 to 2.0 homes per month, averaging 1.9 homes per month.

There is indicated to be an opportunity to develop the subject as proposed with 1,342 'for sale' homes within the four (4) neighborhood pods. This is supported by current and forecasted demographics, performance of actively selling subdivisions, and indicated demand for new development within the PMA.

Estimated Mix and Floor Plan Sizes

In regards to non-age-restricted single-family, we recommend a mix of 50% three bedrooms and 50% four bedrooms, additionally, floor plan sizes ranging from 1,500 to 1,750 square feet are recommended.

A mix of 55% two bedrooms and 45% three bedrooms is recommended for age-restricted single-family ranging in size from 1,500 to 2,500 square feet.

And all three bedrooms are recommended for the non-age restricted townhomes with sizes ranging from 1,675 to 2,000 square feet.

Achievable Pricing

For non-age restricted single-family homes, we conclude achievable home prices ranging from $350,000 to $425,000, or $170 to $233 per square foot, with an overall average of $387,500 or $194 per square foot.

Pertaining to age-restricted homes JLL concludes achievable prices ranging from $500,000 to $665,000, or $266 to $333 per square foot, with an average of $554,250.

For non-age restricted townhomes, JLL concludes a range of $335,000 to $380,000, or $190 to $200 per square foot, with an average price of $341,932.

We appreciate this opportunity to provide our advisory services to LK Development Group, LLC.

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Table of Contents

	Page No.
Letter of Transmittal	1
Table of Contents	4
Key Findings and Recommendations	5
Opportunity Overview	9
Competitive Market Area	16
'For Sale' Single-Family Analysis	31
Programming Assessment	41
Achievable Pricing	47
Competitive Positioning	88

Appendix

Certification	Appendix A
Assumptions and Limiting Conditions	Appendix B
Qualifications	Appendix C

Key Findings and Recommendations

LK Development Group, LLC has commissioned this study to assess the opportunity to develop multiple neighborhood pods within the Hilton Head Lakes master-planned development in the growing community of Hardeeville, South Carolina. More specifically, the development is situated along Interstate 95 and north of U.S. Highway 278.

Plans are for the 452-acre development to consist of several different neighborhood pods: H-1 (386 non-age restricted single-family homes), H-2 (168 non-age restricted townhomes), F-3 (200 non-age restricted townhomes), and G (486 age restricted single-family homes). The remaining neighborhood pods total 2,831 dwelling units on 1,151 acres with an array of product types and offerings as well as a new 36-hole golf course. In all, the master-planned development will consist of 4,173 homes on 1,603 acres.

The scope of this engagement includes a project overview, assessment of the competitive market area and its key demographics, an analysis of supply conditions, pipeline research, demand/absorption estimates, estimated floor plan types and sizes, and the determination of achievable pricing by product type.

Dates pertinent to this assignment are shown in the table.

JLL's *Certification and Assumptions and Limiting Conditions* can be found in the Appendix of this report.

Pertinent Dates

Item	Date
Report Date	January 16, 2026
Effective Date	September 23, 2025

Assessment of Competitive Market Area

Considering physical and psychological barriers, population density, commuting patterns and drive times, and other factors, we conclude the appropriate primary market area (PMA) for the proposed development to be constrained by the Jasper and Beaufort County boundaries. This area, which encompasses Hardeeville as well as all or portions of nearby Ridgeland, Bluffton, Hilton Head Island, Okatie, Port Royal, Coosawatchie, and Burton, is experiencing above average population growth and has above average income levels when compared to the state and nation overall.

Between 2025 and 2030, the area is forecast to continue to experience significant growth in demand for real estate, including 'for sale' residential.

Supply and Demand

Hardeeville is a growing bedroom community that has experienced substantial residential and commercial expansion over the past decade. Hardeeville remains one of the area's more attainable housing markets within the region.

The market is concluded to have an opportunity for the development of additional 'for sale' product at this time. From 2023 to year-to-date 2025, the existing inventory of 'for sale' housing has increased by 16.9% for detached product and 57.3% for attached product. And as of year-to-date 2025, home prices are historically high figures of $837,358 for detached product and $809,124 for attached product. Utilizing the growth from 2024 to year-to-date 2025 and average home sizes remaining the same, detached pricing is expected to increase from the current figure of $783,483 to $1,049,640 by 2030, while attached product pricing is anticipated to experience lesser rate of appreciation, rising from approximately $711,928 in the current period to $829,451 by the end of the forecast period.

Total households in the PMA are forecast to increase by 10,873 (or 2,175 households per year) by 2030. Utilizing the owner-occupied percentage of 76.2% for the PMA, the forecasted demand estimate equates to 8,284 households (or 1,657 households annually) from 2025 to 2030. With an anticipated pipeline supply of 4,739 lots/homes (including the subject's 1,342 lots/homes), the resulting excess unmet demand specific to 'for sale' product in the PMA is for an additional 3,545 lots/homes over the next several years. Note that we are assuming all of the subject homes come online over the next five years. However, this is unlikely to be the case and would result in a higher unmet demand figure.

The non-age restricted single-family communities indicate absorption/sell-off paces ranging from 2.7 to 3.5 homes per month, averaging 3.0 homes per month. In comparison, the age restricted single-family communities indicate paces ranging from 1.2 to 4.2 homes per month, with an average of 2.7 homes per month. However, these figures do not account for Latitude Margaritaville (outlier), which has achieved a much higher average sell-off pace of 27 homes per month since opening in July 2018 due to its distinct national brand, project scale, and premium resort-style amenities. Lastly, the non-age restricted townhome communities indicate paces ranging from 1.6 to 2.0 homes per month, averaging 1.9 homes per month.

There is indicated to be an opportunity to develop the subject as proposed with 1,342 'for sale' homes within the four (4) neighborhood pods. This is supported by current and forecasted demographics, performance of actively selling subdivisions, and indicated demand for new development within the PMA.

Achievable Pricing | Non Age-Restricted Single-Family

Our concluded achievable sale prices for the non-age restricted single-family homes are as follows.

Unit Type	Square Feet	Number of Homes	Recommended Pricing	Recommended Pricing PSF	Gross Sales Revenue
3BR/2BA	1,500	77	$350,000	$233	$27,020,000
3BR/2BA	1,750	116	$375,000	$214	$43,425,000
4BR/3BA	2,250	116	$400,000	$178	$46,320,000
4BR/3BA	2,500	77	$425,000	$170	$32,810,000
Totals / Averages	**2,000**	**386**	**$387,500**	**$194**	**$149,575,000**

- The concluded achievable sales prices for the non-age restricted single-family homes range from $350,000 to $425,000, or $170 to $233 per square foot, with an overall average of $387,500, or $194 per square foot.

- With a total of 386 homes, the gross sales revenue would equate to $149,575,000.

Achievable Pricing | Age Restricted Single-Family

Our concluded achievable sale prices for the age restricted single-family homes are as follows.

Unit Type	Square Feet	Number of Homes	Recommended Pricing	Recommended Pricing PSF	Gross Sales Revenue
2BR/2BA	1,500	267	$500,000	$333	$133,650,000
3BR/2BA	2,000	194	$615,000	$308	$119,556,000
3BR/3BA	2,500	24	$665,000	$266	$16,159,500
Totals / Averages	**1,750**	**486**	**$554,250**	**$317**	**$269,365,500**

- The concluded achievable sales prices for the age restricted single-family homes range from $500,000 to $665,000, or $266 to $333 per square foot, with an overall average of $554,250, or $317 per square foot.

- With a total of 486 homes, the gross sales revenue would equate to $269,365,500.

Achievable Pricing | Non Age-Restricted Townhomes

Our concluded achievable sale prices for the non-age restricted townhomes are as follows.

Unit Type	Square Feet	Number of Homes	Recommended Pricing	Recommended Pricing PSF	Gross Sales Revenue
3BR/2BA	1,675	313	$335,000	$200	$104,855,000
3BR/3BA	2,000	57	$380,000	$190	$21,660,000
Totals / Averages	**1,725**	**370**	**$341,932**	**$198**	**$126,515,000**

- The concluded achievable sales prices for the non-age restricted townhomes range from $335,000 to $380,000, or $190 to $200 per square foot, with an overall average of $341,932, or $198 per square foot.

- With a total of 370 homes, the gross sales revenue would equate to $126,515,000.

Opportunity Overview

Hilton Head Lakes is a master-planned community located within the West Argent Planned Development District in the City of Hardeeville, Jasper County, South Carolina. The 3,419-acre property was first approved in 2006 and is one of the largest planned residential communities in the Hilton Head Island MSA. The development site lies along U.S. Highway 278 with direct access to Interstate 95, approximately 30 minutes from both Hilton Head Island and downtown Savannah, Georgia.

Neighborhood Pod	Acreage	Dwelling Units	Use
Proposed Subject			
H-1	144	386	Single-Family
H-2	52	168	Townhome
F-3	37	202	Townhome
G	219	586	Age Restricted SF
Subtotal	**452**	**1,342**	
Other			
A-E	746	1,800	-
F-1	103	284	-
F-2	127	249	-
I	175	498	-
Subtotal	**1,151**	**2,831**	**-**
Totals	**1,603**	**4,173**	**-**

- Plans are for the 452-acre development to consist of several different neighborhood pods: H-1 (386 non-age restricted single-family homes), H-2 (168 non-age restricted townhomes), F-3 (200 non-age restricted townhomes), and G (486 age restricted single-family homes).

- The remaining neighborhood pods total 2,831 dwelling units on 1,151 acres with an array of product types and offerings as well as a new 36-hole golf course. In all, the master-planned development will consist of 4,173 homes on 1,603 acres.

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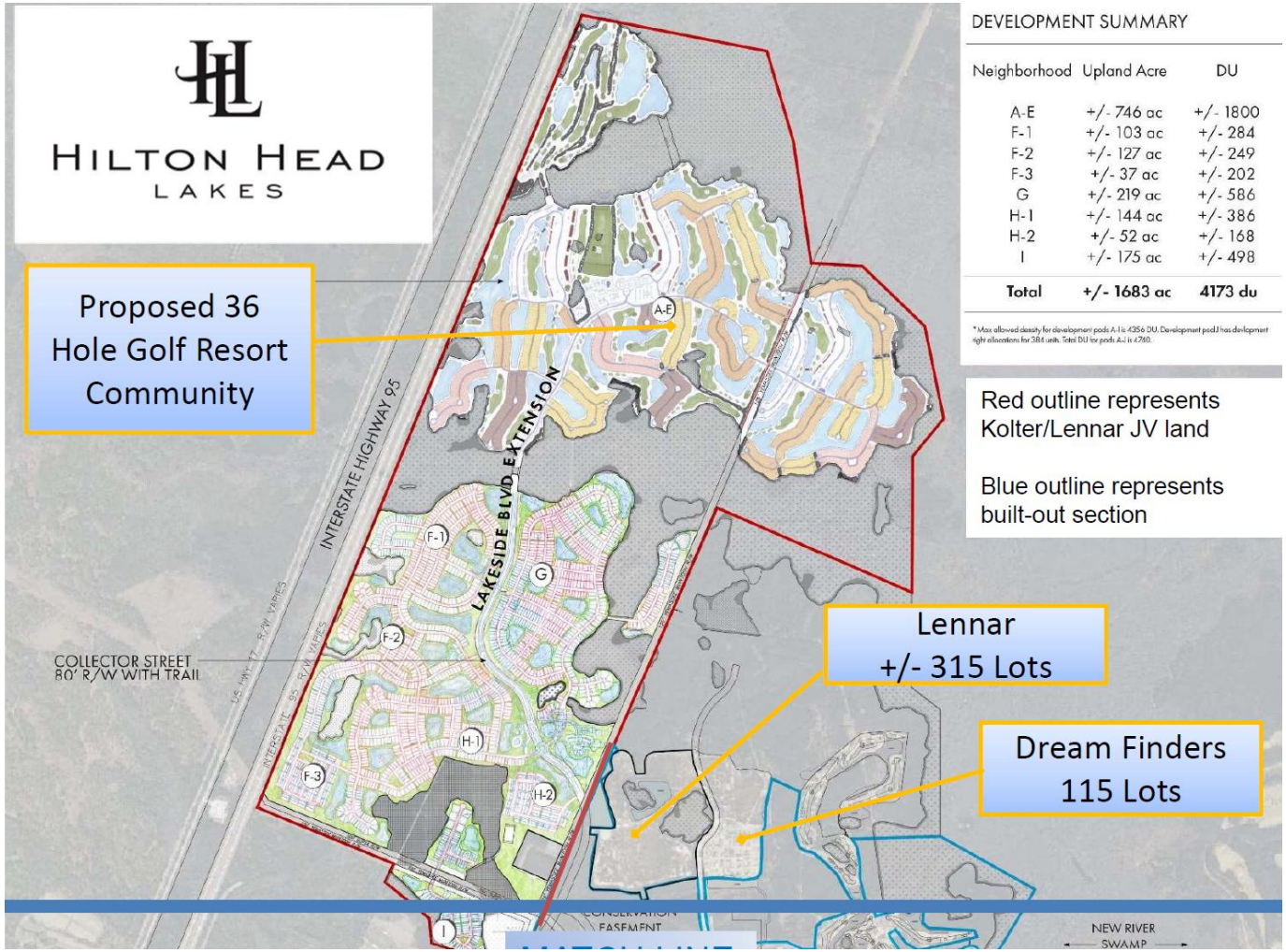
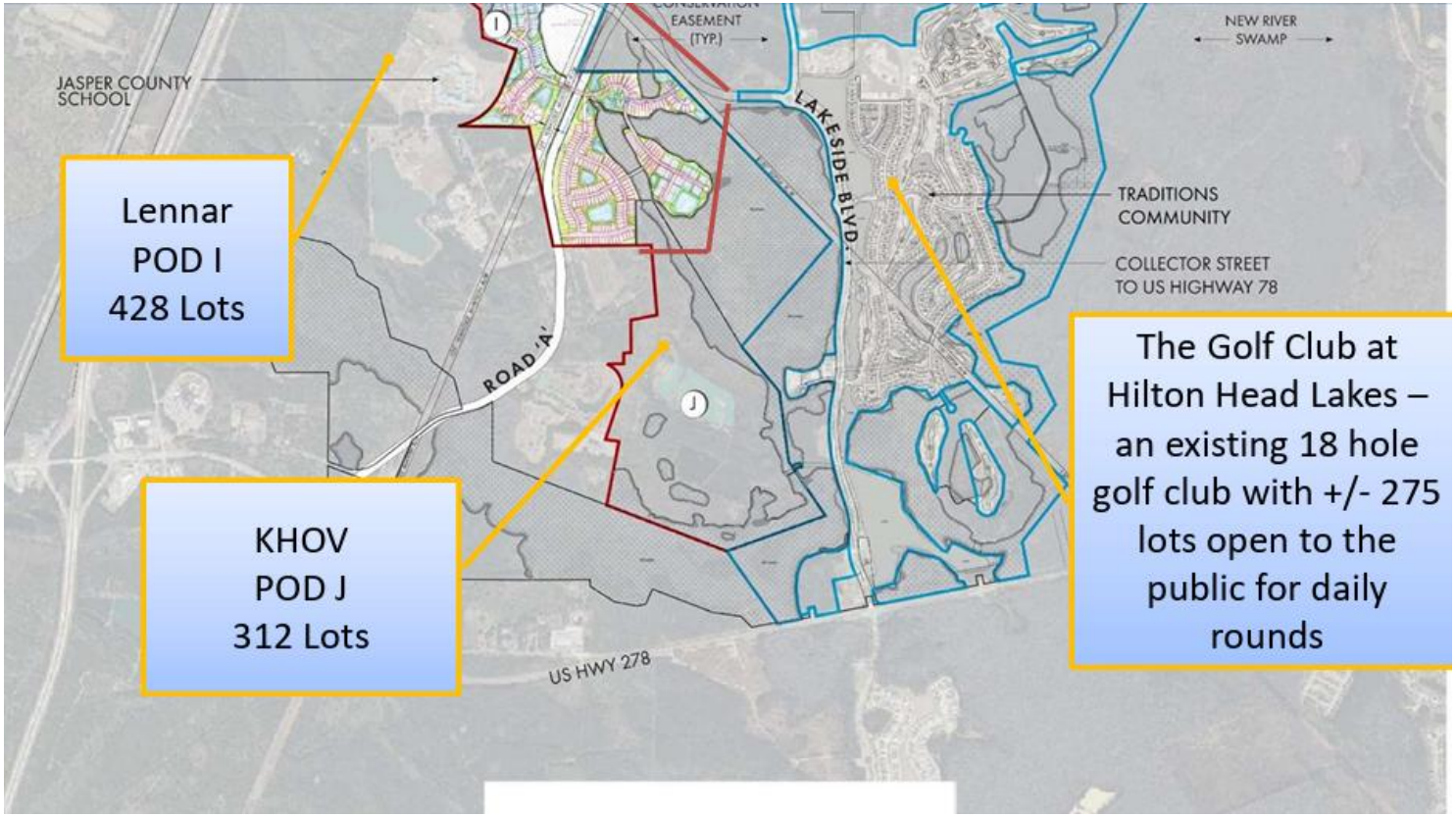
- In all, the master-planned development will consist of 4,173 homes on 1,603 acres.

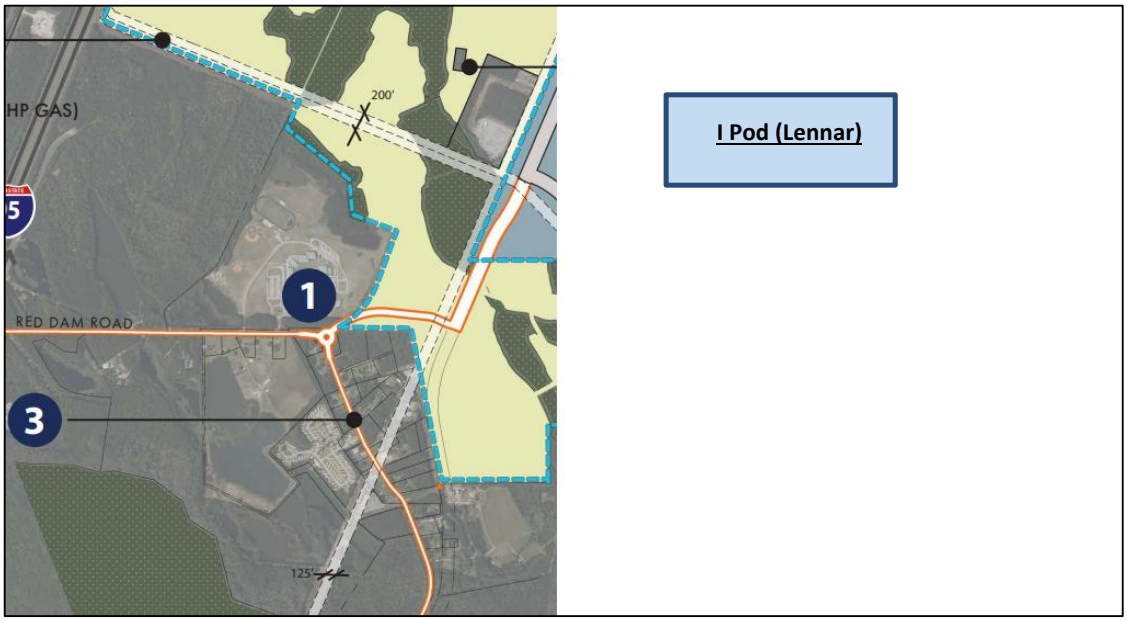

HILTON HEAD
LAKES
Proposed 36
Hole Golf Resort
Community
DEVELOPMENT SUMMARY
Neighborhood Upland Acre DU
A-E +/- 746 ac +/- 1800
F-1 +/- 103 ac +/- 284
F-2 +/- 127 ac +/- 249
F-3 +/- 37 ac +/- 202
G +/- 219 ac +/- 586
H-1 +/- 144 ac +/- 386
H-2 +/- 52 ac +/- 168
I +/- 175 ac +/- 498
Total +/- 1683 ac 4173 du
Red outline represents
Kolter/Lennar JV land
Blue outline represents
built-out section
INTERSTATE HIGHWAY 95
LAKESIDE BLVD EXTENSION
COLLECTOR STREET
80' R/W WITH TRAIL
Lennar
+/- 315 Lots
Dream Finders
115 Lots
NEW RIVER
SWAMP

Site Plan

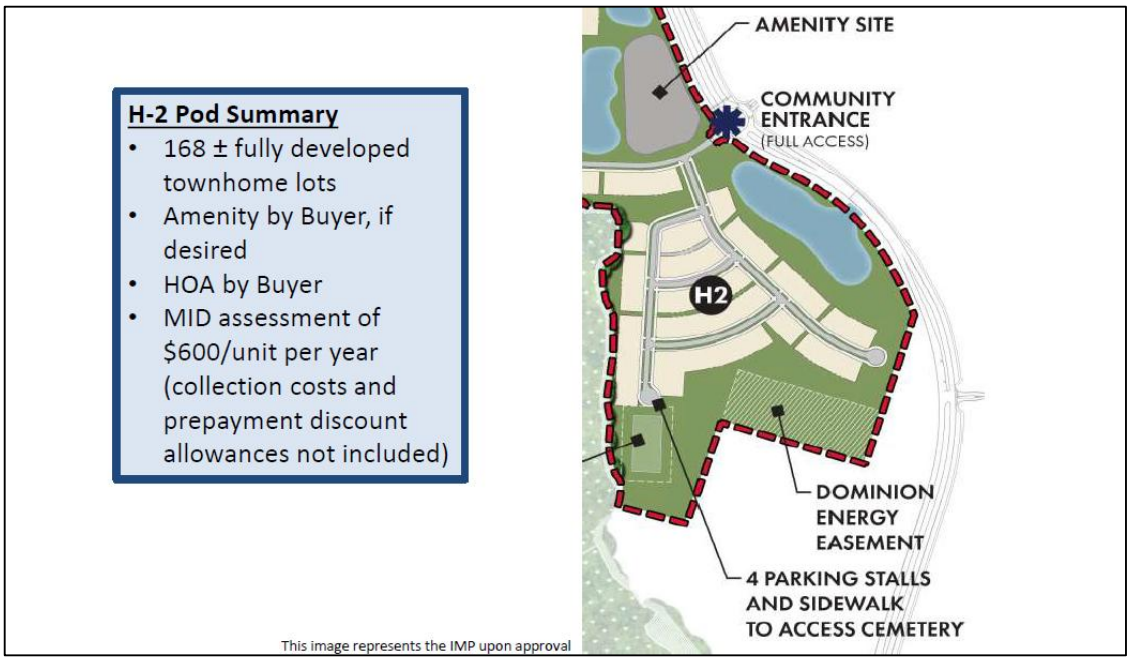

JASPER COUNTY SCHOOL
CONSERVATION EASEMENT (TYP.)
NEW RIVER SWAMP
LAKESIDE BLVD.
TRADITIONS COMMUNITY
COLLECTOR STREET TO US HIGHWAY 78
ROAD 'A'
US HWY 278
Lennar POD I 428 Lots
KHOV POD J 312 Lots
The Golf Club at Hilton Head Lakes – an existing 18 hole golf club with +/- 275 lots open to the public for daily rounds

Site Plan

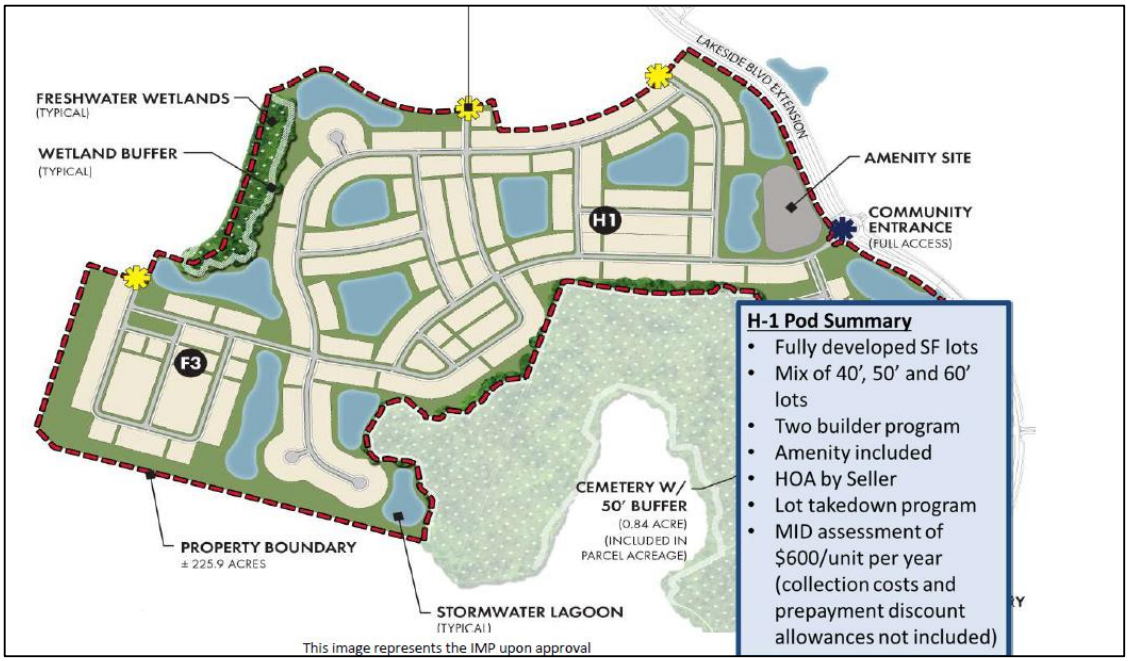
Site Plan | Pod I



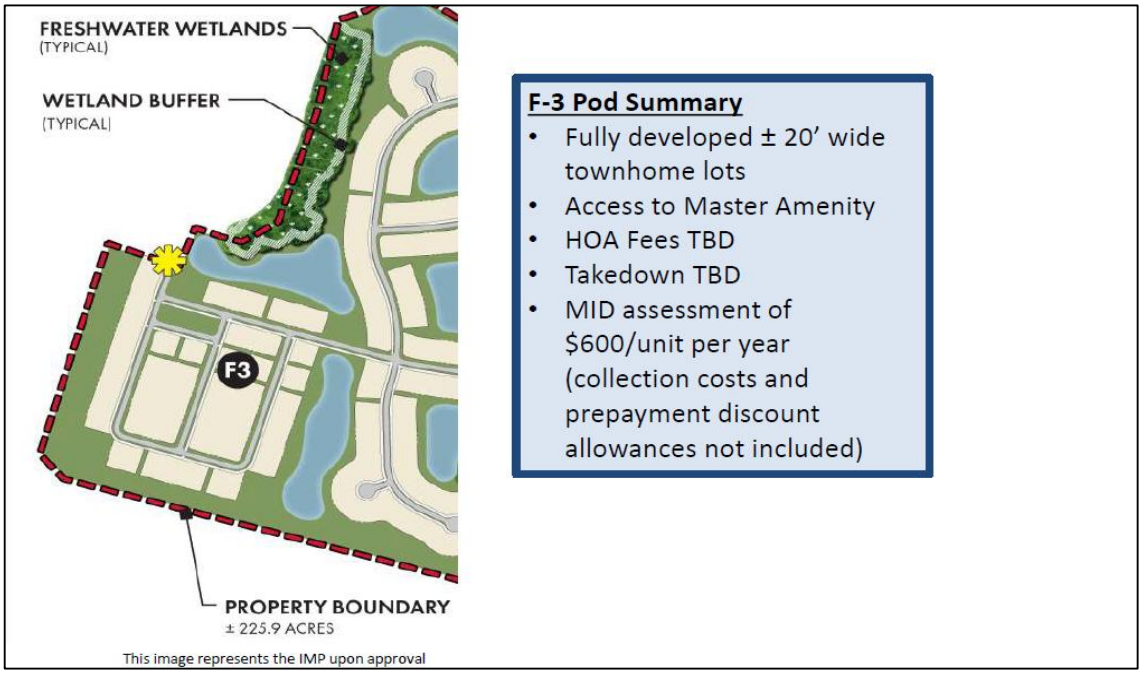
Site Plan | Pod H-2



Site Plan | Pod H-1 & F-3



Site Plan | Pod F-3



Site Plan | Pod G

This image represents the IMP upon approval

G Pod Summary

- Mass graded pod for approximately 486 SF lots
- Lot sizes and mix determined by buyer
- Age-Targeted pod
- ± 3 acres reserved for buyer-built amenity
- Bulk sale (2) takes
- HOA created by buyer
- MID assessment of $600/unit per year (collection costs and prepayment discount allowances not included)

Legal / Zoning Constraints

The development site is currently zoned as PDD, Planned Development District, more specifically the West Argent PDD, according to the City of Hardeeville Planning and Zoning Department. This zoning classification allows for residential development.

Zoning Classification:	PPD, Planned Development District (PDD)
Permitted Uses:	Residential uses per individual site plan approval
Zoning Compliance:	The subject's proposed use is a legal, conforming use
Maximum Height:	Per individual site plan approval
Density:	Per individual site plan approval
Setbacks:	Per individual site plan approval

Competitive Market Area

The proposed development will be located in the Hilton Head Island-Bluffton Metropolitan Statistical Area, hereinafter called the Hilton Head Island MSA, as defined by the U.S. Office of Management and Budget. The Hilton Head Island MSA ranks #202 in population out of the nation's 381 metropolitan areas.

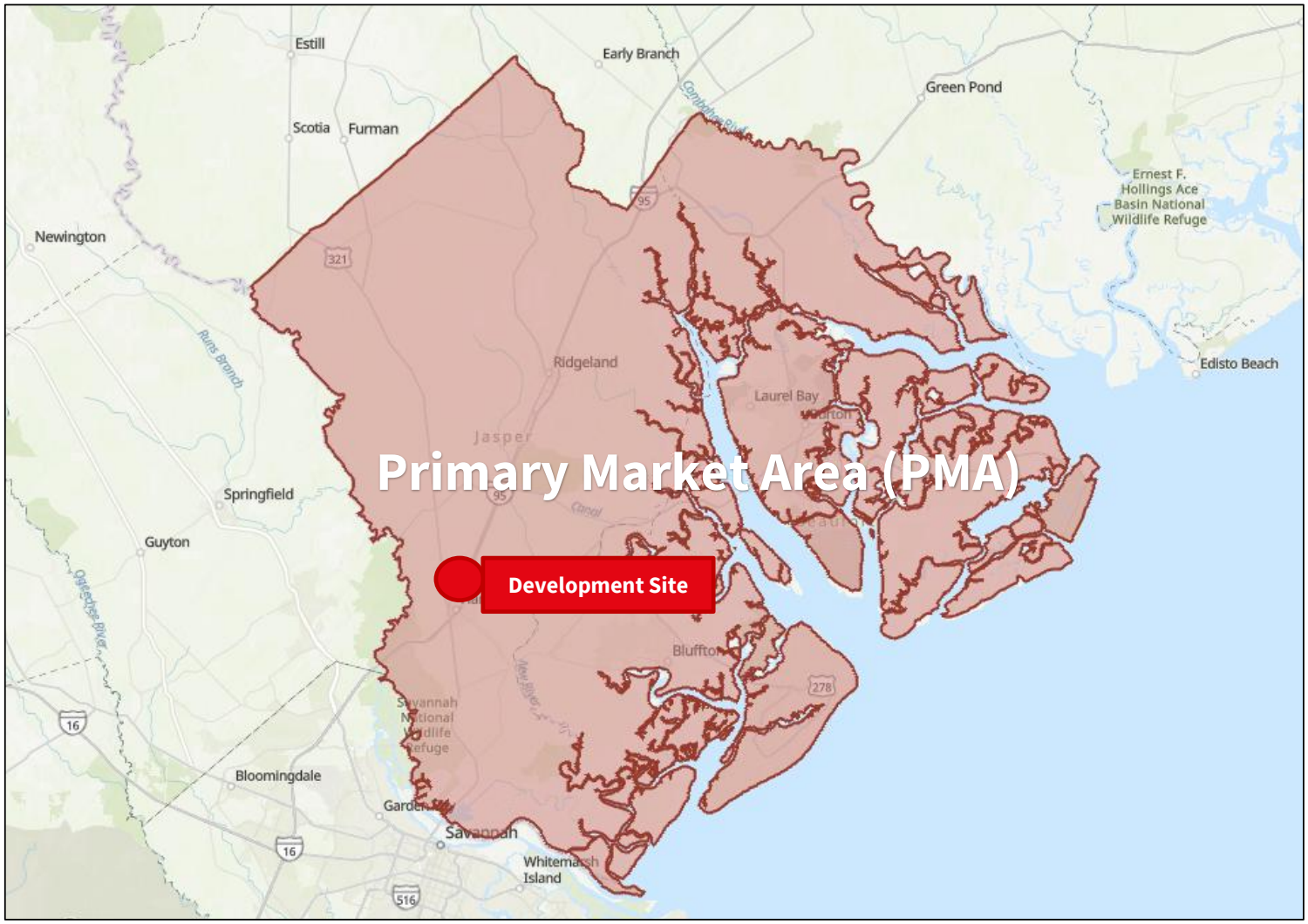
Delineation of Primary Market Area

The primary market area (PMA) for any form of rental real estate property is defined as the area from which a majority of the project's consumers/tenants will be drawn. In our experience, market areas are shaped by population density, commuting patterns, physical barriers, psychological barriers, and other factors.

Considering physical and psychological barriers, population density, commuting patterns and drive times, and other factors, we conclude that the proposed development will attract and appeal to households residing throughout the greater Hilton Head MSA, which is comprised of the counties of Jasper and Beaufort. Targeted cities include Hardeeville as well as Hilton Head, Ridgeland, Bluffton, Hilton Head Island, Okatie, Port Royal, Coosawatchie, and Burton.

Market Highlights

- The total population in the PMA is 232,538. The average household income is $123,794 with a homeownership rate of 76.2%. According to Esri, the average home value is $602,431.
- A total of 20.97% of the households fall within the cohort age 25 to 44 years old, while the 45 to 64 cohort totals 22.25% of the households. The segment age 75+ comprises makes up 14.17% of the total households.
- Of the total households, approximately 56.0% earn more than $75,000 per year.

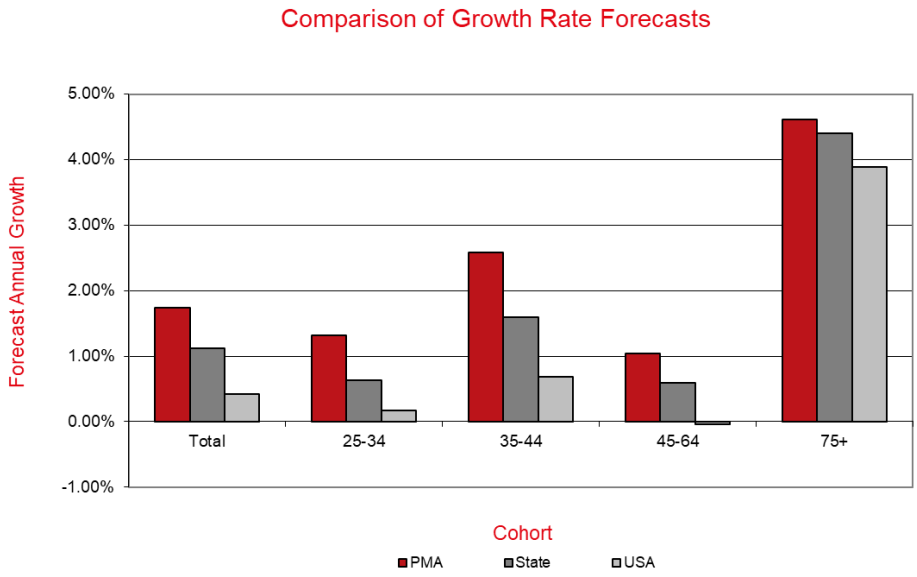

Primary Market Area (PMA)
Development Site
Estill
Early Branch
Green Pond
Scotia
Furman
Ernest F. Hollings Ace Basin National Wildlife Refuge
Newington
Ridgeland
Edisto Beach
Laurel Bay
Jasper
Springfield
Guyton
Bluffton
Savannah National Wildlife Refuge
Bloomingdale
Garden City
Savannah
Whitemarsh Island
321
95
16
278
516

Key Demographics

An analysis of the PMA demographics relative to the state and U.S. will yield insight into the nature of the PMA. Demographics relevant to the competitive market area are as follows:

Item	PMA	State	USA
Total Population			
2010 Population	**187,010**	4,625,344	308,745,538
2025 Population	**232,538**	5,394,539	339,887,819
Annual % Change	**1.62%**	1.11%	0.67%
Forecasted 2030 Population	**253,443**	5,702,418	347,149,422
Forecasted Annual Growth, 2025-2030	**1.74%**	1.12%	0.42%
Total Households			
2010 Households	**73,462**	1,801,170	116,716,292
2025 Households	**97,292**	2,227,265	132,422,916
Annual % Change	**2.16%**	1.58%	0.90%
Forecasted 2030 Households	**108,165**	2,400,032	136,716,884
Forecasted Annual Growth, 2025-2030	**2.14%**	1.51%	0.64%
25 to 34 Population			
2025 Population 25-34	**24,608**	673,525	46,356,942
Forecasted 2030 Population 25-34	**26,279**	695,037	46,758,910
Forecasted Annual Growth, 2025-2030	**1.32%**	0.63%	0.17%
2025 Age 25-34 Pop. as % of Total Pop.	**10.58%**	12.49%	13.64%
35 to 44 Population			
2025 Population 35-44	**24,159**	675,667	44,961,075
Forecasted 2030 Population 35-44	**27,444**	731,094	46,534,026
Forecasted Annual Growth, 2025-2030	**2.58%**	1.59%	0.69%
2025 Age 35-44 Pop. as % of Total Pop.	**10.39%**	12.53%	13.23%
45 to 64 Population			
2025 Population 45-64	**51,733**	1,320,047	81,917,804
Forecasted 2030 Population 45-64	**54,473**	1,359,604	81,765,121
Forecasted Annual Growth, 2025-2030	**1.04%**	0.59%	-0.04%
2025 Age 45-64 Pop. as % of Total Pop.	**22.25%**	24.47%	24.10%
75 Plus Population			
2025 Population 75+	**32,949**	483,526	27,363,699
Forecasted 2030 Population 75+	**41,283**	599,546	33,119,548
Forecasted Annual Growth, 2025-2030	**4.61%**	4.40%	3.89%
2025 Age 75+ Pop. as % of Total Pop.	**14.17%**	8.96%	8.05%
Income Levels			
Average Household Income, All Ages	**$123,794**	$99,477	$116,179
Median Household Income, All Ages	**$84,668**	$71,689	$81,624

Source: Esri



- Between 2010 and 2025, PMA population growth was greater than average when compared with the state and nation overall (1.62% versus 1.11% and 0.67%). The forecasted growth for the PMA is also greater than the state and the nation as a whole (1.74% versus 1.12% and 0.42%).

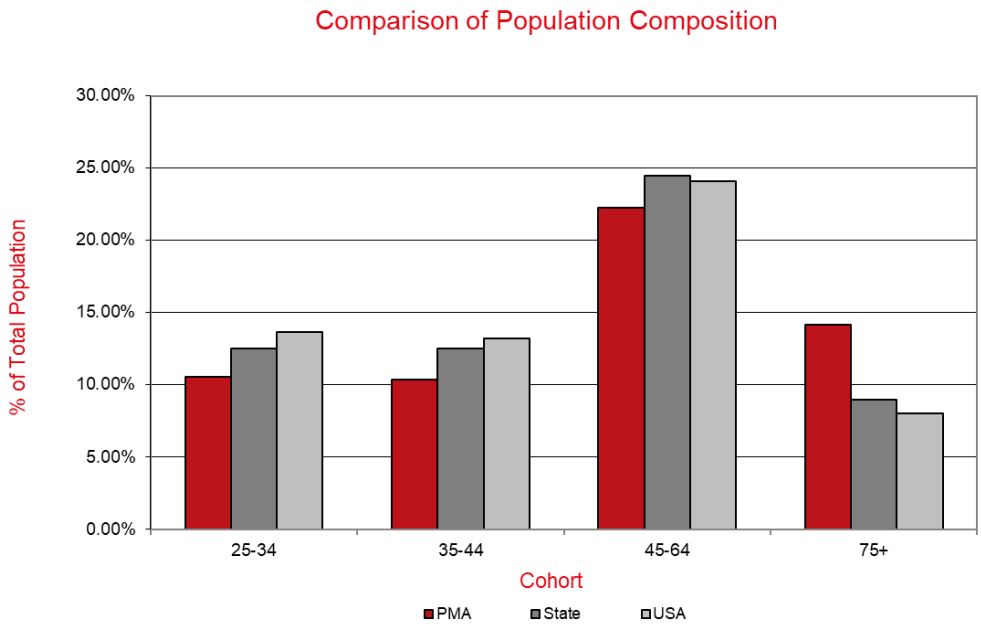
- During this same period, PMA household growth was greater than the state and nation as a whole (2.16% versus 1.58% and 0.90%). Over the next five years, PMA household growth is forecast to be greater than the state and nation overall (2.14% versus 1.51% and 0.64%).

- Growth of persons in the Millennials (25 to 34) age bracket is forecast to be above average in the PMA when compared to the state and nation overall (1.32% versus 0.63% and 0.17%).

- In comparison, the growth of the 35 to 44 cohort in the PMA is above average when compared to the state and nation overall (2.58% versus 1.59% and 0.69%).

- With respect to the ages 45 to 64 cohort, the forecasted growth for the PMA is greater the state and nation overall (1.04% versus 0.59% and -0.04%).

- Growth specific to the population aged 75+ in the PMA is forecast to be above average when compared to the state and nation as a whole (4.61% versus 4.40% and 3.89%).



- The percent of total population that is currently between the ages of 25 and 34 in the PMA is below average in comparison to the state and nation as a whole (10.58% versus 12.49% and 13.64%).
- Similarly, the percent of total population that are traditional renters (age 35 to 44) in the PMA is below average in comparison to the state and nation overall (10.39% versus 12.53% and 13.23%).
- With respect to the ages 45 to 64 cohort, the percent of total population in the PMA is below the state (22.25% versus 24.47% and 24.10%).
- The 75+ population within the PMA is greater than that of the state and nation overall (14.17% versus 8.96%, and 8.05%).

Location Attributes

The proposed development will be located in Hardeeville, South Carolina, within Hilton Head Lakes, a master planned community which is 30 minutes from Hilton Head Island, Downtown Savannah, and The Savannah Hilton Head International Airport.

The concluded primary market area (PMA), which encompasses Hardeeville as well as all or portions of nearby Ridgeland, Bluffton, Hilton Head Island, Okatie, Port Royal, Coosawatchie, and Burton, has a total population of 232,538. The average household income is $123,794 with a homeownership rate of 76.2%. According to Esri, the median home value is $469,761.

Hardeeville consists of a mix of small town character and strategic location advantages, with an employment base that supports both local and regional opportunities. Local employment includes positions with the City of Hardeeville, Jasper County School District, and various municipal services that serve the community. The town's proximity to major transportation corridors, including Interstate 95, has attracted logistics and distribution operations that provide additional employment opportunities. Many residents also commute to nearby Hilton Head Island for hospitality and service sector jobs, or to the Savannah metro area, which offers access to manufacturing, healthcare, and professional services across the Georgia-South Carolina border region.

Hardeeville's location provides residents access to two significant regional centers. Hilton Head Island, located southeast of the town, features numerous golf courses, beaches, and resort facilities that generate employment in hospitality and tourism sectors. Savannah, to the northeast, offers a historic downtown area, major healthcare facilities including Memorial Health University Medical Center, and employment opportunities in port operations, manufacturing, and professional services. Both locations expand the range of recreational activities, medical services, and job opportunities available to Hardeeville residents beyond the local market.

This connectivity between Hilton Head Island and Savannah allows residents to maintain a smaller town lifestyle while accessing metropolitan-level amenitites and services.

Tapestry Segmentation

The existing household segments currently residing within the PMA are shown in the table. ESRI's Tapestry Segmentation classifies neighborhoods into 67 unique segments based not only on demographics but also socioeconomic characteristics. It describes US neighborhoods in easy-to-visualize terms, ranging from Boomburbs to Country Charm. In turn, it provides insight regarding targeted demographics and underserved markets.

Cluster	HH Type	Total HHs	45-64	65+	Own vs. Rent	Average HH Income	Median Age	Wtd. Avg. HH Size
Targeted Non-Age Restricted Segments								
Boomburbs (H2)	Married Couples	3,725	23.6%	9.4%	82.9%	$139,802	40.9	3.1
Modern Minds (D3)	Married Couples, Singles Living Alone	1,458	21.6%	11.0%	41.4%	$97,006	41.0	2.4
Neighborhood Spirit (H3)	Married Couples	6,473	26.5%	20.9%	80.7%	$147,134	50.9	3.0
City Strivers (F4)	Married Couples, Singles Living Alone, Singles w/ Relatives	364	25.0%	16.1%	43.7%	$81,961	45.6	2.8
Targeted Age Restricted Segments								
Room to Roam (K7)	Married Couples w/No Kids	1,460	27.3%	24.1%	89.0%	$106,223	54.7	2.5
Country Charm (I7)	Married Couples	1,300	26.0%	22.2%	83.8%	$83,278	51.6	2.5
Burbs and Beyond (K8)	Married Couples w/No Kids	1,167	26.6%	30.4%	84.5%	$127,619	60.5	2.4
Other Segments								
Family Foundations (C4)	Married Couples, Singles Living Alone, Singles w/ Relatives	23,770	24.6%	20.4%	65.6%	$61,896	48.6	2.5
Southwestern Families (E2)	Married Couples, Singles Living Alone, Singles w/ Relatives	6,647	22.9%	17.1%	58.2%	$46,909	43.5	2.9
Social Security Set (A3)	Singles Living Alone	6,474	22.6%	31.7%	16.6%	$33,485	58.6	1.7
Welcome Waves (A5)	Married Couples, Singles Living Alone	6,182	19.6%	7.5%	16.0%	$53,732	35.5	2.9
Young and Restless (A6)	Singles Living Alone, Married Couples	5,473	17.7%	8.0%	4.9%	$59,945	37.2	2.0
College Towns (B2)	Singles Living Alone, Singles w/ Roommates	5,199	12.1%	9.6%	25.3%	$49,285	29.1	2.1
The Elders (J2)	Married Couples w/No Kids, Singles Living Alone	4,211	15.1%	76.5%	85.6%	$73,703	87.8	1.7
Single Thrifties (C1)	Singles Living Alone, Married Couples w/No Kids	3,281	22.3%	17.0%	35.7%	$50,170	43.8	2.1
Kids and Kin (C2)	Singles Living Alone, Married Couples	2,956	21.4%	12.2%	39.2%	$54,300	39.4	2.6
Metro Fusion (C3)	Singles Living Alone, Married Couples	2,258	19.8%	11.1%	24.4%	$59,077	38.8	2.2
City Commons (A2)	Singles Living Alone, Single Parents	2,240	18.2%	10.7%	20.4%	$29,647	34.5	2.5
Independent Cityscapes (A1)	Singles Living Alone, Singles w/ Roommates	1,683	23.6%	19.5%	23.6%	$28,296	46.5	2.1
Moderate Metros (C6)	Married Couples, Singles Living Alone	1,516	22.8%	17.5%	54.1%	$74,647	45.1	2.3

Cluster	HH Type	Total HHs	45-64	65+	Own vs. Rent	Average HH Income	Median Age	Wtd. Avg. HH Size
Other Segments (Cont.)								
Military Proximity (B3)	Married Couples w/ Kids	1,462	4.4%	1.1%	3.2%	$76,148	27.1	3.1
Metro Renters (D4)	Singles Living Alone	1,443	16.4%	9.5%	15.8%	$100,977	39.0	1.6
Diverse Horizons (C5)	Married Couples, Singles Living Alone	1,419	22.6%	12.7%	36.5%	$70,315	41.7	2.7
Hometown Charm (E3)	Married Couples, Singles Living Alone	1,026	22.7%	14.7%	52.5%	$54,336	42.3	2.5
Mobile Meadows (E4)	Married Couples, Singles Living Alone	995	22.8%	13.7%	64.3%	$58,592	41.6	2.8
Rural Versatility (E5)	Married Couples, Singles Living Alone	862	23.6%	18.5%	66.7%	$62,772	46.1	2.5
Family Bonds (E6)	Married Couples	570	23.2%	14.0%	68.9%	$77,268	42.0	3.0
High Rise Renters (F1)	Singles Living Alone, Married Couples, Singles w/ Relatives	555	22.8%	14.5%	5.7%	$40,072	42.3	2.6
Southern Satellites (I6)	Married Couples	542	26.4%	19.2%	81.9%	$76,897	49.2	2.6
Shared Roots (G1)	Married Couples	434	20.9%	9.6%	60.4%	$63,557	36.0	3.5
Modest Income Homes (E1)	Singles Living Alone, Married Couples, Singles w/ Relatives	147	23.2%	16.9%	46.9%	$37,423	43.9	2.5
Total / Average		**97,292**	**19.1%**	**19.3%**	**31.4%**	**$123,794**	**46.9**	**2.3**

Source: ESRI

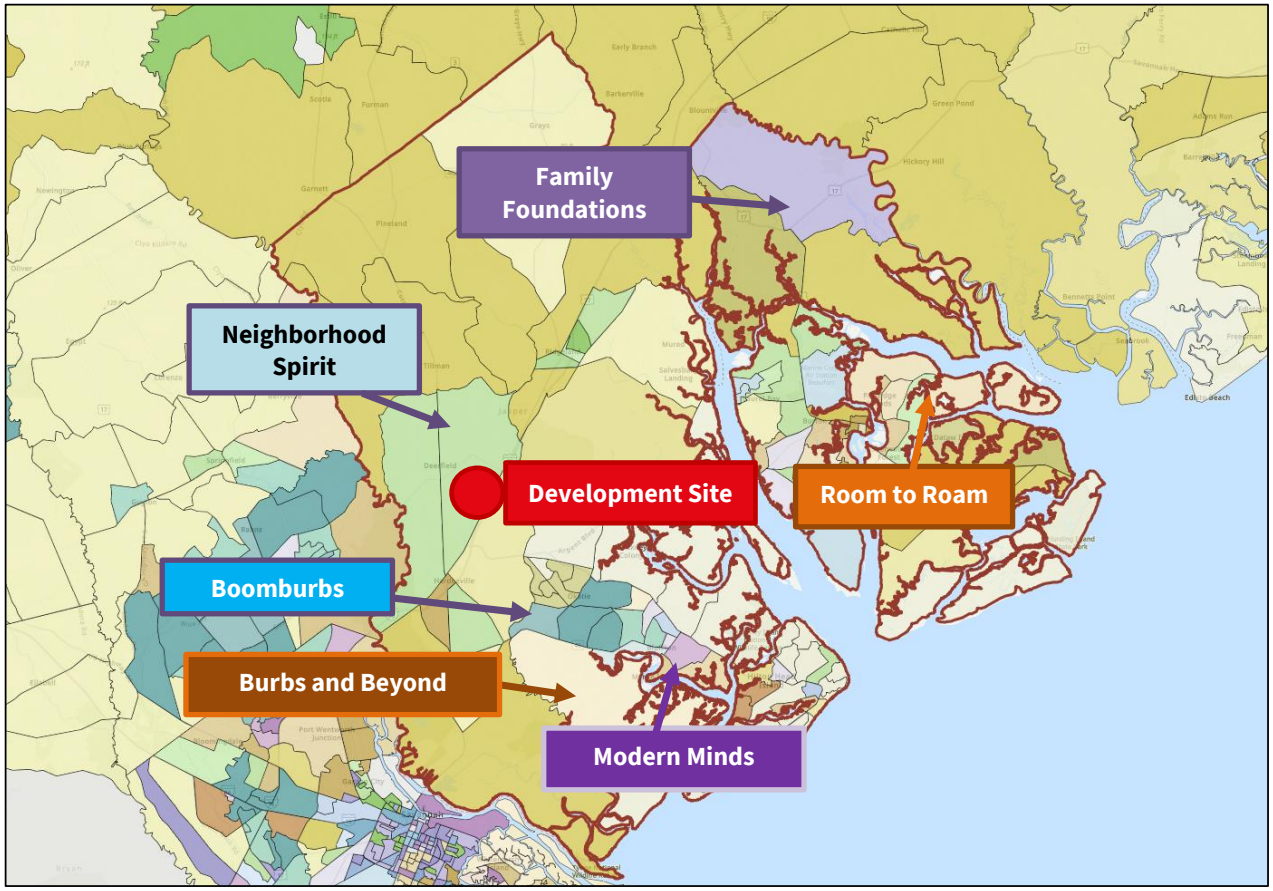
The top four targeted non age-restricted 'for sale' segments in the PMA are Boomburbs, Modern Minds, Neighborhood Spirit and City Strivers. The top three targeted age-restricted 'for-sale' segments in the PMA are Room to Roam, Country Charm, and Burbs and Beyond.

- The weighted average household sizes for these segments range from 2.4 to 3.1. In our experience, these groups, which consist predominately of married couples, primarily prefer three and four bedroom floor plans followed by five and two bedrooms.

- In terms of age, the groups are indicated to have median figures ranging from 40.9 to 50.9 years for the non age-targeted segments and figures between 51.6 and 60.5 for the age-restricted segments.

- The targeted segments are primarily owner-occupied households, with percentages ranging from 41.4% to 89.0%.

Tapestry Segment Concentration



The predominant renter segments are illustrated on the map but are not a complete representation of the make-up of each area.

Employment Trends and Commuting Patterns

The Hilton Head–Bluffton–Beaufort region continues to expand at a steady pace, supported by resilient population growth, a strong tourism base, and ongoing residential development across the Lowcountry. Employment conditions have remained favorable, with steady gains in hospitality, health care, and construction helping to offset softness in retail and certain office-related sectors. Labor force participation has improved modestly, supported by in-migration from higher-cost coastal markets, while overall unemployment remains low by historical standards. Commuting patterns have gradually diversified, as more residents live inland in communities such as Hardeeville and Ridgeland while working across county lines in Bluffton, Savannah, and Beaufort.

The regional economy remains anchored by tourism and service industries, though manufacturing and logistics have grown in importance as industrial and distribution development expands along the I-95 corridor. Hardeeville's strategic location at the junction of regional employment centers continues to attract investment and workforce housing, supported by infrastructure improvements and access to major arterials. Near-term conditions are expected to remain stable, though labor availability challenges and rising construction costs could moderate hiring momentum. Even so, developers remain confident in the region's long-term fundamentals, given sustained household formation and consistent visitor spending throughout the year.

While the area's dependence on leisure and seasonal employment can introduce some volatility, the long-term trajectory of the local economy is supported by demographic shifts and business diversification. Continued investments in healthcare, logistics, and education have broadened the employment base, reducing sensitivity to cyclical downturns in tourism. The construction sector remains a major contributor to growth, bolstered by steady residential demand and an expanding retiree population. Regional employers have also benefited from a steady pipeline of in-migrants seeking a balance between coastal quality of life and affordability relative to larger metro areas.

Over the longer term, strong population gains and household income growth are expected to sustain both employment and housing demand across southern Jasper and Beaufort Counties. Hardeeville, in particular, is poised to capture a growing share of regional expansion as employers, residents, and investors seek accessible locations near the coast but outside the high-cost core of Hilton Head Island. The city's business-friendly environment, expanding infrastructure network, and proximity to major interstate routes are expected to support a balanced pace of growth. These trends point to continued stability across key economic sectors, with the local market maintaining a healthy employment base and reliable commuter inflows over the next several years.

Employment Trends

The current estimate of total employment in the Hilton Head Island MSA is 89,400 jobs. Since 2015, employment grew by 15,200 jobs, equivalent to a 20.5% gain over the entire period. There were gains in employment in nine of the past ten years despite the national economic downturn and slow recovery.

The Hilton Head Island MSA's rate of change in employment outperformed the United States, which experienced an increase in employment of 11.0% or 15,878,000 over this period.

	Total Employment (Annual Average)						Unemployment Rate (Ann. Avg.)		
Year	Hilton Head Island MSA	Change	South Carolina	Change	United States	Change	Hilton Head Island MSA	South Carolina	United States
2010	64,000	-	1,826,900	-	131,622,000	-	9.0%	10.8%	9.3%
2011	64,700	1.1%	1,848,100	1.2%	133,702,000	1.6%	8.0%	9.7%	8.5%
2012	66,100	2.2%	1,889,400	2.2%	135,945,000	1.7%	7.2%	8.5%	7.9%
2013	69,700	5.4%	1,935,000	2.4%	138,275,000	1.7%	5.3%	6.2%	6.7%
2014	72,100	3.4%	1,992,300	3.0%	141,306,000	2.2%	5.8%	6.3%	5.6%
2015	74,200	2.9%	2,048,700	2.8%	144,045,000	1.9%	4.8%	5.4%	5.0%
2016	76,000	2.4%	2,088,200	1.9%	146,252,000	1.5%	4.0%	4.4%	4.7%
2017	78,000	2.6%	2,127,200	1.9%	148,509,000	1.5%	3.6%	4.1%	4.1%
2018	81,700	4.7%	2,181,600	2.6%	150,831,000	1.6%	2.7%	3.2%	3.9%
2019	83,400	2.1%	2,215,100	1.5%	152,846,000	1.3%	2.2%	2.6%	3.6%
2020	80,400	-3.6%	2,139,300	-3.4%	143,604,000	-6.0%	4.1%	5.0%	6.7%
2021	83,000	3.2%	2,212,100	3.4%	150,740,000	5.0%	2.8%	3.1%	3.9%
2022	85,700	3.3%	2,285,400	3.3%	155,210,000	3.0%	2.8%	2.9%	3.5%
2023	87,300	1.9%	2,345,400	2.6%	157,828,000	1.7%	3.0%	3.2%	3.8%
2024	89,400	2.4%	2,393,500	2.1%	159,923,000	1.3%	3.6%	4.0%	4.1%
10 Yr Change	15,200	20.5%	344,800	16.8%	15,878,000	11.0%			
Avg Unemp. Rate 2015-2024							3.4%	3.8%	4.3%
Unemployment Rate - August 2025							4.8%	4.9%	4.3%

Source: Bureau of Labor Statistics. County employment is from the Quarterly Census of Employment & Wages (QCEW), all other areas use the Current Employment Survey (CES). Unemployment rates use the Current Population Survey (CPS). Data is not seasonally adjusted.

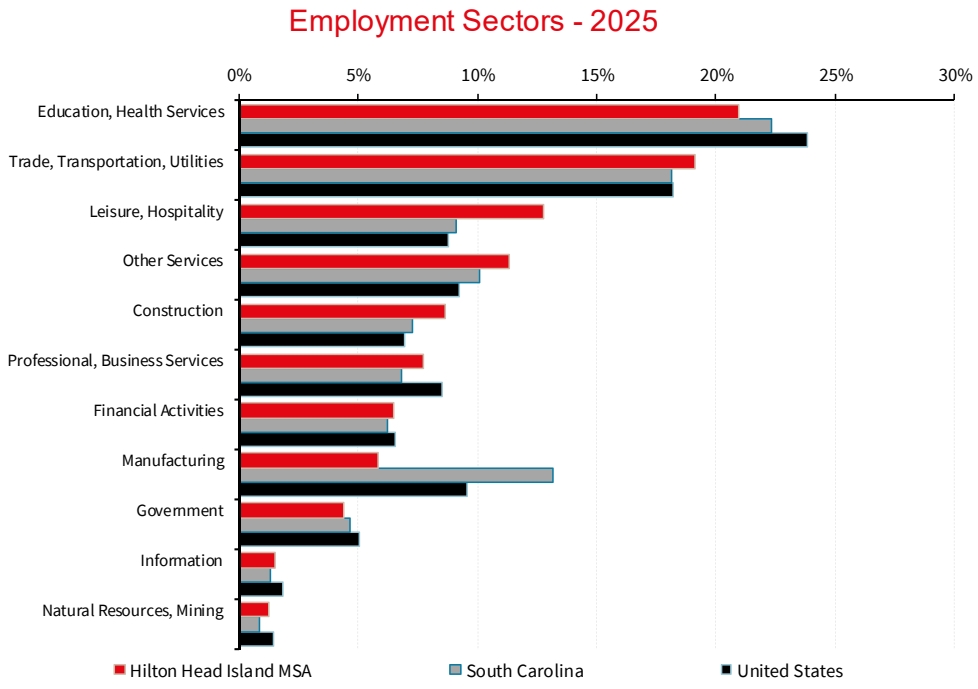
Unemployment Rate(s)

A comparison of unemployment rates is another way of gauging an area's economic health, where a higher unemployment rate is a negative indicator.

- Over the past decade, the Hilton Head Island MSA unemployment rate of 3.4% has been lower than the United States rate of 4.3%.
- In the latter half of the decade that trend has continued, as the Hilton Head Island MSA has consistently overperformed the United States.
- Recent data shows that the Hilton Head Island MSA unemployment rate is 4.8%, in comparison to a 4.3% rate for the United States.

Employment Composition

The composition of the Hilton Head Island MSA job market is illustrated in the chart below, paired with that of the United States. Total employment for the areas is stratified by eleven major employment sectors, ranked from largest to smallest based on the percentage of Hilton Head Island MSA jobs in each sector.



Source: Esri 2025. Compiled by JLL Valuation & Advisory Services, LLC.

The Hilton Head Island MSA has a greater percentage of employment than the United States in the following categories:

1. Trade, Transportation, Utilities - which accounts for 19.1% of Hilton Head Island MSA payroll employment compared to 18.2% for the United States as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.

2. Leisure, Hospitality - which accounts for 12.8% of Hilton Head Island MSA payroll employment compared to 8.8% for the United States as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.

3. Other Services - which accounts for 11.4% of Hilton Head Island MSA payroll employment compared to 9.3% for the United States as a whole. This sector includes establishments that do not fall within other defined categories, such as private households, churches, and laundry and dry cleaning establishments.

4. Construction - which accounts for 8.6% of Hilton Head Island MSA payroll employment compared to 7.0% for the United States as a whole. This sector includes construction of buildings, roads, and utility systems.

The Hilton Head Island MSA is underrepresented in the following categories:

1. Manufacturing - which accounts for 5.8% of Hilton Head Island MSA payroll employment compared to 9.6% for the United States as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.

2. Education, Health Services - which accounts for 21.0% of Hilton Head Island MSA payroll employment compared to 23.9% for the United States as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.

3. Professional, Business Services - which accounts for 7.7% of Hilton Head Island MSA payroll employment compared to 8.5% for the United States as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.

4. Government - which accounts for 4.4% of Hilton Head Island MSA payroll employment compared to 5.0% for the United States as a whole. This sector includes public administration at the federal, state, and county level, as well as other government positions.

Major Employers

The table contains major employers in the Hilton Head Island MSA.

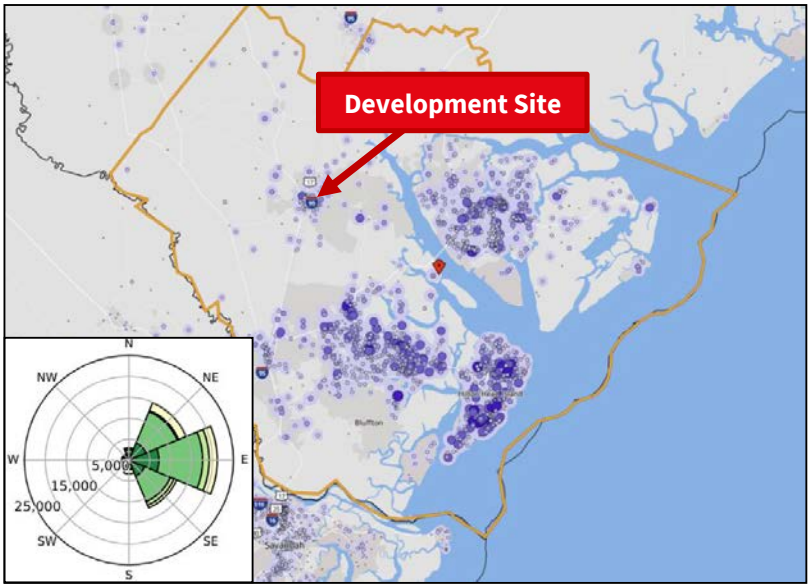
	Name	Employees
1	Beaufort County School District	2,200
2	Beaufort Memorial Hospital	1,900
3	SERG Restaurant Group	1,255
4	County of Beaufort	950
5	Sea Pines Resort LLC	780
6	Montage Palmetto Bluff LLC	650
7	Publix Super Markets Inc.	600
8	Hilton Head Hospital (Novant Health)	470
9	Walmart	450
10	Hilton Head Regional Physician Group	400
11	Marriott Vacation Club International	380
12	University of South Carolina Beaufort	350
13	City of Hilton Head Island	317
14	Jasper County School District	290
15	Parker's Kitchen	250
17	Sitel Operating Corporation	250
18	Costal Carolina Hospital (Novant Health)	210
19	Select Employment Services Inc	200
20	Kroger	180

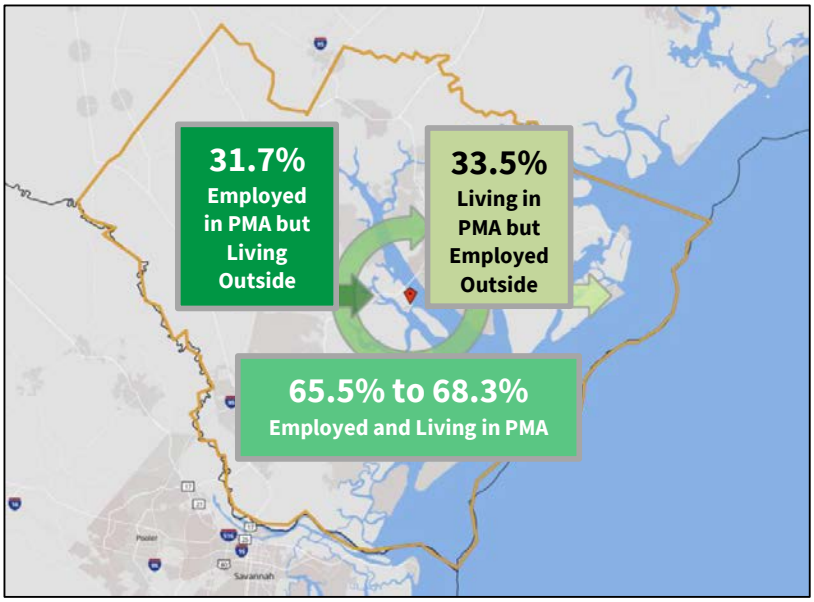
Source(s): SC Dept of Employment and Workforce Community Profile (2025)

Commuting Patterns / Employment

The proposed development will be located in the growing bedroom community of Hardeeville, South Carolina, which is situated in the southern part of Jasper County, 30 minutes northwest of Downtown Savannah. According to DataUSA, the average commute time for residents of Hardeeville is approximately 22.2 minutes and the average car ownership is two cars per household.

The U.S. Bureau-Center for Economic Studies reports that the largest percentage of residents of the PMA are employed in Hilton Head Island (24.3%), followed by Bluffton (10.4%), Beaufort (5.9%), and Savannah (2.9%). And in terms of commuting distances, approximately 44.3% of residents travel distances of less than 10 miles, while roughly 24.4% commute between 10 and 24 miles for work. The remaining 31.3% of residents commute more than 25 miles for employment.





Of the population employed within the PMA, the majority (68.3%) work and live within the area, while a total of 31.7% commute into the area for employment.

Nearly 34% of the in-place population leaves the area for employment. They likely reside in the area for the affordable location and scenery but commute outside of the PMA to nearby employment centers. Note that 66.5% of the population both live and work within the area.

'For Sale' Single-Family Analysis

In this section, we will analyze 'for sale' single-family market conditions throughout the Hilton Head Island MSA (i.e., the PMA).

Historical and Forecasted Trends

In order to assess the Hilton Head market and forecast growth, we researched and procured data on single-family sales activity from January 2023 through October 2025. Key metrics by year are shown in the table below.

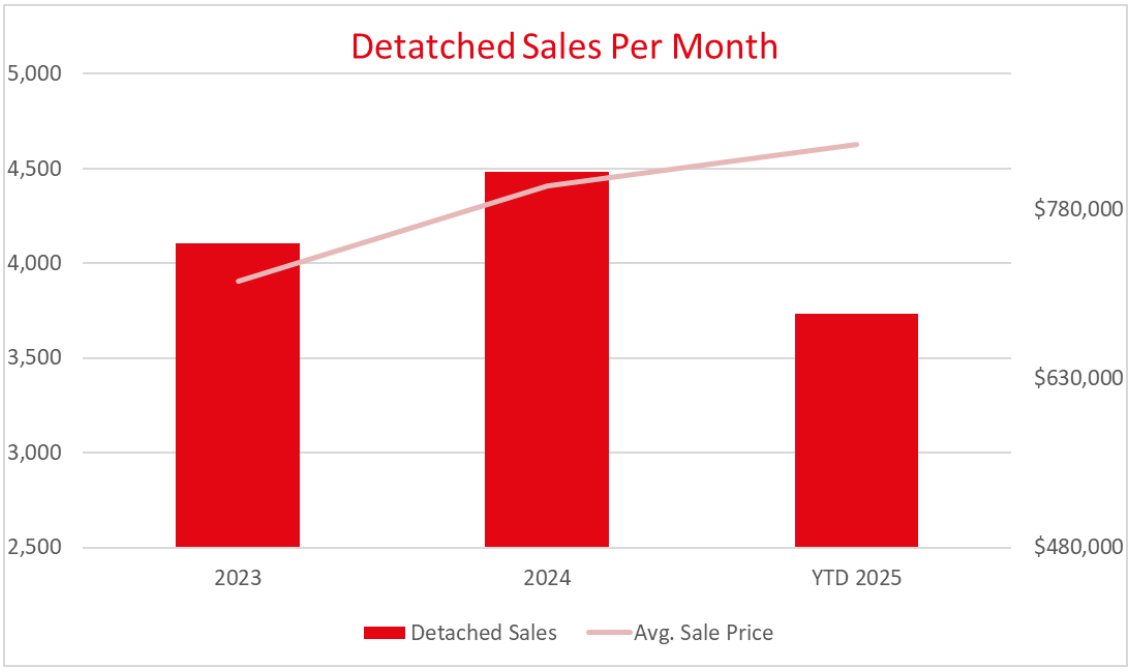
	Detached Product				Attached Product			
Period	#Sales	Home Size	Avg. Sale Price	Avg. Sale Price PSF	# Sales	Home Size	Avg. Sale Price	Avg. Sale Price PSF
2023	4,106	2,277	$716,038	$314	1,131	1,324	$514,340	$389
2024	4,482	2,381	$800,360	$336	1,257	2,316	$805,119	$348
YTD 2025	3,736	2,353	$837,358	$356	1,094	2,328	$809,124	$348
Totals / Averages | 2023-YTD 2025	**12,324**	**2,338**	**$783,483**	**$335**	**3,482**	**1,997**	**$711,928**	**$356**
2026	-	2,338	$876,067	$375	-	2,328	$813,149	$349
2027	-	2,338	$916,564	$392	-	2,328	$817,195	$351
2028	-	2,338	$958,934	$410	-	2,328	$821,260	$353
2029	-	2,338	$1,003,263	$429	-	2,328	$825,345	$355
2030	-	2,338	$1,049,640	$449	-	2,328	$829,451	$356

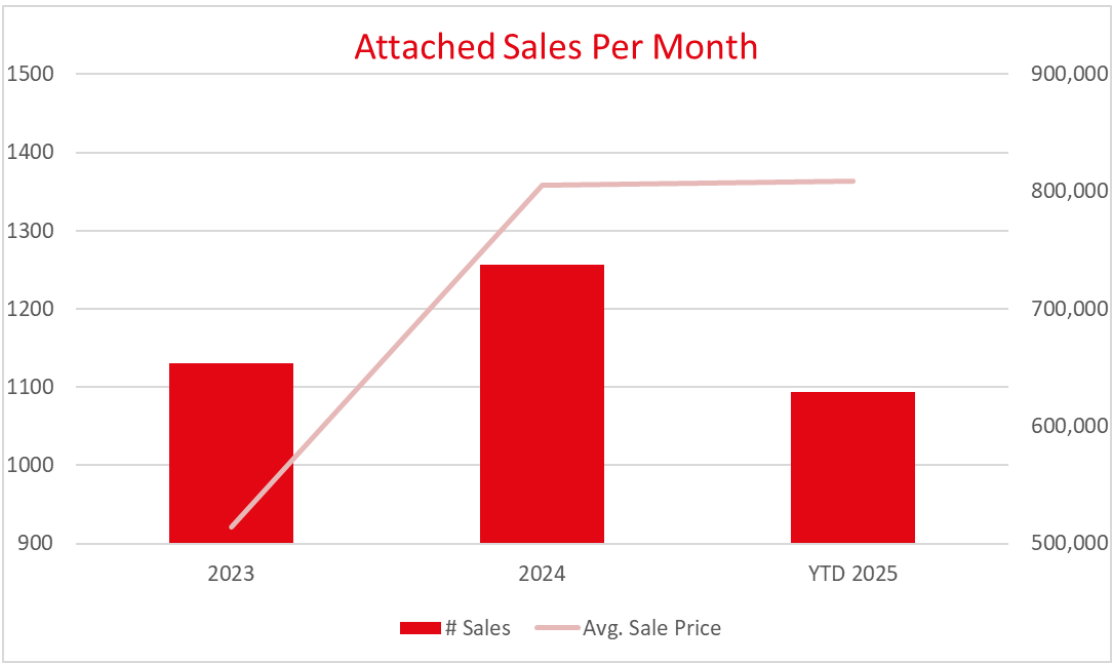
- A total of 12,234 detached homes were sold between January 2023 and October 2025. The area has seen moderate growth with respect to the number of sales per year. In respect to attached product, a total of 3,482 homes were sold between January 2023 and October 2025. The number of sales between 2023 and 2024 increased by 11.1% while year-to-date sales are on track to be inline with historical figures.

- In terms of pricing, the median sale price for detached product in the PMA is $783,483 from 2023 through year-to-date 2025 and have historically ranged from $716,038 to $837,358. Attached product on the other hand, has averaged sales prices ranging from $514,340 to $809,124, with an overall weighted average of $711,928 from January 2023 to October 2025.

- Detached product home sizes have ranged from 2,227 to 2,353 square feet with an average of 2,338 over the same time period. Attached product indicates ranges of 1,324 to 2,328 square feet, with an overall average of 1,997 square feet.

- Utilizing the growth from 2024 to year-to-date 2025 and average home sizes remaining the same, detached pricing is expected to increase from the current figure of $783,483 to $1.,049,640 by 2030, while attached product pricing is anticipated to experience lesser rate of appreciation, rising from approximately $711,928 in the current period to $829,451 by the end of the forecast period.


Detatched Sales Per Month
5,000
4,500
4,000
3,500
3,000
2,500
$780,000
$630,000
$480,000
2023
2024
YTD 2025
Detached Sales
Avg. Sale Price


Attached Sales Per Month
1500
1400
1300
1200
1100
1000
900
900,000
800,000
700,000
600,000
500,000
2023
2024
YTD 2025
Sales
Avg. Sale Price

Absorption Pace

For purposes of assessing absorption paces by product type, we procured data on several notable subdivisions. Details on each of the projects and the sell-off pace for various periods is as follows.

Community Name	# of Units	# of Units Sold/UC	Date Began Selling	Sell Off Completion Date or Current	Months to Sell Off Completion	Average Monthly Sale Pace
Hunt Club	63	7	Sep-25	Oct-25	2	3.5
Magnolia Park	115	63	Jan-24	Oct-25	23	2.7
Twin Ponds	150	75	Jul-23	Oct-25	28	2.7
Average(s)					**18**	**3.0**
JLL Conclusion | Non-Age Restricted Single-Family						**3.0**
Four Seasons at Carolina Oaks	560	255	Sep-20	Oct-25	61	4.2
Sun City	77	7	Apr-25	Oct-25	6	1.2
Latitude Margaritaville	2,600	2,400	Jul-18	Dec-25	89	27.0*
Average(s)					**52**	**2.7**
JLL Conclusion | Age Restricted Single-Family						**2.7**
The Preserve THs	91	2	Sep-25	Oct-25	1	2.0
Royal Oaks by Forino	219	14	Mar-25	Oct-25	7	2.0
New Riverside Village	58	21	Sep-24	Oct-25	13	1.6
Average(s)					**7**	**1.9**
JLL Conclusion | Non-Age Restricted Townhomes						**1.9**

Absorption Pace | Key Highlights

- The non-age restricted single-family communities indicate absorption/sell-off paces ranging from 2.7 to 3.5 homes per month and averaging 3.0 homes per month.

- In comparison, the age restricted single-family communities indicate absorption/sell-off paces ranging from 1.2 to 4.2 homes per month, averaging 2.7 homes per month.

- Latitude Margaritaville, denoted with an asterisk, has achieved an average sell-off pace of 27 homes per month since opening in July 2018. This figure is significantly higher than other age-restricted comparables and was excluded from absorption calculations due to its distinct national brand, project scale, and premium resort-style amenities.

- The non-age restricted townhome communities indicate average absorption/sell-off paces ranging from 1.6 to 2.0 homes per month, averaging 1.9 homes per month.

- Based upon the preceding, we conclude an absorption/sell-off pace of 3.0+/- homes per month for non-age restricted single-family, 2.5+/- homes per month for age restricted single-family, and 2.0+/- homes per month for the non-age restricted townhomes to be achievable.

- It is anticipated that the proposed master-planned development will offer a number of builders as well as distinct product lines with varying lot sizes, home sizes, targeted demographic, and price point. The concluded absorption figures can be applied for each builder and specific product line within each development pod.

- Note that the absorption comparables are single-builder subdivisions and the paces shown are per builder and typically include just one product line. Having multiple builders and product lines within a larger development will increase the achievable absorption pace for the proposed master-planned development.

Pipeline Supply

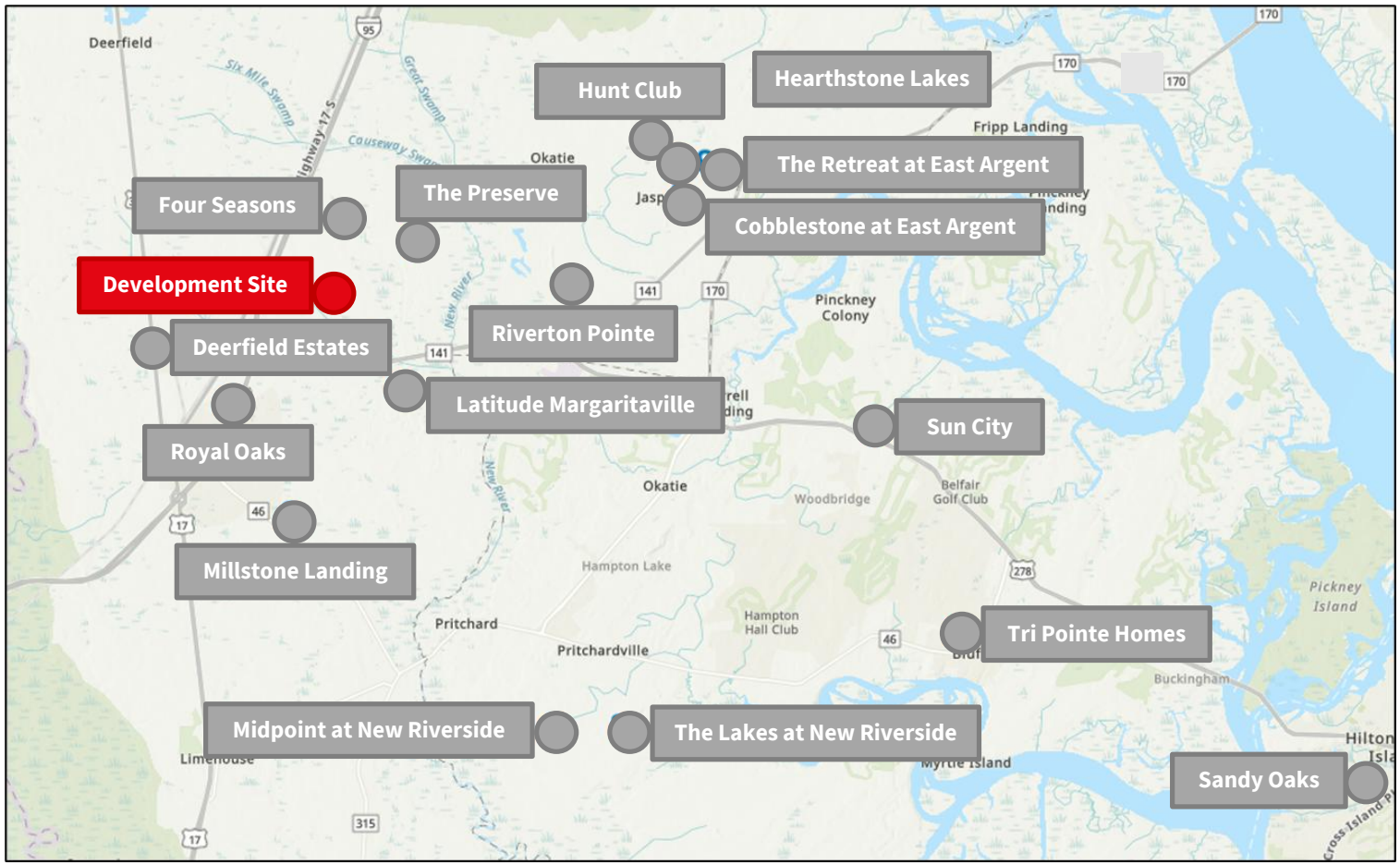
The current supply of future lots/homes specific to the primary market area (PMA) is summarized in the table.

Subdivision Name	Address/Municipality	# Lots/Homes Remaining	Estimated Completion	Distance from Subject	Primary Builder
Royal Oaks Cottages	238 Royal Rd, Hardeeville	5	2025	2.8	Forino Co., L.P.
Cobblestone at East Argent	140 Pebble Circle, Hardeeville	3	2025	5.9	Ryan Homes
Hearthstone Lakes	1872 Hearthstone Dr, Ridgeland	1	2025	6.0	Forino Co., L.P.
Total in 2025		9			
Proposed Development	N of Indepence Blvd & W of I-95, Hardeeville	1,342	2026+	n.a.	LK Development Group
The Preserve	93 Sweetbay Dr, Hardeeville	140	2026+	1.3	Lennar
Four Seasons at Hilton Head Lakes	159 Whitewater Dr, Hardeeville	350	2026+	1.6	Khovnanian Homes
Latitude Margaritaville	356 Latitude Blvd, Hardeeville	608	2026+	2.1	Minto Communities
Royal Oaks	28 Crown Street, Hardeeville	55	2026+	2.8	Ryan Homes
Riverton Pointe- Shoreside	135 Cypress Ct, Hardeeville	150	2026+	4.1	Toll Brothers
Riverton Pointe- Lowcountry	135 Cypress Ct, Hardeeville	11	2026+	4.1	Toll Brothers
Riverton Pointe- Championship	135 Cypress Ct, Hardeeville	9	2026+	4.1	Toll Brothers
Millstone Landing	184 Sawmill Rd, Hardeeville	23	2026+	4.2	Landmark Homes
Deerfield Estates	1675 Deerfield Rd, Hardeeville	250	2026+	4.3	JDC Deerfield Rd LLC
Sun City Hilton Head	401 Fording Island Rd	183	2025	5.3	Del Webb
Hunt Club	83 Rifle Road, Hardeeville	85	2026+	5.7	Stanley Martin
The Retreat at East Argent	89 Sanctuary Drive, Ridgeland	86	2026+	6.1	DR Horton
Residences at Okatie Crossing	US Hwy 278 & US Hwy 170, Okatie	518	2026+	6.6	Latitude 32 Development
New Riverside Village	304 Forest Trace, Bluffton	58	2026+	7.0	Eastwood Homes
Alston Park	56 Alston Park Dr, Bluffton	76	2026+	7.2	Pulte Homes
Midpoint at New Riverside	107 Midpoint Blvd, Bluffton	108	2026+	8.5	Pulte Homes

Subdivision Name	Address/Municipality	# Lots/Homes Remaining	Estimated Completion	Distance from Subject	Primary Builder
The Lakes at New Riverside	2 Russell Road, Bluffton	50	2026+	9.0	Khovnanian Homes
The Groves at Bees Creek	6 Veil Drive, Ridgeland	90	2026+	11.5	DR Horton
Fox Chase	15 Silver St, Ridgeland	5	2026+	12.3	Forino Co., L.P.
Weathersbee	241 Aviation Dr, Ridgeland	10	2026+	12.9	Mungo Homes
Shell Point Farm	Chestnut St, Beaufort	14	2026+	17.8	Mungo Homes
Tri Pointe Homes - Able Street	Robert Smalls Pkwy , Beaufort	50	2026+	18.7	Tri Pointe Homes
Sandy Oaks	Jonesville Rd, Hilton Head Island	22	2026+	18.7	Khovnanian Homes
Salem Bay	1113 Salem Bay Dr	31	2026+	20.8	Pulte Homes
River's Reach	574 Settings Drive E	6	2026+	23.2	DR Horton
Total in 2026+		4,730			
Total		**4,739**			

There is a total of 4,739 lots/homes (including the subject's 1,342 lots/homes) anticipated to come online over the next several years.

The proposed development will be located in an area with relatively high barriers to entry due to the high cost of land, limited availability of developable sites, and difficulty in obtaining zoning approval. This will tend to limit future development and overall scale of potential projects.



Pipeline Supply

Pipeline Supply (Cont.)

Depth of Demand | ‘For Sale’ Product

In order to assess the depth of demand within the primary market area (PMA), we analyzed household growth estimates and anticipated pipeline supply to calculate unmet demand specific to ‘for sale’ product.

Item	Households
2030 Forecasted PMA Estimate	108,165
2025 In-Place PMA Demographics	97,292
Forecasted PMA Household Growth | 2025-2030	10,873
Owner-Occupied % in PMA	76.2%
'For Sale' Demand Estimate | 2025-2030	8,284
Less Anticipated 'For Sale' Pipeline Supply (Including Subject)	(4,739)
Unmet Demand | 'For Sale' Product	**3,545**

- The PMA household count is forecast to increase by 10,873 through 2030 (or 2,175 households per year).
- Utilizing the owner-occupied percentage of 76.2% for the PMA, the forecasted demand estimate equates to 8,284 homes (or 1,657 homes annually) from 2025 to 2030.
- With an anticipated pipeline supply of 4,739 lots/homes (including the subject’s 1,342 lots/homes) delivered by 2030, the resulting excess unmet demand specific to ‘for sale’ product in the PMA is for an additional 3,545 lots/homes.

Opportunity for New Development

Hardeeville is a growing bedroom community that has experienced substantial residential and commercial expansion over the past decade. Hardeeville remains one of the area's more attainable housing markets within the region.

Based on our analysis of supply and demand conditions, the market is concluded to have an opportunity for the development of additional 'for sale' product at this time. From 2023 to year-to-date 2025, the existing inventory of 'for sale' housing has increased by 16.9% for detached product and 57.3% for attached product. And as of year-to-date 2025, home prices are historically high figures of $837,358 for detached product and $809,124 for attached product. Utilizing the growth from 2024 to year-to-date 2025 and average home sizes remaining the same, detached pricing is expected to increase from the current figure of $783,483 to $1,049,640 by 2030, while attached product pricing is anticipated to experience lesser rate of appreciation, rising from approximately $711,928 in the current period to $829,451 by the end of the forecast period.

Total households in the PMA are forecast to increase by 10,873 (or 2,175 households per year) by 2030. Utilizing the owner-occupied percentage of 76.2% for the PMA, the forecasted demand estimate equates to 8,284 households (or 1,657 households annually) from 2025 to 2030. With an anticipated pipeline supply of 4,739 lots/homes (including the subject's 1,342 lots/homes), the resulting excess unmet demand specific to 'for sale' product in the PMA is for an additional 3,545 lots/homes over the next several years. Note that we are assuming all of the subject homes come online over the next five years. However, this is unlikely to be the case and would result in a higher unmet demand figure.

The non-age restricted single-family communities indicate absorption/sell-off paces ranging from 2.7 to 3.5 homes per month, averaging 3.0 homes per month. In comparison, the age restricted single-family communities indicate paces ranging from 1.2 to 4.2 homes per month, with an average of 2.7 homes per month. However, these figures do not account for Latitude Margaritaville (outlier), which has achieved a much higher average sell-off pace of 27 homes per month since opening in July 2018 due to its distinct national brand, project scale, and premium resort-style amenities. Lastly, the non-age restricted townhome communities indicate paces ranging from 1.6 to 2.0 homes per month, averaging 1.9 homes per month.

There is indicated to be an opportunity to develop the subject as proposed with 1,342 'for sale' homes within the four neighborhood pods. This is supported by current and forecasted demographics, performance of actively selling subdivisions, and indicated demand for new development within the PMA.

Programming Assessment

In order to determine appropriate home types, unit mixes, and floor plan sizes for the proposed development's four (4) neighborhood pods, H-1 (386 non-age restricted single-family homes), H-2 (168 non-age restricted townhomes), F-3 (200 non-age restricted townhomes), and G (486 age restricted single-family homes), we researched and considered the prevailing trends and offerings throughout the market.

Home Type/Unit Mix Ratios

Recent sale home type/unit mix ratios at the selected subdivision comparables in comparison to JLL's recommendation for the proposed development are as follows.

				Total % of Mix			
Property Name	Location	Year Built	# Recent Sales	2 Beds	3 Beds	4 Beds	5 Beds
Proposed Development	**Hardeeville**	**2026+**	**n.a.**	**22%**	**63%**	**16%**	**0%**
Single-Family Detached				1%	54%	40%	5%
Age Restricted				53%	45%	1%	0%
Townhomes				0%	97%	3%	0%
Non-Age Restricted Single Family							
Hunt Club	Ridgeland	2025	20	0%	60%	40%	0%
Magnolia Park	Hardeville	2024	21	0%	57%	43%	0%
The Preserve	Hardeeville	2024	19	0%	37%	42%	21%
Twin Ponds	Hardeeville	2024	37	3%	46%	43%	8%
Millstone Landing	Hardeeville	2022	25	0%	72%	28%	0%
Hilton Head Lakes	Hardeeville	2017	10	0%	50%	50%	0%
Total / Average		**2023**	**132**	**1%**	**54%**	**40%**	**5%**
Age Restricted Single Family							
Four Seasons at Carolina Oaks	Bluffton	2020	34	47%	50%	3%	0%
The Haven at New Riverside	Bluffton	2007	20	15%	85%	0%	0%
Sun City	Bluffton	2025	21	100%	0%	0%	0%
Latitude Margaritaville	Hardeeville	2018	43	77%	23%	0%	0%
Total / Average		**2017**	**118**	**62%**	**37%**	**1%**	**0%**
Non-Age Restricted Townhomes							
The Preserve THs	Hardeeville	2025	4	0%	75%	25%	0%
Cobblestone at East Argent	Hardeeville	2025	5	0%	100%	0%	0%
Royal Oaks by Forino	Hardeeville	2025	10	0%	100%	0%	0%
Fox Chase	Ridgeland	2023	5	0%	100%	0%	0%
New Riverside Village	Bluffton	2024	12	0%	100%	0%	0%
Total / Average		**2024**	**36**	**0%**	**97%**	**3%**	**0%**

Key Highlights | Home Type/Unit Mix Ratios

- The non-age restricted single-family comparables indicate a mix of 1% two bedrooms, 54% three bedrooms, 40% four bedrooms, and 5% five bedrooms.
- In comparison, the age restricted single-family comparables have a mix of 62% two bedrooms, 37% three bedrooms, and 1% four bedrooms.
- The non-age-restricted townhome comparables have a distribution of 97% three bedrooms and 3% four bedrooms.
- JLL recommends a mix of 50% three bedrooms and 50% four bedrooms for the non-age restricted single-family, 55% two bedrooms and 45% three bedrooms for the age restricted single-family, and 100% three bedrooms for the non-age restricted townhomes.

Average Home/Unit Sizes

The recommended home/unit sizes for the proposed development are now compared with the offerings at the selected comparables.

Property Name	Location	Year Built	# Recent Sales	Floor Plan Sizes											
				Two Bedrooms			Three Bedrooms			Four Bedrooms			Five Bedrooms		
Proposed Subject	**Hardeeville**	**2026+**	**n.a.**	**1,500**	**to**	**1,500**	**1,500**	**to**	**2,500**	**2,250**	**to**	**2,500**	**-**	**to**	**-**
Single-Family Detached				1,383	to	1,383	1,383	to	2,455	1,547	to	3,045	1,886	to	3,201
Age Restricted				1,345	to	2,662	1,866	to	3,369	3,283	to	3,283	-	to	-
Townhomes				-	to	-	1,437	to	2,198	1,965	to	1,965	-	to	-
Non-Age Restricted Single Family															
Hunt Club	Hardeeville	2025	20	-	to	-	1,347	to	2,455	2,797	to	3,045	-	to	-
Magnolia Park	Hardeeville	2024	21	-	to	-	1,421	to	2,297	1,853	to	2,500	-	to	-
The Preserve	Hardeeville	2024	19	-	to	-	1,247	to	1,547	1,853	to	1,886	2,358	to	2,359
Twin Ponds	Hardeeville	2024	37	1,383	to	1,383	1,148	to	2,260	1,772	to	2,635	2,621	to	3,201
Millstone Landing	Ridgeland	2022	25	-	to	-	1,556	to	2,309	1,928	to	2,745	-	to	-
Hilton Head Lakes	Hardeeville	2017	10	-	to	-	1,520	to	2,237	2,277	to	2,425	-	to	-
Total / Average		**2023**	**132**	**1,383**	**to**	**1,383**	**1,148**	**to**	**2,455**	**1,772**	**to**	**3,045**	**2,358**	**to**	**3,201**
Age Restricted Single Family															
Four Seasons at Carolina Oaks	Bluffton	2020	34	1,689	to	2,662	2,080	to	3,369	3,283	to	3,283	-	to	-
The Haven at New Riverside	Bluffton	2007	20	1,650	to	1,879	1,866	to	3,269	-	to	-	-	to	-
Sun City	Bluffton	2025	21	1,345	to	2,240	-	to	-	-	to	-	-	to	-
Latitude Margaritaville	Hardeeville	2018	33	1,321	to	3,205	1,862	to	3,406	-	to	-	-	to	-
Total / Average		**2017**	**75**	**1,321**	**to**	**3,205**	**1,862**	**to**	**3,406**	**3,283**	**to**	**3,283**	**-**	**to**	**-**
Non-Age Restricted Townhomes															
The Preserve THs	Hardeeville	2025	4	-	to	-	1,437	to	1,437	1,965	to	1,965	-	to	-
Cobblestone at East Argent	Hardeeville	2025	5	-	to	-	1,628	to	1,628	-	to	-	-	to	-
Royal Oaks by Forino	Hardeeville	2025	10	-	to	-	1,779	to	2,070	-	to	-	-	to	-
Fox Chase	Ridgeland	2023	5	-	to	-	1,675	to	1,785	-	to	-	-	to	-
New Riverside Village	Bluffton	2024	12	-	to	-	1,906	to	2,198	-	to	-	-	to	-
Total / Average Townhomes		**2024**	**36**	**-**	**to**	**-**	**1,437**	**to**	**2,198**	**1,965**	**to**	**1,965**	**-**	**to**	**-**

Key Highlights | Average Home/Unit Sizes

- The non-age restricted single-family comparables have sizes ranging from 1,383 square feet for two bedrooms, 1,148 to 2,455 square feet for three bedrooms, 1,772 to 3,045 square feet for four bedrooms, and 2,358 to 3,201 square feet for five bedrooms.

- In comparison, the age restricted single-family comparables range from 1,321 to 3,205 square feet for two bedrooms, 1,862 to 3,406 square feet for three bedrooms, and 3,283 square feet for four bedrooms.

- The non-age restricted townhomes have sizes ranging from 1,437 to 2,198 square feet for three bedrooms and 1,965 square feet for four bedrooms.

- JLL recommends floor plan sizes ranging from 1,500 to 1,750 square feet for the non-age restricted single-family homes, 1,500 to 2,500 square feet for the age restricted single-family homes, and 1,675 to 2,000 square feet for the non-age restricted townhomes.

Recommended Mix and Floor Plan Sizes | Non-Age Restricted Single-Family

Considering the competitive landscape, JLL recommends following unit mix and floor plan sizes for the non-age restricted single-family homes.

Beds/Baths	Square Feet	Number of Homes	Percent of Mix	Total Square Feet
3BR/2BA	1,500	77	20%	115,800
3BR/2BA	1,750	116	30%	202,650
4BR/3BA	2,250	116	30%	260,550
4BR/3BA	2,500	77	20%	193,000
Total / Average	**2,000**	**386**	**100%**	**772,000**

- The recommended mix consists of 50% three bedrooms and 50% four bedrooms.
- Floor plan sizes should range from from 1,500 to 2,500 square feet with an overall average of 2,000 square feet.
- The total net rentable area for the project equates to 772,000 square feet.

Recommended Mix and Floor Plan Sizes | Age Restricted Single-Family

Considering the competitive landscape, we estimate the following unit mix and floor plan sizes for the age restricted single-family homes.

Beds/Baths	Square Feet	Number of Homes	Percent of Mix	Total Square Feet
2BR/2BA	1,500	267	55%	400,950
3BR/2BA	2,000	194	40%	388,800
3BR/3BA	2,500	24	5%	60,750
Total / Average	**1,750**	**486**	**100%**	**850,500**

- The recommended mix consists of 55%, two bedrooms and 45% three bedrooms.
- Floor plan sizes should range from 1,500 to 2,500 square feet with an overall average of 1,750 square feet.
- The total net rentable area for the project equates to 850,500 square feet.

Recommended Mix and Floor Plan Sizes | Non-Age Restricted Townhomes

Considering the competitive landscape, we estimate the following unit mix and floor plan sizes for the non-age restricted townhomes.

Beds/Baths	Square Feet	Number of Homes	Percent of Mix	Total Square Feet
3BR/3BA	1,675	313	85%	524,275
3BR/3BA	2,000	57	15%	114,000
Total / Average	**1,725**	**370**	**100%**	**638,275**

- The recommended unit mix consists of 85% three bedrooms and 15% four bedrooms.
- Floor plan sizes should range from 1,675 to 2,000 square feet, with an overall average of 1,725 square feet.
- The total net rentable area for the project equates to 638,275 square feet.

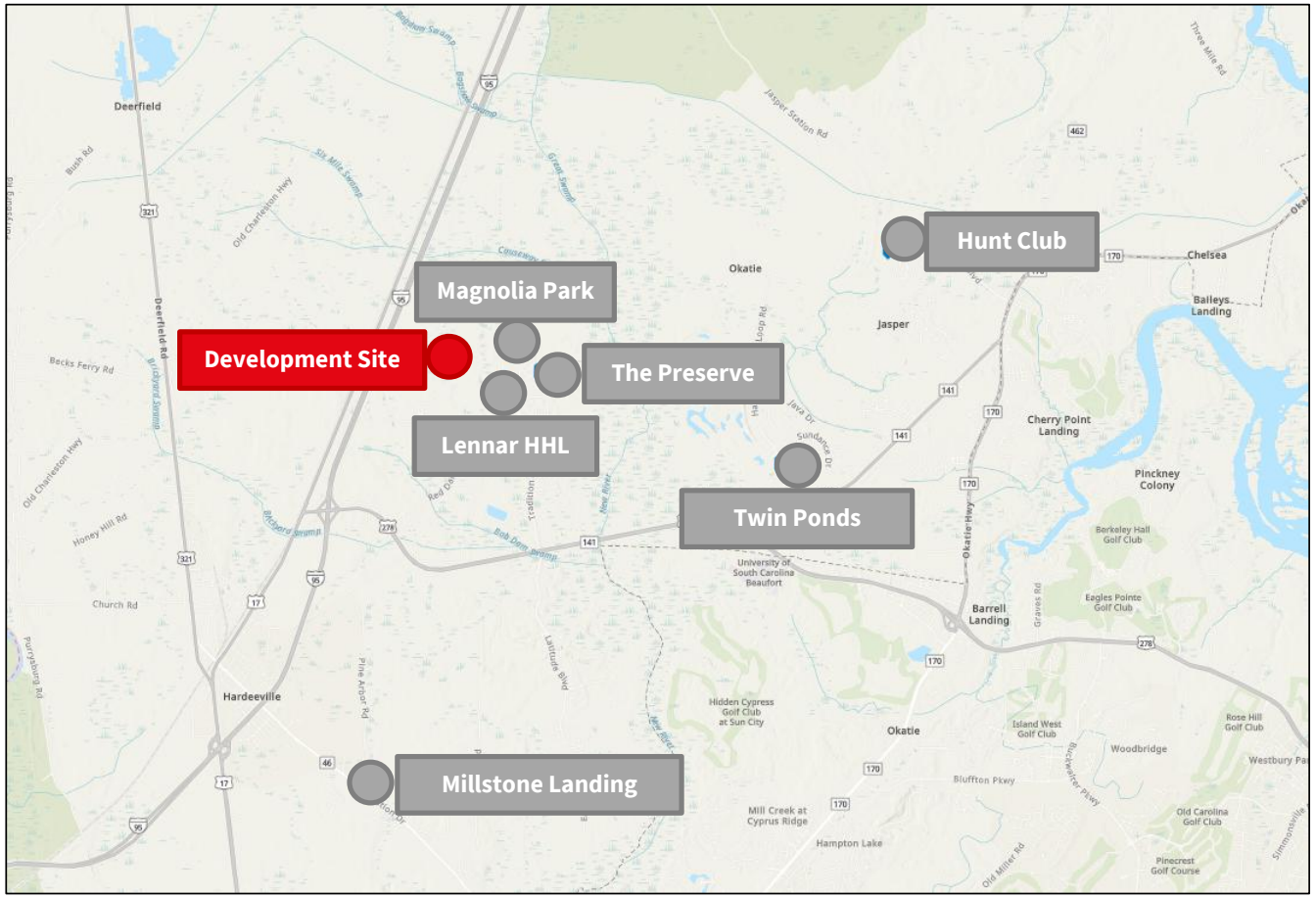
Achievable Pricing

In this section we will determine achievable pricing for the four (4) neighborhood pods: H-1 (386 non-age restricted single-family homes), H-2 (168 non-age restricted townhomes), F-3 (200 non-age restricted townhomes), and G (486 age restricted single-family homes).

Non-Age Restrict Single-Family

In order to first determine achievable pricing for the non-age restrict single-family homes, we researched and procured data on several notable subdivisions.

Element of Comparison	Comparable					
Property Name	Hunt Club	Magnolia Park	Twin Ponds	The Preserve	Millstone Landing	Hilton Head Lakes
City	Ridgeland	Hardeville	Hardeeville	Hardeeville	Hardeeville	Hardeeville
Year Built (Original)	2025	2024	2024	2024	2022	2017
# of Lots/Homes	63	11	150	244	91	41
# of Sales Since Jan-25	7	25	19	19	11	4
Lot Sizes (Acres)	0.17 to 0.22	0.10 to 0.51	0.12	0.14 to 0.19	0.10 to 0.15	0.15 to 0.94
Home Sizes (SF)	1,347 to 3,045	1,421 to 2,500	1,148 to 3,201	1,247 to 2,359	1,556 to 2,745	1,520 to 2,425
Home Prices	$339,990 to $479,990	$323,849 to $449,990	$279,900 to $434,780	$321,580 to $390,352	$310,200 to $398,000	$338,902 to $570,000
Home Prices PSF	$144 to $274	$152 to $259	$136 to $279	$148 to $268	$136 to $237	$169 to $267
HOA Dues / Monthly Fees	N/Av	N/Av	$46	$171	$40	$135
Miles from Subject	4.6	1.1	2.9	0.8	4.2	0.5



Location of Comparables | Non-Age Restricted Single-Family

Hunt Club

Hunt Club is a small, newer single-family neighborhood located near the island edge, offering detached homes in the 2,000–3,500 square foot range. The setting is wooded and quiet, with limited through traffic and a cohesive streetscape. Homes tend to have higher finish quality than inland developments of similar size, with porches, open interiors, and garage access.
Its scale and proximity to the island make it distinct among local offerings, serving buyers seeking newer construction in a close-in location rather than within a large, planned subdivision. The community's appeal lies in its accessibility to beaches, schools, and major retail corridors while maintaining a private, residential character. The neighborhood is part of the East Argent Planned Development District, positioned near primary access routes connecting to Bluffton and Hilton Head Island. While smaller in scale, it includes internal green space and a neighborhood pool, offering limited shared recreation without the size of a full master plan. The surrounding wooded buffers and proximity to commercial services make it a convenient infill location for residents seeking close-in new construction.

Magnolia Park

Magnolia Park features contemporary single-family homes arranged along curved streets and small internal lakes. Homes average between 1,500 and 2,500 square feet with open layouts, neutral interiors, and attached garages. The community includes sidewalks and landscaped common areas that create an organized, walkable environment. Among the comparable set, Magnolia Park offers a balance of newer home product and convenience, located near primary employment and retail areas. Its connection to surrounding infrastructure and its range of home sizes make it attractive for full-time residents seeking modern layouts and a consistent neighborhood setting. Magnolia Park lies within the West Argent PPD and benefits from its adjacency to the broader Hilton Head Lakes framework, giving residents access to nearby recreation, retail, and employment centers. The neighborhood includes internal walking paths, pocket parks, and access to small fishing ponds that contribute to its open character. Its placement within the regional growth area ensures continued infrastructure support and strong visibility along the corridor.

The Preserve

The Preserve is a recent single-family development planned around interior ponds and open space. Homes are moderately sized with efficient footprints and contemporary finishes. The layout emphasizes internal circulation with cul-de-sacs and green buffers, limiting traffic and creating a quiet residential atmosphere. Its strength within the comparable group is in accessibility and simplicity. The location allows direct connection to daily retail and services, while the straightforward design supports predictable ownership and steady market demand. The Preserve represents a standard new construction offering that performs reliably within the area's growth corridor. The Preserve is located inside the West Argent PPD, allowing it to share access to nearby trail systems and community open space established under the district plan. It includes a community pool, gathering lawn, and multiple retention ponds that provide water views throughout the neighborhood. The internal layout and consistent building setbacks reflect its coordination with adjoining planned development parcels.

Twin Ponds

Twin Ponds is a low-density community centered on open space and pond views. Homes range from smaller starter product to larger two-story plans, allowing a variety of price points within a uniform streetscape. Many homes back to water or wooded areas, giving the neighborhood a more open visual character than other nearby subdivisions. It distinguishes itself through land planning and setting rather than amenity structure. Twin Ponds attracts local buyers who prefer additional yard space and natural surroundings while remaining within reach of regional employment and shopping centers. Its mix of privacy and accessibility positions it as a practical and versatile new-home option. Twin Ponds is also positioned within the East Argent PPD and is notable for its low density relative to nearby subdivisions. It features two stocked fishing ponds, walking trails, and a small playground area that serve as focal points for residents.

Millstone Landing

Millstone Landing offers single-family homes with modern layouts and updated interiors at an attainable price point. Homes generally range from the mid-1,000s to upper-2,000s square feet, reflecting a mix of compact and family-oriented designs. The street pattern is straightforward and connected, with landscaped medians and sidewalks supporting a suburban character. The community's position along a key regional corridor provides strong connectivity to nearby schools, retail, and employment nodes. Within the comparable set, Millstone Landing stands out for its positioning value and access, appealing to working households seeking new construction without extended commute times. Millstone Landing sits along the western edge of the West Argent PPD and benefits from regional road improvements and utilities serving the broader corridor. The neighborhood incorporates small pocket parks and ponds, and future phases include planned recreation space. Its straightforward land plan and connection to major thoroughfares give it strong commuter access and consistent long-term functionality within the district.

Hilton Head Lakes

Hilton Head Lakes is the largest and most established community in the comparable group, incorporating a golf course, extensive lakes, and an organized trail network. Homes are offered across a broad range of sizes and price points, oriented to water or open-space views. The community plan integrates recreational areas and natural buffers that create a cohesive residential environment. Its scale and internal amenities set it apart from other nearby subdivisions. The combination of recreational features, lake frontage, and connectivity to the surrounding corridor make Hilton Head Lakes a benchmark for full master-planned design in the area, influencing buyer expectations and comparable pricing for newer development nearby. Hilton Head Lakes is one of the anchor communities within the West Argent PPD, encompassing both the golf-oriented North section and the lakefront South section. The plan integrates extensive recreational infrastructure, including a network of walking and biking trails, a large clubhouse, fishing lakes, and multiple community pools.

Amenity Comparison

Element of Comparison	Comparable					
Property Name	Hunt Club	Magnolia Park	The Preserve	Twin Ponds	Millstone Landing	Hilton Head Lakes
Unit Amenities						
Prog. Thermostat	Yes	Yes	Yes	Yes	Yes	Yes
W/D Connections	Yes	Yes	Yes	Yes	Yes	Yes
W/D Units	Yes	Yes	Yes	Yes	Yes	Yes
Appliance Package	Stainless	Stainless	Stainless	Stainless	Stainless	Stainless
Countertops	Quartz	Granite	Granite	Granite	Granite	Granite
Backsplash	Painted	Tile	Painted	Painted	Painted	Painted
Cabinetry	White	White	White	Espresso	Espresso	Light Grey
Flooring - Living / Dining	Wood-like	Wood-like	Wood-like	Wood-like	Wood-like	Wood-like
Flooring - Kitchen	Wood-like	Wood-like	Wood-like	Wood-like	Wood-like	Wood-like
Flooring - Bathroom	Tile	Tile	Tile	Tile	Tile	Tile
Flooring - Bedroom	Carpet	Carpet	Carpet	Carpet	Carpet	Carpet/Wood
Walk-In Closets	Yes	Yes	Yes	Yes	Yes	Yes
Shower / Bathtub	Shower/Tub	Shower/Tub	Shower/Tub	Shower/Tub	Shower	Shower
Private Yards	Yes	Yes	Yes	Yes	Yes	Yes

Element of Comparison	Comparable					
Property Name	Hunt Club	Magnolia Park	The Preserve	Twin Ponds	Millstone Landing	Hilton Head Lakes
Community Amenities						
Resident Clubhouse	Yes	Yes	Yes	Yes	-	Yes
Attached Garages	Yes	Yes	Yes	Yes	Yes	Yes
Conference Room	-	-	-	-	-	Yes
Game / Billiards Room	-	-	-	-	-	Yes
Golf Course	-	Access	-	-	-	Access
Fitness Center	-	Yes	-	-	-	Yes
Yoga Room / Spin Room	-	-	-	-	-	Yes
Swimming Pool / Spa	-	Resort-Style	Resort-Style	Resort-Style	-	Resort-Style
BBQ Grill Area(s)	Yes	Yes	Yes	Yes	-	Yes
Outdoor Fire Pit Area	-	-	-	-	-	Yes
Walking Trails	Yes	Yes	Yes	Yes	Yes	Yes
Playground				Yes	Yes	-

Summary of Adjustments

In order to analyze the comparables and ultimately determine achievable sale prices for the non-age single-family homes, we considered and applied the following adjustments.

Concessions/ Sale Conditions

- Concessions vary from sale to sale but are typically less than 10% of the overall sale price.
- No adverse sale conditions impacted the transactions utilized in our analysis.
- No adjustment is necessary.

Time of Sale

- We are utilizing base pricing or speculative homes for purposes of this analysis. No adjustments for time of sale are necessary.

Size/Type

- We are comparing similarly size units. However, an adjustment to account for differences in size is necessary.
- An adjustment to account for differences in the number of bedrooms and/or bathrooms is taken into account in our analysis.
- Applied adjustments are based on local market factors.

Year Built

- Each comparable receives an adjustment that will reflect a rent level typical of a newly constructed property (i.e., similar the proposed subject).

Lot Size

- An adjustment to account for differences in lot size is sometimes necessary.
- Applied adjustments are based on local market factors.

Parking

- The subject will include two-car unit-attached garages for each plan, which is also the case at each of the comparables.
- Applied adjustments are based on market factors.

Location

- Locational and/or economic differences (accessibility, visibility, immediately surrounding developments, and/or prevailing income levels and housing values) will be considered and adjustments will be applied if necessary.

Key Adjustments

Size (Square Footage)

In order to determine appropriate size adjustments, we procured and analyzed data from the selected comparables. The table shows variances in sale prices due to size for similar unit types (in terms of number of bedrooms and bathrooms) at the selected comparables.

Comparable	Bedrooms	Min Size	Max. Size	Diff.	Min Sale Price	Max Sale Price	Diff.	PSF Diff.
Hunt Club	Three Bedrooms	1,347	2,455	1,108	$339,990	$434,990	$95,000	$86
	Four Bedrooms	2,797	3,045	248	$429,990	$479,990	$50,000	$202
Magnolia Park	Three Bedrooms	1,421	2,297	876	$323,849	$399,990	$76,141	$87
	Four Bedrooms	1,853	2,500	647	$350,390	$449,990	$99,600	$154
The Preserve	Three Bedrooms	1,247	1,547	300	$323,389	$364,004	$40,615	$135
	Four Bedrooms	1,853	1,886	33	$321,580	$385,969	$64,389	$1,951*
	Five Bedrooms	2,358	2,359	1	$349,766	$390,352	$40,586	$40,568*
Twin Ponds	Three Bedrooms	1,148	2,260	1,112	$279,900	$420,090	$140,190	$126
	Four Bedrooms	1,772	2,635	863	$329,900	$433,141	$103,241	$120
	Five Bedrooms	2,621	3,201	580	$408,675	$434,780	$26,105	$45
Millstone Landing	Three Bedrooms	1,556	2,309	753	$310,200	$398,000	$87,800	$117
	Four Bedrooms	1,928	2,745	817	$335,200	$373,190	$37,990	$46
Hilton Head Lakes	Three Bedrooms	1,520	2,237	717	$338,902	$570,000	$231,098	$322
	Four Bedrooms	2,277	2,425	148	$385,000	$514,000	$129,000	$872*
Min								**$45**
Max								**$322**
Average								**$131**
Median								**$120**
JLL Conclusion								**$125**

- The overall home price differences per square foot range from $45 to $322 per square foot, with average and median figures of $131 and $120 per square foot.
- The home price differences denoted with an asterisk(*) are considered to be outliers and were excluded from the calculations.
- An adjustment equal to $125 per square foot in size difference variance will be applied for purposes of this analysis. Comparables with larger unit sizes will be adjusted downward, and smaller unit sizes will be adjusted upward.

Age / Quality / Condition

Each comparable receives an adjustment so that it will reflect a sale price level typical of a newly constructed property. The methodology employed in this analysis is based on a study performed by Marshall & Swift. The premise of this methodology is that depreciation is not linear and that the aging process is minimal at first and then accelerates as a property ages.

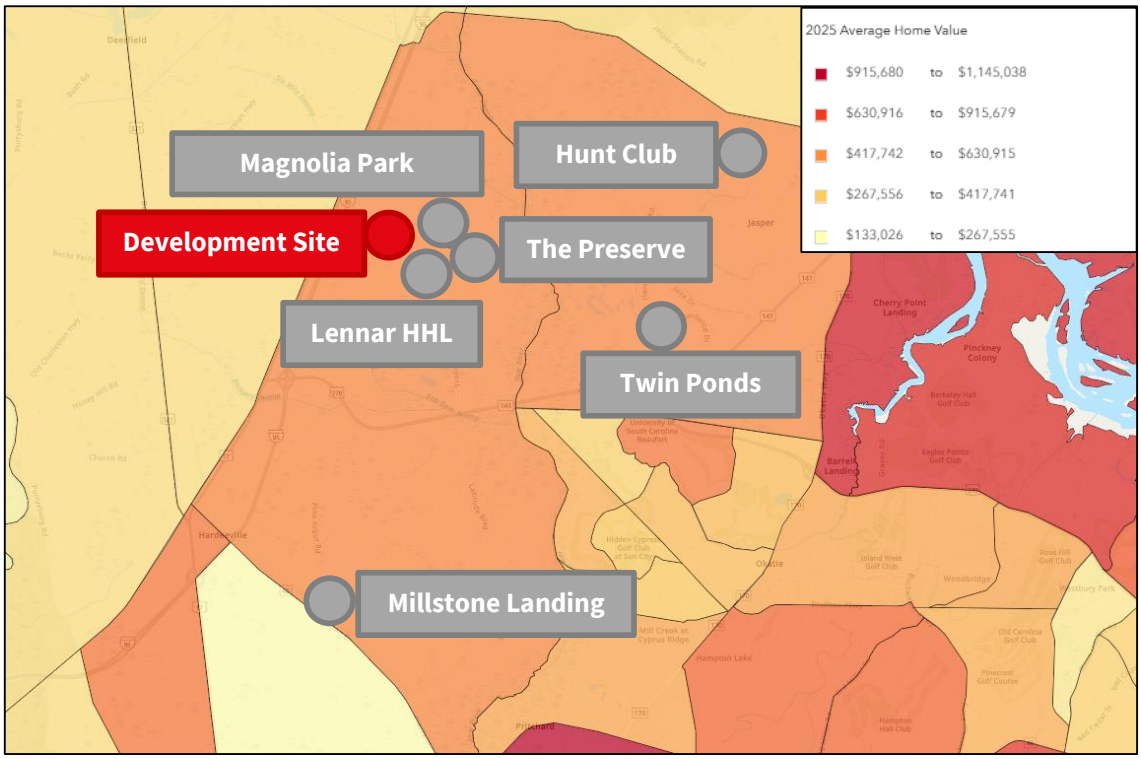
Comparable	Year Built	Effective Age	Difference	Adjustment
Hunt Club	2025	2025	0	0%
Magnolia Park	2024	2024	1	0%
The Preserve	2024	2024	1	0%
Twin Ponds	2024	2024	1	0%
Millstone Landing	2022	2022	3	1%
Hilton Head Lakes	2017	2017	8	5%

The comparables are each in good overall condition and range in year built from 2017 to 2025. With effective ages of 0 to 8 years, adjustments among the comparables range from 1% to 5%.

Location

In order to assess locational differences between the proposed development and comparables, we considered economic data from Esri specific to income levels for the areas and neighborhoods immediately surrounding each of the communities.

The area immediately surrounding the development site has average home values ranging from $417,742 to $630,915.



Each of the comparables are situated in relatively similar pockets of Hardeeville, with home values ranging from $417,742 to $630,915. In turn, no adjustments to are necessary.

Adjustment Grids

Adjustment grids for each subject unit type follow. In the grids, each subject unit is compared to the most similar unit for each comparable.

Comparable Adjustment Table For Single-Family Detached 3BR/2BA 1,500 SF

Item	Comparable					
Comparable Name	Hunt Club	Magnolia Park	Twin Ponds	The Preserve	Millstone Landing	Hilton Head Lakes
Unit Type	3BR/2BA	3BR/2BA	3BR/2BA	3BR/2BA	3BR/3BA	3BR/2BA
Size (Square Feet)	1,554	1,622	1,548	1,547	2,235	1,749
Sale Price	$359,990	$364,990	$364,900	$349,409	$418,072	$385,000
Adjustments						
Sale Conditions	$0	$0	$0	$0	$0	$0
Time of Sale	$0	$0	$0	$0	$0	$0
Type (Beds/Baths)	$0	$0	$0	$0	($10,000)	$0
Size	($6,750)	($15,250)	($6,000)	($5,875)	($91,875)	($31,125)
Year Built	2025 $0	2024 $0	2024 $0	2024 $0	2022 $4,181	2017 $19,250
Design/Amenities	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Parking	2-Car $0	2-Car $0	2-Car $0	2-Car $0	2-Car $0	2-Car $0
Location	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Adjusted Sale Price	$353,240	$349,740	$358,900	$343,534	$320,378	$373,125
Adjusted Sale Price PSF	$227	$216	$232	$222	$143	$213
Avg. Adj. Sale Price	$349,819					
Avg. Adj. Sale Price PSF	$209					
Sale Price Conclusion	**$350,000**					
Sale Price Conclusion PSF	**$233**					

The comparables' adjusted sale prices range between $320,378 and $373,125, or $143 to $232 per square foot, with a mean of $349,819, or $209 per square foot. Considering the adjusted figures, we conclude a sale price of $350,000, or $233 per square foot, to be achievable.

Comparable Adjustment Table For Single-Family Detached 3BR/2BA 1,750 SF

Item	Comparable					
Comparable Name	Hunt Club	Magnolia Park	Twin Ponds	The Preserve	Millstone Landing	Hilton Head Lakes
Unit Type	3BR/2BA	3BR/2BA	3BR/3BA	3BR/2BA	3BR/2.5BA	3BR/2BA
Size (Square Feet)	1,725	1,622	1,871	1,547	1,617	1,749
Sale Price	$404,990	$364,990	$374,000	$349,409	$323,215	$385,000
Adjustments						
Sale Conditions	$0	$0	$0	$0	$0	$0
Time of Sale	$0	$0	$0	$0	$0	$0
Type (Beds/Baths)	$0	$0	($10,000)	$0	($5,000)	$0
Size	$3,125	$16,000	($15,125)	$25,375	$16,625	$125
Year Built	2025 $0	2024 $0	2024 $0	2024 $0	2022 $3,232	2017 $19,250
Design/Amenities	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Parking	2-Car $0	2-Car $0	2-Car $0	2-Car $0	2-Car $0	2-Car $0
Location	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Adjusted Sale Price	$408,115	$380,990	$348,875	$374,784	$338,072	$404,375
Adjusted Sale Price PSF	$237	$235	$186	$242	$209	$231
Avg. Adj. Sale Price	$375,869					
Avg. Adj. Sale Price PSF	$223					
Sale Price Conclusion	**$375,000**					
Sale Price Conclusion PSF	**$214**					

The comparables' adjusted sale prices range between $338,072 and $408,115, or $186 to $237 per square foot, with a mean of $375,869, or $223 per square foot. Considering the adjusted figures, we conclude a sale price of $375,000, or $214 per square foot, to be achievable.

Comparable Adjustment Table For Single-Family Detached 4BR/3BA 2,250 SF

Item	Comparable					
Comparable Name	Hunt Club	Magnolia Park	Twin Ponds	The Preserve	Millstone Landing	Hilton Head Lakes
Unit Type	4BR/4BA	4BR/3BA	4BR/3BA	4BR/2BA	4BR/2.5BA	4BR/3BA
Size (Square Feet)	2,797	2,500	2,241	1,886	1,928	2,277
Sale Price	$449,990	$415,990	$403,900	$385,969	$342,370	$385,000
Adjustments						
Sale Conditions	$0	$0	$0	$0	$0	$0
Time of Sale	$0	$0	$0	$0	$0	$0
Type (Beds/Baths)	($10,000)	$0	$0	$10,000	$5,000	$0
Size	($68,375)	($31,250)	$1,125	$45,500	$40,250	($3,375)
Year Built	2025 $0	2024 $0	2024 $0	2024 $0	2022 $3,424	2017 $19,250
Design/Amenities	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Parking	2-Car $0	2-Car $0	2-Car $0	2-Car $0	2-Car $0	2-Car $0
Location	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Adjusted Sale Price	$371,615	$384,740	$405,025	$441,469	$391,044	$400,875
Adjusted Sale Price PSF	$133	$154	$181	$234	$203	$176
Avg. Adj. Sale Price	$399,128					
Avg. Adj. Sale Price PSF	$180					
Sale Price Conclusion	**$400,000**					
Sale Price Conclusion PSF	**$178**					

The comparables' adjusted sale prices range between $371,615 and $441,469, or $133 to $234 per square foot, with a mean of $399,128, or $180 per square foot. Considering the adjusted figures, we conclude a sale price of $400,000, or $178 per square foot, to be achievable.

Comparable Adjustment Table For Single-Family Detached 4BR/3BA 2,500 SF

Item	Comparable					
Comparable Name	Hunt Club	Magnolia Park	Twin Ponds	The Preserve	Millstone Landing	Hilton Head Lakes
Unit Type	4BR/4BA	4BR/3BA	4BR/4BA	4BR/2BA	4BR/2.5BA	4BR/3BA
Size (Square Feet)	2,797	2,500	2,635	1,886	1,928	2,277
Sale Price	$449,990	$415,990	$433,141	$385,969	$342,370	$385,000
Adjustments						
Sale Conditions	$0	$0	$0	$0	$0	$0
Time of Sale	$0	$0	$0	$0	$0	$0
HOA Dues	$0	$0	$0	$0	$0	$0
Type (Beds/Baths)	($10,000)	$0	($10,000)	$10,000	$5,000	$0
Size	($37,125)	$0	($16,875)	$76,750	$71,500	$27,875
Year Built	2025 $0	2024 $0	2024 $0	2024 $0	2022 $3,424	2017 $19,250
Design/Amenities	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Parking	2-Car $0	2-Car $0	2-Car $0	2-Car $0	2-Car $0	2-Car $0
Location	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Adjusted Sale Price	$402,865	$415,990	$406,266	$472,719	$422,294	$432,125
Adjusted Sale Price PSF	$144	$166	$154	$251	$219	$190
Avg. Adj. Sale Price	$425,376					
Avg. Adj. Sale Price PSF	$187					
Sale Price Conclusion	**$425,000**					
Sale Price Conclusion PSF	**$170**					

The comparables' adjusted sale prices range between $402,865 and $472,719, or $144 to $251 per square foot, with a mean of $425,376, or $187 per square foot. Considering the adjusted figures, we conclude a sale price of $425,000, or $170 per square foot, to be achievable.

Achievable Sale Prices | Non-Age Restricted Single-Family

Our concluded achievable sale prices for the non-age restricted single-family homes are as follows.

Unit Type	Square Feet	Number of Units	Recommended Pricing	Recommended Pricing PSF	Gross Sales Revenue
3BR/2BA	1,500	77	$350,000	$233	$27,020,000
3BR/2BA	1,750	116	$375,000	$214	$43,425,000
4BR/3BA	2,250	116	$400,000	$178	$46,320,000
4BR/3BA	2,500	77	$425,000	$170	$32,810,000
Totals / Averages	**2,000**	**386**	**$387,500**	**$194**	**$149,575,000**

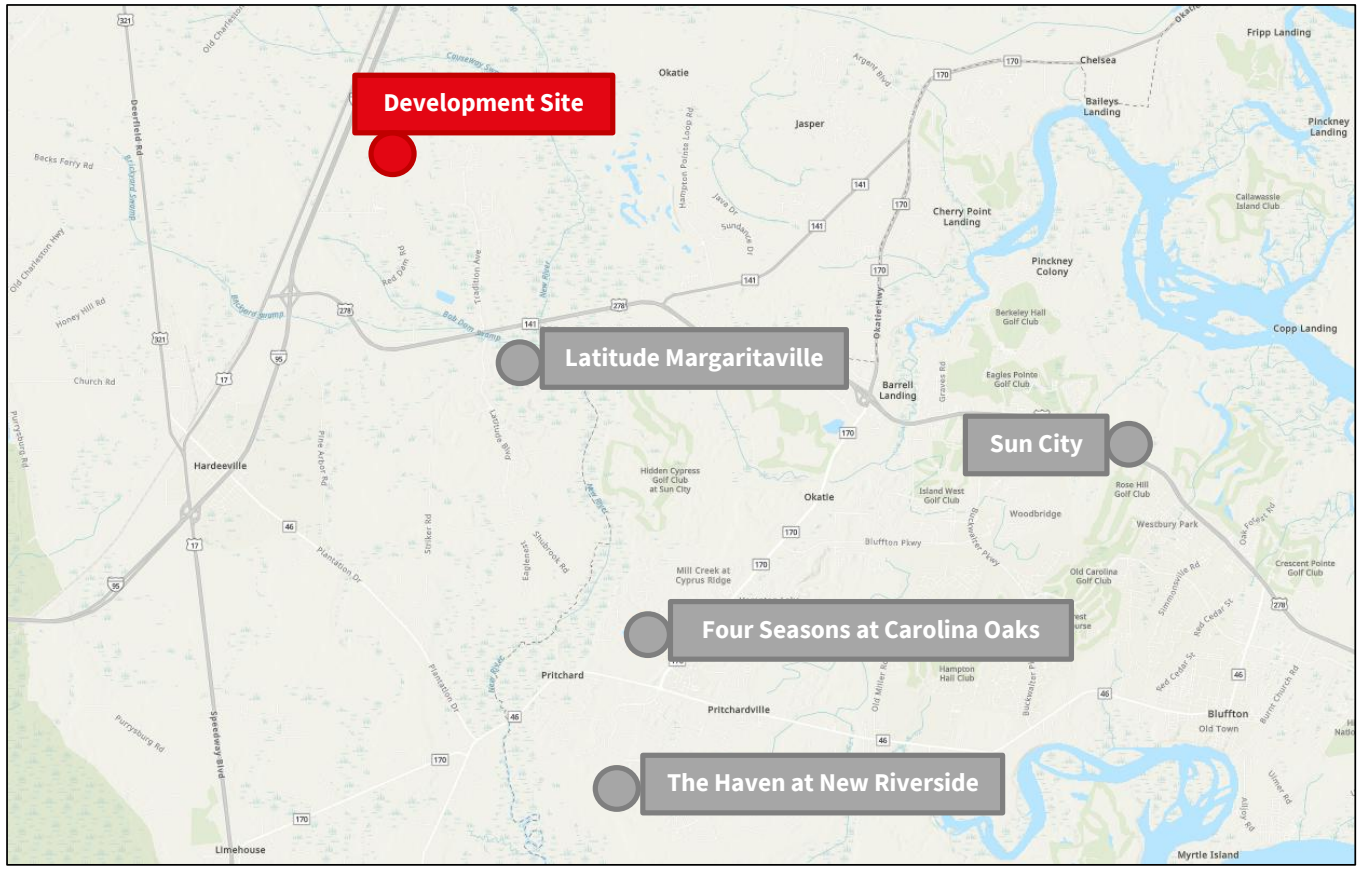
- The concluded achievable sales prices for the non-age restricted single-family homes range from $350,000 to $425,000, or $170 to $233 per square foot, with an overall average of $387,500, or $194 per square foot.

- With a total of 386 homes, the gross sales revenue would equate to $149,575,000.

Age Restricted Single-Family

In order to determine achievable pricing for the age restricted single-family homes, we researched and procured data on several notable subdivisions.

Element of Comparison	Comparable			
Property Name	Sun City	Four Seasons at Carolina Oaks	Latitude Margaritaville	The Haven at New Riverside
City	Bluffton	Bluffton	Hardeevill	Bluffton
Year Built (Original)	2025	2020	2018	2007
# of Lots/Homes	77	560	2600	500
# of Sales Since Jan-25	7	33	520	25
Lot Sizes (Acres)	0.10 to 0.13	0.17 to 0.25	0.09 to 0.16	0.21 to 0.45
Home Sizes (SF)	1,345 to 2,240	1,689 to 3,369	1,321 to 3,406	1,650 to 3,269
Home Prices	$355,990 to $676,990	$442,990 to $725,160	$314,812 to $875,000	$475,000 to $825,000
Home Prices PSF	$257 to $349	$181 to $299	$142 to $352	$200 to $323
HOA Dues / Monthly Fees	$224	$240	$343	$254
Miles from Subject	4.1	5.4	1.3	7.0



Location of Comparables | Age Restricted Single-Family

Sun City Hilton Head

Sun City Hilton Head is a large-scale, age-restricted community spanning multiple phases across Beaufort and Jasper counties. Development began in the mid-1990s and continues through new expansions on the western side of the property. The community includes a mix of single-family homes and villas ranging widely in size, reflecting over two decades of incremental build-out. Amenities are extensive, with multiple clubhouses, three golf courses, indoor and outdoor pools, fitness facilities, and recreation fields. The scale allows for structured programming and maintenance, while newer sections feature updated home designs consistent with current buyer preferences. Sun City functions as the region's primary active-adult anchor, setting the benchmark for age-restricted development in the Hilton Head market.

Four Seasons at Carolina Oaks

Four Seasons at Carolina Oaks is an active-adult community under continued build-out, with several phases completed since initial development began around 2020. Homes are single-family detached product averaging between 1,300 and 3,000 square feet and designed for single-level living with optional lofts. The community is gated and includes landscaped open areas and internal trail connections. Planned amenities include a clubhouse with pool, fitness area, and activity rooms, along with pickleball and tennis courts. The neighborhood's appeal lies in its smaller scale relative to Sun City and its modern construction standards. As a newer entrant to the age-restricted segment, it adds contemporary inventory to a submarket dominated by more established developments.

The Haven at New Riverside

The Haven at New Riverside is a completed age-restricted community of roughly 500 homes situated along wooded and lagoon parcels west of Bluffton. Development occurred in two main phases through the late 2000s and early 2010s, with single-story homes designed for low-maintenance living. The neighborhood's layout emphasizes privacy, with cul-de-sacs and green space throughout. On-site amenities include a clubhouse, pool, and courts for tennis, pickleball, and bocce, supported by a modest network of walking paths. The Haven remains smaller and quieter than larger active-adult projects in the region, catering to residents seeking limited scale and a natural setting while still maintaining access to surrounding services and retail corridors.

Latitude Margaritaville

Latitude Margaritaville Hilton Head is a large-scale age-restricted community planned for approximately 3,000 homes, located just west of Hilton Head Island with convenient access to U.S. 278 and surrounding coastal corridors. The community opened in 2018 and continues to deliver new neighborhoods in sequential phases, offering single-story, low-maintenance homes designed for active-adult living. The master plan emphasizes a resort-style environment with interconnected green spaces, lakes, and walking paths that organize the residential enclaves and amenity cores. On-site amenities include a central clubhouse complex, resort-style pool, fitness center, pickleball courts, restaurant and bar venues, and dedicated spaces for social programming and community events. Margaritaville Hilton Head functions at a significantly larger scale than other 55+ communities in the region, appealing to residents seeking robust amenities, an active lifestyle setting, and proximity to Hilton Head's retail, healthcare, and leisure destinations while maintaining manageable connections to the broader Lowcountry region.

Key Amenities

Element of Comparison	Comparable			
Property Name	Sun City	Four Seasons at Carolina Oaks	The Haven at New Riverside	Latitude Margaritaville
Unit Amenities				
Prog. Thermostat	Yes	Yes	Yes	Yes
W/D Connections	Yes	Yes	Yes	Yes
W/D Units	Yes	Yes	Yes	Yes
Appliance Package	Stainless	Stainless	Stainless	Stainless
Countertops	Quartz	Quartz	Granite	Quartz
Backsplash	Tile	Tile	Tile	Tile
Cabinetry	White	White/Navy	Espresso	Natural
Flooring - Living / Dining	Wood-like	Wood-like	Wood-like	Wood-like
Flooring - Kitchen	Wood-like	Wood-like	Wood-like	Wood-like
Flooring - Bathroom	Tile	Tile	Tile	Tile
Flooring - Bedroom	Carpet	Carpet	Carpet	Wood-like
Walk-In Closets	Yes	Yes	Yes	Yes
Shower / Bathtub	Shower/Tub	Shower/Tub	Shower/Tub	Shower/Tub
Private Yards	Yes	Yes	Yes	Yes

Element of Comparison	Comparable			
Property Name	Sun City	Four Seasons at Carolina Oaks	The Haven at New Riverside	Latitude Margaritaville
Community Amenities				
Resident Clubhouse	Yes	Yes	Yes	Yes
Attached Garages	Yes	Yes	Yes	Yes
Conference Room	Yes	Yes	Yes	Yes
Game / Billiards Room	Yes	Yes	-	Yes
Golf Course	Yes	-	-	Yes
Fitness Center	Yes	Yes	Yes	Yes
Yoga Room / Spin Room	Yes	Yes	Yes	Yes
Swimming Pool / Spa	Resort-Style	Resort-Style	Resort-Style	Resort-Style
BBQ Grill Area(s)	Yes	Yes	Yes	Yes
Outdoor Fire Pit Area	Yes	Yes	Yes	Yes
Walking Trails	Yes	Yes	Yes	Yes

Summary of Adjustments

In order to analyze the comparables and determine achievable sale prices for the age restricted single-family homes, we considered and applied the following adjustments.

Concessions/ Sale Conditions

- Concessions vary from sale to sale but are typically less than 10% of the overall sale price.
- No adverse sale conditions impacted the transactions utilized in our analysis.
- No adjustment is necessary.

Time of Sale

- We are utilizing base pricing or speculative homes for purposes of this analysis. No adjustments for time of sale are necessary.

Size/Type

- We are comparing similarly size units. However, an adjustment to account for differences in size is necessary.
- An adjustment to account for differences in the number of bedrooms and/or bathrooms is taken into account in our analysis.
- Applied adjustments are based on local market factors.

Year Built

- Each comparable receives an adjustment that will reflect a rent level typical of a newly constructed property (i.e., similar the proposed subject).

Lot Size

- An adjustment to account for differences in lot size is sometimes necessary.
- Applied adjustments are based on local market factors.

Parking

- The subject will include two-car unit-attached garages for each plan, which is also the case at each of the comparables.
- Applied adjustments are based on market factors.

Location

- Locational and/or economic differences (accessibility, visibility, immediately surrounding developments, and/or prevailing income levels and housing values) will be considered and adjustments will be applied if necessary.

Key Adjustments

Size (Square Footage)

In order to determine appropriate size adjustments, we procured and analyzed data from the selected comparables. The table shows variances in sale prices due to size for similar unit types (in terms of number of bedrooms and bathrooms) at the selected comparables.

Comparable	Bedrooms	Min Size	Max. Size	Diff.	Min Sale Price	Max Sale Price	Diff.	PSF Diff.
Sun City	Two Bedrooms	1,345	2,240	895	$355,990	$676,990	$321,000	$359
Four Seasons at Carolina Oaks	Two Bedrooms	1,689	2,662	973	$442,990	$639,900	$196,910	$202
	Three Bedrooms	2,080	3,369	1,289	$497,990	$725,160	$227,170	$176
	Four Bedrooms	3,283	3,283	n.a.	$670,000	$670,000	n.a.	n.a.
The Haven at New Riverside	Two Bedrooms	1,650	1,879	229	$369,900	$434,780	$64,880	$283
	Three Bedrooms	1,866	3,269	1,403	$475,000	$825,000	$350,000	$249
Latitude Margaritaville	Two Bedrooms	1,321	3,205	1,884	$314,812	$685,000	$370,188	$196
	Three Bedrooms	1,862	3,406	1,544	$464,490	$875,000	$410,510	$266
Min								**$176**
Max								**$359**
Average								**$247**
Median								**$249**
JLL Conclusion								**$250**

- The overall home price differences per square foot range from $176 to $359 per square foot, with average and median figures of $247 and $249 per square foot.

- An adjustment equal to $250 per square foot in size difference variance will be applied for purposes of this analysis. Comparables with larger unit sizes will be adjusted downward, and smaller unit sizes will be adjusted upward.

Age / Quality / Condition

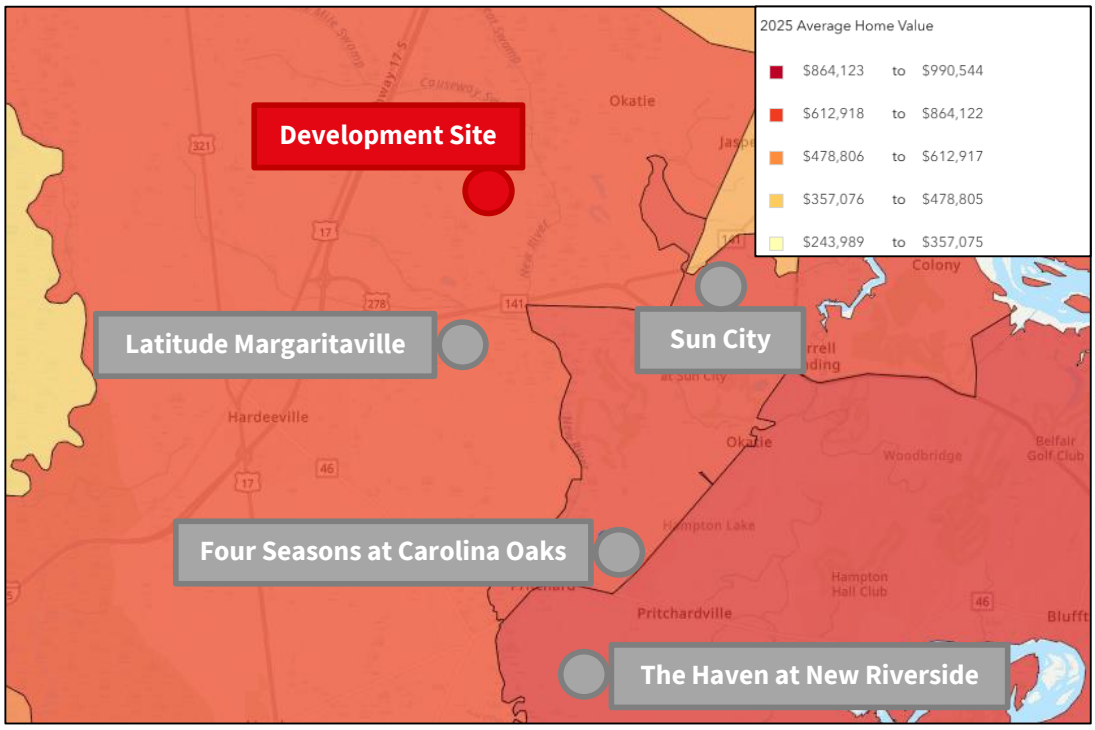
Each comparable receives an adjustment so that it will reflect a sale price level typical of a newly constructed property. The methodology employed in this analysis is based on a study performed by Marshall & Swift. The premise of this methodology is that depreciation is not linear and that the aging process is minimal at first and then accelerates as a property ages.

Comparable	Year Built	Effective Age	Difference	Adjustment
Sun City	2025	2025	0	0%
Four Seasons at Carolina Oaks	2020	2020	5	3%
Latitude Margaritaville	2018	2018	7	4%
The Haven at New Riverside	2007	2007	18	14%

The comparables are each in good overall condition and range in year built from 2007 to 2025. With effective ages of 0 to 18 years, adjustments among the comparables range from 1% to 14%.

Location

In order to assess locational differences between the proposed development and comparables, we considered economic data from Esri specific to income levels for the areas and neighborhoods immediately surrounding each of the communities. The area immediately surrounding the proposed development site has average home values ranging from $353,684 to $550,151.



Four Seasons at Carolina Oaks, The Haven at New Riverside, Latitude Margaritaville, and Sun City are each situated in relatively similar pockets of Bluffton and Hardeeville, with home values ranging from $478,806 to $864,122. In turn, no adjustments to these comparables are necessary.

Adjustment Grids

Adjustment grids for each subject unit type follow. In the grids, each subject unit is compared to the most similar unit for each comparable.

Comparable Adjustment Table For Age Restricted 2BR/2BA 1,500 SF

Item	Comparable			
Comparable Name	Sun City	Four Seasons at Carolina Oaks	The Haven at New Riverside	Latitude Margaritaville
Unit Type	2BR/2BA	2BR/2BA	2BR/2BA	2BR/2BA
Size (Square Feet)	1,600	1,689	1,696	1,558
Sale Price	$538,990	$504,990	$500,000	$529,900
Adjustments				
Sale Conditions	$0	$0	$0	$0
Time of Sale	$0	$0	$0	$0
Type (Beds)	$0	$0	$0	$0
Size	($25,000)	($47,250)	($49,000)	($14,500)
Year Built	2025 $0	2022 $5,050	2010 $55,000	2023 $5,299
Design/Amenities	Sim. $0	Sim. $0	Sim. $0	Sup. ($26,495)
Parking	2-Car $0	2-Car $0	2-Car $0	2-Car $0
Location	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Adjusted Sale Price	$513,990	$462,790	$506,000	$494,204
Adjusted Sale Price PSF	$321	$274	$298	$317
Avg. Adj. Sale Price	$494,246			
Avg. Adj. Sale Price PSF	$303			
Sale Price Conclusion	**$500,000**			
Sale Price Conclusion PSF	**$333**			

The comparables' adjusted sale prices range between $462,790 and $513,990, or $274 to $321 per square foot, with a mean of $494,246, or $303 per square foot. Considering the adjusted figures, we conclude a sale price of $500,000, or $333 per square foot, to be achievable.

Comparable Adjustment Table For Age Restricted 3BR/2BA 2,000 SF

Item	Comparable			
Comparable Name	Sun City	Four Seasons at Carolina Oaks	The Haven at New Riverside	Latitude Margaritaville
Unit Type	2BR/2BA	3BR/2BA	3BR/2BA	3BR/2BA
Size (Square Feet)	1,987	2,080	1,904	1,865
Sale Price	$594,990	$569,900	$550,000	$595,000
Adjustments				
Sale Conditions	$0	$0	$0	$0
Time of Sale	$0	$0	$0	$0
Type (Beds)	$25,000	$0	$0	$0
Size	$3,250	($20,000)	$24,000	$33,750
Year Built	2025 $0	2022 $5,699	2007 $77,000	2024 $0
Design/Amenities	Sim. $0	Sim. $0	Sim. $0	Sup. ($29,750)
Parking	2-Car $0	2-Car $0	2-Car $0	2-Car $0
Location	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Adjusted Sale Price	$623,240	$555,599	$651,000	$599,000
Adjusted Sale Price PSF	$314	$267	$342	$321
Avg. Adj. Sale Price	$607,210			
Avg. Adj. Sale Price PSF	$311			
Sale Price Conclusion	**$615,000**			
Sale Price Conclusion PSF	**$308**			

The comparables' adjusted sale prices range between $555,599 and $651,000, or $267 to $342 per square foot, with a mean of $607,210, or $311 per square foot. Considering the adjusted figures, we conclude a sale price of $615,000, or $308 per square foot, to be achievable.

Comparable Adjustment Table For Age Restricted 3BR/3BA 2,500 SF

Item	Comparable			
Comparable Name	Sun City	Four Seasons at Carolina Oaks	The Haven at New Riverside	Latitude Margaritaville
Unit Type	2BR/2BA	3BR/3BA	3BR/3BA	3BR/3BA
Size (Square Feet)	1,987	2,450	2,414	2,353
Sale Price	$594,990	$626,900	$535,000	$623,629
Adjustments				
Sale Conditions	$0	$0	$0	$0
Time of Sale	$0	$0	$0	$0
Type (Beds)	$25,000	$0	$0	$0
Size	$128,250	$12,500	$21,500	$36,750
Year Built	2025 $0	2020 $18,807	2013 $42,800	2023 $6,236
Design/Amenities	Sim. $0	Sim. $0	Sim. $0	Sup. ($31,181)
Parking	2-Car $0	2-Car $0	2-Car $0	2-Car $0
Location	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Adjusted Sale Price	$748,240	$658,207	$599,300	$635,434
Adjusted Sale Price PSF	$377	$269	$248	$270
Avg. Adj. Sale Price	$660,295			
Avg. Adj. Sale Price PSF	$291			
Sale Price Conclusion	**$665,000**			
Sale Price Conclusion PSF	**$266**			

The comparables' adjusted sale prices range between $599,300 and $748,240, or $248 to $377 per square foot, with a mean of $660,295, or $291 per square foot. Considering the adjusted figures, we conclude a sale price of $665,000, or $266 per square foot, to be achievable.

Achievable Sale Prices | Age Restricted Single-Family

Our concluded achievable sale prices for the age restricted single-family homes are as follows.

Unit Type	Square Feet	Number of Units	Recommended Pricing	Recommended Pricing PSF	Gross Sales Revenue
2BR/2BA	1,500	267	$500,000	$333	$133,650,000
3BR/2BA	2,000	194	$615,000	$308	$119,556,000
3BR/3BA	2,500	24	$665,000	$266	$16,159,500
Totals / Averages	**1,750**	**486**	**$554,250**	**$317**	**$269,365,500**

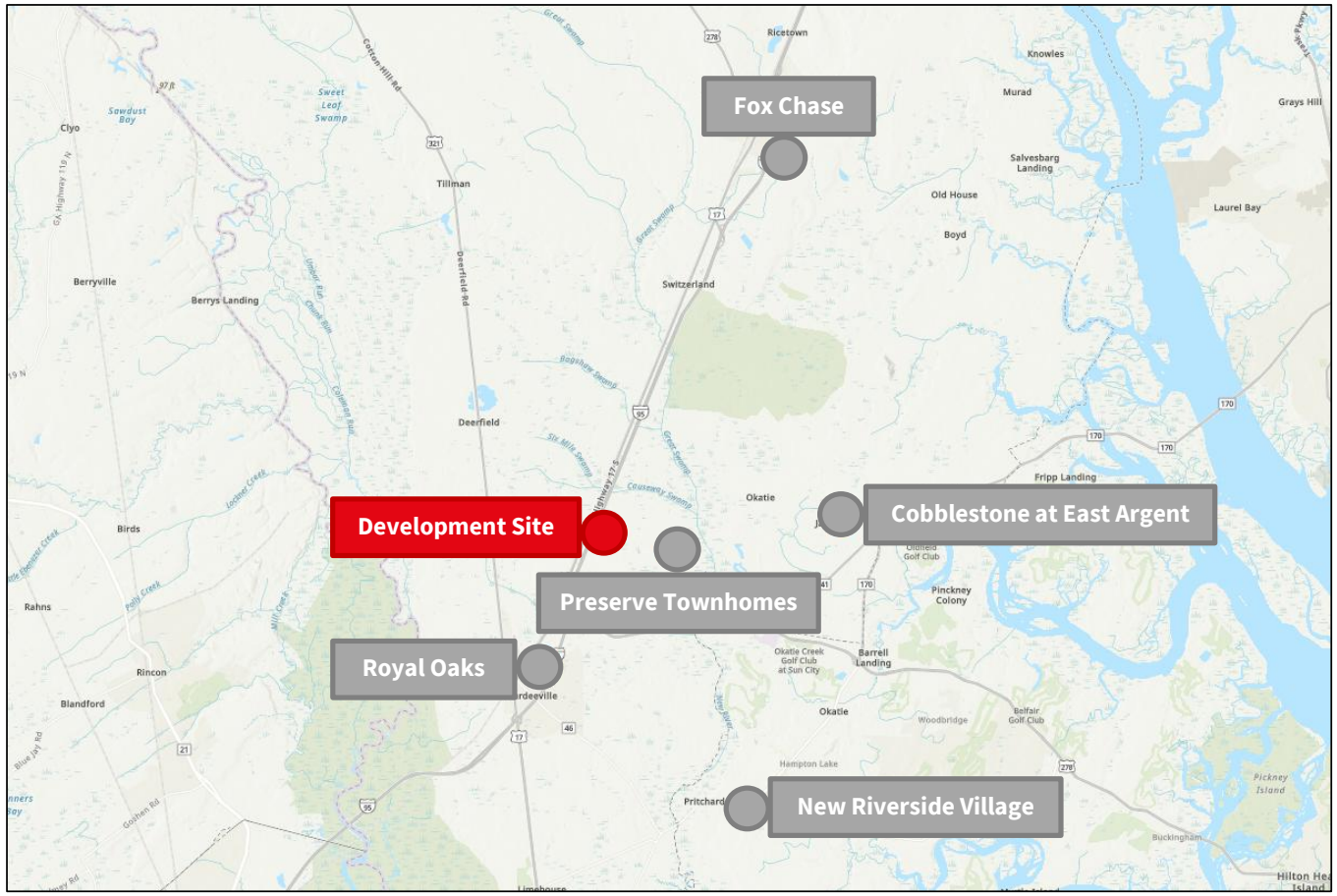
- The concluded achievable sales prices for the age restricted single-family homes range from $500,000 to $665,000, or $266 to $333 per square foot, with an overall average of $554,250, or $317 per square foot.

- With a total of 486 homes, the gross sales revenue would equate to $269,365,500.

Non-Age Restricted Townhomes

In order to determine achievable pricing for the non-age restricted townhomes, we researched and procured data on several notable subdivisions.

Element of Comparison	Comparable				
Property Name	The Preserve THs	Cobblestone at East Argent	Royal Oaks by Forino	New Riverside Village	Fox Chase
City	Hardeeville	Hardeeville	Hardeeville	Bluffton	Ridgeland
Year Built (Original)	2025	2025	2025	2024	2023
# of Lots/Homes	91	174	219	58	183
# of Sales Since Jan-25	2	0	14	21	13
Lot Sizes (Acres)	0.15	0.19	0.08	0.04	0.08
Home Sizes (SF)	1,437 to 1,965	1,628 to 1,628	1,779 to 2,070	1,906 to 2,198	1,675 to 1,785
Home Prices	$278,990 to $289,990	$299,990 to $349,920	$325,000 to $354,990	$448,990 to $504,990	$299,000 to $299,999
Home Prices PSF	$148 to $349	$184 to $215	$168 to $183	$209 to $249	$168 to $179
HOA Dues / Monthly Fees	$171	N/Av	$135	N/Av	$135
Miles from Subject	0.8	4.7	3.3	6.2	12.3



Location of Comparables | Non-Age Restricted Townhomes

The Preserve Townhomes

The Preserve Townhomes are an attached section within The Preserve, arranged along interior streets that border ponds and landscaped open space. Buildings are two stories with garage access, consistent rooflines, and neutral color palettes that mirror the single-family portion of the neighborhood. The scale remains moderate, with short clusters of buildings connected by sidewalks and limited traffic circulation. Homes back to water features or open space, providing variation within a compact footprint. The townhomes extend the same overall layout as the detached section, offering an ownership option suited to smaller households and long-term residents who prefer reduced maintenance. Their position near the neighborhood's central pool and green areas allows easy access to shared recreation. The Preserve is located within the West Argent PPD and includes neighborhood ponds, trails, and a pool as part of its larger community framework.

Cobblestone at East Argent

Cobblestone at East Argent is a townhome community within the East Argent district featuring attached buildings organized around internal ponds and landscaped corridors. Rows of two-story homes line sidewalks and short internal streets, giving the neighborhood a consistent and orderly appearance. The architecture is simple and cohesive, with porches and neutral exterior materials reflecting Lowcountry design themes common in the area. Several buildings are situated along pond edges that provide limited rear setbacks but improved views. Its location within East Argent allows direct connection to nearby single-family neighborhoods, regional roadways, and schools. The setting benefits from adjacency to planned retail and open space within the larger district. Cobblestone's townhomes provide a middle option for residents seeking new construction and community access without the scale or pricing of detached development. The community is part of the East Argent PPD and includes ponds, internal walking routes, and maintained green space.

Royal Oaks

Royal Oaks consists of attached townhomes located in Hardeeville's central corridor near existing city services and employment areas. Buildings are arranged in small groups along a connected street grid, and homes feature attached garages with modest front setbacks. The site plan maintains a neighborhood scale while incorporating open lawns and stormwater ponds along the perimeter. The consistent building design and proximity to public recreation create a cohesive environment that ties into the city's broader residential fabric.

The location provides immediate access to schools, the municipal recreation complex, and nearby shopping, allowing residents to rely less on long regional commutes. Royal Oaks represents one of the area's newer in-town attached options and appeals to residents seeking convenient, lower-intensity housing near daily services.

New Riverside Village

Townhomes at New Riverside Village are part of a mixed-use setting anchored by local retail, civic space, and community parks. Homes are two stories with garages and small porches, positioned along interconnected streets.The layout integrates sidewalks, tree-lined blocks, and open greens, creating a compact street grid that blends residential and commercial uses. Buildings are arranged in consistent rows that face shared green areas or internal drives. The townhomes are located near schools and shopping, offering residents day-to-day convenience without the larger HOA framework of nearby master-planned neighborhoods. The proximity to the New Riverside commercial core and Bluffton Parkway provides short drive times to major employment nodes. The setting appeals to residents who value walkability and access to services within an established regional corridor.

Fox Chase

Fox Chase is a townhome community located in the Ridgeland area near the I-95 interchange, developed to serve regional commuters and local residents seeking new housing near transportation routes. Homes are grouped in short clusters with attached garages and small rear yards, and the plan includes internal ponds, sidewalks, and open lawns. The neighborhood's perimeter buffers provide a separation from nearby roadways, giving the community a quieter interior feel despite its highway proximity. Community recreation is modest but functional, with a small pool, walking trail connections, and a central pond used as both a visual feature and a drainage component. The setting provides strong access to employment centers in Bluffton, Savannah, and Beaufort County while maintaining lower density than larger projects in the corridor. Fox Chase's layout and accessibility position it as a practical attached option within the regional commuter belt.

Key Amenities

Element of Comparison	Comparable				
Property Name	The Preserve Townhomes	Cobblestone at East Argent	Royal Oaks	New Riverside Village	Twin Ponds
Unit Amenities					
Prog. Thermostat	Yes	Yes	Yes	Yes	Yes
W/D Connections	Yes	Yes	Yes	Yes	Yes
W/D Units	Yes	Yes	Yes	Yes	Yes
Appliance Package	Stainless	Stainless	Stainless	Stainless	Stainless
Countertops	Granite	Granite	Granite	Quartz	Granite
Backsplash	Painted	Painted	Painted	Tile	Painted
Cabinetry	White	White	Espresso	White	Tan
Flooring - Living / Dining	Wood-like	Grey	Wood-like	Wood-like	Wood-like
Flooring - Kitchen	Wood-like	Wood-like	Wood-like	Wood-like	Wood-like
Flooring - Bathroom	Tile	Vinyl	Vinyl	Tile	Vinyl
Flooring - Bedroom	Carpet	Carpet	Carpet	Carpet	Carpet
Walk-In Closets	Yes	Yes	Yes	Yes	Yes
Shower / Bathtub	Shower/Tub	Shower/Tub	Shower/Tub	Shower/Tub	Shower/Tub
Private Yards	Yes	Yes	Yes	Yes	Yes

Element of Comparison	Comparable				
Property Name	The Preserve Townhomes	Cobblestone at East Argent	Royal Oaks	New Riverside Village	Twin Ponds
Community Amenities					
Resident Clubhouse	Yes	-	Yes	Yes	Yes
Attached Garages	Yes	Yes	Yes	Yes	Yes
Conference Room	-	-	-	-	-
Game / Billiards Room	-	-	-	-	-
Golf Course	-	-	-	-	-
Fitness Center	-	-	-	-	-
Yoga Room / Spin Room	-	-	-	-	-
Swimming Pool / Spa	Resort-Style	-	Resort-Style	-	-
BBQ Grill Area(s)	Yes	-	-	-	-
Outdoor Fire Pit Area	-	-	-	-	-
Walking Trails	Yes	Yes	-	-	Yes
Playground	-	-	Yes	Yes	Yes

Summary of Adjustments

In order to analyze the comparables and ultimately determine achievable sale prices for the non-age restricted townhomes, we considered and applied the following adjustments.

Concessions/ Sale Conditions
- Concessions vary from sale to sale but are typically less than 10% of the overall sale price.
- No adverse sale conditions impacted the transactions utilized in our analysis.
- No adjustment is necessary.

Time of Sale
- We are utilizing base pricing or speculative homes for purposes of this analysis. No adjustments for time of sale are necessary.

Size/Type
- We are comparing similarly size units. However, an adjustment to account for differences in size is necessary.
- An adjustment to account for differences in the number of bedrooms and/or bathrooms is taken into account in our analysis.
- Applied adjustments are based on local market factors.

Year Built
- Each comparable receives an adjustment that will reflect a rent level typical of a newly constructed property (i.e., similar the proposed subject).

Lot Size
- An adjustment to account for differences in lot size is sometimes necessary.
- Applied adjustments are based on local market factors.

Parking
- The subject will include two-car unit-attached garages for each plan, which is also the case at each of the comparables.
- Applied adjustments are based on market factors.

Location
- Locational and/or economic differences (accessibility, visibility, immediately surrounding developments, and/or prevailing income levels and housing values) will be considered and adjustments will be applied if necessary.

Key Adjustments

Size (Square Footage)

In order to determine appropriate size adjustments, we procured and analyzed data from the selected comparables. The table shows variances in sale prices due to size for similar unit types (in terms of number of bedrooms and bathrooms) at the selected comparables.

Comparable	Bedrooms	Min Size	Max. Size	Diff.	Min Sale Price	Max Sale Price	Diff.	PSF Diff.
The Preserve Townhomes	Four Bedrooms	1,437	n.a.	n.a.	$278,990	n.a.	n.a.	n.a.
	Five Bedrooms	1,965	n.a.	n.a.	$289,990	n.a.	n.a.	n.a.
Cobblestone at East Argent	Three Bedrooms	1,628	n.a.	n.a.	$318,288	n.a.	n.a.	n.a.
Royal Oaks by Forino	Three Bedrooms	1,779	2,070	291	$325,000	$354,990	$29,990	$103
New Riverside Village	Three Bedrooms	1,906	2,198	292	$448,990	$504,990	$56,000	$192
Fox Chase	Three Bedrooms	1,675	n.a.	n.a.	$299,000	n.a.	n.a.	n.a.
Min								**$103**
Max								**$192**
Average								**$147**
Median								**$147**
JLL Conclusion								**$150**

- The overall home price differences per square foot range from $103 to $192 per square foot, with average and median figures of $147 per square foot each.

- The home price differences denoted with an asterisk(*) are considered to be outliers and were excluded from the calculations.

- An adjustment equal to $150 per square foot in size difference variance will be applied for purposes of this analysis. Comparables with larger unit sizes will be adjusted downward, and smaller unit sizes will be adjusted upward.

Age / Quality / Condition

Each comparable receives an adjustment so that it will reflect a sale price level typical of a newly constructed property. The methodology employed in this analysis is based on a study performed by Marshall & Swift. The premise of this methodology is that depreciation is not linear and that the aging process is minimal at first and then accelerates as a property ages.

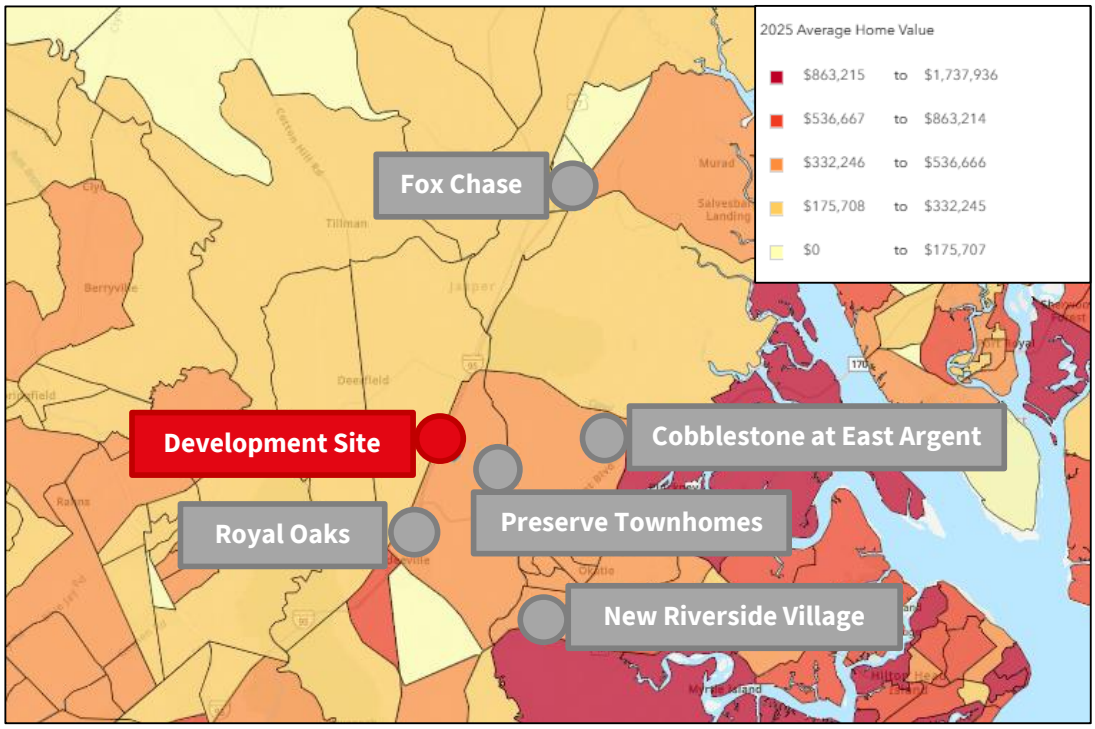
Comparable	Year Built	Effective Age	Difference	Adjustment
The Preserve THs	2025	2025	0	0%
Cobblestone at East Argent	2025	2025	0	0%
Royal Oaks by Forino	2025	2025	0	0%
New Riverside Village	2024	2024	1	0%
Fox Chase	2023	2023	2	1%

The comparables are each in good overall condition and range in year built from 2023 to 2025. With effective ages of 0 to 2 years, adjustments among the comparables range from 0% to 1%.

Location

In order to assess locational differences between the proposed and comparables, we considered economic data from Esri specific to income levels for the areas and neighborhoods immediately surrounding each of the communities.

The area immediately surrounding the proposed development site has average home values ranging from $332,246 to $536,666.



Each of the comparables are each situated in relatively similar pockets of Hardeeville, Ridgeland, and Bluffton, with home values ranging from $332,246 to $536,666. In turn, no adjustments to these comparables are necessary.

Adjustment Grids

Adjustment grids for each subject unit type follow. In the grids, each subject unit is compared to the most similar unit for each comparable.

Item	Comparable				
Comparable Name	The Preserve THs	Cobblestone at East Argent	Royal Oaks by Forino	New Riverside Village	Fox Chase
Unit Type	3BR/3BA	3BR/3BA	3BR/3BA	3BR/3.5BA	3BR/3BA
Size (Square Feet)	1,437	1,628	1,779	2,198	1,675
Sale Price	$289,990	$349,920	$325,000	$459,990	$299,999
Adjustments					
Sale Conditions	$0	$0	$0	$0	$0
Time of Sale	$0	$0	$0	$0	$0
Type (Beds/Baths)	$0	$0	$0	($5,000)	$0
Size/Type	$35,700	$7,050	($15,600)	($78,450)	$0
Year Built	2025 $0	2025 $0	2025 $0	2024 $0	2023 $3,000
Design/Amenities	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Parking	1-Car $0	1-Car $0	1-Car $0	1-Car $0	1-Car $0
Location	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Adjusted Sale Price	$325,690	$356,970	$309,400	$376,540	$302,999
Adjusted Sale Price PSF	$227	$219	$174	$171	$181
Avg. Adj. Sale Price	$334,320				
Avg. Adj. Sale Price PSF	$194				
Sale Price Conclusion	**$335,000**				
Sale Price Conclusion PSF	**$200**				

The comparables' adjusted sale prices range between $302,999 and $376,540, or $171 to $227 per square foot, with a mean of $334,320, or $194 per square foot. Considering the adjusted figures, we conclude a sale price of $335,000, or $200 per square foot, to be achievable.

Comparable Adjustment Table For 3BR/3BA 2,000 SF

Item	Comparable				
Comparable Name	The Preserve THs	Cobblestone at East Argent	Royal Oaks by Forino	New Riverside Village	Fox Chase
Unit Type	3BR/3BA	3BR/3BA	3BR/3BA	3BR/3.5BA	3BR/3BA
Size (Square Feet)	1,437	1,628	2,070	2,198	1,675
Sale Price	$289,990	$349,920	$347,990	$459,990	$299,999
Adjustments					
Sale Conditions	$0	$0	$0	$0	$0
Time of Sale	$0	$0	$0	$0	$0
Type (Beds/Baths)	$0	$0	$0	$5,000	$0
Size/Type	$84,450	$55,800	($10,500)	($29,700)	$48,750
Year Built	2025 $0	2025 $0	2025 $0	2024 $0	2023 $3,000
Design/Amenities	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Parking	1-Car $0	1-Car $0	1-Car $0	1-Car $0	1-Car $0
Location	Sim. $0	Sim. $0	Sim. $0	Sim. $0	Sim. $0
Adjusted Sale Price	$374,440	$405,720	$337,490	$435,290	$351,749
Adjusted Sale Price PSF	$261	$249	$163	$198	$210
Avg. Adj. Sale Price	$380,938				
Avg. Adj. Sale Price PSF	$216				
Sale Price Conclusion	**$380,000**				
Sale Price Conclusion PSF	**$190**				

The comparables' adjusted sale prices range between $337,490 and $435,290, or $163 to $261 per square foot, with a mean of $380,398, or $216 per square foot. Considering the adjusted figures, we conclude a sale price of $380,000, or $190 per square foot, to be achievable.

Achievable Sale Prices | Non-Age Restricted Townhomes

Our concluded achievable sale prices for the non-age restricted townhomes are as follows.

Unit Type	Square Feet	Number of Units	Recommended Pricing	Recommended Pricing PSF	Gross Sales Revenue
3BR/3BA	1,675	313	$335,000	$200	$104,855,000
3BR/3BA	2,000	57	$380,000	$190	$21,660,000
Totals / Averages	**1,725**	**370**	**$341,932**	**$198**	**$126,515,000**

- The concluded achievable sales prices for the non-age restricted townhomes range from $335,000 to $380,000, or $190 to $200 per square foot, with an overall average of $341,932, or $198 per square foot.

- With a total of 370 homes, the gross sales revenue would equate to $126,515,000.

Competitive Positioning

The concluded achievable pricing for the various product types at the proposed development in comparison to the selected comparables is as follows.

Comparable	Location	Year Built	# of Lots/ Homes	Bedroom Types	Floor Plan Sizes	Home Prices	Homes Prices PSF
Proposed Subject	**Hardeeville**	**2026+**	**1242**	**2 to 4**	**1,500 to 2,500**	**$335,000 to $665,000**	**$170 to $333**
Non-Age Restricted Single-Family			386	3 to 4	1,500 to 2,500	$350,000 to $425,000	$170 to $233
Age Restricted Single-Family			486	2 to 3	1,500 to 2,500	$500,000 to $665,000	$266 to $333
Non-Age Restricted Townhomes			370	3 to 3	1,675 to 2,000	$335,000 to $380,000	$190 to $200
Non-Age Restricted Single-Family							
Hunt Club	Ridgeland	2025	63	3 to 4	1,347 to 3,045	$339,990 to $479,990	$144 to $274
Magnolia Park	Hardeville	2024	115	3 to 4	1,421 to 2,500	$323,849 to $449,990	$152 to $259
Twin Ponds	Hardeeville	2024	150	3 to 5	1,148 to 3,201	$279,900 to $434,780	$136 to $279
The Preserve	Hardeeville	2024	244	3 to 5	1,247 to 2,359	$321,580 to $390,352	$148 to $268
Millstone Landing	Hardeeville	2022	91	3 to 4	1,556 to 2,745	$310,200 to $398,000	$136 to $237
Hilton Head Lakes	Hardeeville	2017	41	3 to 4	1,520 to 2,425	$338,902 to $570,000	$169 to $267
Total / Average		**2023**	**704**	**3 to 5**	**1,148 to 3,201**	**$279,900 to $570,000**	**$136 to $279**
Age Restricted Single-Family							
Sun City	Bluffton	2025	77	2 to 2	1,345 to 2,240	$355,990 to $676,990	$257 to $349
Four Seasons at Carolina Oaks	Bluffton	2020	560	2 to 4	1,689 to 3,369	$442,990 to $725,160	$181 to $299
The Haven at New Riverside	Bluffton	2007	500	2 to 3	1,650 to 3,269	$475,000 to $825,000	$200 to $323
Latitude Margaritaville	Hardeeville	2018	2600	2 to 3	1,321 to 3,406	$314,812 to $875,000	$142 to $352
Total / Average		**2017**	**1,137**	**2 to 4**	**1,321 to 3,406**	**$314,812 to $875,000**	**$142 to $352**
Non-Age Restricted Townhomes							
The Preserve Townhomes	Hardeeville	2025	91	3 to 4	1,437 to 1,965	$278,990 to $289,990	$148 to $202
Cobblestone at East Argent	Hardeeville	2025	174	3 to 3	1,628 to 1,628	$299,990 to $349,920	$184 to $215
Royal Oaks by Forino	Hardeeville	2025	219	3 to 3	1,779 to 2,070	$325,000 to $354,990	$168 to $183
New Riverside Village	Bluffton	2024	58	3 to 3	1,906 to 2,198	$448,990 to $504,990	$209 to $249
Fox Chase	Ridgeland	2023	183	3 to 3	1,675 to 1,785	$299,000 to $299,999	$168 to $179
Total / Average			**725**	**3 to 4**	**1,437 to 2,198**	**$278,990 to $504,990**	**$148 to $249**

Key Highlights | Competitive Positioning

- JLL's recommended home prices range from $350,000 to $425,000, or $170 to $233 per square foot, for non-age restricted single-family, $500,000 to $665,000, or $266 to $333 per square foot for age restricted single-family, and $335,000 to $380,000, or $190 to $200 per square foot, for the non-age restricted townhomes.

- In comparison, the comparables indicate prices ranging from $279,900 to $570,000, or $136 to $279 per square foot, for non-age restricted single-family, $314,812 to $875,000, or $142 to $352 per square foot, for age restricted single-family, and $278,990 to $504,990, or $148 to $249 per square foot, for non-age restricted townhomes.

- This pricing is considered to be inline with and well supported by the market.

Appendix A

Certification

Appendix A

Certification

I hereby certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- 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.
- 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.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- Will Childs conducted an inspection of the development site and neighborhood. He is an employee of JLL Value and Risk Advisory. Jon Cruse, CRE, FRICS and Taylor Chapel are experienced in the market and familiar with the competitive landscape.
- I certify that, to the best of my knowledge and beliefs, the reported analyses, opinions, and conclusions were developed and this report has been prepared in conformity with the requirements of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
- I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- USPAP 2024-25 requires the analyst to disclose “any services regarding the subject property performed by the analyst within the three year period immediately preceding acceptance of the assignment, as an analyst or in any other capacity.” Pursuant to that requirement, to the best of our knowledge, we:
    - Have not provided any valuation or advisory services in connection with the subject property within the designated disclosure period.

- Various analysts employed by JLL Value and Risk Advisory procured the comparable data used in this report.

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Appendix B

Assumptions and Limiting Conditions

Appendix B

Assumptions and Limiting Conditions

The use of this report is subject to the following assumptions and limiting conditions:

- All reports and work product we deliver to you (collectively called "report") represents an opinion of value, based on historical information and forecasts of market conditions. Actual results may vary from those forecast in the report.
- The conclusions stated in our report apply only as of the effective date of the analysis, and no representation is made as to the effect of subsequent events.
- There may be differences between projected and actual results because events and circumstances frequently do not occur as predicted, and those differences may be material. We are not liable for any loss arising from these differences.
- We are not obligated to predict future political, economic or social trends. We assume no responsibility for economic factors that may affect or alter the opinions in the report if the economic factors were not present as of the date of the letter of transmittal accompanying the report.
- We assume responsible ownership and competent property management.
- The analysis process requires information from a wide variety of sources. We have assumed that all information furnished by others is correct and complete, up to date and can be relied upon, but no warranty is given for its accuracy. We do not accept responsibility for erroneous information provided by others. We assume that no information that has a material effect on our analysis has been withheld.
- We assume that all engineering studies correct. The plot plans and illustrative material in the report are included only to help the reader visualize the property.
- We assume that there are no hidden or unapparent conditions of the property, subsoil or structures that render it more or less valuable. We are not responsible for such conditions or for obtaining the engineering studies that may be required to discover them.
- 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 it is in compliance with the ADA. We claim no expertise in ADA issues, and render no opinion regarding compliance of the property with ADA regulations.
- We assume that the property conforms to all applicable zoning and use regulations and restrictions unless we have identified, described and considered a non-conformity in the report.
- We assume that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed.

- In the case of property where construction work is soon to be in progress, or has recently begun, we assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.
- The report is confidential to the party to whom it is addressed and those other intended users specified in the report for the specific purpose to which it refers. Use of the report for any other purpose or use by any party not identified as an intended user of the report without our prior written consent is prohibited, and we accept no responsibility for any use of the report in violation of the terms of this Agreement.
- We are not required to testify or provide court-related consultation or to be in attendance in court unless we have agreed to do so in writing.
- Neither the whole report, nor any part, nor reference thereto, may be published in any manner without our prior written approval.
- We may rely on, and will not verify, the accuracy and sufficiency of documents, information and assumptions provided to it by the Client or others. We will not verify documents, information and assumptions derived from industry sources or that JLL or its affiliates have prepared in the regular course of business. We are not liable for any deficiency in the report arising from the inaccuracy or insufficiency of such information, documents and assumptions. However, our report will be based on our professional evaluation of all such available sources of information.
- JLL IS NOT LIABLE TO ANY PERSON OR ENTITY FOR LOSS OF PROFITS, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR SIMILAR DAMAGES IN CONNECTION WITH THIS AGREEMENT. IN NO EVENT SHALL THE LIABILITY OF JLL AND ITS AFFILIATES IN CONNECTION WITH THIS AGREEMENT EXCEED THE FEE PAID TO JLL HEREUNDER.
- Unless expressly advised to the contrary, we assume that appropriate insurance coverage is and will continue to be available on commercially acceptable terms.
- We assume that no material changes in any applicable federal, state or local laws, regulations or codes (including, without limitation, the Internal anticipated.
- We may determine during the course of the assignment that additional Hypothetical Conditions and Extraordinary Assumptions may be required in order to complete the assignment. The report will be subject to those Hypothetical Conditions and Extraordinary Assumptions. Each person that is permitted to use the report agrees to be bound by all the Assumptions and Limiting Conditions and any Hypothetical Conditions and Extraordinary Assumptions stated in the report.

Extraordinary Assumptions

USPAP defines an extraordinary assumption as "an assignment-specific assumption as of the effective date regarding uncertain information used in the analysis which, if found to be false, could alter the appraiser's opinion of conclusions." Our appraisal is subject to the following extraordinary assumptions:

- Our conclusions are based upon the assumption that the proposed project is built pursuant to the recommendations provided.
- Our conclusions will require revision if the proposed site size, improvement site, or improvement quality is substantially modified.

Hypothetical Conditions

USPAP defines a hypothetical condition as "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." Our analysis is based upon the following hypothetical conditions:

- Our achievable pricing assumptions are based upon the subject being complete as its proposed use as of the report date.

Appendix C

Qualifications

Jon Cruse, CRE, FRICS

Managing Director, Value and Risk Advisory - Americas
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jon.cruse@jll.com

Current responsibilities

Jon Cruse serves as Managing Director, Value and Risk Advisory and is based in JLL's Dallas, Texas office. In this role, he manages and leads a team of analysts providing special advisory with multifamily, seniors housing, student housing, single-family master planned subdivisions, condominiums, mixed-use developments, and stand-alone office and retail. His analyses involve delineation of submarkets, analyses of supply and demand conditions, econometric modeling, depth of demand by income qualification, absorption and demographic analyses, counseling specific to optimal unit mixes, amenity packages, and pricing strategies, and consumer research/surveys. He also provides expertise with HUD 232 and 221d4 programs as well as various state tax credit programs.

Experience

Mr. Cruse has over two decades of real estate counseling experience in markets across the United States. He joined a national real estate valuation and counseling firm back in 1998. During his 15+ year tenure, he worked on numerous market studies, custom consulting assignments, and valuation reports for an array of seniors housing and multifamily property types. He was also part of its Seniors Housing & Health Care Specialty Practice as well as its Economics Division. More recently, between January 2014 and March 2017, he served as Vice President, Advisory with Meyers Research LLC where he managed a team of consultants providing special advisory with multifamily, student housing, seniors housing, and mixed-use product types.

Education

- The University of Texas at Arlington, Economics

Affiliations

- Counselors of Real Estate (CRE) Designation
- Fellow of the Royal Institution of Chartered Surveyors (FRICS) Designation
- Southwest Mortgagee Advisory Council (SWAC)

Key Projects

Provided counseling specific to a proposed build-to-rent development opportunity in Nixa, Missouri. Assessed current and forecasted supply and demand conditions and provided detailed recommendations specific to the most optimal unit types and floor plan sizes and amenity package and finish outs, as well as determined achievable rental rates.

Assisted a developer in Loveland, Colorado in the assessment of a potential development site – and more specifically, provided insight into the depth of the local multifamily and seniors housing sectors.

Researched market-wide and individual submarket supply and demand conditions throughout the Seattle, Washington metro in order to assess the performance of a client's existing assets as well as identified potential new opportunities.

Conducted a highest and best-use analysis for a stadium anchored mixed-use development in Jacksonville, Florida consisting of multifamily, office, retail, and hotel. Addressed the depth of the market, provided sizing by property type/use, mixes, and achievable pricing, as well as cash flow modeling, estimated development costs, and calculated project returns.

Determined market and financial feasibility for a large master-planned residential subdivision in Lumberland, New York. Covered market conditions, provided programming recommendations and achievable pricing, estimated sell-off, and absorption paces, and calculated residual land/lot values.

JLL Valuation & Advisory Services, LLC. is the entity submitting this response. It is an indirect subsidiary of Jones Lang LaSalle Incorporated.
Use of the terms 'Jones Lang LaSalle' and first person pronouns may refer to either entity or both.

Taylor Chapel

Executive Director, Value and Risk Advisory – Americas
Market and Feasibility Study Specialty Practice
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Current responsibilities

Taylor Chapel serves as Executive Director of JLL's Market and Feasibility Study Specialty Practice. In this role, Mr. Chapel focuses on analyzing markets nationwide to provide our clients with in-depth and accurate insights for various property types including multifamily housing (conventional, student, and affordable), seniors housing (active adult/age-restricted, independent living/assisted living and memory care/nursing care), mixed-use, and for-sale residential developments. More specifically, his analyses include, but are not limited to, the recommendation of optimal unit mixes, project amenities, and pricing strategies as well as forecasting supply and demand conditions, depth of demand and absorption analyses, and consumer research. Taylor also has experience conducting custom floor plate/unit placement assignments and view/floor premium analyses for high-rise projects.

Experience

Mr. Chapel has 13+ years of experience in the consulting, appraisal, and finance industries. Before joining JLL, Taylor worked at Zonda, a national consulting firm, where he provided special advisory services in markets across the country. While with Zonda, he specialized in conventional luxury product, working on projects spanning from Seattle, Washington to Long Island, New York. Taylor has also worked at C. L. McDade & Company, a regional appraisal firm, and J.P. Morgan Chase & Company.

Education

- Texas A&M University, Bachelor of Science – Economics (Finance and Real Estate focus)

Affiliations

- The Real Estate Council (TREC)
- Urban Land Institute (ULI)

Certified General Real Estate Appraiser in the following States:

- Texas

Analise Zuniga
Analyst, Value and Risk Advisory- Americas
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Current responsibilities

Analise Zuniga is an Analyst with JLL Value and Risk Advisory. In her current role, Analise supports consulting and valuation assignments across a wide range of asset types, including industrial, office, single-family for-sale, lot pricing, traditional multifamily, 55+ active adult communities, and senior living communities. She contributes to market research, supply and demand analysis, financial modeling, and development feasibility analyses that inform client investment decisions.

Experience

Analise began her career at JLL in October 2024 as an intern supporting pre-development and valuation assignments under multiple asset classes. After earning her MSRE, she was promoted to a full-time analyst in July 2025. Prior to joining JLL, she worked with Hines in Washington DC on marketing and operations initiatives across the East Region of the US. She is also fluent in Spanish, with experience working internationally in Latin America and Europe.

Education

Southern Methodist University, Masters of Science- Real Estate

George Washington University, Bachelor of Science- Business with Marketing Strategy and Analytics and International Business concentrations

Real Estate Appraiser Trainee in the following States:

- Texas

JLL Valuation & Advisory Services, LLC. is the entity submitting this response. It is an indirect subsidiary of Jones Lang LaSalle Incorporated. Use of the terms 'Jones Lang LaSalle' and first person pronouns may refer to either entity or both.

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APPENDIX I

APPRAISAL

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Integra Realty Resources
Charleston

Appraisal of Real Property

Hilton Head Lakes West Development Tracts
Lakeside Boulevard North
Hardeeville, Jasper County, South Carolina 29936
Client Reference: Hilton Head Lakes West Tract Municipal Improvement District

Prepared For:
LK Development Group, LLC

Date of the Report:
December 3, 2025

Report Format:
Appraisal Report

IRR - Charleston
File Number: 174-2025-0550

Hilton Head Lakes West Development Tracts
Lakeside Boulevard North
Hardeeville, South Carolina

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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December 3, 2025

Mr. Doug Pattillo
LK Development Group, LLC
14025 Riveredge Drive, Suite 175
Tampa, FL 33637

SUBJECT: Market Value Appraisal
Hilton Head Lakes West Development Tracts
Lakeside Boulevard North
Hardeeville, Jasper County, South Carolina 29936
Client Reference: Hilton Head Lakes West Tract Municipal Improvement District
IRR - Charleston File No. 174-2025-0550

Dear Mr. Pattillo:

Integra Realty Resources – Charleston is pleased to submit the accompanying appraisal of the referenced property. The purpose of the appraisal is to develop an opinion of the market value as is of the fee simple interest in the property, as of November 5, 2025. We also provide a hypothetical market value as if complete as of November 5, 2025. In addition, we provide a prospective market value at completion as of December 1, 2031.

The client for the assignment is LK Development Group, LLC. Additional intended users are Stifel, MuniCap, and qualified prospective bond purchasers. The intended use is for inclusion in a preliminary and final limited offering memorandum for the initial issuance of bonds by the city for the purpose of financing a portion of the costs of the public improvements for development.

The subject consists of 5 parcels of vacant land containing a total of 2,605.87 acres. The subject is located within the larger, master-planned, Hilton Heads Lakes West development. The subject tracts are proposed to be developed into single-family residential (both detached and attached) uses. As of the effective date of the appraisal, a portion of the spine road and common infrastructure development were complete, and a portion remains to be completed.

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

To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

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

Value Conclusions

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As Is	Fee Simple	November 5, 2025	$38,760,000
Hypothetical Market Value As If Complete	Fee Simple	November 5, 2025	$68,080,000
Prospective Market Value at Completion	Fee Simple	December 1, 2031	$81,290,000

On-site infrastructure development has commenced on POD-I. However, there has not been developed/ platted lots or vertical home construction on this tract, or other subject tracts. The value conclusions in the appraisal are reflective of the underlying land tracts and does not include/ consider sub-tract horizontal lot infrastructure development. The appraisal does not consider existing vertical homes construction or future/ prospective vertical home construction.

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. Based on the large size of the site, only portions of the overall site were inspected. We assume there are no adverse physical characteristics to the site. We assume the acreages utilized in the report are correct.
2. The site will be developed based on the plans and specifications detailed in the report by the estimated dates of completion. All master infrastructure, including spine roads, sewer extensions, and pump stations will be constructed so that the sub-tracts can be sold-off.
3. We have relied upon cost estimates provided by the developer which we have relied upon at the request of the client and assume to be reliable and correct. The developer will receive bond reimbursements upon completion of the stated infrastructure as detailed in the report; however, the bond reimbursement has not been considered in the appraisal.
4. All surveys, engineering plans, environmental reports, title reports, and entitlements (including special assessment bond issuance ability) would be transferred with a sale of the property to a new owner.
5. The appraisal is based on a specific effective date. Due to the large size of the property and prospective development timeline there is inherent risk due to the cyclical nature of the market. We cannot reliably predict the next market downturn/ recession. Our projections are based on current market conditions which are assumed to continue into the foreseeable future.
6. Delinquent taxes will be paid in the immediate future to prevent a tax lien or foreclosure.

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. The hypothetical value reported is based on the hypothetical condition that all common infrastructure improvements have been completed as of the "as is" date of the appraisal.

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

The opinions of value expressed in this report are based on estimates and forecasts which are prospective in nature and subject to considerable risk and uncertainty. Events may occur which could cause the performance of the property to differ materially from the estimates contained herein, such as changes in the economy, interest rates, and behavior of investors, lenders, and consumers. Additionally, the concluded opinions and forecasts are based partly on data obtained from interviews and third-party sources, which are not always completely reliable. Although the findings are considered reasonable based on available evidence, IRR is not responsible for the effects of future, unforeseen occurrences.

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

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Table of Contents

Executive Summary **1**

General Information **3**
Identification of Subject 3
Current Ownership and Sales History 10
Pending Sales 11
Definition of Market Value 11
Definition of As Is Market Value 12
Definition of Prospective Market Value As Completed 12
Definition of Market Value As If Completed 12
Definition of Property Rights Appraised 12
Definition of Aggregate of Retail Values 12
Definition of Bulk Sale 12
Definition of Bulk Value 13
Intended Use and User 13
Applicable Requirements 13
Report Format 13
Prior Services 13
Scope of Work 14

Economic Analysis **16**
Hilton Head Island MSA Area Analysis 16
Surrounding Area Analysis 24
South Carolina Housing Market Analysis 28
Jasper County Housing Market Analysis 32
Beaufort and Jasper Counties Housing Market Analysis 34
Hilton Head Lakes Housing Market Analysis 40

Property Analysis **44**
Land Description and Analysis 44
Zoning 45
Real Estate Taxes 85
Highest and Best Use 88

Valuation **90**
Valuation Methodology 90
Sales Comparison Approach – Site Valuation 91
Tract F-1 (160.60 Acres; 6,995,736 SF) 92
Land Value Conclusions "As Is" 98
Subdivision Development Method 99
Aggregate Retail Value 100
Absorption Analysis 101
Change Rates 104
Periodic Costs 106
Expenses Over The Sell-Out Period 106
Discount Rate/Developer Profit 110
Hypothetical As If Complete 115
Market Value "As Is" 115
Prospective Market Value Upon Completion 115
Reconciliation and Conclusion of Value 124
Exposure Time 125
Marketing Period 125

Certification **126**

Assumptions and Limiting Conditions **128**

Addenda
A. Appraiser Qualifications
B. Property Information
C. Comparable Data
D. Engagement Letter

Executive Summary

Property Name	Hilton Head Lakes West Development Tracts
Address	Lakeside Boulevard North Hardeeville, Jasper County, South Carolina 29936
Property Type	Vacant Land - Residential
Owners of Record	TPG AG EHC III (LEN) Multi State 1, LLC; Millrose Properties South Carolina, LLC; and LK Development Group, LLC
Tax IDs	042-00-06-045, 042-00-06-129, 042-00-06-130, 042-00-06-131, and 042-00-06-132
Land Area	2,605.87 acres; 113,511,697 SF
Year Built	2006 to Present (On-Going)
Zoning Designation	PDD, Planned Development District
Highest and Best Use - As if Vacant	Phased, mixed-use development
Highest and Best Use - As Improved	Phased, mixed-use development
Exposure Time; Marketing Period	12 to 24 months; 12 to 24 months
Date of the Report	December 3, 2025

Value Conclusions

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As Is	Fee Simple	November 5, 2025	$38,760,000
Hypothetical Market Value As If Complete	Fee Simple	November 5, 2025	$68,080,000
Prospective Market Value at Completion	Fee Simple	December 1, 2031	$81,290,000

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 LK Development Group, LLC and Stifel, MuniCap, and qualified prospective bond purchasers 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.

On-site infrastructure development has commenced on POD-I. However, there has not been developed/ platted lots or vertical home construction on this tract, or other subject tracts. The value conclusions in the appraisal are reflective of the underlying land tracts and does not include/ consider sub-tract horizontal lot infrastructure development. The appraisal does not consider existing vertical homes construction or future/ prospective vertical home construction.

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. Based on the large size of the site, only portions of the overall site were inspected. We assume there are no adverse physical characteristics to the site. We assume the acreages utilized in the report are correct.
2. The site will be developed based on the plans and specifications detailed in the report by the estimated dates of completion. All master infrastructure, including spine roads, sewer extensions, and pump stations will be constructed so that the sub-tracts can be sold-off.
3. We have relied upon cost estimates provided by the developer which we have relied upon at the request of the client and assume to be reliable and correct. The developer will receive bond reimbursements upon completion of the stated infrastructure as detailed in the report; however, the bond reimbursement has not been considered in the appraisal.
4. All surveys, engineering plans, environmental reports, title reports, and entitlements (including special assessment bond issuance ability) would be transferred with a sale of the property to a new owner.
5. The appraisal is based on a specific effective date. Due to the large size of the property and prospective development timeline there is inherent risk due to the cyclical nature of the market. We cannot reliably predict the next market downturn/ recession. Our projections are based on current market conditions which are assumed to continue into the foreseeable future.
6. Delinquent taxes will be paid in the immediate future to prevent a tax lien or foreclosure.

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. The hypothetical value reported is based on the hypothetical condition that all common infrastructure improvements have been completed as of the "as is" date of the appraisal.

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

General Information

Identification of Subject

The subject consists of 5 parcels of vacant land containing a total of 2,605.87 acres. The subject is located within the larger, master-planned, Hilton Heads Lakes West development. The subject tracts are proposed to be developed into single-family residential (both detached and attached) uses. As of the effective date of the appraisal, a portion of the spine road and common infrastructure development were complete, and a portion remains to be completed. A legal description of the property is in the addenda.

Property Identification	
Property Name	Hilton Head Lakes West Development Tracts
Address	Lakeside Boulevard North Hardeeville, South Carolina 29936
Tax IDs	042-00-06-045, 042-00-06-129, 042-00-06-130, 042-00-06-131, and 042-00-06-132

Land Area Summary

Tax Parcel	Owner	Deed Book/ Page	Total SF	Total Acres
042-00-06-045	LK Development Group, LLC	1094/ 914	96,551,176	2,216.51
042-00-06-129	TPG AG EHC III (LEN) Multi State 1, LLC	1151/ 1807	9,956,074	228.56
042-00-06-130	LK Development Group, LLC	1094/ 914	441,263	10.13
042-00-06-131	TPG AG EHC III (LEN) Multi State 1, LLC	1151/ 1807	790,178	18.14
042-00-06-132	Millrose Properties South Carolina LLC	1186/ 605	5,773,007	132.53
Total			113,511,697	2,605.87

Source: Information provided by Stifel

The subject tracts have significant wetland areas which is typical in coastal markets. Large tracts of this size are typically not fully/ 100% developed. Similar large-tract sites typically all have physical characteristics that prevent development of the entirety, such as wetlands, topography, rock/soil issues, etc. Most municipalities require a certain level of open space and common area. Development densities on the developable portion of the site can typically be maximized/ increased in exchange for leaving other portions of the site as open space. This is effectively considered cross-density allocation (reduce development density on certain portions for increased density on other portions). Because of this, the contributory value of wetlands, future common open space, etc. is inherently reflected in the developable portions of the sites.

The wetland land areas can be utilized to satisfy common open space requirements for prospective development of each tract. In addition, based on the subject's PDD zoning and approvals, it appears

that the wetland areas have been utilized to calculate overall site development densities. We were not provided with the upland acreage by tax parcel. Subsequently, we have reflected the gross parcel acreages in the Land Area Summary table.

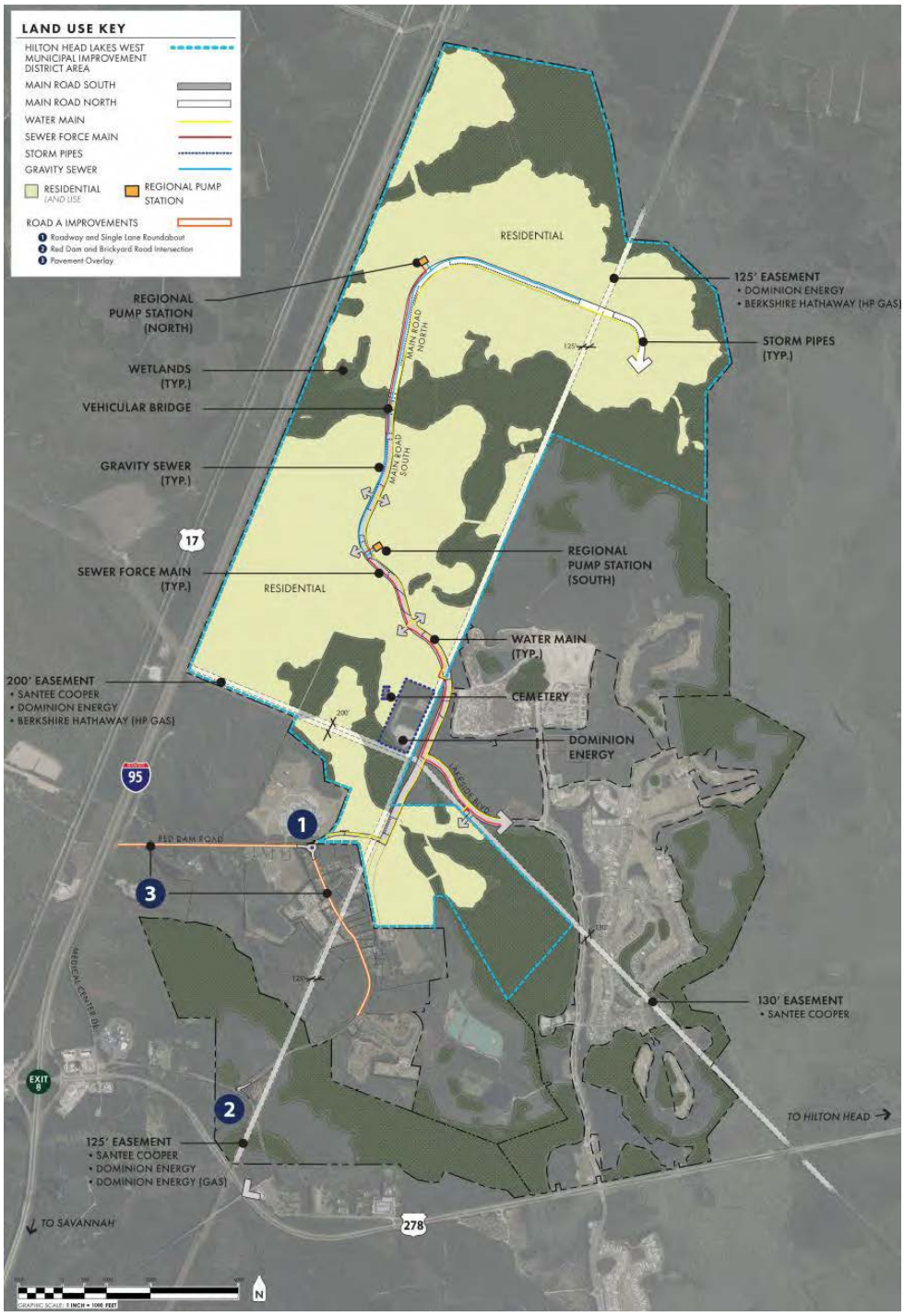
Based on tax records, LK Development owns additional tax parcels which are located in an existing conservation easement. The parcels included in the appraisal include the developable parcels as provided by Stifel and exclude the conservation easement parcels.

The scope of the appraisal includes providing an "as is" value of the subject, a prospective market value upon completion of master public infrastructure improvements, and a hypothetical market value as if the master public infrastructure improvements had been completed as of the "as is" effective date of the appraisal. The scope of the appraisal does not include/ consider any other prospective neighborhood horizontal developments other than what physically existed as of the "as is" effective date of the appraisal.

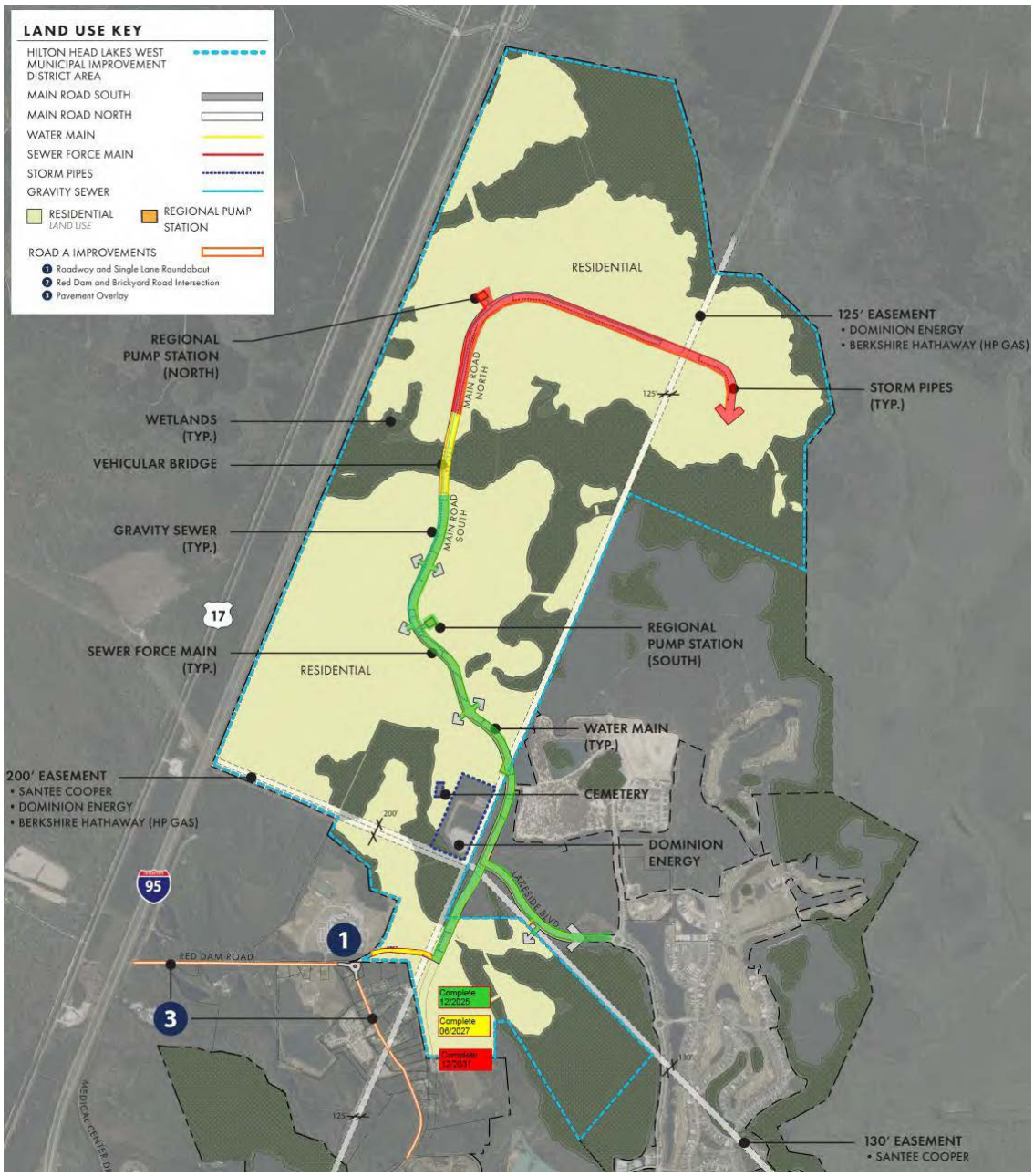
The master public infrastructure costs as provided by the developer follows. We have relied upon these costs which we assume to be correct.

MID Infrastructure Description	Costs to be funded with additional Bonds	Costs to be funded with 2025A Bonds	Total Cost
Main Road Section South including Bridge Crossing			
Paving, Grading, and Earthwork	$4,094,922	$8,069,914	$12,164,836
Sanitary Sewer System – Excludes Regional Pump Station South	-	$3,056,371	$3,056,371
Water Distribution	$1,160,138	$2,805,109	$3,965,247
Storm Drainage	$1,112,453	$1,958,935	$3,071,388
Erosion Control and Layout	$310,465	$811,722	$1,122,187
Utility – Power for Street Lights	$1,961,734	$638,266	$2,600,000
Bridge over Wetland	$2,480,000	-	$2,480,000
* Professional Services (13%)	$1,445,563	$2,254,241	$3,699,804
Subtotal South	**$12,565,275**	**$19,594,558**	**$32,159,833**
Main Road Section North excluding Bridge Crossing			
Paving, Grading, and Earthwork	$5,024,077	-	$5,024,077
Sanitary Sewer System – Excludes Regional Pump Station North	$1,262,281	-	$1,262,281
Water Distribution	$1,637,647	-	$1,637,647
Storm Drainage	$1,268,483	-	$1,268,483
Erosion Control and Layout	$463,463	-	$463,463
Utility – Power for Street Lights	$2,011,615	-	$2,011,615
* Professional Services (13%)	$1,516,784	-	$1,516,784
Subtotal North	**$13,184,351**	-	**$13,184,351**
Contingency on North subtotal (15%)	**$1,977,653**	-	**$1,977,653**
Regional Pump Stations			
Regional Pump Station South	-	$2,715,429	$2,715,429
Regional Pump Station North	$1,900,800	-	$1,900,800
Subtotal Regional Pump Stations	**$1,900,800**	**$2,715,429**	**$4,616,229**
Subtotal of Bond Funding Sources	**$29,628,078**	**$22,309,987**	**$51,938,065**
Total MID Estimated Construction			**$51,938,065**

Map of Public Infrastructure

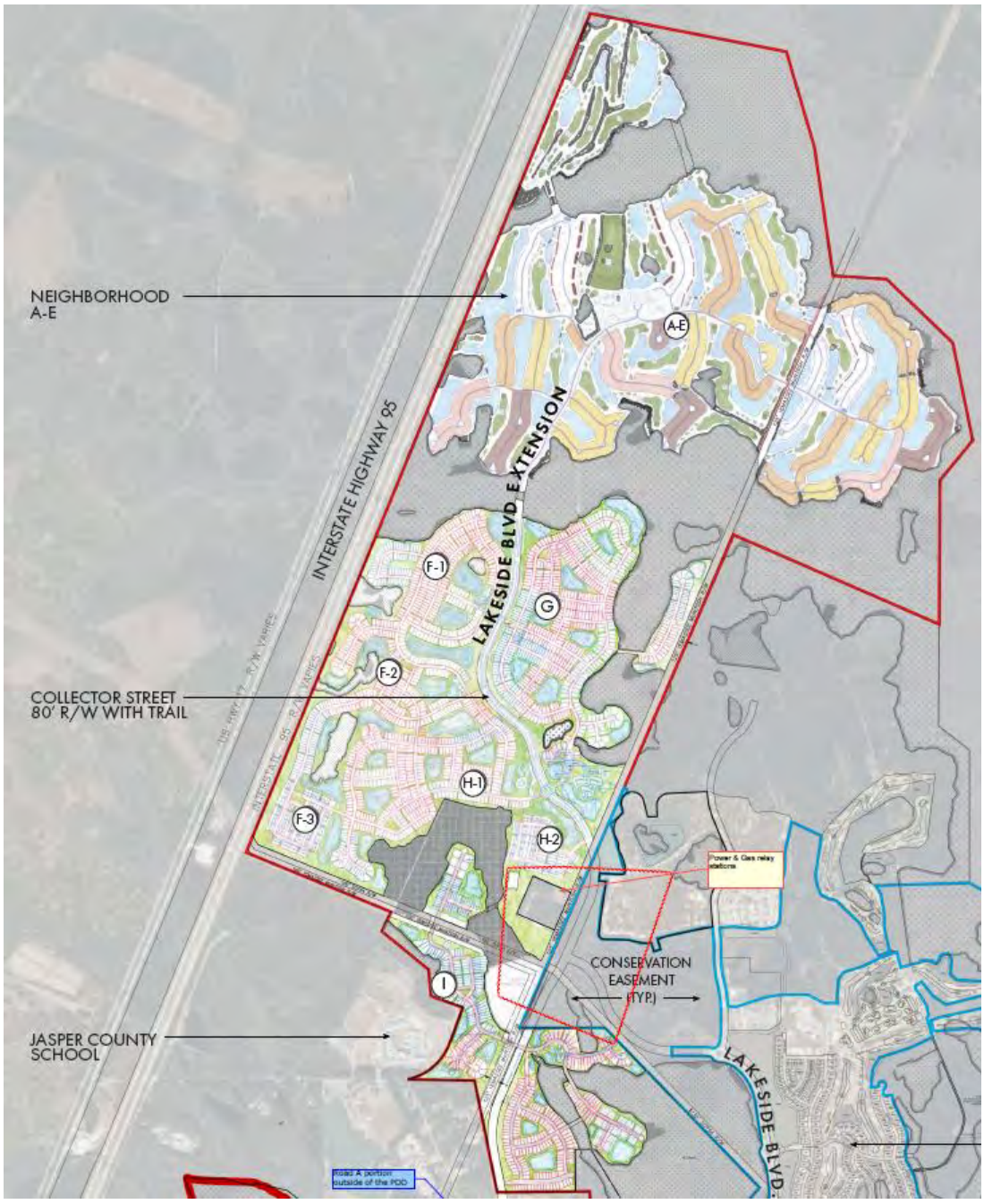


Map of Master Public Infrastructure With Completion Dates



Note that Main Road North and Main Road South reflect Emerson Lake, a roadway without a street suffix.

Overall Tract Site Plan



Lakeside Boulevard Extension on this map reflects Emerson Lake, a roadway without a street suffix.

The subject site is proposed to be developed into the following tract acreages.

Neighborhood	Upland Acre
A-E	+/- 746 ac
F-1	+/- 103 ac
F-2	+/- 127 ac
F-3	+/- 37 ac
G	+/- 219 ac
H-1	+/- 144 ac
H-2	+/- 52 ac
I	+/- 175 ac
Total	**+/- 1683 ac**

Note that the acreage above by tract includes only the upland acreages. We further note that the sum of the acreages above totals 1,603 acres and not 1,683 acres.

The development agreement, discussed later in the report, indicate that the site could be developed with up to 4,356 dwelling units. However, the property contact indicated they anticipate a slightly lower overall development density. We have relied upon the individual tract and total tract densities in the image above which we assume to be correct.

On an "as is" basis, based on our site visit, Lakeside Boulevard North had been paved and appeared to be complete to its intersection with Emerson Lake (a roadway, but the street suffix is not identified). Tract I has existing, physical road access and utilities.

On an "as is" basis, based on our site visit, Emerson Lake to the north of Lakeside Boulevard North appeared to be effectively complete to its first roundabout, adjacent to Tracts H-1, H-2, and the southern end of G. These tracts appeared to have existing, physical road access and utilities.

On an "as is" basis, Emerson Lake adjacent to Tracts F-1 and F-2 was under construction and was not yet complete. Therefore, Emerson Lake will need to be completed prior to a subsequent sale and development of Tracts F-1 and F-2.

Tracts A-E are located at the north side of the property. On an "as is" basis, Emerson Lake had not been extended to Tracts A-E. A bridge is required to be constructed across a wetland area to provide access to Tracts A-E. Once the bridge is constructed, Emerson Lake will be extended through this section of the site to provide access to these tracts. In addition, a second pump station will be constructed on this portion of the site.

On an "as is" basis, additional master infrastructure development is required to provide adequate access and utilities to Tracts F-1, F-2, and A-E. Upon completion of the master public infrastructure improvements, adequate access will be created, and utilities provided to subsequently selloff these tracts for subsequent development.

Tract F-3 does not have frontage on Emerson Lake. This tract is located at the rear of Tract H-2. Subsequently, we consider tract F-3 and H-2 to reflect a single tract for valuation purposes based on overall access.

The appraisal is based on the following tracts. We assume the following acreages, unit count per tract as provided by the property contact, and densities are correct.

Sub-Tracts for Valuation Purposes

Tract	Total # of SFR Units	Upland Acres	Density (Units/ Upland Acre)	Gross Acreage Allocation	Density (Units/ Gross Acre)
F-1	308	103.00	3.0	160.60	1.9
F-2	268	127.00	2.1	198.03	1.4
G	510	219.00	2.3	341.48	1.5
H-1 & F-3	597	181.00	3.3	282.23	2.1
H-2	166	52.00	3.2	81.08	2.0
I	450	175.00	2.6	379.23	1.2
A	348	149.20	2.3	232.64	1.5
B	348	149.20	2.3	232.64	1.5
C	348	149.20	2.3	232.64	1.5
D	348	149.20	2.3	232.64	1.5
E	350	149.20	2.3	232.64	1.5
Single-Family Tract Total	4,041	1,603.00	2.5	2,605.87	1.6

Although requested, we were not provided with the breakdown of acreages and density by individual tracts A through E (5 individual tracts). The property contact indicated that there will be a total of 4,041 lots, of which Tracts F-1 through I will contain a total of 2,299 lots, with tracts A through E making up the difference of 1,742 lots. We have allocated an equal lot count to tracts A through D, with tract E containing a slightly higher lot count so that the total number of lots is 4,041.

With the exception of Tract I, we were not provided with the gross acreages by tract. We have subsequently allocated the gross acreage by tract based on a prorata share of each tract's upland acreage out of the total upland acreage (excluding Tract I).

The individual tracts are segregated for valuation purposes as identified above. We are not aware of any recent, comparable, large-tract sales of similar sizes, uses, and densities to the overall subject site as a whole. The sub-tracts are valued on an individual basis and then sold-off over time, less expenses, with a discount to derive the "as is" value of the overall property as a whole. Additional discussion is included later in the valuation section of the report.

We assume that the master infrastructure (spine roads, etc.), including utility extensions and pump stations, will be completed so that the above tracts can be individually sold-off.

The current/ developed infrastructure on the site benefits the subject tracts and is inherently considered in our valuation of the tracts. We have not valued the overall land area acreage as a whole based on raw land. We have valued the tracts on an individual basis which considers that infrastructure improvements, access, and utilities have been developed/ provided to the tracts.

Current Ownership and Sales History

The owners of the subject parcels are TPG AG EHC III (LEN) Multi State 1, LLC; Millrose Properties South Carolina, LLC; and LK Development Group, LLC. The specific ownership entity and deed book and page for each parcel was identified in the prior Land Area Summary table and further detailed as follows.

LK Development Group, LLC acquired the overall subject site as a whole on January 10, 2022 for $18,000,000. The seller was WA Holdings South, LLC. This transaction was recorded in Deed Book 1094, Page 914.

Not included in the appraisal, but LK Development Group, LLC acquired the conservation easement parcels on January 10, 2022 for $500,000. The seller was GL Holdings, LLC. This transaction was recorded in Deed Book 1094, Page 943. This transaction was re-recorded in Deed Book 1094, Page 1014.

LK Development Group, LLC subsequently sold Tract I through two transactions to Millrose Properties South Carolina, LLC. The first transaction occurred on April 19, 2024 for $5,219,186 as recorded in Deed Book 1148, Page 389. The second transaction occurred on June 11, 2025 for $3,733,468 as recorded in Deed Book 1186, Page 605. The deeds indicate a total acquisition price of $8,952,654, which equates to $19,895 per proposed unit, based on 450 units. The property contact of the developer indicated that there was one sale to Lennar for $8,000,000. We note that Lennar and Millrose Properties are quasi-related entities. We requested, but were not provided with a copy of the Lennar contract. However, the property contact indicated that LK Development Group and Lennar have a joint-venture in the overall project, and the property contact indicated that the sale price of this tract was low.

Millrose Properties South Carolina, LLC subsequently transferred a portion of Tract I to Lennar Carolinas, LLC on May 28, 2024 as recorded in Deed Book 1151, Page 827. There was no consideration given in this transaction.

Lennar Carolinas, LLC subsequently transferred a portion of Tract I to TPG AG EHC III (LEN) Multi State 1, LLC on June 4, 2024 as recorded in Deed Book 1151, Page 1807. It is our understanding that TPG AG EHC III (LEN) Multi State 1, LLC functions as a land bank developer for Lennar. Deeds indicate a transfer price of $4,572,170 for the portion of Tract I that was transferred.

There have been several transfers of Tract I (or portions thereof) within the past 3 years. We were not provided with copies of the contracts. The two most recent transfers do not appear to be entirely

arm's length. Our "as is" value conclusion of Tract I is significantly higher than the 2024 transfer price from LK Development Group. This is most likely because LK Development and Lennar have a joint venture in the project.

To the best of our knowledge, no other sales or transfers of ownership have occurred within the past three years other than those noted above. Due to the history of the property, we recommend that a current title search and title report be prepared for the property.

Pending Sales

To the best of our knowledge, 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.

However, the property contact indicated that some purchase and sale agreements were in negotiations. Although requested, we were not provided with any additional terms and are not aware of the specifics of any negotiations for additional tracts.

Purpose of the Appraisal

The purpose of the appraisal is to develop an opinion of the market value as is of the fee simple interest in the property, as of November 5, 2025. We also provide a hypothetical market value as if complete as of November 5, 2025. In addition, we provide a prospective market value at completion as of December 1, 2031. The date of the report is December 3, 2025. The appraisal is valid only as of the stated effective date or dates.

Definition of Market Value

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, 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[g]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472)

Definition of As Is Market Value

As is market value is defined as, "The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date."

(*Source*: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015); *also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77471)*

Definition of Prospective Market Value As Completed

The market value of a property as of a future date when all construction is expected to be completed. It is based on market conditions forecasted to exist as of the completion date. This value premise assumes the project is complete and ready to lease to individual tenants. (*Source:* Compiled and summarized from several industry sources.)

Definition of Market Value As If Completed

The market value of a property as of a current date under the hypothetical condition that all construction is completed as of the effective date of value. It is based on market conditions as of the effective date of value. This value premise assumes the project is complete and ready to lease to individual tenants. (*Source:* Compiled and summarized from several industry sources.)

Definition of Property Rights Appraised

Fee simple estate is defined as, "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."

Source: Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 6th ed. (Chicago: Appraisal Institute, 2015)

Definition of Aggregate of 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.

(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)

Definition of Bulk Sale

The sale of multiple parcels of real estate to one buyer in one transaction. A bulk sale may include dissimilar properties in different locations or a group of lots or units in the same project. Typically, the bulk sale price is less than the sum of the values of the individual parcels.

(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)

Definition of Bulk Value

The value of multiple units, subdivided plots, or properties in a portfolio as though sold together in a single transaction.

(Source: The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015)

Intended Use and User

The intended use of the appraisal is for inclusion in a preliminary and final limited offering memorandum for the initial issuance of bonds by the city for the purpose of financing a portion of the costs of the public improvements for development. The client is LK Development Group, LLC. Additional intended users are Stifel, MuniCap, and qualified prospective bond purchasers. The appraisal is not intended for any other use or user. No other parties may use or rely on the information, opinions, and conclusions contained in this report.

Applicable Requirements

This appraisal is intended to conform to the requirements of the following:

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

Report Format

To report the assignment results, we use the Appraisal Report option of Standards Rule 2-2(a) of USPAP. As USPAP gives appraisers the flexibility to vary the level of information in an Appraisal Report depending on the intended use and intended users of the appraisal, we adhere to the Integra Realty Resources internal standards for an Appraisal Report – Standard Format. This format summarizes the information analyzed, the appraisal methods employed, and the reasoning that supports the analyses, opinions, and conclusions.

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 not performed any 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.

Scope of Work

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

Valuation Methodology

Appraisers usually consider the use of three approaches to value when developing a market value opinion for real property. These are the cost approach, sales comparison approach, and 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	Applicable	Utilized
Sales Comparison Approach (Retail Land Values)	Applicable	Utilized
Income Capitalization Approach (Subdivision Development Method)	Applicable	Utilized

The subject consists of 2,605.87 acres of land that have been approved for phased, residential development. The site is located in proximity to Interstate 95, is located approximately 15 miles from Hilton Head Island, and is located approximately 20 miles from the city of Savannah, Georgia. The site has immediate development potential, as evidenced from on-going development and construction. However, due to its large size, development and sellout of various tracts/ phases will take an extended period of time. Subsequently, and based on the client's requested scope, we have utilized a subdivision development method/ land residual technique to value the subject site as a whole. This method breaks the overall site into smaller tracts based on the developer's proposed site plan and location/ access, and projects a sellout of these smaller tracts/ lots over time, inclusive of selling costs, carrying costs, and entrepreneurial incentive. This method is appropriate as the development of the property would be phased over years.

The **subdivision development method** is the most reliable valuation method for the subject due to the following:

- This approach incorporates the sales comparison approach to value (retail tract values) and combines it with a modified income approach. Tract sales are projected based on market information and appropriate expenses, profit, and a discount rate are used to determine market value.
- Sufficient market data regarding lot prices, expenses, profit, and rates of return, is available for analysis.

The **cost approach** is not applicable to the subject as a whole, but the remaining costs to complete are deducted to derive the "as is" value:

- We are aware of limited, comparable land sales from which to estimate the underlying land value as a whole.

- The subject represents existing/ on-going/ proposed construction (horizontal infrastructure only), which reduces the subjectivity of estimating accrued depreciation. The horizontal infrastructure costs are estimated for the remaining costs to complete.

The **sales comparison approach** is not an applicable valuation method to the subject in bulk because:

- We are not aware of any comparable, arm's length, mixed-use bulk sales of tracts in the market.
- However, the sales comparison approach is utilized to provide a retail value of the individual tracts.

Research and Analysis

The type and extent of our research and analysis is detailed in individual sections of the report. This includes the steps we took to verify comparable sales, which are disclosed in the comparable sale profile sheets in the addenda to the report. Although we make an effort 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.

Inspection

M. Kyle Winters, MAI, ASA made an on-site inspection of the subject on November 5, 2025. Cleveland A. Wright, Jr., MAI did not inspect the subject, but did review the report.

Significant Appraisal Assistance

No one provided significant real property appraisal assistance to the person(s) signing this certification.

Economic Analysis

Hilton Head Island MSA Area Analysis

The subject is located in the Hilton Head Island-Bluffton-Port Royal, SC Metropolitan Statistical Area, hereinafter called the Hilton Head Island MSA, as defined by the U.S. Office of Management and Budget. The Hilton Head Island MSA is 1,231 square miles in size, and ranks 204 in population out of the nation's 387 metropolitan statistical areas.

Population

The Hilton Head Island MSA has an estimated 2025 population of 240,270, which represents an average annual 2.2% increase over the 2020 census of 215,908. The Hilton Head Island MSA added an average of 4,872 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 Hilton Head Island MSA's population is projected to increase at a 1.5% annual rate from 2025-2030, equivalent to the addition of an average of 3,767 residents per year. The Hilton Head Island 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
Hilton Head Island et al, SC M	215,908	240,270	259,105	2.2%	1.5%
South Carolina	5,118,425	5,513,800	5,843,720	1.5%	1.2%
USA	331,449,281	337,643,652	345,735,705	0.4%	0.5%

Source: Claritas

Employment

Total employment in the Hilton Head Island MSA was estimated at 81,146 jobs at year-end 2024. Between year-end 2014 and 2024, employment rose by 13,068 jobs, equivalent to a 19.2% increase over the entire period. There were gains in employment in eight out of the past ten years. Although the Hilton Head Island MSA's employment rose over the last decade, it underperformed South Carolina, which experienced an increase in employment of 19.5% or 376,769 jobs over this period.

Employment Trends

	Total Employment (Year End)				Unemployment Rate (Ann. Avg.)	
Year	Hilton Head Island MSA	% Change	South Carolina	% Change	Hilton Head Island MSA	South Carolina
2014	68,078		1,933,292		5.5%	6.3%
2015	70,271	3.2%	1,988,582	2.9%	5.4%	5.9%
2016	71,672	2.0%	2,026,929	1.9%	4.4%	4.9%
2017	73,580	2.7%	2,061,054	1.7%	3.7%	4.2%
2018	76,949	4.6%	2,118,556	2.8%	3.0%	3.4%
2019	78,284	1.7%	2,150,692	1.5%	2.4%	2.8%
2020	75,438	-3.6%	2,075,815	-3.5%	5.1%	6.0%
2021	77,755	3.1%	2,149,077	3.5%	3.3%	3.9%
2022	79,667	2.5%	2,219,777	3.3%	3.0%	3.2%
2023	81,698	2.5%	2,279,240	2.7%	2.7%	3.0%
2024	81,146	-0.7%	2,310,061	1.4%	3.8%	4.1%
Overall Change 2014-2024	13,068	19.2%	376,769	19.5%		
Avg Unemp. Rate 2014-2024					3.8%	4.3%
Unemployment Rate - April 2025					3.3%	3.8%

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

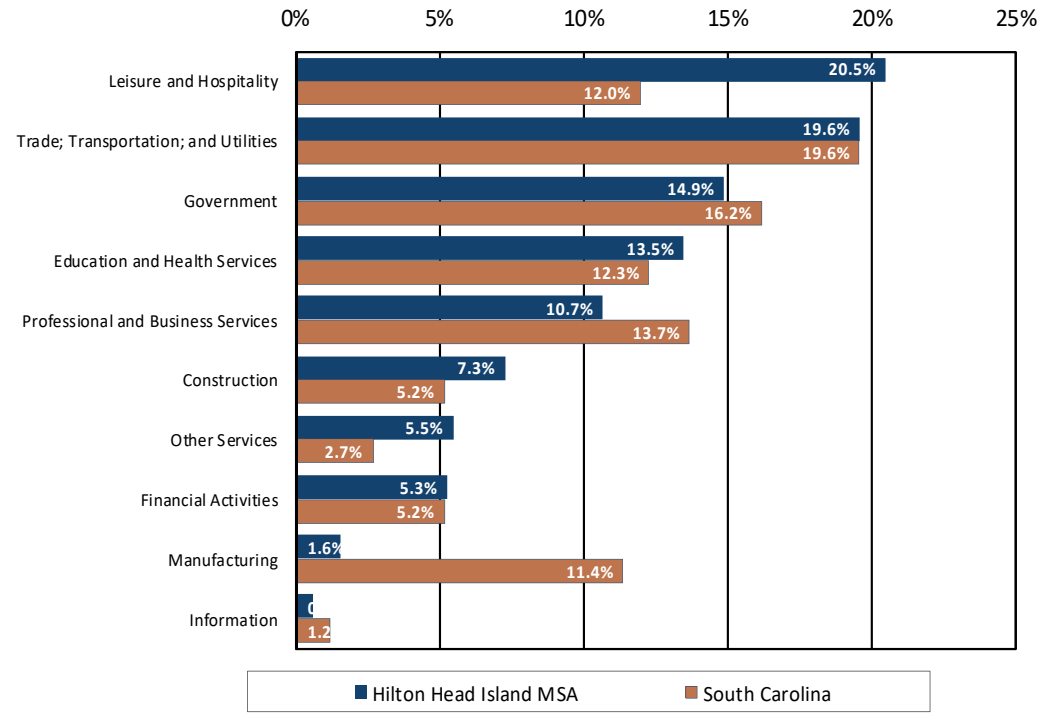
A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Hilton Head Island MSA unemployment rate has been consistently lower than that of South Carolina, with an average unemployment rate of 3.8% in comparison to a 4.3% rate for South Carolina. A lower unemployment rate is a positive indicator.

Recent data shows that the Hilton Head Island MSA unemployment rate is 3.3% in comparison to a 3.8% rate for South Carolina, a positive sign for the Hilton Head Island MSA economy but one that must be tempered by the fact that the Hilton Head Island MSA has underperformed South Carolina in the rate of job growth over the past two years.

Employment Sectors

The composition of the Hilton Head Island 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 Hilton Head Island MSA jobs in each category.

Employment Sectors - 2024



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

The Hilton Head Island MSA has greater concentrations than South Carolina in the following employment sectors:

1. Leisure and Hospitality, representing 20.5% of the Hilton Head Island MSA payroll employment compared to 12.0% for South Carolina as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.
2. Education and Health Services, representing 13.5% of the Hilton Head Island MSA payroll employment compared to 12.3% for South Carolina as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
3. Construction, representing 7.3% of the Hilton Head Island MSA payroll employment compared to 5.2% for South Carolina as a whole. This sector includes construction of buildings, roads, and utility systems.
4. Other Services, representing 5.5% of the Hilton Head Island MSA payroll employment compared to 2.7% for South Carolina as a whole. This sector includes establishments that do not fall within other defined categories, such as private households, churches, and laundry and dry cleaning establishments.

The Hilton Head Island MSA is underrepresented in the following sectors:

1. Government, representing 14.9% of the Hilton Head Island MSA payroll employment compared to 16.2% for South Carolina as a whole. This sector includes employment in local, state, and federal government agencies.
2. Professional and Business Services, representing 10.7% of the Hilton Head Island MSA payroll employment compared to 13.7% for South Carolina as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.
3. Manufacturing, representing 1.6% of the Hilton Head Island MSA payroll employment compared to 11.4% for South Carolina as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.
4. Information, representing 0.6% of the Hilton Head Island MSA payroll employment compared to 1.2% for South Carolina as a whole. Publishing, broadcasting, data processing, telecommunications, and software publishing are included in this sector.

Major Employers

Major employers in the Hilton Head Island MSA are shown in the following table.

Major Employers - Hilton Head Island et al, SC Metro

	Name	Number of Employees
1	Berkeley Hall Club	5,000 to 9,999
2	Hilton Head Medical Center - Clinics	1,000 to 4,999
3	Sea Pines Resort	1,000 to 4,999
4	Beaufort Memorial	1,000 to 4,999
5	Naval Hospital Beaufort	1,000 to 4,999
6	Mals 31 Headquarters	500 to 999
7	Westin Hilton Head Island Resort & Spa	500 to 999
8	Walmart Supercenter	500 to 999
9	Hilton Head Hospital	500 to 999
10	Greenery Inc	500 to 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 Hilton Head Island MSA than South Carolina overall during the past decade. The Hilton Head Island MSA has grown at a 3.4% average annual rate while the State of South Carolina has grown at a 2.7% rate. The Hilton Head Island MSA continues to perform better than South Carolina. GDP for the Hilton Head Island MSA rose by 4.2% in 2023 while South Carolina's GDP rose by 3.1%.

The Hilton Head Island MSA has a per capita GDP of $49,137, which is approximately the same as South Carolina's GDP of $48,684.

Gross Domestic Product

Year	($,000s) Hilton Head Island MSA	% Change	($,000s) South Carolina	% Change
2013	8,168,919	–	200,147,300	–
2014	8,412,320	3.0%	206,077,900	3.0%
2015	8,560,666	1.8%	213,212,400	3.5%
2016	8,817,628	3.0%	220,559,300	3.4%
2017	8,876,622	0.7%	224,937,600	2.0%
2018	9,319,395	5.0%	231,663,300	3.0%
2019	9,762,165	4.8%	239,021,300	3.2%
2020	9,971,047	2.1%	233,650,100	-2.2%
2021	10,324,401	3.5%	245,752,100	5.2%
2022	10,974,028	6.3%	254,504,500	3.6%
2023	11,429,484	4.2%	262,298,500	3.1%
Compound % Chg (2013-2023)		3.4%		2.7%
GDP Per Capita 2023	$49,137		$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 Hilton Head Island MSA is more affluent than South Carolina. Median household income for the Hilton Head Island MSA is $85,563, which is 27.5% greater than the corresponding figure for South Carolina.

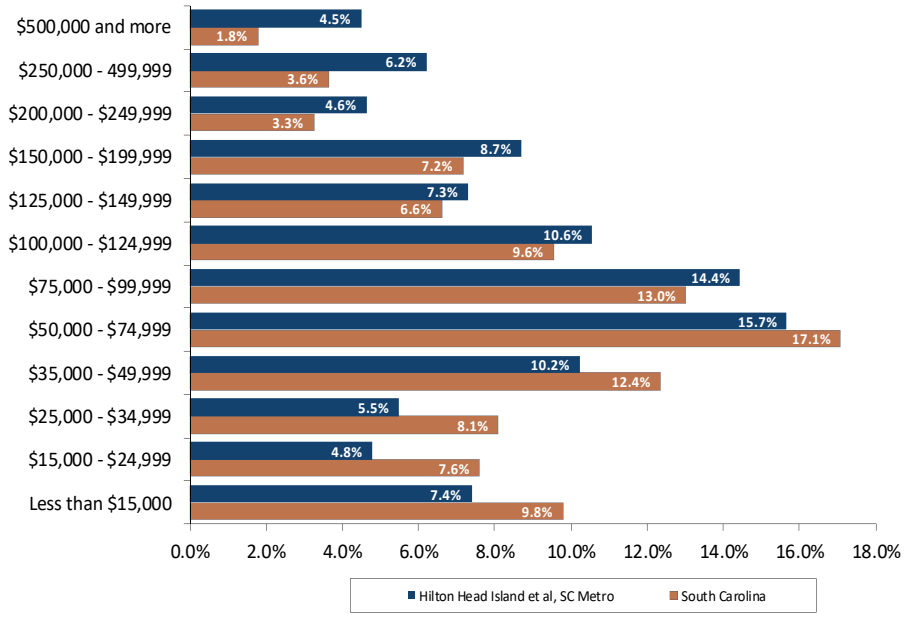
Median Household Income - 2025

	Median
Hilton Head Island et al, SC Metro	$85,563
South Carolina	$67,099
Comparison of Hilton Head Island et al, SC Metro to South Caroli	+27.5%

Source: Claritas

The following chart shows the distribution of households across twelve income levels. The Hilton Head Island MSA has a greater concentration of households in the higher income levels than South Carolina. Specifically, 24% of Hilton Head Island 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 28% of Hilton Head Island MSA households are below the $50,000 level in household income versus 38% of South Carolina households.

Household Income Distribution - 2025

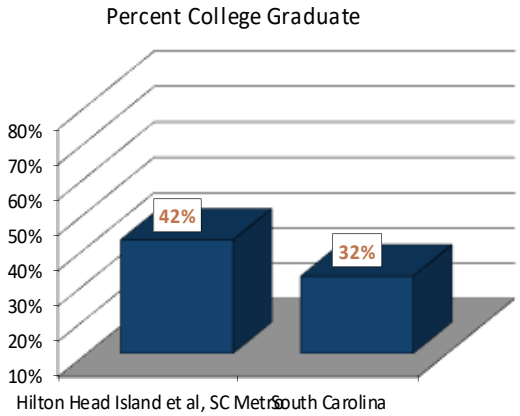


Source: Claritas

Education Levels

Residents of the Hilton Head Island MSA have a higher level of educational attainment than those of South Carolina. An estimated 42% of Hilton Head Island MSA residents are college graduates with four-year degrees, versus 32% of South Carolina residents.

Education Levels - 2025

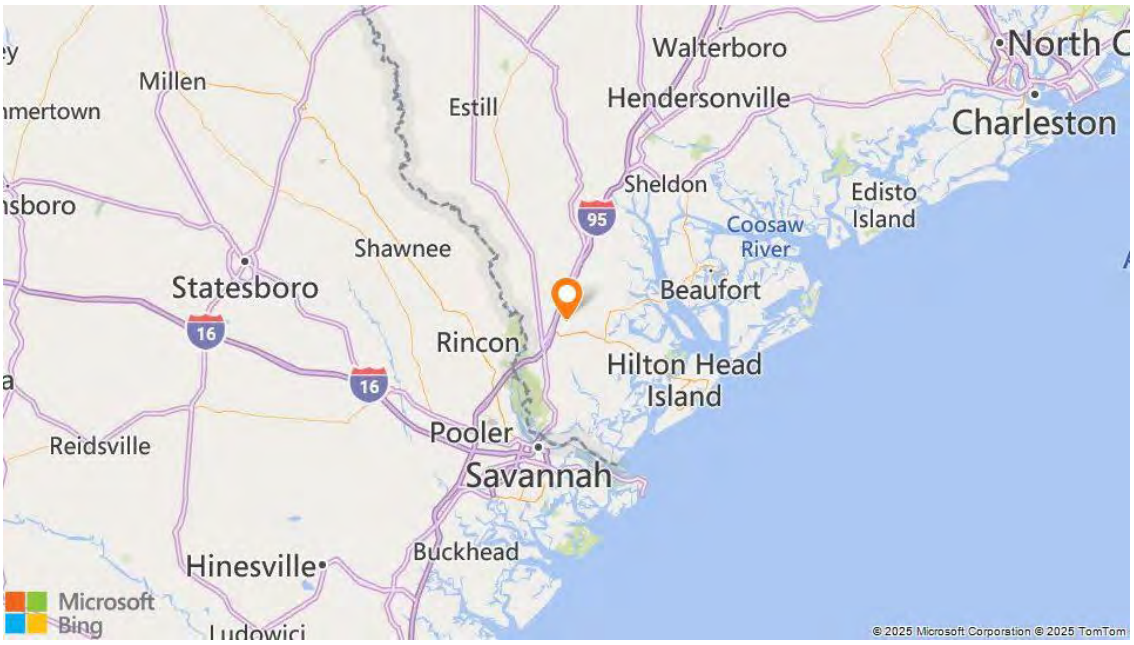


Source: Claritas

Conclusion

The Hilton Head Island MSA economy will benefit from a growing population base and higher income and education levels. The Hilton Head Island 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 Hilton Head Island MSA exhibits a higher rate of GDP growth than South Carolina overall. It is anticipated that the Hilton Head Island MSA economy will improve and employment will grow, strengthening the demand for real estate.

Area Map


Walterboro
North C
Millen
Estill
Hendersonville
Charleston
Sheldon
Edisto Island
95
Coosaw River
Shawnee
Statesboro
Beaufort
16
Rincon
Hilton Head Island
16
Pooler
Reidsville
Savannah
Buckhead
Hinesville
Microsoft Bing
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Surrounding Area Analysis

Location

The subject is located in the city of Hardeeville, in Jasper County, South Carolina. The subject is a part of the Hilton Head Island - Bluffton MSA.

Access and Linkages

Primary highway access to the area is via Interstate 95, which connects to the city of Savannah to the south. Secondary access is provided by US Highways 278 and 321.

Limited public transportation is provided through portions of the surrounding area by Palmetto Breeze Transit. The local market perceives public transportation as average compared to other areas in the region. The primary mode of transportation in this area is the automobile.

The Savannah/ Hilton Head International Airport is located approximately 30 miles from the subject. The Savannah CBS is located approximately 20 miles from the subject. Hilton Head Island is approximately 13 miles from the subject. The city of Beaufort is approximately 15 miles from the subject

The Charleston International Airport, a civil-military joint-use airport, is located about 65 miles from the property. The Charleston CBD is also approximately 65 miles from the property.

Population and Area Statistics

A statistical 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	Hilton Head Island et al, SC Metro	South Carolina
Population 2020	425	3,063	17,477	215,908	5,118,425
Population 2025	669	4,331	21,472	240,270	5,513,800
Population 2030	781	4,993	23,835	259,105	5,843,720
Compound % Change 2020-2025	9.5%	7.2%	4.2%	2.2%	1.5%
Compound % Change 2025-2030	3.1%	2.9%	2.1%	1.5%	1.2%
Households 2020	180	1,446	8,450	87,645	2,048,912
Households 2025	295	2,047	10,417	99,113	2,226,844
Households 2030	352	2,367	11,573	107,733	2,373,170
Compound % Change 2020-2025	10.4%	7.2%	4.3%	2.5%	1.7%
Compound % Change 2025-2030	3.6%	2.9%	2.1%	1.7%	1.3%
Median Household Income 2025	$87,247	$82,986	$80,797	$85,563	$67,099
Average Household Size	2.3	2.2	2.0	2.3	2.4
College Graduate %	25%	36%	41%	42%	32%
Owner Occupied %	71%	72%	80%	74%	70%
Renter Occupied %	29%	28%	20%	26%	30%
Median Owner Occupied Housing Value	$456,101	$511,137	$492,135	$535,700	$293,926
Median Year Structure Built	2016	2013	2008	2000	1992
Average Travel Time to Work in Minutes	22	27	26	25	28

Source: Claritas

As shown above, the current population within a 3-mile radius of the subject is 4,331, and the average household size is 2.2. 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 Hilton Head Island MSA overall, the population within a 3-mile radius is projected to grow at a faster rate.

Median household income is $82,986, which is lower than the household income for the Hilton Head Island MSA. Residents within a 3-mile radius have a lower level of educational attainment than those of the Hilton Head Island MSA, while median owner-occupied home values are lower.

Household growth rates serve as the basis for additional residential demand. The table that follows details the projected household growth rates within a 1-, 3-, and 5-mile radius of the subject. We place primary emphasis on the 1- and 3-mile radius which is most reflective of the subject's immediate market area. It is our opinion that these growth rates indicate moderate demand for additional residential use in the market area. However, these growth rates reflect primary, year-round owner-occupancy where the subject's submarket also generates demand from second/ vacation homeowners.

Household Growth Rates			
	1-Mile	3-Mile	5-Mile
2025	295	2,047	10,417
2030	352	2,367	11,573
5-Year Change	57	320	1,156
Average Change/ Year	11.4	64.0	231.2

Demand Generators

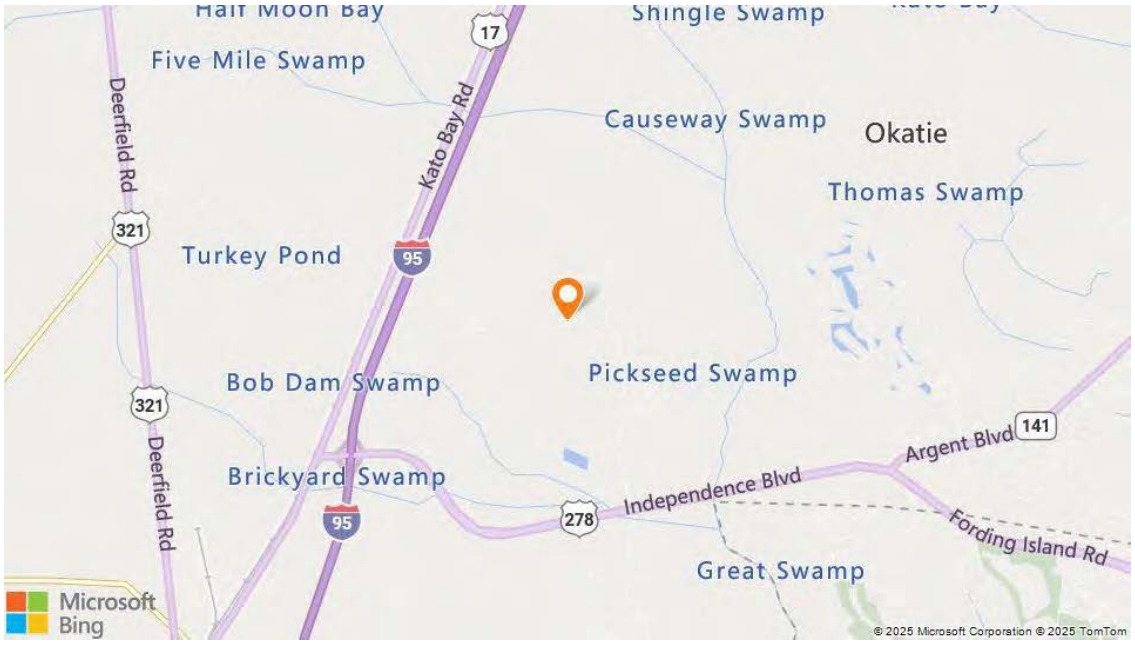
Primary demand generators for the subject are its proximity to Hilton Head Island and Savannah Georgia. Hilton Head is a major tourist destination and is located on the Atlantic Ocean. Additional demand generators include the Broad River, Beaufort River, Marine Corps Air Station Beaufort, Marine Corps Recruit Depot Parris Island, and Naval Hospital Beaufort. The subject's proximity to the city of Charleston is considered to be a tertiary demand generator.

The subject is located in the Hilton Head Lakes development. The overall development includes multiple phases/ sections and a golf course (The Golf Club at Hilton Head Lakes).

Outlook and Conclusions

The subject's market area is the growth stage of its life cycle. Given the history of the area and the growth trends, it is anticipated that property values will increase in the future.

Surrounding Area Map



South Carolina Housing Market Analysis

A market study is a macroeconomic analysis that examines the general market conditions of supply, demand, and pricing or the demographics of demand for a specific area or property type. A market study may also include analyses of construction and absorption trends. In order to gain perspective into the price levels, competition and rate of sales in the local market we have evaluated a variety of supply and demand characteristics. We are providing a general definition of the South Carolina market and an overview of demand and supply characteristics.

Note that the historical statistical data that follows is inclusive of residential property sales that were listed and sold through the MLS. Therefore, this data excludes sales that were not listed and sold through the MLS.

The following tables show recent trends in the number of residential units sold and days on the market for various South Carolina locations through September 2025.

SC REALTORS® MLS Statistics
September 2025

SOUTH CAROLINA REALTORS®

Number of Residential Homes, Condos & Villas Sold

	Most Recent Month			Most Recent Quarter			Year to Date		
	9-2024	9-2025	% Change	Q3-2024	Q3-2025	% Change	2024	2025	% Change
Aiken	228	290	+27.2%	925	943	+1.9%	2,606	2,612	+0.2%
Beaufort	176	236	+34.1%	637	800	+25.6%	2,013	2,214	+10.0%
Central Carolina	60	61	+1.7%	194	213	+9.8%	568	567	-0.2%
Charleston Trident	1,268	1,367	+7.8%	4,401	4,648	+5.6%	13,376	13,592	+1.6%
Cherokee County	9	11	+22.2%	40	39	-2.5%	160	148	-7.5%
Coastal Carolinas	1,338	1,435	+7.2%	4,192	4,341	+3.6%	12,151	12,068	-0.7%
Greater Augusta	521	639	+22.6%	2,005	2,103	+4.9%	5,996	5,850	-2.4%
Greater Columbia	1,032	1,152	+11.6%	3,482	3,685	+5.8%	10,038	10,427	+3.9%
Greater Greenville	1,307	1,576	+20.6%	4,439	4,742	+6.8%	12,447	13,523	+8.6%
Greenwood	69	107	+55.1%	260	295	+13.5%	734	769	+4.8%
Hilton Head Area	413	453	+9.7%	1,371	1,500	+9.4%	4,235	4,192	-1.0%
Pee Dee	200	203	+1.5%	655	669	+2.1%	1,855	1,979	+6.7%
Piedmont Regional	516	577	+11.8%	1,693	1,843	+8.9%	4,687	5,091	+8.6%
Spartanburg	490	615	+25.5%	1,632	1,856	+13.7%	4,656	5,379	+15.5%
Sumter/Clarendon County	145	--	--	483	75	-84.5%	1,353	910	-32.7%
Western Upstate	505	589	+16.6%	1,591	1,737	+9.2%	4,581	4,884	+6.6%
State Totals*	**6,901**	**7,617**	+10.4%	**23,151**	**24,138**	+4.3%	**67,410**	**69,154**	+2.6%

Median Price of Residential Homes, Condos & Villas Sold

	Most Recent Month			Most Recent Quarter			Year to Date		
	9-2024	9-2025	% Change	Q3-2024	Q3-2025	% Change	2024	2025	% Change
Aiken	$279,990	$300,000	+7.1%	$288,950	$300,000	+3.8%	$289,850	$297,000	+2.5%
Beaufort	$417,745	$418,531	+0.2%	$435,000	$425,000	-2.3%	$430,000	$440,000	+2.3%
Central Carolina	$248,495	$240,000	-3.4%	$249,995	$245,000	-2.0%	$264,990	$249,900	-5.7%
Charleston Trident	$410,000	$424,900	+3.6%	$418,475	$425,000	+1.6%	$417,024	$426,708	+2.3%
Cherokee County	$250,000	$210,000	-16.0%	$219,900	$214,500	-2.5%	$219,900	$230,000	+4.6%
Coastal Carolinas	$330,000	$335,000	+1.5%	$325,000	$330,000	+1.5%	$328,802	$329,000	+0.1%
Greater Augusta	$280,000	$293,650	+4.9%	$282,000	$295,000	+4.6%	$280,000	$291,000	+3.9%
Greater Columbia	$274,198	$276,000	+0.7%	$275,940	$279,995	+1.5%	$273,000	$278,458	+2.0%
Greater Greenville	$309,000	$319,919	+3.5%	$319,000	$325,000	+1.9%	$315,000	$320,000	+1.6%
Greenwood	$281,200	$272,500	-3.1%	$259,450	$270,000	+4.1%	$250,000	$259,950	+4.0%
Hilton Head Area	$541,500	$532,500	-1.7%	$544,456	$550,000	+1.0%	$541,750	$552,000	+1.9%
Pee Dee	$221,450	$226,490	+2.3%	$220,000	$230,000	+4.5%	$220,000	$229,900	+4.5%
Piedmont Regional	$404,808	$392,500	-3.0%	$399,950	$400,000	+0.0%	$385,000	$400,000	+3.9%
Spartanburg	$289,900	$289,900	0.0%	$290,950	$295,000	+1.4%	$289,995	$292,150	+0.7%
Sumter/Clarendon County	$237,000	--	--	$250,000	$262,500	+5.0%	$250,000	$251,900	+0.8%
Western Upstate	$311,000	$320,000	+2.9%	$314,900	$319,000	+1.3%	$304,900	$313,107	+2.7%
State Totals*	**$331,000**	**$339,000**	+2.4%	**$336,900**	**$345,000**	+2.4%	**$335,687**	**$340,000**	+1.3%

Average Days on Market Until Sale (DOM)

	Most Recent Month			Most Recent Quarter			Year to Date		
	9-2024	9-2025	% Change	Q3-2024	Q3-2025	% Change	2024	2025	% Change
Aiken	108	104	-3.7%	88	105	+19.3%	99	110	+11.1%
Beaufort	118	121	+2.5%	105	117	+11.4%	103	119	+15.5%
Central Carolina	78	81	+3.8%	82	83	+1.2%	78	85	+9.0%
Charleston Trident	43	52	+20.9%	39	48	+23.1%	38	48	+26.3%
Cherokee County	98	84	-14.3%	70	87	+24.3%	83	90	+8.4%
Coastal Carolinas	131	131	0.0%	120	126	+5.0%	117	126	+7.7%
Greater Augusta	104	107	+2.9%	99	99	0.0%	103	106	+2.9%
Greater Columbia	45	48	+6.7%	43	45	+4.7%	45	49	+8.9%
Greater Greenville	49	54	+10.2%	44	50	+13.6%	47	51	+8.5%
Greenwood	107	99	-7.5%	98	100	+2.0%	95	108	+13.7%
Hilton Head Area	58	131	+125.9%	51	115	+125.5%	51	85	+66.7%
Pee Dee	58	54	-6.9%	51	58	+13.7%	54	66	+22.2%
Piedmont Regional	39	54	+38.5%	37	50	+35.1%	39	50	+28.2%
Spartanburg	40	48	+20.0%	37	43	+16.2%	38	43	+13.2%
Sumter/Clarendon County	58	--	--	57	60	+5.3%	57	62	+8.8%
Western Upstate	65	71	+9.2%	64	68	+6.3%	64	68	+6.3%
State Totals*	**68**	**75**	+10.3%	**61**	**71**	+16.4%	**62**	**70**	+12.9%

South Carolina Housing Market Analysis Conclusions

Overall, year-to-date, the number of closed sales and the median prices have increased year-to-date 2025. These are all positive indicators. However, the average days on market has increased significantly.

Lot inventories are limited in most markets, adding new demand for lot development. Some areas of the state have seen more demand than others. The median income in the area and continued population growth indicates positive signs for affordability and demand.

Jasper County Housing Market Analysis

The subject is located in Jasper County. The following chart shows September 2025 data on residential property in Jasper County.

Local Market Update – September 2025

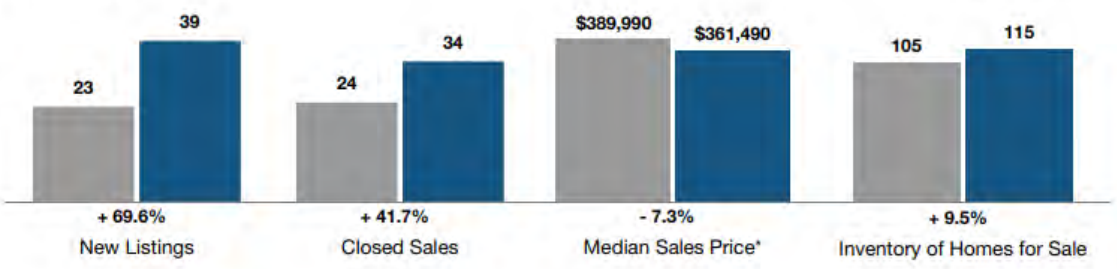
A Research Tool Provided by REsides, Inc. and the Hilton Head Area Association of REALTORS®

Jasper County

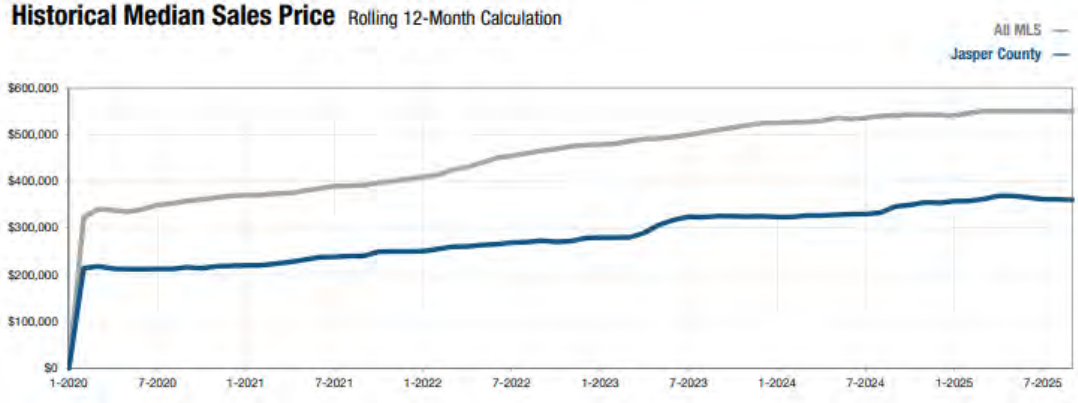
	September			Year to Date		
Key Metrics	**2024**	**2025**	Percent Change	**2024**	**2025**	Percent Change
New Listings	23	**39**	+ 69.6%	252	**325**	+ 29.0%
Closed Sales	24	**34**	+ 41.7%	166	**246**	+ 48.2%
Median Sales Price*	$389,990	**$361,490**	- 7.3%	$349,490	**$359,990**	+ 3.0%
Percent of List Price Received*	100.3%	**98.4%**	- 1.9%	98.1%	**99.1%**	+ 1.0%
Days on Market Until Sale	36	**141**	+ 291.7%	45	**108**	+ 140.0%
Inventory of Homes for Sale	105	**115**	+ 9.5%	--	--	--

* Does not account for sale concessions and/or downpayment assistance. | Percent changes are calculated using rounded figures and can sometimes look extreme due to small sample size.

September



Historical Median Sales Price Rolling 12-Month Calculation



Jasper County Housing Market Analysis Conclusions

The number of closed sales has increased significantly (48.2%) year-to-date in 2025. The median sale price has also increased (3.0%). These are all positive signs indicating continued demand for residential units in the area. However, the days on market has increased measurably.

Beaufort and Jasper Counties Housing Market Analysis

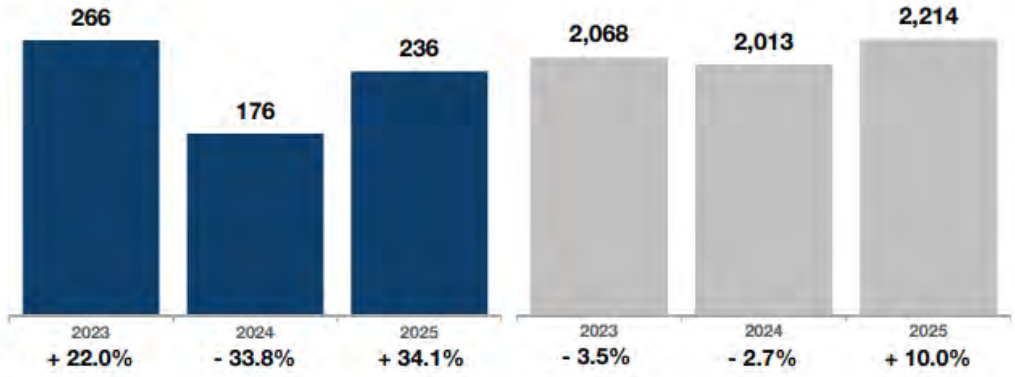
The subject is located immediately west of Beaufort County. The data that follows reflects the combined overall market statistics for both Jasper County and Beaufort County.

Closed Sales

A count of the actual sales that closed in a given month.

BJCR BEAUFORT-JASPER COUNTY REALTORS®

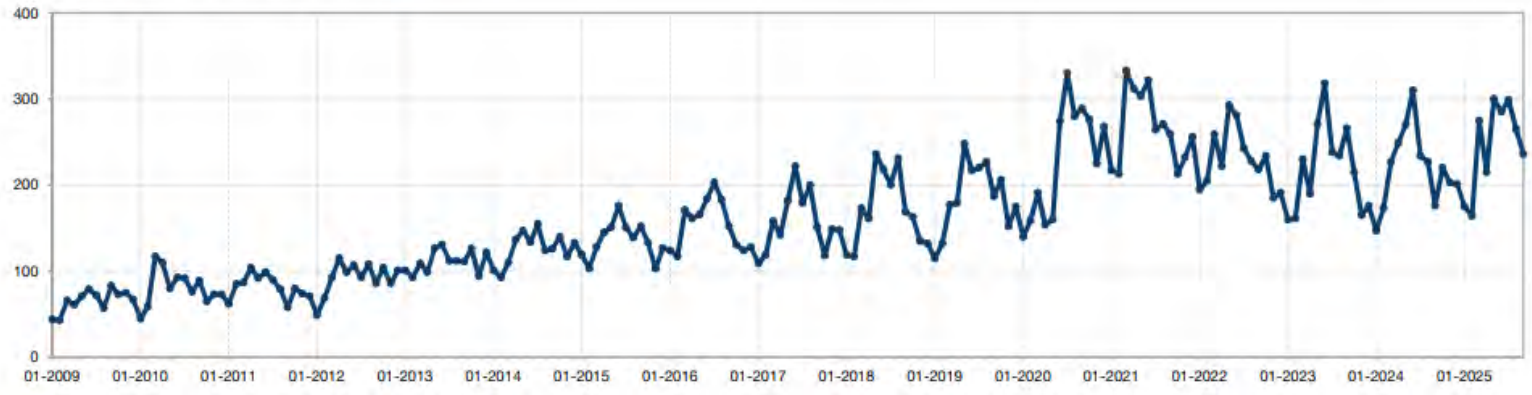
September



Year to Date

Closed Sales		Prior Year	Percent Change
October 2024	220	215	+2.3%
November 2024	203	165	+23.0%
December 2024	201	176	+14.2%
January 2025	175	147	+19.0%
February 2025	164	173	-5.2%
March 2025	275	227	+21.1%
April 2025	215	249	-13.7%
May 2025	300	270	+11.1%
June 2025	285	310	-8.1%
July 2025	299	234	+27.8%
August 2025	265	227	+16.7%
September 2025	**236**	**176**	**+34.1%**
12-Month Avg	237	214	+10.5%

Historical Closed Sales by Month



Days on Market Until Sale

Average number of days between when a property is listed and when an offer is accepted in a given month.

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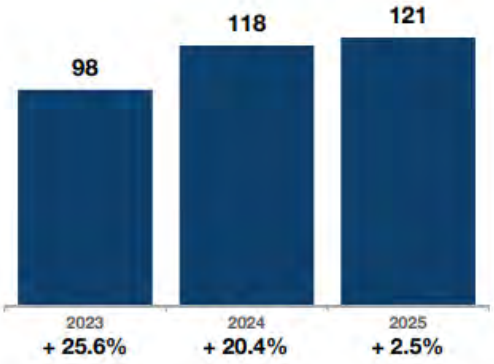
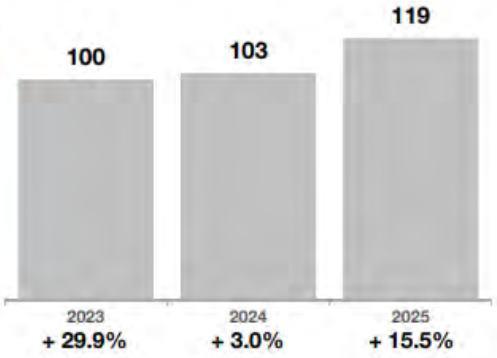
September



Year to Date



Days on Market		Prior Year	Percent Change
October 2024	118	114	+3.5%
November 2024	114	89	+28.1%
December 2024	121	104	+16.3%
January 2025	116	97	+19.6%
February 2025	129	102	+26.5%
March 2025	124	104	+19.2%
April 2025	110	102	+7.8%
May 2025	116	99	+17.2%
June 2025	122	105	+16.2%
July 2025	116	102	+13.7%
August 2025	115	97	+18.6%
September 2025	**121**	**118**	**+2.5%**
12-Month Avg*	118	103	+14.6%

* Average Days on Market of all properties from October 2024 through September 2025. This is not the average of the individual figures above.

Historical Days on Market Until Sale by Month

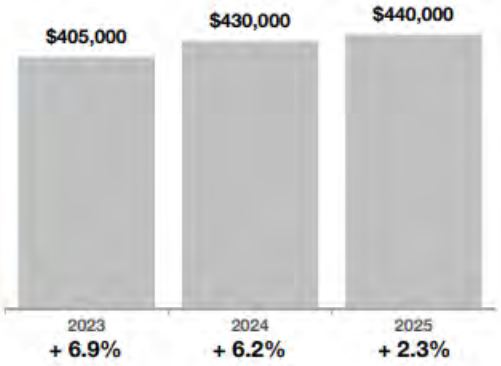
Median Sales Price

Point at which half of the sales sold for more and half sold for less, not accounting for seller concessions, in a given month.

BJCR BEAUFORT-JASPER COUNTY REALTORS®

September

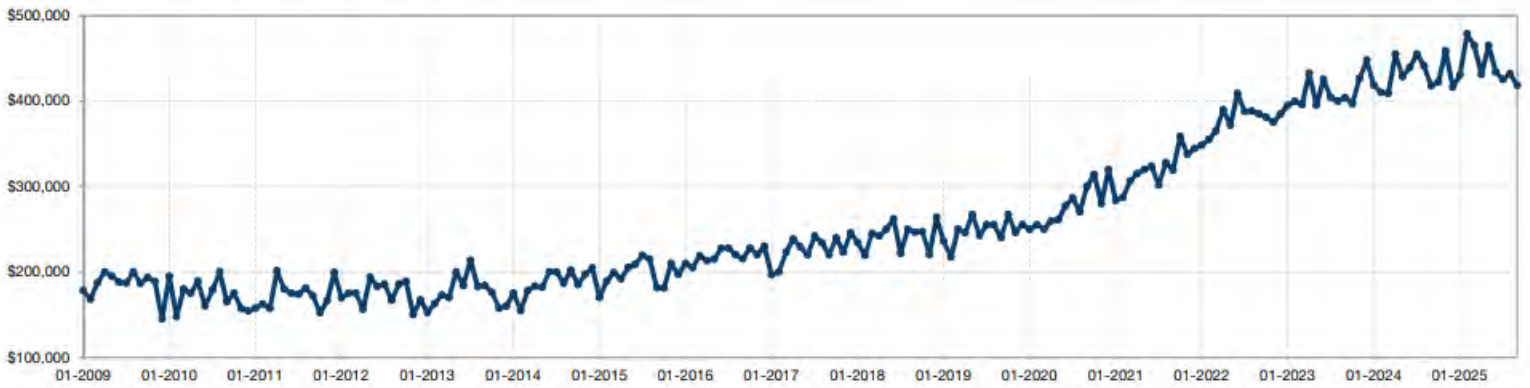
Year to Date



Median Sales Price		Prior Year	Percent Change
October 2024	$422,500	$397,000	+6.4%
November 2024	$459,000	$426,500	+7.6%
December 2024	$416,000	$448,000	-7.1%
January 2025	$430,490	$418,425	+2.9%
February 2025	$478,420	$410,000	+16.7%
March 2025	$464,890	$408,900	+13.7%
April 2025	$431,000	$455,000	-5.3%
May 2025	$465,000	$428,312	+8.6%
June 2025	$434,000	$439,490	-1.2%
July 2025	$425,090	$454,950	-6.6%
August 2025	$432,000	$440,995	-2.0%
September 2025	**$418,531**	**$417,745**	**+0.2%**
12-Month Med*	$436,000	$426,000	+2.3%

* Median Sales Price of all properties from October 2024 through September 2025. This is not the median of the individual figures above.

Historical Median Sales Price by Month

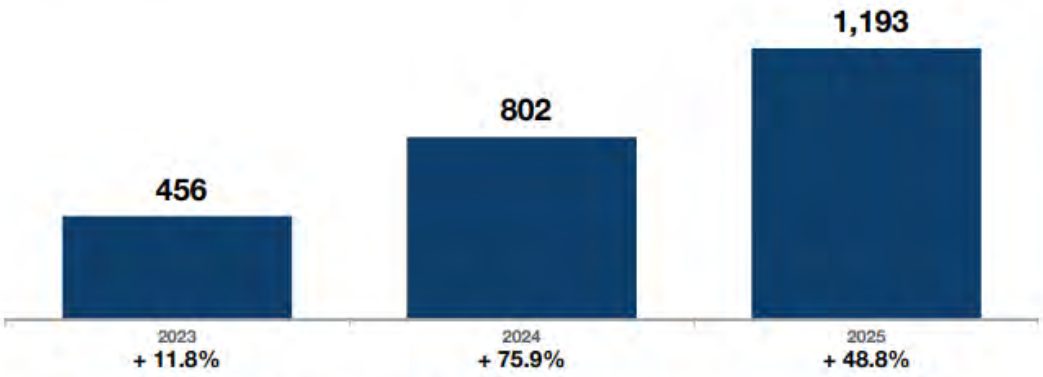


Inventory of Homes for Sale

The number of properties available for sale in active status at the end of a given month.

BJCR BEAUFORT-JASPER COUNTY REALTORS®

September



Homes for Sale		Prior Year	Percent Change
October 2024	861	517	+66.5%
November 2024	853	525	+62.5%
December 2024	822	541	+51.9%
January 2025	866	552	+56.9%
February 2025	950	591	+60.7%
March 2025	1,045	610	+71.3%
April 2025	1,072	635	+68.8%
May 2025	1,097	660	+66.2%
June 2025	1,158	653	+77.3%
July 2025	1,175	682	+72.3%
August 2025	1,198	764	+56.8%
September 2025	**1,193**	**802**	**+48.8%**
12-Month Avg*	1,024	628	+63.1%

* Homes for Sale for all properties from October 2024 through September 2025. This is not the average of the individual figures above.

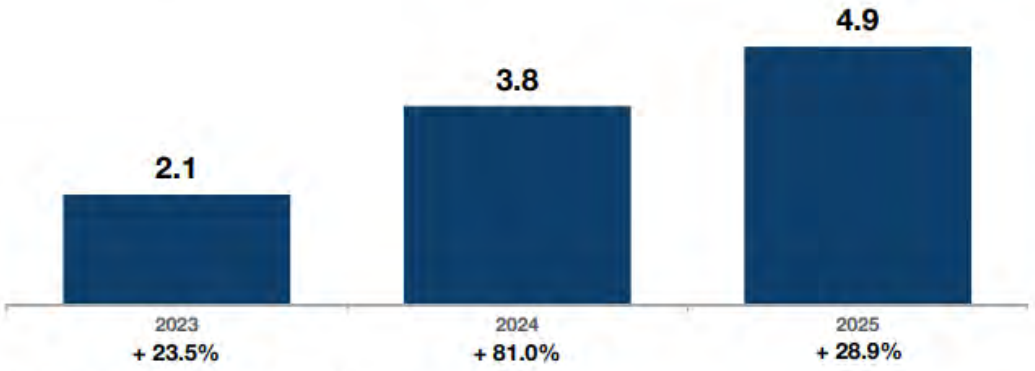
Historical Inventory of Homes for Sale by Month

Months Supply of Inventory

The inventory of homes for sale at the end of a given month, divided by the average monthly pending sales from the last 12 months.

BEAUFORT-JASPER COUNTY REALTORS®

September



Months Supply		Prior Year	Percent Change
October 2024	4.0	2.4	+66.7%
November 2024	3.9	2.4	+62.5%
December 2024	3.7	2.5	+48.0%
January 2025	3.9	2.6	+50.0%
February 2025	4.3	2.7	+59.3%
March 2025	4.8	2.8	+71.4%
April 2025	4.8	2.9	+65.5%
May 2025	4.9	3.0	+63.3%
June 2025	5.1	3.0	+70.0%
July 2025	5.0	3.1	+61.3%
August 2025	5.0	3.6	+38.9%
September 2025	**4.9**	**3.8**	**+28.9%**
12-Month Avg*	4.5	2.9	+55.2%

* Months Supply for all properties from October 2024 through September 2025. This is not the average of the individual figures above.

Historical Months Supply of Inventory by Month

Beaufort and Jasper Counties Housing Market Analysis Conclusions

The number of closed sales has increased significantly (10.0%) year-to-date in 2025. The median sale price has also increased (2.3%). These are all positive signs indicating continued demand for residential units in the area. However, the days on market has been trending up, and the months supply of inventory has been trending up.

Hilton Head Lakes Housing Market Analysis

The subject is a part of the Hilton Head Lakes development. The chart that follows reflects recent statistics for Hilton Head Lakes.

Local Market Update – September 2025

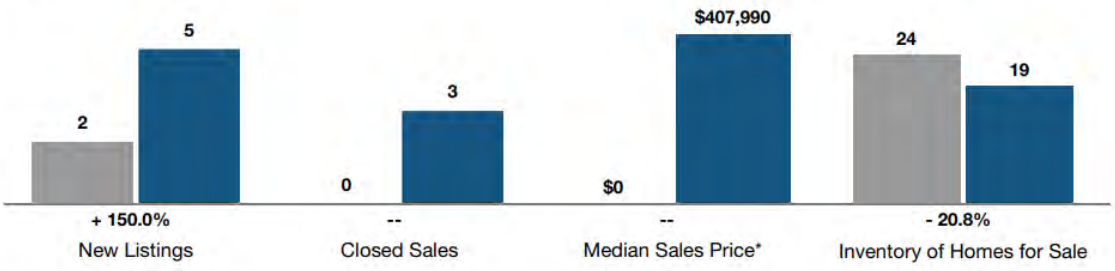
A Research Tool Provided by REsides, Inc. and the Hilton Head Area Association of REALTORS®

Hilton Head Lakes

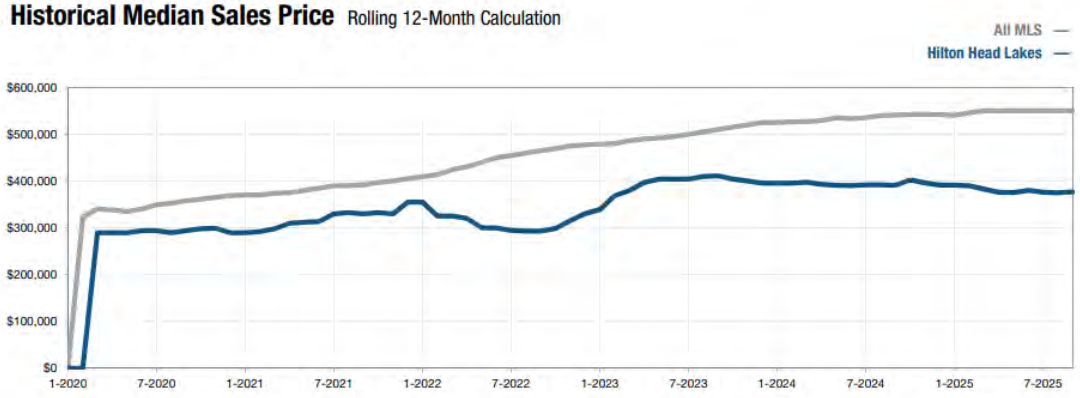
	September			Year to Date		
Key Metrics	**2024**	**2025**	Percent Change	**2024**	**2025**	Percent Change
New Listings	2	**5**	+ 150.0%	65	**72**	+ 10.8%
Closed Sales	0	**3**	--	21	**53**	+ 152.4%
Median Sales Price*	$0	**$407,990**	--	$425,000	**$375,000**	- 11.8%
Percent of List Price Received*	0.0%	**97.9%**	--	98.4%	**98.8%**	+ 0.4%
Days on Market Until Sale	0	**178**	--	39	**77**	+ 97.4%
Inventory of Homes for Sale	24	**19**	- 20.8%	--	--	--

* Does not account for sale concessions and/or downpayment assistance. | Percent changes are calculated using rounded figures and can sometimes look extreme due to small sample size.

September



Historical Median Sales Price Rolling 12-Month Calculation



Hilton Head Lakes Housing Market Analysis Conclusions

The number of closed sales has increased significantly (152.4%) year-to-date in 2025, which appears to be due to on-going development of new lots and construction of new homes in various phases/ sections. The median sale price has decreased (-11.8%), which appears to be due to the oldest section of the development surrounding the golf course, while newer sections are not on the golf course. The days on market has been trending up, and the months supply of inventory has been trending up.

Housing Market Analysis Conclusions

Beginning in 2022, the Federal Reserve began increasing the Federal Funds Rate significantly as follows:

- March 17, 2022: +25 basis points.
- May 5, 2022: +50 basis points.
- June 16, 2022: +75 basis points.
- July 27, 2022: +75 basis points.
- September 21, 2022: +75 basis points.
- November 2, 2022: +75 basis points.
- December 14, 2022: +50 basis points.
- February 1, 2023: +25 basis points.
- March 2, 2023: +25 basis points.
- May 3, 2023: +25 basis points.
- June 14, 2023: 0 basis points (no change).
- July 26, 2023: +25 basis points.
- September 20, 2023: 0 basis points (no change).
- November 1, 2023: 0 basis points (no change).
- December 13, 2023: 0 basis points (no change).
- January 31, 2024: 0 basis points (no change).
- March 20, 2024: 0 basis points (no change).
- May 1, 2024: 0 basis points (no change).
- June 12, 2024: 0 basis points (no change).
- July 31, 2024: 0 basis points (no change).
- September 18, 2024: -50 basis points.
- November 7, 2024: -25 basis points.
- December 18, 2024: -25 basis points.

- January 28, 2025: 0 basis points (no change).
- March 19, 2025: 0 basis points (no change).
- May 7, 2025: 0 basis points (no change).
- July 30, 2025: 0 basis points (no change).
- September 17, 2025: -25 basis points.
- October 29, 2025: -25 basis points.

Since the beginning of 2022, the target Federal Funds Rate increased from a low range of 0.00% to 0.25% to a high range of 5.25% to 5.50%. During this time, 30-year fixed mortgage rates on homes increased from below 3.00% to over 7.00%, more than doubling. However, due to the recent reductions beginning in September 2024, the target Federal Funds Rate has decreased to a range of 3.75% to 4.00%.

Recent reductions in the Federal Funds Rate are expected to put downward pressure on interest rates, which is expected to improve homeownership affordability, and subsequently market demand.

The subject benefits from its proximity and growth surrounding Hilton Head Island and Bluffton. The subject's surrounding market area shows strong levels of sales. Lot demand appears to be high in the immediate area. The median income in the area and the continued population growth indicates positive signs for affordability and demand.

Property Analysis

Land Description and Analysis

The subject consists of 5 parcels of vacant land containing a total of 2,605.87 acres. The subject is located within the larger, master-planned, Hilton Heads Lakes West development. The subject tracts are proposed to be developed into single-family residential (both detached and attached) uses. As of the effective date of the appraisal, a portion of the spine road and common infrastructure development were complete, and a portion remains to be completed.

Land Description	
Land Area	2,605.87 acres; 113,511,697 SF
Source of Land Area	Information provided by Stifel
Primary Street Frontage	Lakeside Boulevard North
Shape	Irregular
Corner	Yes
Topography	Gently sloping
Drainage	No problems reported or observed
Environmental Hazards	None reported or observed
Ground Stability	No problems reported or observed
Flood Area Panel Number	45053C0385D
Date	October 18, 2019
Zone	AE
Description	Within 100-year floodplain
Insurance Required?	Yes
Zoning; Other Regulations	
Zoning Jurisdiction	City of Hardeeville
Zoning Designation	PDD
Description	Planned Development District
Legally Conforming?	Yes
Zoning Change Likely?	No
Permitted Uses	Mixed uses including office, retail, and residential
Other Land Use Regulations	The property is expected to be subject to a recorded Declaration of Covenants, Conditions, and Restrictions which will imposes restrictions on the site which we assume will be typical of other developments in the market area.
Utilities	
Service	Provider
Water	Beaufort Jasper Water & Sewer Authority
Sewer	Beaufort Jasper Water & Sewer Authority
Electricity	Palmetto Electric Cooperative, inc.
Natural Gas	Dominion Energy
Local Phone	Various Providers

Land Area Summary

Tax Parcel	Owner	Deed Book/ Page	Total SF	Total Acres
042-00-06-045	LK Development Group, LLC	1094/ 914	96,551,176	2,216.51
042-00-06-129	TPG AG EHC III (LEN) Multi State 1, LLC	1151/ 1807	9,956,074	228.56
042-00-06-130	LK Development Group, LLC	1094/ 914	441,263	10.13
042-00-06-131	TPG AG EHC III (LEN) Multi State 1, LLC	1151/ 1807	790,178	18.14
042-00-06-132	Millrose Properties South Carolina LLC	1186/ 605	5,773,007	132.53
Total			113,511,697	2,605.87

Source: Information provided by Stifel

Sub-Tracts for Valuation Purposes

Tract	Total # of SFR Units	Upland Acres	Density (Units/ Upland Acre)	Gross Acreage Allocation	Density (Units/ Gross Acre)
F-1	308	103.00	3.0	160.60	1.9
F-2	268	127.00	2.1	198.03	1.4
G	510	219.00	2.3	341.48	1.5
H-1 & F-3	597	181.00	3.3	282.23	2.1
H-2	166	52.00	3.2	81.08	2.0
I	450	175.00	2.6	379.23	1.2
A	348	149.20	2.3	232.64	1.5
B	348	149.20	2.3	232.64	1.5
C	348	149.20	2.3	232.64	1.5
D	348	149.20	2.3	232.64	1.5
E	350	149.20	2.3	232.64	1.5
Single-Family Tract Total	4,041	1,603.00	2.5	2,605.87	1.6

Zoning

The subject parcels are zoned PDD, Planned Development District, by the City of Hardeeville. There is a development agreement with the City of Hardeeville for the overall Hilton Head Lakes West PDD, also known as the Argent West Tract, containing a total of 5,246.60 acres, of which the subject is a component.

Based on the development agreement, a conceptual master plan was approved on June 16, 2005. It was subsequently amended on April 3, 2025 after LK Development's most recent acquisition. According to the property contact, the development had initially stalled due to the Great Recession.

The term of the development agreement is for 30 years, which will automatically renew for two successive 5-year periods.

The development agreement indicates that the site is entitled for up to 4,356 residential dwelling units. The development agreement indicates that the site can be developed with up to 750 multifamily units. However, the information provided by the property contact indicates that there are no plans for

multifamily at the present time, and all units will consist of single-family (detached and attached) which we assume to be correct.

The development agreement includes the following development fees. The development agreement indicates that these fees are due at the time of obtaining a building permit. Therefore, these fees are not applicable to the master development of the overall site and spine road infrastructure.

DEVELOPMENT FEES	AMOUNT
Residential Dwelling Units	$3,471 plus the Adjustment Factor per unit – Road (external, off-site roads) $561 plus the Adjustment Factor per unit – Police $561 plus the Adjustment Factor per unit – Fire $689 plus the Adjustment Factor per unit – Public Safety Site Capital $876 plus the Adjustment Factor per unit – School $175 plus the Adjustment Factor per unit – Community Facilities $1,115 plus the Adjustment Factor per unit – Park
Multifamily Dwelling Units	$2,430 plus the Adjustment Factor per unit – Road (external, off-site roads) $393 plus the Adjustment Factor per unit – Police $393 plus the Adjustment Factor per unit – Fire $482 plus the Adjustment Factor per unit – Public Safety Site Capital $438 plus the Adjustment Factor per unit – School $122 plus the Adjustment Factor per unit – Community Facilities $780 plus the Adjustment Factor per unit – Park

The development agreement indicates that the property is transferable, and development rights are assignable, but that any future owners would be required to adhere to the development agreement.

The development agreement includes the following estimated development schedule. The development agreement notes that the schedule can be updated by the owner as development evolves over time, and that actual development can occur more or less rapidly based on market conditions and the final product mix.

	Years of Commencement/Completion					
Type of Development	2025-2030	2031-2035	2036-2040	2041-2045	2046-2050	2051-2055
Residential (Single-family)	750 Units	750 Units	750 Units	750 Units	400 Units	100 Units
Residential (multi-family)	0 Units	250 Units	250 Units	127 Units	0 Units	0 Units

Bond Reimbursements

The subject is located in the Hilton Head Lakes West Improvement District. The subject is eligible for reimbursements on portions of development costs from public bonds. We were not provided with a copy of the bond agreement or rate and assessment documentation.

Although the developer anticipates receiving public infrastructure expense reimbursements in the future as part of their cash flows, these potential reimbursements have not been considered/ included in our valuation of the subject at the request of the client.

Based on information provided by the property contact, the bond assessments will not become due until the individual single-family lots are platted. The owner of the subject site/ master developer will not be responsible for the bond assessments. The property contact indicated that future homeowners will be responsible for the majority of the assessment. Based on our experience, this structure is typical for residential developments in improvement districts. Based on information provided by the property contact, the special assessment will reportedly be $600 per lot, per year, escalating at 3.0% annually, for a period of 30 years.

Considering the subject's location, amenities, anticipated development velocity, and anticipated special assessment amount, it is our opinion that the fact that the residents in the community will repay the bonds will not have an adverse effect on the lots and residential land.

Proposed Site Improvements and Development Costs

The client requested an appraisal based on the completion of the following eligible improvements. Due to the on-going site work being completed over time and the scope of the assignment, we have relied upon the developer's costs.

MID Infrastructure Description	Costs to be funded with addtional Bonds	Costs to be funded with 2025 A Bonds	Total Cost
Main Road Section South including Bridge Crossing			
Paving, Grading, and Earthwork	$ 4,094,922	$ 8,069,914	$ 12,164,836
Sanitary Sewer System - Excludes Regional Pump Station South	$ -	$ 3,056,371	$ 3,056,371
Water Distribution	$ 1,160,138	$ 2,805,109	$ 3,965,247
Storm Drainage	$ 1,112,453	$ 1,958,935	$ 3,071,388
Erosion Control and Layout	$ 310,465	$ 811,722	$ 1,122,187
Utilty - Power for Street Lights	$ 1,961,734	$ 638,266	$ 2,600,000
Bridge over Wetland	$ 2,480,000	$ -	$ 2,480,000
*Professional Services (13%)	$ 1,445,563	$ 2,254,241	$ 3,699,804
Subtotal South	**$ 12,565,275**	**$ 19,594,558**	$ 32,159,833
Main Road Section North excluding Bridge Crossing			
Paving, Grading, and Earthwork	$ 5,024,077	$ -	$ 5,024,077
Sanitary Sewer System - Excludes Regional Pump Station North	$ 1,262,281	$ -	$ 1,262,281
Water Distribution	$ 1,637,647	$ -	$ 1,637,647
Storm Drainage	$ 1,268,483	$ -	$ 1,268,483
Erosion Control and Layout	$ 463,463	$ -	$ 463,463
Utilty - Power for Street Lights	$ 2,011,615	$ -	$ 2,011,615
*Professional Services (13%)	$ 1,516,784	$ -	$ 1,516,784
Subtotal North	**$ 13,184,351**	**$ -**	**$ 13,184,351**
Contingency on North subtotal (15%)	**$ 1,977,653**	**$ -**	**$ 1,977,653**
Regional Pump Stations			
Regional Pump Station South		$ 2,715,429	$ 2,715,429
Regional Pump Station North	$ 1,900,800		$ 1,900,800
Subtotal Regional Pump Stations	**$ 1,900,800**	**$ 2,715,429**	**$ 4,616,229**
Subtotal of Bond Funding Sources	**$ 29,628,078**	**$ 22,309,987**	**$ 51,938,065**
Total MID Estimated Construction			**$ 51,938,065**

The development costs total $51,938,065. According to the property contact, $22,620,335 have been spent to date which we assume to be reliable and correct. Therefore, the estimated remaining costs to complete total $29,317,730 which we assume to be correct.

The above remaining costs to complete are deducted later in the valuation section of the report in order to derive the "as is" value of the subject.

The scope of the appraisal includes providing a prospective value upon completion of the master public infrastructure, and a hypothetical value as if complete. The remaining master public infrastructure costs are not deducted in these two scenarios.

The following additional details on the master infrastructure improvements were obtained from an engineering report prepared by Thomas & Hutton dated August 13, 2025.

SECTION 2 – PROPOSED IMPROVEMENTS

The District Improvements constitute a coordinated package of roadway, drainage, water, wastewater, pedestrian and landscape infrastructure required for the orderly build-out of Hilton Head Lakes West. Portions of the infrastructure are already laid out at the conceptual level, and the remaining components will be fully designed in accordance with City of Hardeeville ordinances, Beaufort–Jasper Water & Sewer Authority technical specifications, and the South Carolina Stormwater Management Manual. We anticipate that Bond proceeds will fund the initial construction phase described below; later stages will be advanced in concert with market absorption and subsequent bond issuances. The District boundary and the overall layout of proposed roadways, traffic improvements, water, sewer, and drainage infrastructure are illustrated on Exhibit A. Portions of Main Road South—including its roadway, water, sewer, and drainage components—have already been fully designed and are currently under construction.

2.1 Land Use

Current projections call for approximately 4,041 single-family detached homes. The PDD authorizes up to 700 multifamily units, but none are planned at this stage. Should multifamily be introduced later, the detached-lot count will be reduced so that the combined dwelling-unit total never exceeds the PDD maximum of 4,356 units. Commercial uses are not permitted within the PDD.

Homes will range from 40- to 70-foot-wide detached lots, townhomes, and alley-loaded cottages, ensuring a varied housing mix. About 35 percent of the site will remain in open space, wetlands, greenways, and passive-recreation corridors, preserving the property's natural character.

2.2 Roadway Improvements

The backbone roadway system will provide two points of connection to the regional network and establish the internal spine upon which neighborhood streets will tie:

- Main Road South – An approximately 3.13-mile (16,565 LF) roadway. Roughly 2.82 miles (14,915 LF) will be constructed as a divided, four-lane boulevard extending west from the existing Lakeside Boulevard roundabout to a tee intersection; from that point the four-lane section branches both north—past the regional pump station to a bridge crossing a wetland system—and south toward a residential neighborhood, ending at another tee intersection. From that southern tee, a two-lane segment (1,650 LF) continues west to a proposed single-lane roundabout on Red Dam Road. The corridor is designed as a four-lane section divided by a 20-foot landscaped median with curb, and building all four lanes in the current phase will eliminate future widening and maintain smooth traffic flow.

The short approach immediately adjacent to the roundabout will remain a two-lane curb-and-gutter section.

- Main Road North – Approximately 1.67 miles (8,812 LF) of two-lane roadway will extend north from the bridge into areas slated for future development, complete with water, sewer, and drainage utilities sized for later residential phases.

Both corridors will feature a 10-foot-wide multi-use path for pedestrian and bicycle connectivity. The roadway pavement section will comprise 24 inches of compacted sand subgrade, 10 inches of graded aggregate base, 2 inches of asphalt binder, and 2 inches of asphalt surface. The multi-use path will be constructed over 12 inches of sand subgrade, 4 inches of graded aggregate base, and 1.5 inches of asphalt surface. Four-lane segments will have median curb, while two-lane segments will use outside curb and gutter. Street lighting, landscaping, signage, and pavement markings will be included along all roads.

2.3 Stormwater Management System

Stormwater will be managed through an integrated system of grassed swales, curb inlets, reinforced-concrete pipe, and wet-detention ponds sized to satisfy the design-storm criteria adopted by the City and the State. Hydrologic and hydraulic modeling will establish pipe diameters and regulate each pond's outfall structure. The ponds will deliver both water-quality treatment—achieving at least 80 percent total suspended-solids removal—and detention storage for the roadway. As development progresses, certain pond footprints may extend into adjoining residential pods, allowing those neighborhoods to share the regional stormwater facilities and satisfy their detention and treatment requirements. A maintenance access road will encircle every pond, and all conveyance features located within the public right-of-way will be deeded to the City for perpetual ownership, operation, and maintenance.

2.4 Water and Wastewater Utilities

The regional BJWSA water and sewer systems will be extended into the District to provide reliable potable-water, fire-flow capacity and wastewater collection.

Utility improvements include:

- Extension of the existing BJWSA potable-water grid with a 16-inch ductile-iron water main serving future development areas to the north and a 12-inch C900 PVC loop back to Red Dam Road, establishing redundant feed paths.

- Installation of isolation valves, combination air-release valves, and fire hydrants at spacings that meet BJWSA criteria, together with stub-outs for future neighborhood side streets and amenity connections.

- Construction of a regional pump station along Main Road South (BJWSA designation CP-TR-12) featuring a large wet well; two 85-HP duty pumps plus one standby, providing a firm capacity of 2,000 gpm; SCADA-equipped control panels housed in a covered building; and an emergency quick-connect for a portable generator.

- Regional Pump Station – Main Road North – A smaller regional station will be constructed along Main Road North, outfitted with two submersible pumps, SCADA telemetry, and an emergency generator quick-connect. The station's force main will connect to the local

gravity sewer and ultimately discharge through the Main Road South regional pump station.

- Gravity sewer lines will extend from both regional pump stations at the deepest practical depth, serving each adjacent development pod and minimizing the need for additional lift stations in accordance with BJWSA policy. Depending on final grades and service reach, some future pods may still require their own local pump station.

- Placement of a 16-inch ductile-iron force main with restrained-joint crossings, air-release valves, and plug valves, ultimately discharging to the BJWSA-owned and maintained Cherry Point Wastewater Treatment Plant.

All water and sewer facilities will be designed to BJWSA standards, inspected by Authority staff during construction, tested prior to service, and formally dedicated to BJWSA upon acceptance.

2.5 Hardscape, Landscape, and Irrigation

The Improvements include signature gateway monuments, stone-veneered sign walls, decorative fencing at key locations, landscaped medians and berms planted with native Lowcountry species, median street trees, decorative LED lighting, and irrigation sleeves sized for reclaimed-water service. Irrigation will be installed to facilitate the landscaping. A continuous 10-foot-wide multi-use path will follow one side of both Main Road South and Main Road North. The asphalt path—built to the section described above—will feature concrete, ADA-compliant curb ramps at every roadway crossing and will connect all residential neighborhoods, providing safe and enjoyable pedestrian and bicycle access throughout the community. Sidewalks, trail systems or any other amenities will not be funded through bond proceeds.

Drainage

No particular drainage problems were observed or disclosed at the time of field inspection. This appraisal assumes that surface water collection, both on-site and in public streets adjacent to the subject, is adequate.

Ground Stability

A soils report was not provided for our review. Based on our inspection of the subject and observation of development on nearby sites, there are no apparent ground stability problems. However, we are not experts in soils analysis. We assume that the subject's soil bearing capacity is sufficient to support the existing improvements.

Environmental Hazards

Although requested, we were not provided with an environmental assessment report. During our inspection, we did not observe any obvious signs of contamination on or near the subject. However, environmental issues are beyond our scope of expertise. It is assumed that the property is not adversely affected by environmental hazards and that there are no items that affect the development potential of the site, as planned. We recommend an environmental assessment report be prepared for the property.

Floodplain/ Wetlands

The majority of the site is located in Flood Zone A and AE, which is within the 100-year floodplain. Minor portions of the site are in Flood Zone B, which is within the 100-year to 500-year floodplain. Minor portions of the site are in Flood Zone X-Shaded, which is within the 500-year floodplain. Minor portions of the site are in Flood Zone C and X, which is outside of floodplain area. The subject is located in a coastal market. It is common for parcels to be located in floodplain area. Based on surrounding land uses and development, it does not appear that the floodplain area has a measurable adverse effect on the site.

The site has significant wetland areas. These portions of the site are primarily used to meet open space requirements and would not have an adverse effect on the overall site considering its large size.

Easements, Encroachments and Restrictions

We were not provided with a title report. Deed Book 1094, Page 914 includes the following exceptions.

EXHIBIT B
PERMITTED EXCEPTIONS

1. Taxes and assessments for the year 2022 and subsequent years, which are liens not currently due and payable.

2. Riparian rights incident to the premises.

3. Roll-back taxes as provided under Title 12, Article 3, of the South Carolina Code of Laws, 1976, as amended, Provisions Section 12-43-220(d) and others.

4. Regulation of the U.S. Corps of Engineers, the State of South Carolina Department of Health and Environment Control or the State of South Carolina Department of Natural Resources as to any portion of the land which constitutes wetlands.

5. Attention is directed to the fact that captioned property abuts Interstate Highway No. 1-95 which is a limited Access way with rights of access limited to those points designated by the Department of Transportation of Georgia.

6. Title to that portion of captioned property located within a cemetery situated on captioned property, and rights of others to easements and rights of ingress and egress thereto.

7. Right of Way Easement from Argent Lumber Company to South Carolina Electric & Gas company, a corporation, dated September 18, 1952, and recorded in Deed Book 26, page 39, Jasper County, South Carolina records.

8. Right of Way Agreement by and between Argent Lumber Company, a corporation and Palmetto Electric Cooperative, Inc., dated January 1957, recorded in Deed Book 37, page 18, Jasper County, South Carolina records.

9. Easement Channel Improvement from Union Camp Corporation, a Virginia corporation to Low Country Resources, Conservation and Development Authority, a body corporate and politic of the State of South Carolina, dated February 23, 1970, recorded in Deed Book 66, page 128, Jasper County, South Carolina records.

10. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated June 27, 1974, recorded in Deed Book 72, page 445, Jasper County, South Carolina records.

11. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated as of May 2, 1984, and recorded in Deed Book 87, page 930, Jasper County, South Carolina records; as assigned by that certain Assignment by and between International Paper Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Deed Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records.

12. Powerline Right-of-Way Easement by and between Union Camp Corporation , a Virginia corporation and South Carolina Public Service Authority, dated as of August 10, 1987, recorded in Deed Book 91, page 2296, Jasper County, South Carolina records; as assigned by that certain

Assignment by and between International Paper Realty Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Deed Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records.

13. Easements and restrictions as contained in that certain Limited Warranty Indenture Deed for Argent by and between SP Forests L.L.C., a Delaware limited liability company and Omega 1, LLC, a South Carolina limited liability company, dated July 29, 1999, and recorded in Deed Book 205, page 260, Jasper County, South Carolina records; as assigned by that certain Assignment by and between International Paper Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Minute Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records; but omitting any restriction based on race, color, religion, sex, handicap, familial status, or national origin unless and only to be extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.

14. All matters shown on that plat entitled "88.872 acres being a Portion of the West Side of the Argent Tract," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated November 3, 2003, recorded in Plat Book 27, page 52, Jasper County, South Carolina records.

15. Terms, conditions and obligations of easements as contained in that certain Title to Real Estate from International Paper Realty Corporation, a Delaware corporation to Jasper County School District, a South Carolina public body, dated December 4, 2003, and recorded in Deed Book 287, page 71, Jasper County, South Carolina records; as assigned by that that certain Assignment by and between International Paper Realty Corporation and ViaQuest Investment Properties, LLC, ated December 21, 2004, and recorded in Minute Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties, LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between South Carolina Electric and Gas Company and Core Communities of South Carolina, LLC, dated January 5, 2009, recorded in Deed Book 717, page 56, Jasper County, South Carolina records.

16. All matters shown on that plat entitled "West Side of the Argent Tract (5,313.466 Acres) being a Portion I.P. Realty," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated September 30, 2004, recorded in Plat Book 27, page 375, Jasper County, South Carolina records.

17. Mineral royalty reservation and any reservation of minerals as contained in that certain Title to Real Estate from International Paper Realty Corporation, a Delaware corporation to ViaQuest Investment Properties, LLC, dated December 17, 2004, and recorded in Deed Book 309, page 113, Jasper County, South Carolina records.

18. Development Agreement (Argent West Tract) by and between ViaQuest Investment Properties, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, dated June 30, 2005, recorded in Deed Book 324, page 103, Jasper County, South Carolina records; and amended as follows:

a. Amendment to Development Agreement by and between ViaQuest Investment Properties, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, dated August 11, 2005, and recorded in Deed Book 327, page 228, Jasper County, South Carolina records;

b. Amendment to Development Agreement by and between ViaQuest Investment Properties, LLC, Omega 1, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, dated August 11, 2005, and recorded in Deed Book 327, page 235, Jasper County, South Carolina records;

c. Second Restated and Amended Development Agreement (Argent West Tract) by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and the governmental authority of the City of Hardeeville, South Carolina, dated October 21, 2008, and recorded in Deed Book 708, page 1, Jasper County, South Carolina records;

d. Notice of Intent to Amend Development Agreement Argent West Tract (Tradition) by Ted Felder, Interim City Manager, dated January 7, 2010, recorded in Deed Book 783, page 312, Jasper County, South Carolina records;

e. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) by the Hardeeville City Council, dated January 25, 2010, and recorded in Deed Book 788, page 174, Jasper County, South Carolina records;

f. Assignment of Rights under Development Agreement by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and THH Acquisitions, LLC, an Iowa limited liability company, dated November 8, 2010, and recorded in Deed Book 801, page 153, Jasper County, South Carolina records;

g. General Assignment of Developer and Contract Rights for Development of the Tradition by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and THH Acquisitions, LLC, an Iowa limited liability company, dated November 8, 2010, filed for record December 29, 2010 at 11:18 a.m., recorded in Deed Book 801, page 157, Jasper County, South Carolina records;

h. Assignment of Development Agreement Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn Inc., a South Carolina corporation, dated December 21, 2010, filed for record December 29, 2010 at 3:12 p.m., and recorded in Deed Book 801, page 219, Jasper County, South Carolina records;

i. Assignment of Development Agreement Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated December 22, 2010, filed for record December 29, 2010 at 4:02 p.m., and recorded in Deed Book 801, page 350, Jasper County, South Carolina records;

j. Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) by and between SLF IV / SBI West Argent, LLC, a Texas limited liability company, SLF IV I SBI JV, LLC, a Texas limited liability company, THH Acquisitions, LLC, an Iowa limited liability company and Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated April 7, 2011,and recorded in Deed Book 807, page 73, Jasper County, South Carolina records;

k. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) Pursuant to Section 6-31-90 Third Amendment by SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated March 28, 2014, and recorded in Deed Book 870, page 75, Jasper County, South Carolina records;

l. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between SLF IV/SBI West Argent, LLC and New River Preserve, LLC, dated December 10, 2014, and recorded in Deed Book 885, page

972, Jasper County, South Carolina records;

m. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Deed Book 889, page 514, Jasper County, South Carolina records;

n. Partial Assignment and Assumption of Master Agreement by and between Garden Lakes Estates, LLC and SFS Development, LLC, dated October 1, 2018, and recorded in Deed Book 986, page 907, Jasper County, South Carolina records;

o. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) by and between IOTA Woodbridge, LLC and RealStar Management, LLC, dated March 1, 2017, and recorded in Deed Book 943, page 504, Jasper County, South Carolina records

p. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) by and between RealStar Management, LLC and Magnolia Walk Development LLC, dated December 20, 2018, and recorded in Deed Book 993, page 468, Jasper County, South Carolina records;

q. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) by and between RealStar Limited, LLC and RSM Communities LLC, dated May 15, 2019, and recorded in Deed Book 1006, page 227, Jasper County, South Carolina records;

r. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between THH Acquisitions, LLC, an Iowa limited liability company and WA Holdings South, LLC, a South Carolina limited liability company, dated December 20, 2019, and recorded in Deed Book 1028, page 360, Jasper County, Georgia records.

s. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between WA Holdings South, LLC, as Master Developer to LK Development Group, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 465, Jasper County, South Carolina records.

t. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Parcel A, B, C & E) by and between LK Development Group, LLC, as Master Developer to WA Holdings South, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 764, Jasper County, South Carolina records.

u. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Omega Tract) by and between LK Development Group, LLC, as Master Developer to WA Holdings South, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 775, Jasper County, South Carolina records.

v. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Garden Lakes) by and between GL Holdings, LLC, as Master Developer to LK Development Group, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 822, Jasper County, South Carolina records.

19. All matters shown on that plat entitled "5011.127 Acres, being a Portion of West Argent Tract," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated September 15, 2005, recorded in Plat Book 28, page 200 through and including 204, Jasper County, South Carolina records.

20. All matters shown on that plat entitled "A Plat of 33.72 Ac. Access Easement & 17.18 Ac. Access Easement, Tradition, SC, TMS 042-00-02-012, City of Hardeeville, Jasper County, SC," prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated November 14, 2006, and recorded in Plat Book 29, page 264, Jasper County, South Carolina records.

21. All matters shown on that plat entitled "A Plat of Argent West Area 1 Tract, a Portion of Argent Tract, City of Hardeeville, Jasper County, South Carolina", prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated January 31, 2007, and recorded in Plat Book 29, page 349, Jasper County, South Carolina records.

22. Declaration of Preservation Covenants for Archaeological Sites by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated effective March 15, 2007, filed for record March 21, 2007 at 11:29 a.m., recorded in Deed Book 531, page 1, Jasper County, South Carolina records.

23. All matters shown on that survey prepared for South Carolina Electric & Gas Company by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated July 30, 2008, last revised November 18, 2008, and recorded in Plat Book 31, page 292, Jasper County, South Carolina records.

24. Declaration of Restrictive Covenants (Tradition South Carolina) [Wetlands] by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated March 16, 2007, filed for record March 21, 2007 at 11:29 a.m., recorded in Deed Book 531, page 12, Jasper County, South Carolina records; and amended and assigned as follows:

    a. Assignment of Declarant Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated effective as of December 22, 2010, recorded in Deed Book 801, page 341, Jasper County, South Carolina records; as re-recorded January 14, 2011 at 1:46 p.m. in Deed Book 802, page 64, Jasper County, South Carolina records;
    b. Assignment of Declarant Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn, Inc., a South Carolina corporation, dated as of December 22, 2010, and recorded in Deed Book 801, page 346, Jasper County, South Carolina records;
    c. Amended and Restated Declaration of Restrictive Covenants (Wetlands) by SLF IV I SBI West Argent, LLC, a Texas limited liability company, dated effective August 13, 2015, and recorded in Deed Book 903, page 551. Jasper County, South Carolina records.

25. Easement # 181, Tract # 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc., dated October 2, 2008 and recorded in Deed Book 704, page 145, Jasper County, South Carolina records; as amended by that certain Amendment to Easement No. 181, Tract 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc., filed for record July 16, 2009 at 10:45 a.m., recorded in Deed Book 750, page 167, Jasper County, South Carolina records.

26. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, dated January 5, 2009, and recorded in Deed Book 715, page 96, Jasper County, South Carolina records.

27. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, dated January 5, 2009, and recorded in Deed Book 715, page 100, Jasper County, South Carolina records.

28. Non-Exclusive Perpeptual [sic] Access Utility Easement Agreement by and between THH Acquisitions, LLC, an Iowa limited liability company and Palmetto Electric Cooperative, Inc., dated August 20, 2018, and recorded in Deed Book 984, page 413, Jasper County, South Carolina records.

29. Easement in favor of Dominion Energy South Carolina, Inc., dated October 25, 2019 and recorded in Deed Book 1024, page 435, Jasper County, South Carolina records.

30. Condemnation Notice and Tender of Payment in that action styled, City of Hardeeville, South Carolina, Condemnor vs. GL Holdings, LLC, a South Carolina Limited Liability Company, and WA Holdings South, LLC, a South Carolina limited Liability Company, Landowner(s), and Duke Street Trust, LLC, a Delaware Limited Liability Company, Mortgagee and North American Land Trust, a Pennsylvania Non-Profit Corporation, Other Condemnee(s), in the Court of Commons Pleas C/A No. 2021-CP-2700292 (Easement Parcels Only), as reflected by Access and Utility Joint Use Agreement (Easement 1) between WA Holdings South, LLC and the City of Hardeeville, South Carolina, dated October 29, 2021, and recorded in Deed Book 1089, page 1620, Jasper County, South Carolina records, as shown on that plat entitled, "A Plat of Right of Way Extension, 19.69 Ac., Lakeside Boulevard, Garden Lakes Estates, Hilton Head Lakes North, TMS 042-00-06-060, City of Hardeeville, Jasper County, South Carolina, prepared by Cook Land Surveying Inc., bearing the seal and certification of Donald R. Cook, Jr., South Carolina Professional Land Surveyor No. 19010, dated August 20, 2020, and recorded in Plat Book 38, page 189, Jasper County, South Carolina records.

31. All matters shown on that plat entitled, "ALTA/NSPS Land Title Survey, Parcel A, Argent Tract West, City of Hardeeville, Jasper County, South Carolina," prepared by Robert K. Morgan, III, S.C.R.L.S. No. 26957, dated November 4, 2021, and recorded in Plat Book 38, pages 252-257, Jasper County, South Carolina records, including but not limited to:

    a. SC&GE 100' Yemassee McIntosh R/W;

    b. 70' Central Electric Power Cooperative Easement;

    c. 80' Access Easement;

    d. Earth Road;

    Note:

    e. 45' Carolina Gas Transmission Corporation Easement;

    f. 40' Access Easement 2;

    g. 30' Access Easements 3 & 4;

    h. 100' SCPSA R/W;

    i. Cemetery, TM # 042-00-05-042;

    j. Dominion Energy Easement, DB 1024, PG 435;

    k. 40' Access Easements 3 & 4; and

    l. 125' SCE&G Yemassee McIntosh R/W.

Deed Book 1148, Page 389 includes the following exceptions.

1. Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in the Jasper County Records in **Book 501, Page 196**; as supplemented by First Supplemental Declaration to Declaration of Covenants, conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 501, Page 301**; as supplemented by Second Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 502, Page 174**; as supplemented by Third Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 569, Page 199**; amended and restated in that Amended and Restated Second Supplemental Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 653, Page 1**; amended and restated in that Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Hilton Head Lakes North and Hilton Head Lakes North Master Association recorded in the Jasper County Records in **Book 812, Page 446;** as supplemented by that First Supplemental Declaration recorded in **Book 850, Page 856**, Second Supplemental Declaration recorded in **Book 885, Page 993**, Third Supplemental Declaration recorded in **Book 946, Page 39**, Fourth Supplemental Declaration recorded in Book **976, Page 895**, and Fifth Supplemental Declaration recorded in **Book 977, Page 342;** as amended by that First Amendment recorded in **Book 988, Page 259** and that Second Amendment recorded in **Book 1078, Page 620**; as affected by Assignment of Rights under Declaration recorded in Book **801, Page 149**; that Assignment of Declarant Rights recorded in **Book 801, Page 341** re-recorded in **Book 802, Page 64**, that Assignment of Declarant Rights recorded in **Book 801, Page 346**, that Assignment of Declarant Rights recorded in **Book 993, Page 483**, that Assignment of Declarant Rights recorded in **Book 1006, Page 214**, and that Assignment of Declarant Rights recorded in **Book 1006, Page 428**; that Assignment of Declarant Rights recorded in **Book 1087, Page 1815;** and that Assignment of Declarant Rights recorded in **Book 1094, Page 445.**

2. Irrigation System Agreement in **Book 1006, Page 501** (as amended in **Book 1015, Page 253** and **Book 1062, Page 204**).

3. Declaration of Protective Covenants, Conditions and Restrictions for Hilton Head Lakes North recorded in the Jasper County Records in **Book 812, Page 574**; as amended by that First Amendment recorded in **Book 843, Page 249,** that Second Amendment recorded in **Book 988, Page 262,** that Third Amendment recorded in **Book 1070, Page 276**, and that Fourth Amendment recorded in **Book 1078, Page 625**; as supplemented by that First Supplemental Declaration recorded in **Book 946, Page 44,** that Second Supplemental Declaration recorded in **Book 976, Page 899,** and that Third Supplemental Declaration

recorded in **Book 1017, Page 281**; as affected by that Assignments of Rights recorded in **Book 885, Page 982**, that Assignment of Declarant Rights in **Book 993, Page 479**, that Assignment of Declarant Rights recorded in **Book 1006, Page 220**, that Assignment of Declarant Rights recorded in **Book 1006, Book 436,** that Irrigation System Agreement in Book **1006, Page 501** (as amended in **Book 1015, Page 253** and **Book 1062, Page 204**), that Assignment of Declarant Rights recorded in **Book 1087, Page 1793,** and those Architectural Design Guidelines recorded in **Book 1015, Page 504**.

4. Declaration of Preservation Covenants for Archaeological Sites by Core Communities of South Carolina, LLC, and recorded in the Jasper County Records in **Book 531 at Page 1**.

5. Development Agreement (Argent West Tract) by and between ViaQuest Investment Properties, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, , recorded in **Deed Book 324, page 103**, and amended as follows:

   a. Amendment to Development Agreement recorded in Deed Book 327, page 228;
   b. Amendment to Development Agreement recorded in Deed Book 327, page 235;
   c. Second Restated and Amended Development Agreement (Argent West Tract) Deed Book 708, page 1;
   d. Notice of Intent to Amend Development Agreement Argent West Tract (Tradition) Deed Book 783, page 312;
   e. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) recorded in Deed Book 788, page 174;
   f. Assignment of Rights under Development Agreement recorded in Deed Book 801, page 153;
   g. General Assignment of Developer and Contract Rights for Development of the Tradition recorded in Deed Book 801, page 157;
   h. Assignment of Development Agreement Rights recorded in Deed Book 801, page 219;
   i. Assignment of Development Agreement recorded in Deed Book 801, page 350;
   j. Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) recorded in Deed Book 807, page 73;
   k. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) Pursuant to Section 6-31-90 Third Amendment recorded in Deed Book 870, page 75;
   l. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 885, page 972;
   m. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 886, page 514;
   n. Partial Assignment and Assumption of Master Agreement recorded in Deed Book 986, page 901;
   o. Partial Assignment and Assumption of Master recorded in Deed Book 986, page 907;
   p. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in Deed Book 943, page 504;

q. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in Deed Book 993, page 468;
r. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent recorded in Deed Book 1006, page 227;
s. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) recorded in Deed Book 1006, page 420;
t. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) recorded in Deed Book 1028, page 360;
u. Blanket Transfer and Assignment recorded in Deed Book 1028, page 394;
v. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in Deed Book 1006, page 227;
w. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 1028, page 360;
x. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 1088, Page 294;
y. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 1094, page 465;
z. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Parcel A, B, C & E) recorded in Deed Book 1094, page 764;
aa. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Omega Tract) recorded in Deed Book 1094, page 775;
bb. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Garden Lakes) recorded in Deed Book 1094, page 822.

6. Amended and Restated Declaration of Restrictive Covenants (Wetlands) recorded in the Jasper County Records in Book 903, Page 551.

7. Declaration of Restrictive Covenants (Tradition South Carolina) [Wetlands] by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated March 16, 2007, filed for record March 21, 2007 at 11:29 a.m., recorded in Deed Book 531, page 12, Jasper County, South Carolina records; and amended and assigned as follows:

a. Assignment of Declarant Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated effective as of December 22, 2010, recorded in Deed Book 801, page 341, Jasper County, South Carolina records; as re-recorded January 14, 2011 at 1 :46 p.m. in Deed Book 802, page 64, Jasper County, South Carolina records;

b. Assignment of Declarant Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn, Inc., a South Carolina corporation, dated as of December 22, 2010, and recorded in Deed Book 801, page 346, Jasper County, South Carolina records;
c. Amended and Restated Declaration of Restrictive Covenants (Wetlands) by SLF IV I SBI West Argent, LLC, a Texas limited liability company, dated effective August 13, 2015, and recorded in Deed Book 903, page 551. Jasper County, South Carolina records.

8. Restrictions and conditions contained in deeds to Tradition Master Property Owners Association, Inc. (n/k/a/ Hilton Head Lakes North Master Association) recorded in the Jasper County Records in Book 714 at Page 151, and Book 714 at Page 157.

9. Restrictions and conditions contained in Deed to Hilton Head Lakes North Master Association recorded in Book 880 at Page 722, Jasper County Records.

10. Mineral royalty reservation by International Paper Realty Corporation contained in that certain Deed from International Paper Realty Corporation to ViaQuest Investment Properties, LLC, recorded in Deed Book 309 at Page 113, Jasper County Records.

11. Access and Utility Easement granted to Hargray recorded in the Jasper County Records in Book 533 at Page 46 (Phase I), in Book 533 at Page 51 (Phase II-A), and in Book 535 at Page 30 (Tradition Avenue Phase I and Levitt Road).

12. Easements to Beaufort Jasper Water Sewer Authority (BJWSA) recorded in the Jasper County Records in Book 550 at Page 69, and in Book 550 at Page 73, and in Book 550 and 76, and in Book 590 at Page 137, and in Book 719 at Page 147, and in Book 789 at Page 847.

13. Easements to South Carolina Electric & Gas (SCE&G) recorded in the Jasper County Records in Book 566 at Page 13 (Phase I), and in Book 566 at Page 19, and in Book 574 at Page 242, and in Book 574 at Page 244.

14. Access and Utility Easements granted to Palmetto Electric Cooperative, Inc. recorded in the Jasper County Records in Book 568 at Page 268, Book 568 at Page 273, and Book 604 at Page 214 (Tradition Avenue Access Easement).

15. Utility Easement granted to South Carolina Public Service Authority by Union Camp Corporation recorded in the Jasper County Records in Book 91 at Page 2296.

16. Easements for Right of Way to City of Hardeeville for Median Crossover recorded in the Jasper County Records in Book 850 at Page 853.

17. Easement Appurtenant to New River Preserve, LLC recorded in the Jasper County Records in Book 886 at Page 1.

18. Reclaimed Water System Easement Appurtenant to New River Preserve, LLC recorded in the Jasper County Records in Book 886 at Page 7.

19. Easement Appurtenant Lake System to New River Preserve, LLC recorded in the Jasper County Records in Book 886 at Page 17.

20. Easement Appurtenant to Garden Lakes Estates, LLC recorded in the Jasper County Records in Book 886 at Page 535.

21. Reclaimed Water System Easement Appurtenant to Garden Lakes Estates, LLC recorded in the Jasper County Records in Book 886 at Page 541.

22. Easement Appurtenant Lake System to Garden Lakes Estates, LLC recorded in the Jasper County Records in Book 886 at Page 551.

23. Easement Appurtenant Garden Lakes Estates, LLC to Hilton Head Lakes North Residential Development, LLC, SLF IV/SBI West Argent, LLC, Hilton Head Lakes North Master Association and Hilton Head Lakes North Owners Association, recorded in the Jasper County Records in Book 928 at Page 69.

24. Easement Appurtenant Hilton Head Lakes North Master Association and SLF IV/SBI West Argent, LLC to Garden Lakes Estates, LLC recorded in the Jasper County Records in Book 928 at Page 79.

25. Utility Easement to Beaufort Jasper Sewer and Water Authority recorded in the Jasper County Records in Book 976 at Page 902.

26. Declaration of Easement by SLF IV / SBI West Argent, LLC recorded in the Jasper County Records in Book 978 at Page 836.

27. Assignment of Amended & Restated Water and Sewer Agreement to RSM Communities, LLC recorded in the Jasper County Records in Book 1006 at Page 470.

28. Assignment of Stormwater and Riparian Rights to RSM Communities, LLC recorded in the Jasper County Records in Book 1006 at Page 480.

29. Easements, building set back lines, and wetland buffers as shown on subdivision plats recorded in the Jasper County Records in Plat Book 29 at Page 260; as revised in Plat Book 31 at Page 50, Plat Book 29 at Page 274; as revised in Plat Book 29 at Pages 379-380, revised in Plat Book 31 at Page 142, Plat Book 30 at Page 72, Plat Book 34 at Page 298; Plat Book 35 at Page 145; Plat Book 38, Page 747; and Plat Book 38, Page 790.

30. Easement Appurtenant recorded in Book 1015, Page 417.

31. Right of Way Easement from Argent Lumber Company to South Carolina Electric & Gas company, a corporation, dated September 18, 1952, and recorded in Deed Book 26, page 39, Jasper County, South Carolina records.

32. Right of Way Agreement by and between Argent Lumber Company, a corporation and Palmetto Electric Cooperative, Inc., dated January 1957, recorded in Deed Book 37, page 18, Jasper County, South Carolina records.

33. Easement Channel Improvement from Union Camp Corporation, a Virginia corporation to

Low Country Resources, Conservation and Development Authority, a body corporate and politic of the State of South Carolina, dated February 23, 1970, recorded in Deed Book 66, page 128, Jasper County, South Carolina records.

34. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated June 27, 1974, recorded in Deed Book 72, page 445, Jasper County, South Carolina records.

35. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated as of May 2, 1984, and recorded in Deed Book 87, page 930, Jasper County, South Carolina records; as assigned by that certain Assignment by and between International Paper Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Deed Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records.

36. Easement # 181, Tract # 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc., dated October 2, 2008 and recorded in Deed Book 704, page 145, Jasper County, South Carolina records; as amended by that certain Amendment to Easement No. 181, Tract 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc., filed for record July 16, 2009 at 10:45 a.m., recorded in Deed Book 750, page 167, Jasper County, South Carolina records.

37. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, dated January 5, 2009, and recorded in Deed Book 715, page 96, Jasper County, South Carolina records.

38. Easement Appurtenant from Core Commumt1es of South Carolina, LLC to South Carolina Electric & Gas Company, dated January 5, 2009, and recorded in Deed Book 715, page 100, Jasper County, South Carolina records.

39. Non-Exclusive Perpetual Access Utility Easement Agreement by and between THH Acquisitions, LLC, an Iowa limited liability company and Palmetto Electric Cooperative, Inc., dated August 20, 2018, and recorded in Deed Book 984, page 413, Jasper County, South Carolina records.

40. Easement in favor of Dominion Energy South Carolina, Inc., dated October 25, 2019 and recorded in Deed Book 1024, page 435, Jasper County, South Carolina records.

41. Restrictive Covenant Agreement in Book 1094, Page 1182, Jasper County, South Carolina records.

42. Restrictive Covenant Agreement in Book 1094, Page 1193, Jasper County, South Carolina records.

43. Easement in favor of Dominion Energy South Carolina, Inc., dated July 27, 2023 and recorded in Deed Book 1132, page 1216, Jasper County, South Carolina records.

44. Easement by and between Jasper County School District and LK Development Group, LLC dated September 5, 2023 and recorded in Deed Book 1134, page 1042, Jasper County, South Carolina records.

Deed Book 1186, Page 609 includes the following exceptions.

1. Taxes and assessments for the year 2025 and all subsequent years, which are not yet due and payable.

2. Any right, easement, setback, interest, claim, encroachment, encumbrance, violation, variation, or otheradverse circumstance affecting the Title disclosed by plat(s) recorded in **Plat Book 38**, **Page 790**, Jasper County Registry.

3. Terms, provisions, options, right of first refusal, covenants, conditions, restrictions, easements, charges, assessments, and liens provided for in instrument(s) filed for record in Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in the Jasper County Records in **Book 501**, **Page 196**; as supplemented by First Supplemental Declaration to Declaration of Covenants, conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 501**, **Page 301**; as supplemented by Second Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 502**, **Page 174**; as supplemented by Third Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 569**, **Page 199**; amended and restated in that Amended and Restated Second Supplemental Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 653**, **Page 1**; amended and restated in that Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Hilton Head Lakes North and Hilton Head Lakes North Master Association recorded in the Jasper County Records in **Book 812**, **Page 446**; as supplemented by that First Supplemental Declaration recorded in **Book 850**, **Page 856**, Second Supplemental Declaration recorded in **Book 885**, **Page 993**, Third Supplemental Declaration recorded in **Book 946**, **Page 39**, Fourth Supplemental Declaration recorded in **Book 976**, **Page 895**, and Fifth Supplemental Declaration recorded in **Book 977**, **Page 342**; asamended by that First Amendment recorded in **Book 988**, **Page 259** and that Second Amendment recorded in **Book 1078**, **Page 620**; as affected by Assignment of Rights under Declaration recorded in **Book 801**, **Page 149**; that Assignment of Declarant Rights recorded in **Book 801**, **Page 341** re-recorded in**Book 802**, **Page 64**, that Assignment of Declarant Rights recorded in **Book 801**, **Page 346**, that Assignment of Declarant Rights recorded in **Book 993**, **Page 483**, that Assignment of Declarant Rights recorded in **Book 1006**, **Page 214**, and that Assignment of Declarant Rights recorded in **Book 1006**, **Page 428**; that Assignment of Declarant Rights recorded in **Book 1087**, **Page 1815**; and that Assignment of Declarant Rights recorded in **Book 1094**, **Page 445**, and any related maps, plans, bylaws and other document(s) and amendment(s).

4. Irrigation System Agreement recorded in **Deed Book 1006**, **Page 501**; as amended in **Deed Book 1015**,**Page 253** and **Deed Book 1062**, **Page 204**, Jasper County Registry.

5. Terms, provisions, options, right of first refusal, covenants, conditions, restrictions, easements, charges, assessments, and liens provided for in instrument(s) filed for record in Declaration of Protective Covenants, Conditions and Restrictions for Hilton Head Lakes North recorded in the Jasper County Records in **Book 812**, **Page 574**; as amended by that First Amendment recorded in **Book 843**, **Page 249**, that Second Amendment recorded in **Book 988**, **Page 262**, that Third Amendment recorded in **Book 1070**, **Page 276**, and that Fourth Amendment recorded in **Book**

1078, **Page 625**; as supplemented by that First Supplemental Declaration recorded in **Book 946**, **Page 44**, that Second Supplemental Declaration recorded in **Book 976**, **Page 899**, and that Third Supplemental Declaration recorded in **Book 1017**, **Page 281**; as affected by that Assignments of Rights recorded in **Book 885**, **Page 982**, that Assignment of Declarant Rights in **Book 993**, **Page 479**, that Assignment of Declarant Rights recorded in **Book 1006**, **Page 220**, that Assignment of Declarant Rights recorded in **Book 1006**, **Book 436**, that Irrigation System Agreement in **Book 1006**, **Page 501** (as amended in **Book 1015**, **Page 253** and **Book 1062**, **Page 204**), that Assignment of Declarant Rights recorded in **Book 1087**, **Page 1793**, and those Architectural Design Guidelines recorded in **Book 1015**, **Page 504**, and any related maps, plans, bylaws and other document(s)and amendment(s).

6. Declaration of Preservation Covenants for Archaeological Sites by Core Communities of South Carolina,LLC recorded in **Deed Book 531**, **Page 1**, Jasper County Registry.

7. Development Agreement (Argent West Tract) by and between ViaQuest Investment Properties, LLC, CoreCommunities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, recorded in **Deed Book 324**, **Page 103**, Jasper County Registry, and amended as follows:

   a. Amendment to Development Agreement recorded in **Deed Book 327**, **Page 228**;

   b. Amendment to Development Agreement recorded in **Deed Book 327**, **Page 235**;

   c. Second Restated and Amended Development Agreement (Argent West Tract) **Deed Book 708**, **Page 1**;

   d. Notice of Intent to Amend Development Agreement Argent West Tract (Tradition) **Deed Book 783**, **Page 312**;

   e. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) recorded in **Deed Book 788**, **Page 174**;

   f. Assignment of Rights under Development Agreement recorded in **Deed Book 801**, **Page 153**;

   g. General Assignment of Developer and Contract Rights for Development of the Tradition recorded in **Deed Book 801**, **Page 157**;

   h. Assignment of Development Agreement Rights recorded in **Deed Book 801**, **Page 219**;

   i. Assignment of Development Agreement recorded in **Deed Book 801**, **Page 350**;

   j. Ordinance Further Amending the Second Restated and Amended Development Agreement (ArgentWest Tract) recorded in **Deed Book 807**, **Page 73**;

   k. An Ordinance Further Amending the Second Restated and Amended Development Agreement (ArgentWest Tract) Pursuant to Section 6-31-90 Third Amendment recorded in **Deed Book 870**, **Page 75**;

   l. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in **Deed Book 885**, **Page 972**;

   m. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in **Deed Book 886**, **Page 514**;

   n. Partial Assignment and Assumption of Master Agreement recorded in **Deed Book 986**, **Page 901**;

   o. Partial Assignment and Assumption of Master recorded in **Deed Book 986**, **Page 907**;

p. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in **Deed Book 943**, **Page 504**;

q. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in **Deed Book 993**, **Page 468**;

r. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent recorded in **Deed Book 1006**, **Page 227**;

s. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) recorded in **Deed Book 1006**, **Page 420**;

t. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) recorded in **Deed Book 1028**, **Page 360**;

u. Blanket Transfer and Assignment recorded in **Deed Book 1028**, **Page 394**;

v. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in **Deed Book 1006**, **Page 227**;

w. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in **Deed Book 1028**, **Page 360**;

x. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in **Deed Book 1088**, **Page 294**;

y. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in **Deed Book 1094**, **Page 465**;

z. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (ParcelA, B, C & E) recorded in **Deed Book 1094**, **Page 764**;

aa. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement(Omega Tract) recorded in **Deed Book 1094**, **Page 775**;

bb. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement(Garden Lakes) recorded in **Deed Book 1094**, **Page 822**;

cc. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Phase 1) recorded in **Deed Book 1148**, **Page 441**;

dd. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Phase 1) recorded in **Deed Book 1151**, **Page 840**;

ee. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Parcel A, B, C & E) recorded in **Deed Book 1175**, **Page 1684**;

ff. Third Partial Restatement and Amendment to Development Agreement (Hilton Head Lakes West Tract) recorded in **Deed Book 1183**, **Page 1**;

gg. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Phase 2) by and between LK Development Group, LLC and Millrose Properties South Carolina, LLC (to be recorded).

8. Declaration of Restrictive Covenants (Tradition South Carolina) [Wetlands] by Core Communities of South Carolina, LLC, a South Carolina limited liability company recorded in **Deed Book 531**, **Page 12**, Jasper County Registry; and amended and assigned as follows:

a. Assignment of Declarant Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company recorded in **Deed Book 801**, **Page 341**; as re-recorded in **Deed Book 802**, **Page 64**;

b. Assignment of Declarant Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn, Inc., a South Carolina corporation, recorded in **Deed Book 801**, **Page 346**;

c. Amended and Restated Declaration of Restrictive Covenants (Wetlands) by SLF IV 1 SBI West Argent,LLC, a Texas limited liability company recorded in **Deed Book 903**, **Page 551**.

9. Restrictions and conditions contained in deeds to Tradition Master Property Owners Association, Inc. (n/k/a/ Hilton Head Lakes North Master Association) recorded in **Deed Book 714**, **Page 151**; and **Deed Book 714**, **Page 157**, Jasper County Registry.

10. Restrictions and conditions contained in Deed to Hilton Head Lakes North Master Association recorded in **Deed Book 880**, **Page 722**, Jasper County Registry.

11. Mineral royalty reservation by International Paper Realty Corporation contained in that certain Deed from International Paper Realty Corporation to ViaQuest Investment Properties, LLC, recorded in **Deed Book 309**, **Page 113**, Jasper County Registry.

12. Access and Utility Easement granted to Hargray recorded in **Deed Book 533**, **Page 46** (Phase I); **Deed Book 533**, **Page 51** (Phase II-A), and **Deed Book 535**, **Page 30** (Tradition Avenue Phase I and Levitt Road), Jasper County Registry.

13. Easements to Beaufort Jasper Water Sewer Authority (BJWSA) recorded in **Deed Book 550**, **Page 69**;**Deed Book 550**, **Page 73**; **Deed Book 550**, **Page 76**; **Deed Book 590**, **Page 137**; **Deed Book 719**, **Page147**; and **Deed Book 789**, **Page 847**, Jasper County Registry.

14. Right(s)-of-way/Easement(s) to South Carolina Electric & Gas (SCE&G) recorded in **Deed Book 566**, **Page 13** (Phase I); **Deed Book 566**, **Page 19**; **Deed Book 574**, **Page 242**; and **Deed Book 574**, **Page 244**,Jasper County Registry.

15. Access and Utility Easements granted to Palmetto Electric Cooperative, Inc. recorded in **Deed Book 568**,**Page 268**; **Deed Book 568**, **Page 273**; and **Deed Book 604**, **Page 214** (Tradition Avenue Access Easement), Jasper County Registry.

16. Utility Easement granted to South Carolina Public Service Authority by Union Camp Corporation recorded in **Deed Book 91**, **Page 2296**, Jasper County Registry.

17. Easements for Right of Way to City of Hardeeville for Median Crossover recorded in **Deed Book 850**, **Page 853**, Jasper County Registry.

18. Easement Appurtenant to New River Preserve, LLC recorded in **Deed Book 886**, **Page 1**, Jasper County Registry.

19. Reclaimed Water System Easement Appurtenant to New River Preserve, LLC recorded in **Deed Book 886**, **Page 7**, Jasper County Registry.

20. Easement Appurtenant Lake System to New River Preserve, LLC recorded in **Deed Book 886**, **Page 17**,J asper County Registry.

21. Easement Appurtenant to Garden Lakes Estates, LLC recorded in **Deed Book 886**, **Page 535**, Jasper County Registry.

22. Reclaimed Water System Easement Appurtenant to Garden Lakes Estates, LLC recorded in **Deed Book 886**, **Page 541**, Jasper County Registry.

23. Easement Appurtenant Lake System to Garden Lakes Estates, LLC recorded in **Deed Book 886**, **Page 551**, Jasper County Registry.

24. Easement Appurtenant Garden Lakes Estates, LLC to Hilton Head Lakes North Residential Development, LLC, SLF IV/SBI West Argent, LLC, Hilton Head Lakes North Master Association and Hilton Head Lakes North Owners Association, recorded in **Deed Book 928**, **Page 69**, Jasper County Registry.

25. Easement Appurtenant Hilton Head Lakes North Master Association and SLF IV/SBI West Argent, LLC to Garden Lakes Estates, LLC recorded in **Deed Book 928**, **Page 79**, Jasper County Registry.

26. Utility Easement to Beaufort Jasper Sewer and Water Authority recorded in **Deed Book 976**, **Page 902**, Jasper County Registry.

27. Declaration of Easement by SLF IV / SBI West Argent, LLC recorded in **Deed Book 978**, **Page 836**, Jasper County Registry.

28. Assignment of Amended & Restated Water and Sewer Agreement to RSM Communities, LLC recorded in **Deed Book 1006**, **Page 470**, Jasper County Registry.

29. Assignment of Stormwater and Riparian Rights to RSM Communities, LLC recorded in **Deed Book 1006**, **Page 480**, Jasper County Registry.

30. Any right, easement, setback, interest, claim, encroachment, encumbrance, violation, variation, or other adverse circumstance affecting the Title disclosed by plat(s) recorded in **Plat Book 27**, **Page 52**; **Plat Book 29**, **Page 260**; **Plat Book 29**, **Page 264**; **Plat Book 29**, **Page 274**; **Plat Book 29**, **Pages 379-380**; **Plat Book 30**, **Page 72**; **Plat Book 31**, **Page 50**; **Plat Book 31**, **Page 142**; **Plat Book 34**, **Page 298**; **Plat Book 35**, **Page 145**; **Plat Book 36**, **Page 15**; **Plat Book 38**, **Page 747**, Jasper County Registry.

31. Easement Appurtenant recorded in **Deed Book 1015**, **Page 417**, Jasper County Registry.

32. Right(s)-of-way/Easement(s) from Argent Lumber Company to South Carolina Electric & Gas company, a corporation, recorded in **Deed Book 26**, **Page 39**, Jasper County Registry.

33. Right(s)-of-way/Easement(s) Agreement by and between Argent Lumber Company, a corporation and Palmetto Electric Cooperative, Inc. recorded in **Deed Book 37**, **Page 18**, Jasper County Registry.

34. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation recorded in **Deed Book 72**, **Page 445**, Jasper County Registry.

35. Right of Way Easement(s) from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation recorded in **Deed Book 87**, **Page 930**, Jasper County Registry; as assigned by that certain Assignment by and between International Paper Corporation and ViaQuest Investment Properties, LLC, recorded in **Deed Book 10**, **Page 281**; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, recorded in **Deed Book 690**, **Page 118**, aforesaid records.

36. Easement # 181, Tract # 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc. recorded in **Deed Book 704**, **Page 145**, Jasper County Registry; as amended by that certain Amendment to Easement # 181, Tract # 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc. recorded in **Deed Book 750**, **Page 167**, aforesaid records.

37. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, recorded in **Deed Book 715**, **Page 96**, Jasper County Registry.

38. Easement Appurtenant from Core Communt1es of South Carolina, LLC to South Carolina Electric & Gas Company, recorded in **Deed Book 715**, **Page 100**, Jasper County Registry.

39. Non-Exclusive Perpetual Access Utility Easement Agreement by and between THH Acquisitions, LLC, an Iowa limited liability company and Palmetto Electric Cooperative, Inc. recorded in **Deed Book 984**, **Page 413**, Jasper County Registry.

40. Right(s)-of-way/Easement(s) to Dominion Energy South Carolina, Inc. recorded in **Deed Book 1024**, **Page 435**, Jasper County Registry.

41. Restrictive Covenant Agreement recorded in **Deed Book 1094**, **Page 1182**, Jasper County Registry.

42. Restrictive Covenant Agreement recorded in **Deed Book 1094**, **Page 1193**, Jasper County Registry.

43. Right(s)-of-way/Easement(s) to Dominion Energy South Carolina, Inc. recorded in **Deed Book 1132**, **Page 1216**, Jasper County Registry.

44. Easement by and between Jasper County School District and LK Development Group, LLC recorded in **Deed Book 1134**, **Page 1042**, Jasper County Registry.

45. Memorandum of Agreement by and between Lennar Carolinas, LLC and LK Development Group, LLC recorded in **Deed Book 1147**, **Page 426**, Jasper County Registry.

46. Temporary Access Easement Agreement between LK Development Group, LLC and Millrose Properties South Carolina, LLC recorded in **Deed Book 1148**, **Page 449**, Jasper County Registry.

47. Right(s)-of-way/Easement(s) to Comcast Cable Communications Management, LLC recorded in **Book 1159**, **Page 1640**, Jasper County Registry.

48. Right(s)-of-way/Easement(s) to Dominion Energy South Carolina, Inc. recorded in **Book 1169**, **Page 1924**, Jasper County Registry.

49.	Terms and conditions of the easement set forth in instrument recorded in **Deed Book 818, Page 342**, Jasper County Registry, and rights of others in and to the use thereof.
50.	Terms and conditions of the easement set forth in instrument recorded in **Deed Book 287, Page 71**, Jasper County Registry, and rights of others in and to the use thereof.
51.	Terms and conditions of the easement set forth in instrument recorded in **Deed Book 1089, Page 1620**, Jasper County Registry, and rights of others in and to the use thereof.
52.	Terms, provisions, options, right of first refusal, covenants, conditions, restrictions, easements, charges, assessments, and liens provided for in instrument(s) entitled Declaration of Covenants, Conditions and Restrictions for Hilton Head Lakes West filed for record in **Book 1184, Page 1414**, Jasper County Registry, and any related maps, plans, bylaws and other document(s) and amendment(s).
53.	Memorandum of Option Agreement by and between Millrose Properties South Carolina, LLC and Lennar Carolinas, LLC to be recorded.
54.	Any right, easement, setback, interest, claim, encroachment, encumbrance, violation, variation, or other adverse circumstance affecting the Title disclosed by survey entitled "MINOR SUBDIVISION PLAT OF PARCEL A-1B & ROAD "A" DEVELOPMENT POD I ARGENT TRACT WEST" by Rober K. Morgan, III PLS, dated May 13, 2025, and recorded in **Plat Book 38, Page 1147**, Jasper County Registry.
55.	All applicable federal, state, county, municipal and local governmental laws, statutes, ordinances, rules and regulations, including, without limitation, zoning and other land use regulations or restriction of any political subdivision or governmental agency having jurisdiction over the Property.

The deeds include a significant number of exceptions. The majority appear to be related to utility and access easements, as well as the development agreement previously discussed. Considering the large size of the subject site, it does not appear that the above noted easements and restrictions have an adverse effect on value. We assume that there are no restrictions or encumbrances that have an adverse effect on the development potential of the site as proposed.

We are not aware of any easements, encroachments, or restrictions that would adversely affect value. Our valuation assumes no adverse impacts from easements, encroachments, or restrictions, and further assumes that the subject has clear and marketable title. We recommend that a current survey, title search, and title report be prepared for the subject and that all documents reviewed by a qualified attorney to determine whether any adverse restrictions or encumbrances exist.

Conclusion of Land Analysis

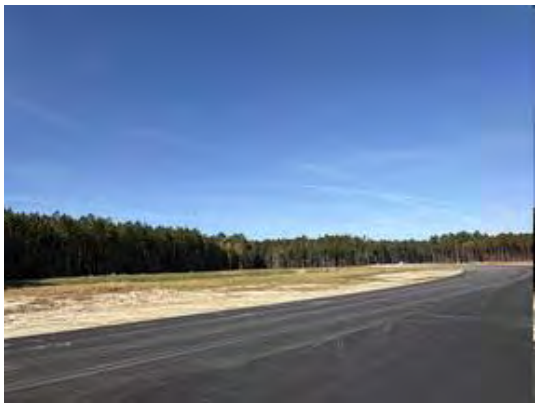
Overall, the physical characteristics of the site and the availability of utilities result in functional utility suitable for a variety of uses including those permitted by zoning. We are not aware of any other particular restrictions on development.

Entrance to Hilton Head Lakes

West on Lakeside Blvd N, parcel 042-00-06-129 to left

View of Tract I

View of Emerson Lake, to north of Yellowfin Dr


View of Tract H-1, H-2, F-2, F-3

View of Tract G

View of Emerson Lake under construction, to north of Lakeside Blvd N

Regional Pump Station (South) site

Emerson Lake under construction, to north of Lakeside Blvd N

Emerson Lake under construction to north of Lakeside Blvd N, Tract F1 to left, Tract G to right

Current northern terminus of Emerson Lake; view towards proposed bridge site & Tracts A-E

View of Tract G

View of Emerson Lake under construction to south of Lakeside Blvd N, Tract I to right

Powerline & gas easements

Existing subdivision infrastructure & homes in non-subject section

Existing subdivision infrastructure & homes in non-subject section

Existing subdivision infrastructure & homes on non-subject tract

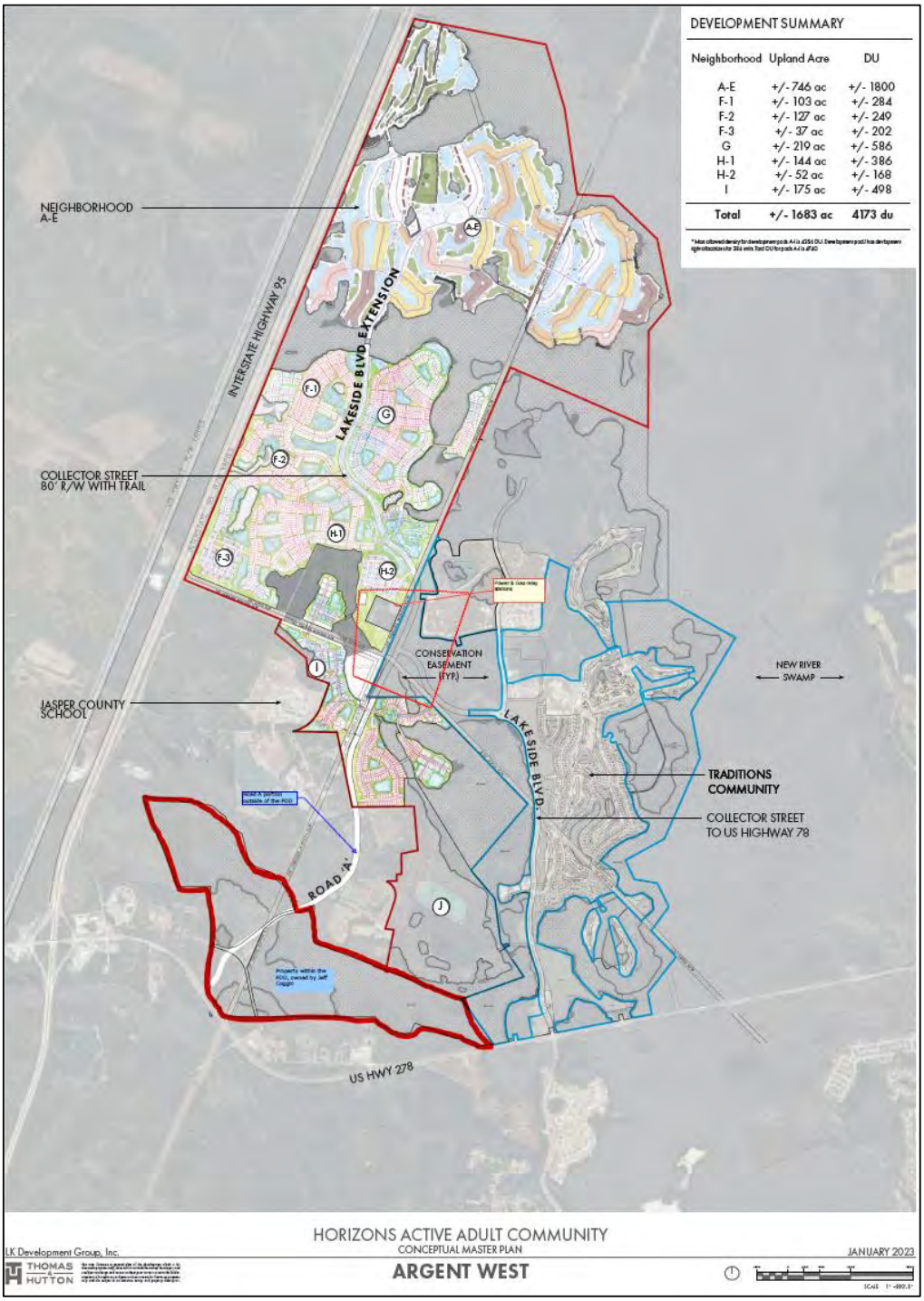
Golf clubhouse on non-subject tract

Swimming pool clubhouse on non-subject tract

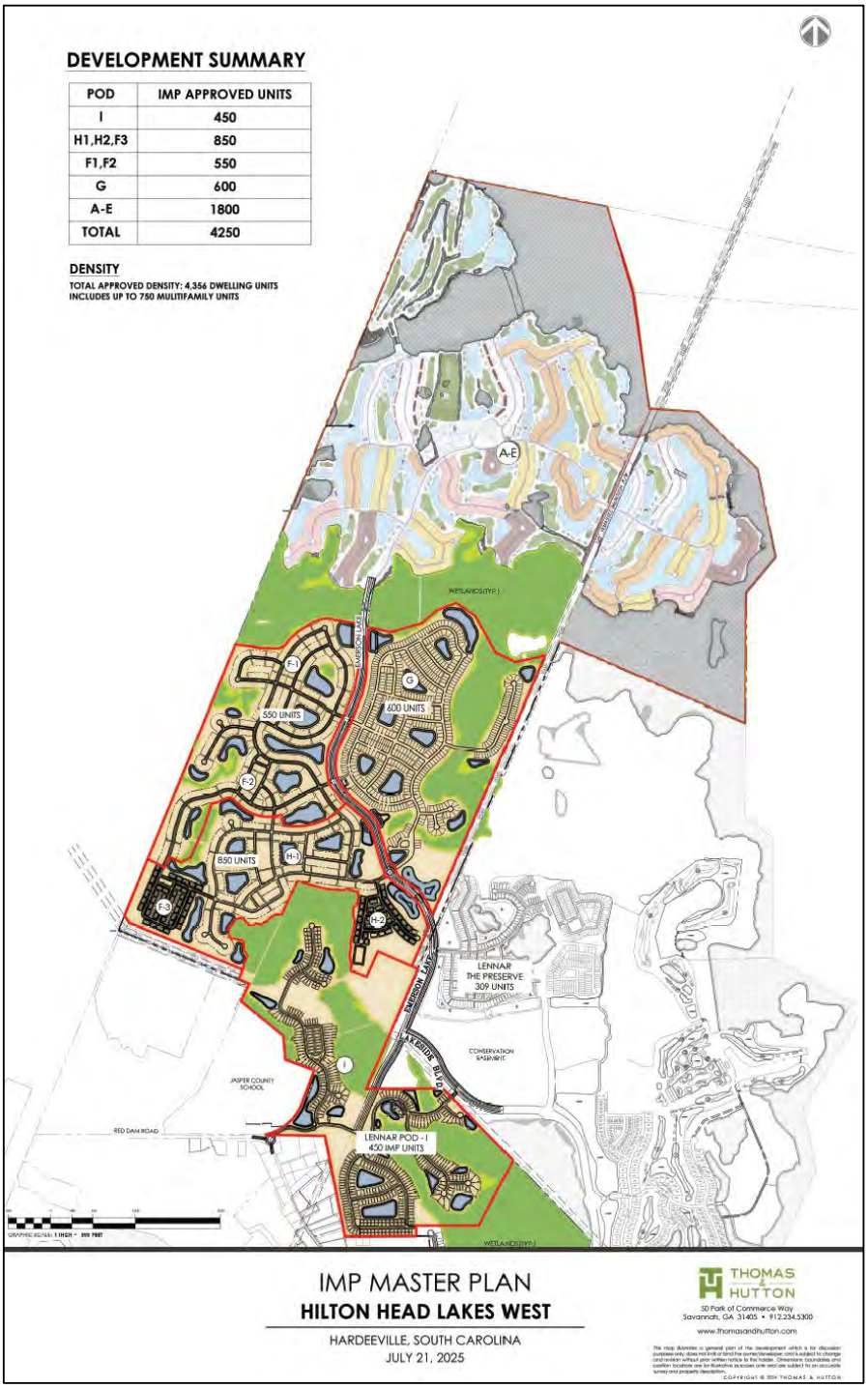
Swimming pool on non-subject tract

Fire Department on non-subject tract

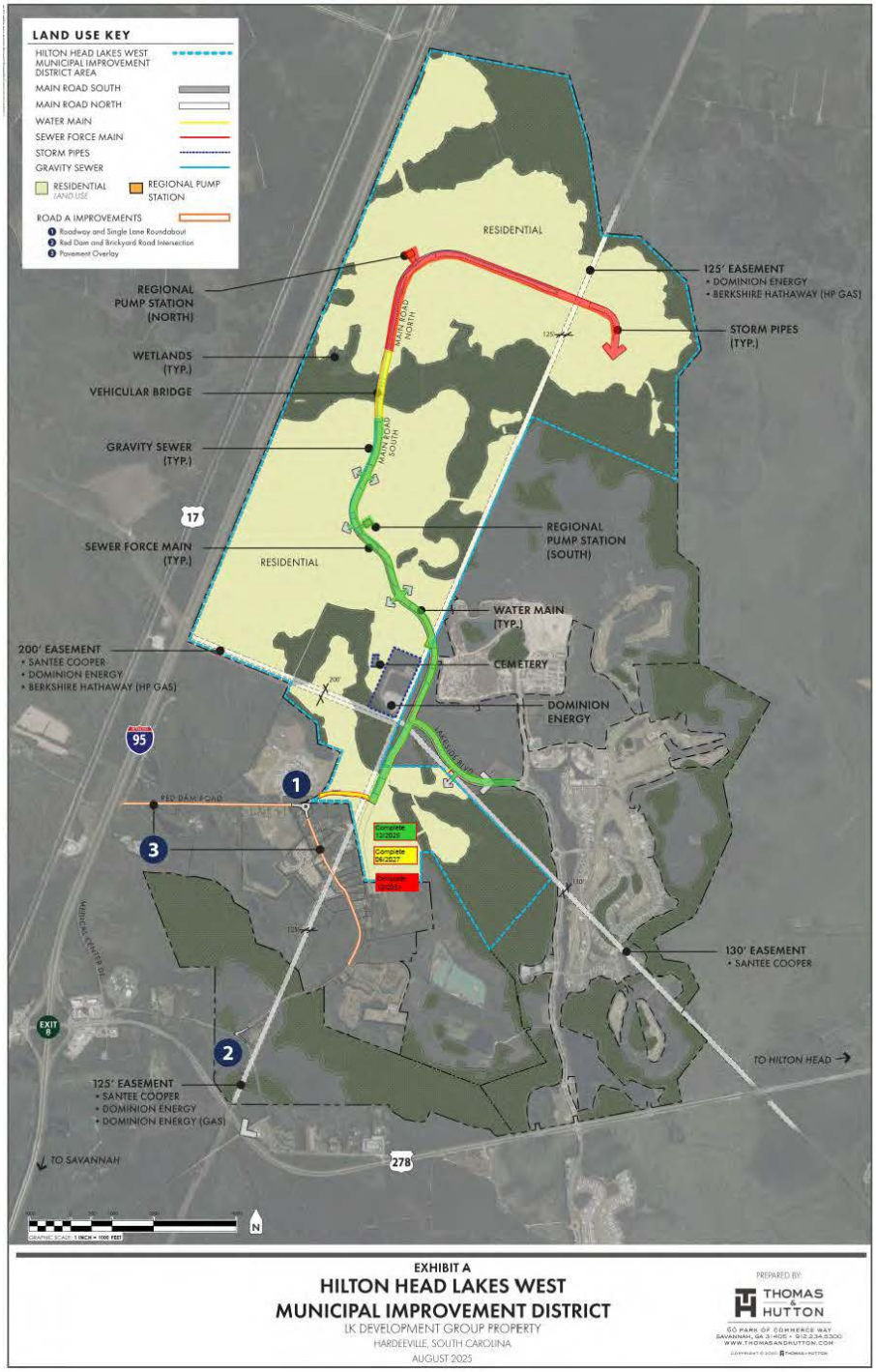
Overall Site Plan 1 (Relied Upon Upland Acreage and Density)



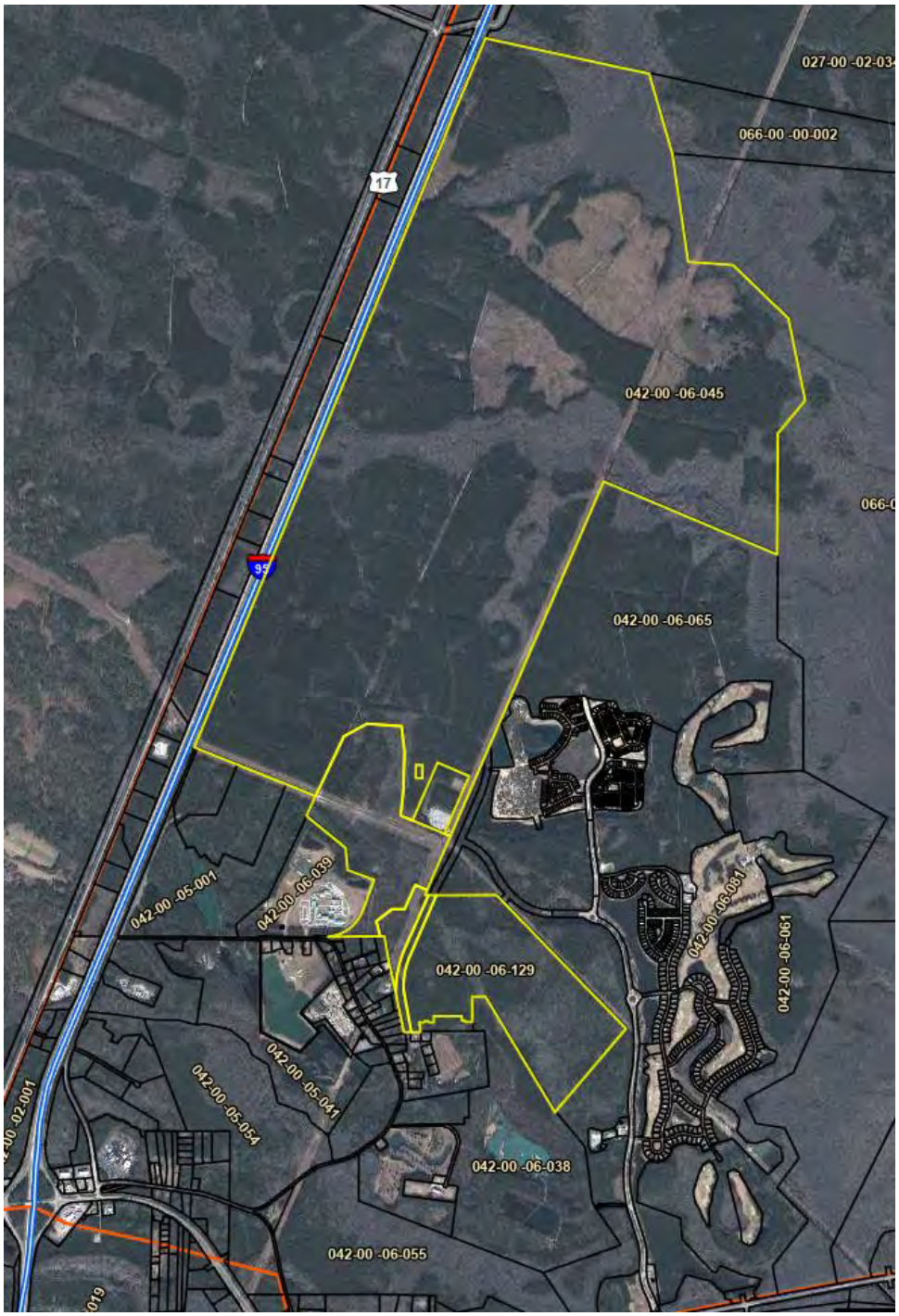
Overall Site Plan 2 (Did Not Rely on Density; Different From Prior Site Plan)



Master Infrastructure Improvements



Aerial Map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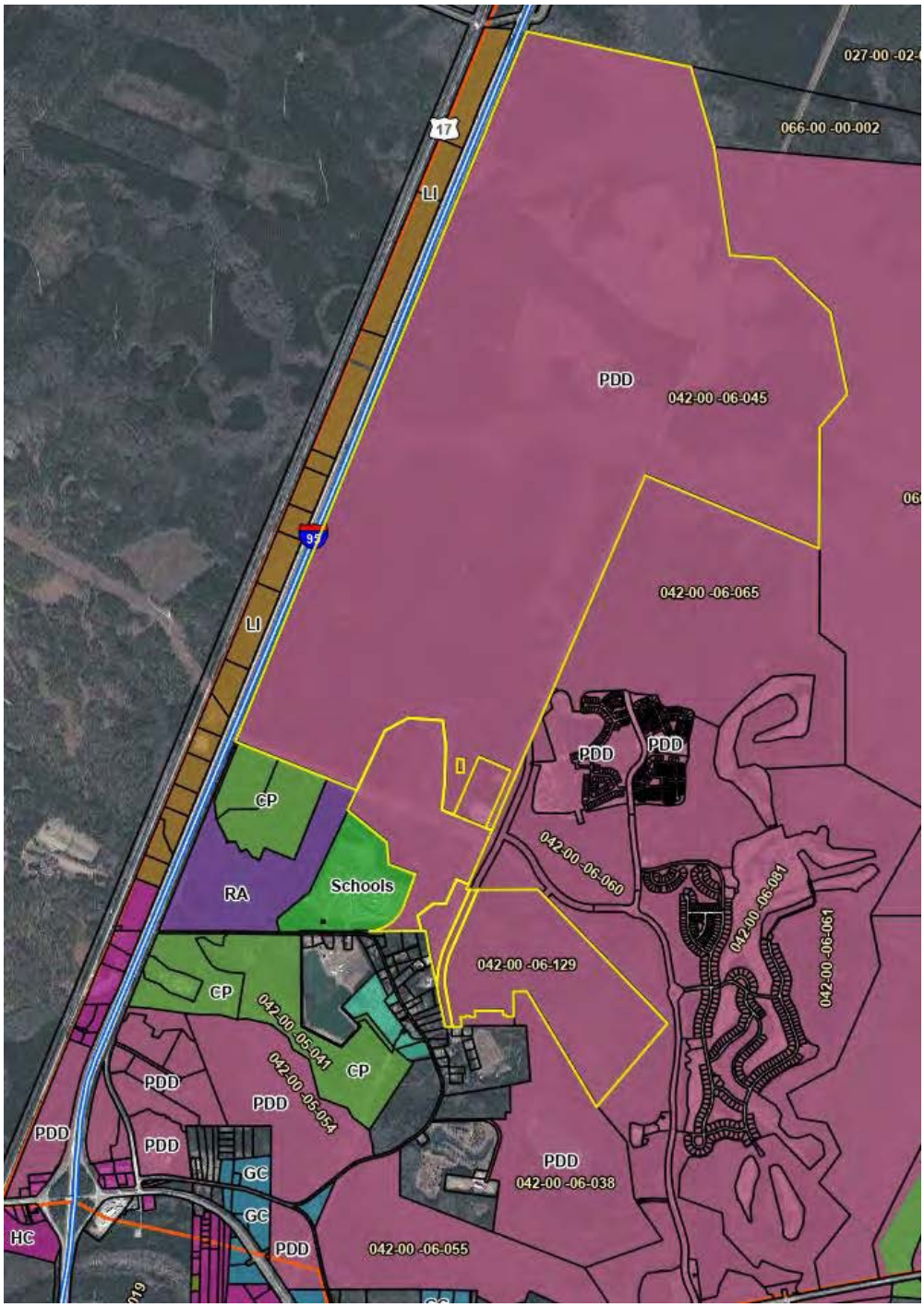
Zoning Map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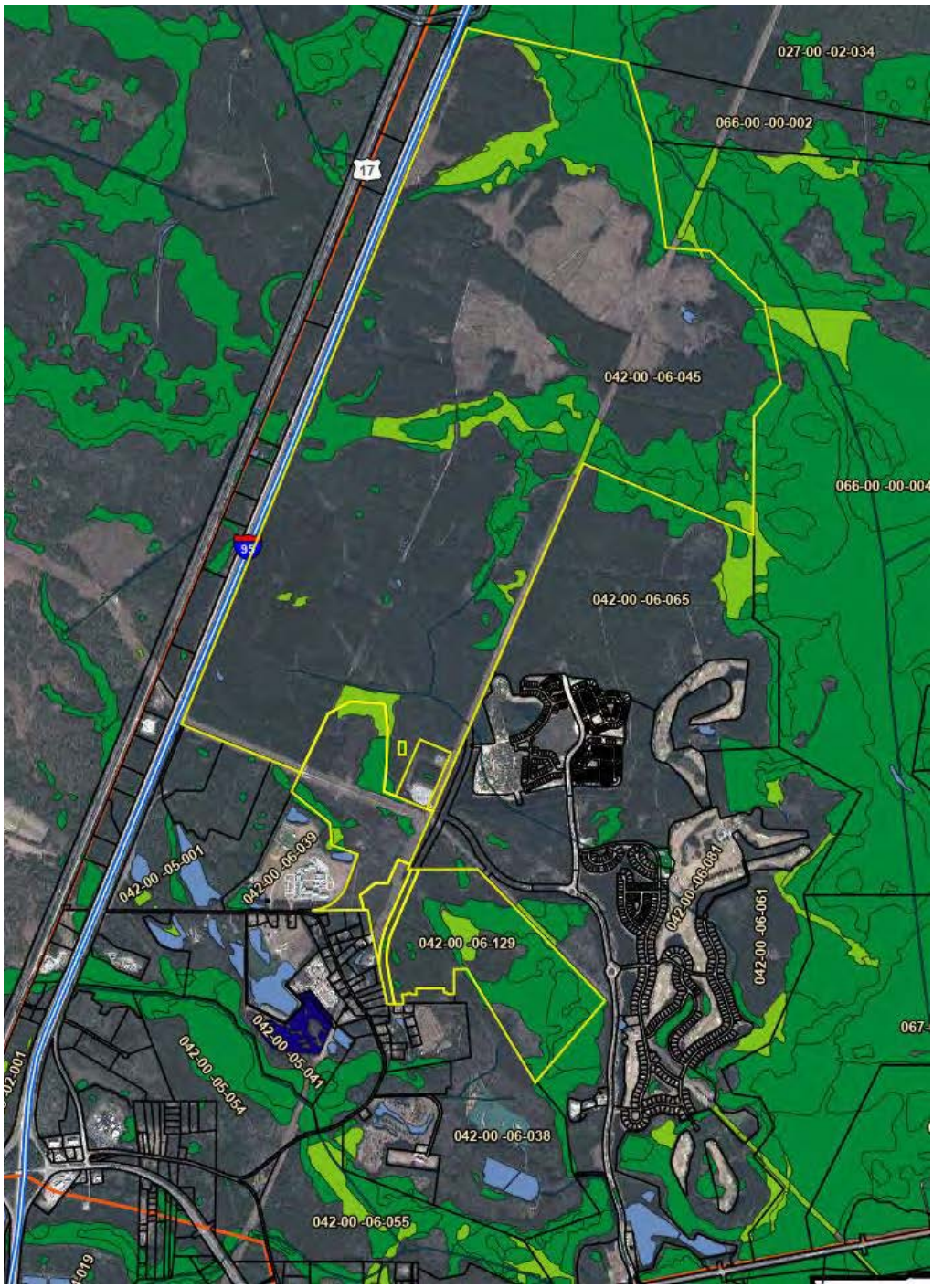
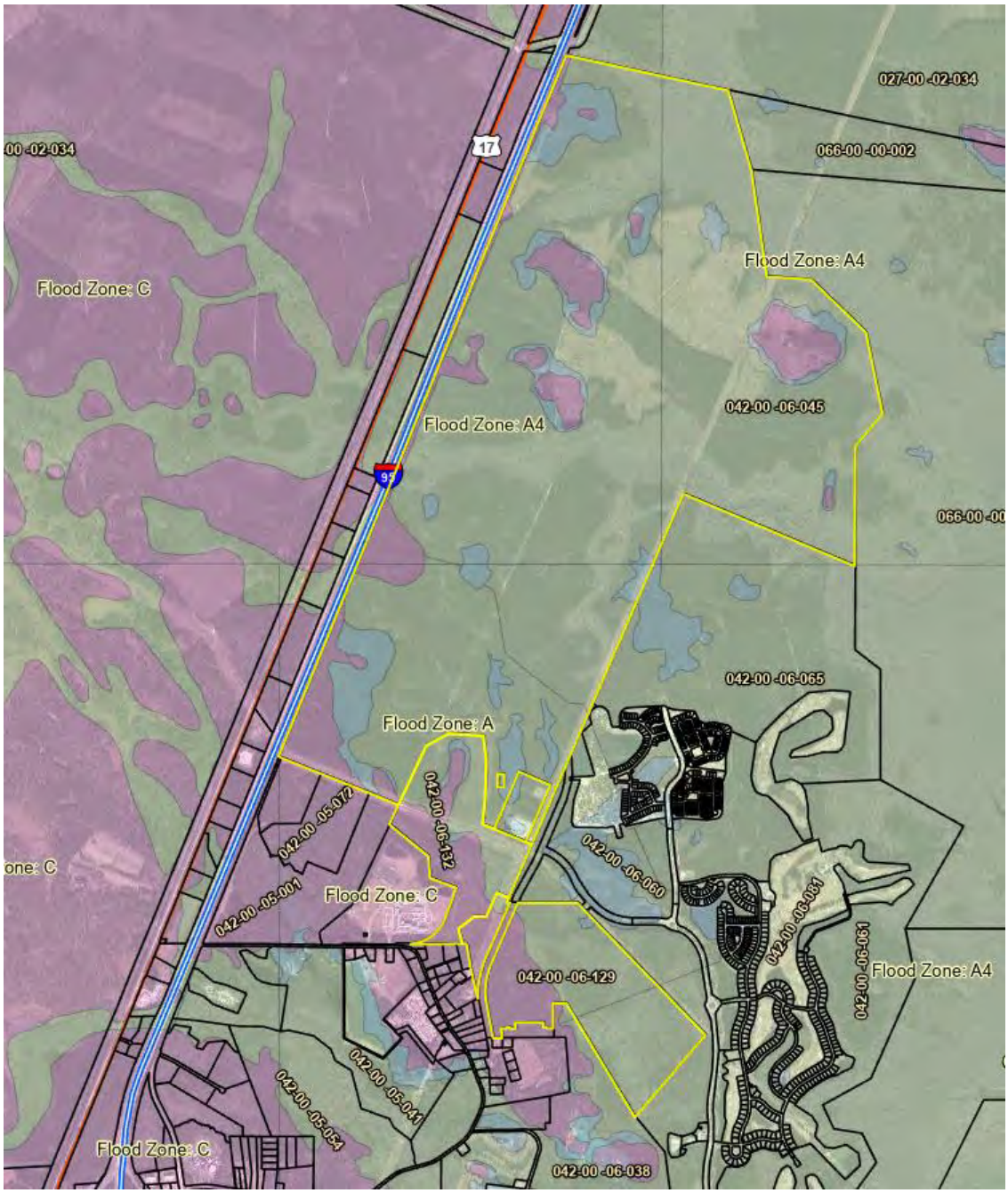
GIS Wetlands Map



GIS Flood Map



InterFlood Map

Real Estate Taxes

Real estate taxes in South Carolina are Ad Valorem, meaning a tax is applied in proportion to value. Assessed values for commercial property are based on a current conversion ratio of 6% while owner-occupied residential and agricultural properties are based on a current conversion ratio of 4% of assessor's market value. The formula for calculating taxes is presented below. The subject is assessed at a ratio of 6%.

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. Jasper County's last revaluation was January 1, 2021 and their next revaluation is planned January 1, 2026.

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 the end of January of the year following the sale.

The assessor's market values for the individual parcels follow.

Assessor's Market Value

Tax IDs	Land	Improvements	Total
042-00-06-045	$15,223,800	$0	$15,223,800
042-00-06-129	$4,443,600	$0	$4,443,600
042-00-06-130	$10,000	$0	$10,000
042-00-06-131	$18,000	$0	$18,000
042-00-06-132	$2,439,000	$0	$2,439,000
Total	$22,134,400	$0	$22,134,400

The table that follows details the estimated real estate taxes for the parcels based on current millage rates. Note that the first parcel is currently assessed based on a 4.0% ratio, but the remaining are assessed based on a 6.0% ratio.

Taxes and Assessments - 2025

	Assessed Value					Taxes and Assessments			
Tax IDs	Land	Improvements	Total Assessor's Market Value	Ratio	Taxable Value	Millage Rate	Ad Valorem Taxes	Sales Tax Credit	Total
042-00-06-045	$15,223,800	$0	$15,223,800	4.0%	$608,950	$435.00	$264,893	-$15,681	$249,213
042-00-06-129	$4,443,600	$0	$4,443,600	6.0%	$266,616	$435.00	$115,978	-$4,577	$111,401
042-00-06-130	$10,000	$0	$10,000	6.0%	$600	$435.00	$261	-$10	$251
042-00-06-131	$18,000	$0	$18,000	6.0%	$1,080	$435.00	$470	-$19	$451
042-00-06-132	$2,439,000	$0	$2,439,000	6.0%	$146,340	$435.00	$63,658	-$2,512	$61,146
Total	$22,134,400	$0	$22,134,400		$1,023,586		$445,260	-$22,798	$422,461

As the subject tracts are subdivided out of the whole, and as infrastructure development is completed, the various parcels will be reassessed. However, it is probable that the sites will not be reassessed until after they are subdivided and sold-off. Therefore, we have based our tax estimates on the current assessments and liabilities.

We have concluded to 11 salable tracts as previously presented. The $422,461 current tax liability equates to an average of $38,406 per tract. This figure is utilized later in the valuation section of the report.

As of the effective date of the appraisal, on-tract subject subdivision and development of horizontal infrastructure and residential lots had not yet commenced. However, there are existing, developed, platted lots in non-subject sections of Hilton Head Lakes. The client requested an estimated assessed lot value and tax liability for the prospective residential lots which is based on the anticipated lot assessment by the tax assessor. Subsequently, we have considered the tax assessor's assessed lot values of other lots in Hilton Head Lakes, as these are located in the overall subject development and it is reasonable to assume that lots developed on the subject tracts would be assessed similarly to other lots in the same development. Note that these assessed lot values are based on the date of the last reassessment, January 1, 2021. The assessed value range follows:

Tax Comparables		
Subdivision	Lot Type	Assessed Lot Value
Hilton Head Lakes North	Single-Family	$42,000 - $105,000

The higher assessed lot values are lakefront lots or golf course frontage lots. We note that South Carolina offers multiple lot discounts to subdivision developers which has not been considered in the assessed values above.

Based on the subject's physical characteristics and proposed development density, we have estimated an average, tax assessor's assessed residential lot value of $52,000 per lot. We placed primary weight on recently platted lots in Hilton Head Lakes.

The estimated aggregate tax assessor's assessed residential lot value, based on the residential lot count provided by the property contact, follows.

Subject Aggregate Residential Lot Assessment Estimate

Tract	SFR Units	Estimated Assessor's Market Value per Lot	Aggregate Assessor's Market Value	Ratio	Estimated Taxable Value per Lot	Millage Rate	Ad Valorem Taxes	Sales Tax Credit	Taxes per Lot	Aggregate Total Taxes
F-1	308	$52,000	$16,016,000	4.0%	$2,080	$435.00	$905	-$54	$851	$262,182
F-2	268	$52,000	$13,936,000	4.0%	$2,080	$435.00	$905	-$54	$851	$228,132
G	510	$52,000	$26,520,000	4.0%	$2,080	$435.00	$905	-$54	$851	$434,132
H-1 & F-3	597	$52,000	$31,044,000	4.0%	$2,080	$435.00	$905	-$54	$851	$508,190
H-2	166	$52,000	$8,632,000	4.0%	$2,080	$435.00	$905	-$54	$851	$141,306
I	450	$52,000	$23,400,000	4.0%	$2,080	$435.00	$905	-$54	$851	$383,058
A	348	$52,000	$18,096,000	4.0%	$2,080	$435.00	$905	-$54	$851	$296,232
B	348	$52,000	$18,096,000	4.0%	$2,080	$435.00	$905	-$54	$851	$296,232
C	348	$52,000	$18,096,000	4.0%	$2,080	$435.00	$905	-$54	$851	$296,232
D	348	$52,000	$18,096,000	4.0%	$2,080	$435.00	$905	-$54	$851	$296,232
E	350	$52,000	$18,200,000	4.0%	$2,080	$435.00	$905	-$54	$851	$297,934
Total	4,041	$52,000	$210,132,000	4.0%	$2,080	$435.00	$905	-$54	$851	$3,439,861

Highest and Best Use

Process

Before a property can be valued, an opinion of highest and best use must be developed for the subject site, both as vacant, and as improved. 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 Vacant

Physically Possible

The site contains various easements, wetland areas, and floodplain. However, considering the large size of the site and the proposed master-plan/ entitlements, these areas do not appear to have a measurable adverse effect on value. Overall, the physical characteristics of the site do not appear to impose any other 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 PDD, Planned Development District, and permitted uses by right include mixed uses including office, retail, and residential. The subject site was approved for detached and attached residential dwellings as reflected in the development agreement.

To our knowledge, there are no other legal restrictions such as easements or deed restrictions that would effectively limit the use of the property. Given prevailing land use patterns in the area, and considering the large size of the site, only phase residential development is given further consideration in determining highest and best use of the site, as though vacant.

Financially Feasible

Based on our analysis of the market, there is currently adequate demand for phase residential development in the subject's area. It appears that a newly developed phase residential development on the site would have a value commensurate with its cost. Therefore, phase residential development 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 a phased, phase residential development. Accordingly, it is our opinion that a phased, phase residential development, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.

Conclusion

Phased residential development is the only use that meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as vacant.

As Improved

The subject tracts are currently vacant with no vertical improvements. Therefore, the highest and best use as improved is not applicable.

Most Probable Buyer

Taking into account the functional utility of the site and 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.

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.

The **subdivision development method** is an income approach method used by developers to determine the price they can afford to pay for a project assuming certain costs, gross sales, and return considerations. This approach derives a value, taking into account anticipated sales revenues of the lots/units/homes, all costs of construction, absorption projections, and return expectations. This is the income approach method used in this report.

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	Applicable	Utilized
Sales Comparison Approach (Retail Land Values)	Applicable	Utilized
Income Capitalization Approach (Subdivision Development Method)	Applicable	Utilized

Sales Comparison Approach – Site Valuation

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

As discussed previously, the property is divided for valuation purposes as follows:

Sub-Tracts for Valuation Purposes

Tract	Total # of SFR Units	Upland Acres	Density (Units/ Upland Acre)	Gross Acreage Allocation	Density (Units/ Gross Acre)
F-1	308	103.00	3.0	160.60	1.9
F-2	268	127.00	2.1	198.03	1.4
G	510	219.00	2.3	341.48	1.5
H-1 & F-3	597	181.00	3.3	282.23	2.1
H-2	166	52.00	3.2	81.08	2.0
I	450	175.00	2.6	379.23	1.2
A	348	149.20	2.3	232.64	1.5
B	348	149.20	2.3	232.64	1.5
C	348	149.20	2.3	232.64	1.5
D	348	149.20	2.3	232.64	1.5
E	350	149.20	2.3	232.64	1.5
Single-Family Tract Total	4,041	1,603.00	2.5	2,605.87	1.6

The sub-tracts that are valued in the report are based on the assumption that they either are, or will be subdivided as shown above. The values derived are based on the assumption that the overall property is developed into the master-planned development as planned. The values derived in this section are reflective of current values as of the effective date of the appraisal. These values are subsequently escalated over time in the discounted cash flow analysis section of the report. Additional discussion is included in the subdivision development method section of the report.

There is often an inverse relationship between size (acreage or number of units) and price per acre or price per unit. Larger tracts often sell for less per acre than smaller tracts. Similarly, a higher number of units often sell for less per unit than a tract with fewer proposed units.

Tract F-1 (160.60 Acres; 6,995,736 SF)

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

Our search for comparable sales focused on transactions within the following parameters:

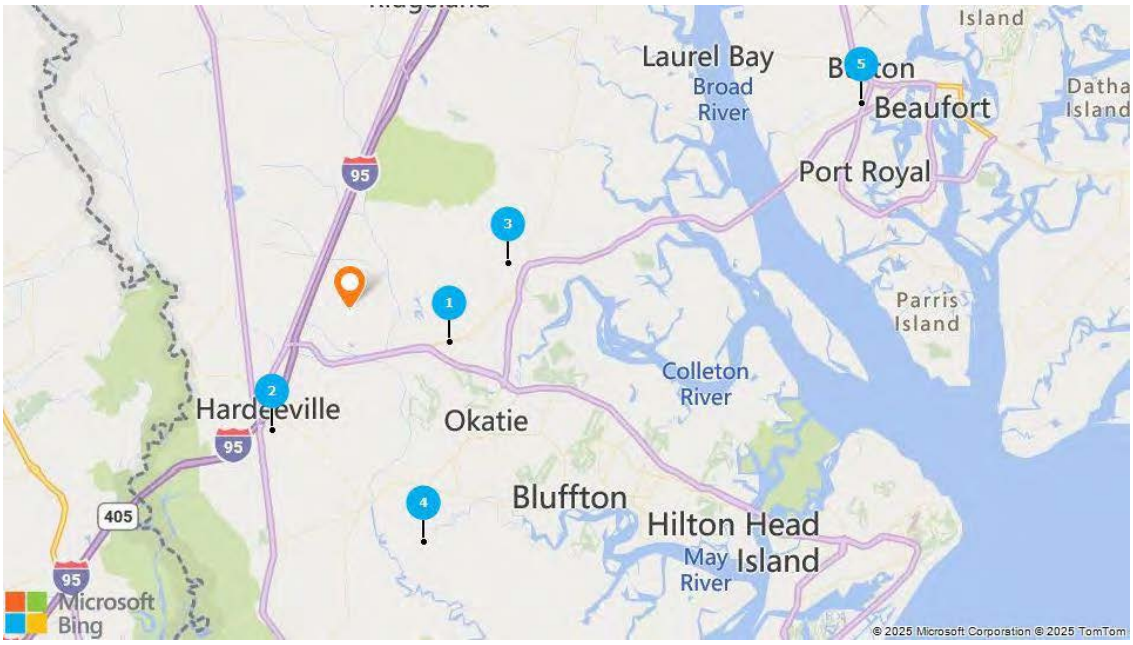
- Location: Similar submarkets in Jasper and Beaufort Counties and surrounding counties.
- Size: Approximately 75+ units.
- Use: Detached and attached single-family residential.
- Transaction Date: Within approximately three years of the effective date of the appraisal.

For this analysis, we use price per unit 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 - Tract F-1

No.	Name/Address	Sale Date; Status	Sale Price	SF; Acres	Units; Density (Units/Ac.)	Zoning	$/Unit	$/Acre
1	Residential Land - 91.67 acres E. Argent Pky. Hardeeville Jasper County SC *Comments: 91.67 acres planned for 240 single family homes.*	Sep-25 Closed	$9,040,000	3,993,145 91.67	240 2.6	PDD	$37,667	$98,615
2	119.15 Acres Heron Pointe Pl. Hardeeville Jasper County SC *Comments: Site to be developed with 174 SF lots.*	Jun-25 Closed	$6,758,000	5,190,174 119.15	174 1.5	PDD	$38,839	$56,718
3	750 lot site E. Argent Pky. Ridgeland Jasper County SC *Comments: Lots are entitled but not engineering.*	Oct-23 Closed	$13,125,000	13,637,765 313.08	750 2.4	RP	$17,500	$41,922
4	Pulte Midpoint New Riverside Dr Bluffton Beaufort County SC *Comments: Site purchased for development of 368 single family homes.*	Sep-23 Closed	$14,098,000	8,929,800 205.00	368 1.8	PD	$38,310	$68,771
5	Proposed Townhomes FC Carter Dr. Beaufort Beaufort County SC *Comments: To be developed with 138 townhomes and duplex units.*	Mar-23 Closed	$3,300,000	871,200 20.00	138 6.9	C5R	$23,913	$165,000
	Subject Hilton Head Lakes West Development Tracts Hardeeville, SC			6,995,736 160.60	308 1.9	PDD		

Comparable Land Sales Map – Tract F-1



Sale 1
Residential Land - 91.67 acres

Sale 2
119.15 Acres

Sale 3
750 lot site

Sale 4
Pulte Midpoint

Sale 5
Proposed Townhomes

Analysis and Adjustment of Sales

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. 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.

Adjustment Factor	Accounts For	Comments
Effective Sale Price	Atypical economics of a transaction, such as demolition cost or expenditures by buyer at time of purchase.	No adjustments warranted.
Real Property Rights	Fee simple, leased fee, leasehold, partial interest, etc.	No adjustments necessary.
Financing Terms	Seller financing, or assumption of existing financing, at non-market terms.	No adjustments necessary.
Conditions of Sale	Extraordinary motivation of buyer or seller, assemblage, forced sale.	No adjustments necessary.
Market Conditions	Changes in the economic environment over time that affect the appreciation and depreciation of real estate.	Positive adjustments to all sales for improving market conditions.
Location	Market or submarket area influences on sale price; surrounding land use influences.	Positive adjustments to Sales 3 & 5 for their inferior locations. Negative adjustment to Sale 4 for its superior location.
Access/ Exposure	Ease of site access; visibility from main thoroughfares; traffic counts.	No adjustments warranted.
Size/ # of units	Inverse relationship that often exists between # of units and unit value. i.e., a tract with a higher # of units will often sell for less per unit than a tract with a lower # of units.	Negative adjustments to Sales 2 & 5 for their fewer # of units. Positive adjustments to Sales 3 & 4 for their larger # of units.
Shape and Topography	Primary physical factors that affect the utility of a site for its highest and best use.	No adjustments necessary.
Zoning/ Density	Government regulations that affect the types and intensities of uses allowable on a site.	Positive adjustments to Sale 5 for its higher/ inferior density.
Utilities	The availability of municipal water and sewer.	No adjustments necessary.
Entitlements	The specific level of governmental approvals attained pertaining to development of a site.	No adjustments necessary.

Land Sales Adjustment Grid - Tract F-1

	Subject	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Name	Hilton Head Lakes West Development Tracts	Residential Land - 91.67 acres	119.15 Acres	750 lot site	Pulte Midpoint	Proposed Townhomes
Address	Lakeside Boulevard North	E. Argent Pky.	Heron Pointe Pl.	E. Argent Pky.	New Riverside Dr	FC Carter Dr.
City	Hardeeville	Hardeeville	Hardeeville	Ridgeland	Bluffton	Beaufort
County	Jasper	Jasper	Jasper	Jasper	Beaufort	Beaufort
State	South Carolina	SC	SC	SC	SC	SC
Sale Date		Sep-25	Jun-25	Oct-23	Sep-23	Mar-23
Sale Status		Closed	Closed	Closed	Closed	Closed
Sale Price		$9,040,000	$6,758,000	$13,125,000	$14,098,000	$3,300,000
Acres	160.60	91.67	119.15	313.08	205.00	20.00
Number of Units	308	240	174	750	368	138
Zoning Code	PDD	PDD	PDD	RP	PD	C5R
Shape	Irregular	Irregular	Irregular	Rectangular	Irregular	Rectangular
Topography	Gently sloping	Gently Sloping	Level	Level	Level	Level
Water	Yes	Yes	Yes	Yes	Yes	Yes
Sewer	Yes	Yes	Yes	Yes	Yes	Yes
Units Per Acre	1.9	2.6	1.5	2.4	1.8	6.9
Price per Unit		**$37,667**	**$38,839**	**$17,500**	**$38,310**	**$23,913**
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		–	–	–	–	–
Market Conditions	11/5/2025	Sep-25	Jun-25	Oct-23	Sep-23	Mar-23
Annual % Adjustment	3%	–	1%	6%	6%	8%
Cumulative Adjusted Price		**$37,667**	**$39,227**	**$18,550**	**$40,608**	**$25,826**
Location		–	–	10%	-15%	15%
Access/Exposure		–	–	–	–	–
Size/ # of Units		–	-5%	20%	–	-5%
Shape and Topography		–	–	–	–	–
Zoning/ Density		–	–	–	–	10%
Utilities		–	–	–	–	–
Entitlements		–	–	–	–	–
Net $ Adjustment		$0	-$1,961	$5,565	-$6,091	$5,165
Net % Adjustment		0%	-5%	30%	-15%	20%
Final Adjusted Price		**$37,667**	**$37,266**	**$24,115**	**$34,517**	**$30,991**
Overall Adjustment		0%	-4%	38%	-10%	30%

Range of Adjusted Prices	**$24,115 - $37,667**
Average	**$32,911**
Indicated Value	**$35,000**

Land Value Conclusion – Tract F-1

Prior to adjustment, the sales reflect a range of $17,500 - $38,839 per unit. After adjustment, the range is narrowed to $24,115 - $37,667 per unit, with an average of $32,911 per unit. Sale 3 is a relative outlier on an unadjusted and adjusted basis. We have included Sale 3 for its larger size/ number of units, but have placed secondary weight on this sale. We place relatively equal primary weight on the remaining sales and secondary weight on Sale 3. We arrive at a land value conclusion as follows:

Land Value Conclusion	
Tract F-1	
Indicated Value per Unit	$35,000
Subject Units	308
Indicated Value	$10,780,000
Rounded	$10,780,000

Land Value Conclusions "As Is"

The valuation and analysis of the preceding tract is utilized as the basis for the valuation of the remaining tracts. We subsequently make additional adjustments where warranted to derive the value conclusions of each tract as follows (per unit values rounded to nearest $500).

Tract Values

Tract	Gross Acres	Units	Units/ Acre	Base $/ Unit	Size/ # of Units Adjustment	Zoning/ Density Adjustment	Grading Adjustment	Adjusted $/ Unit	Conclusion	Rounded
F-1	160.60	308	1.9	$35,000	0%	0%	0%	$35,000	$10,780,000	$10,780,000
F-2	198.03	268	1.4	$35,000	0%	0%	0%	$35,000	$9,380,000	$9,380,000
G	341.48	510	1.5	$35,000	-10%	0%	0%	$31,500	$16,065,000	$16,065,000
H-1 & F-3	282.23	597	2.1	$35,000	-15%	0%	0%	$30,000	$17,910,000	$17,910,000
H-2	81.08	166	2.0	$35,000	5%	0%	0%	$37,000	$6,142,000	$6,142,000
I	379.23	450	1.2	$35,000	-5%	0%	5%	$35,000	$15,750,000	$15,750,000
A	232.64	348	1.5	$35,000	0%	0%	0%	$35,000	$12,180,000	$12,180,000
B	232.64	348	1.5	$35,000	0%	0%	0%	$35,000	$12,180,000	$12,180,000
C	232.64	348	1.5	$35,000	0%	0%	0%	$35,000	$12,180,000	$12,180,000
D	232.64	348	1.5	$35,000	0%	0%	0%	$35,000	$12,180,000	$12,180,000
E	232.64	350	1.5	$35,000	0%	0%	0%	$35,000	$12,250,000	$12,250,000
Aggregate Retail Value										$136,997,000
Average Retail Value										$12,454,273

Based on our site visit, Tract I had been mass-graded, which we have considered as an adjustment above.

The above tract and lot values are reflective of "as is" values of the tracts and lots, based on the hypothetical condition that all infrastructure is completed. In order to derive the "as is" value of the overall property, the remaining costs to complete, as previously discussed, are deducted as a bottom-line adjustment at the end of the discounted cash flow analysis presented later in the report.

The above tract values are subsequently escalated for time over the sellout period. This is presented later in the report.

Subdivision Development Method

A Subdivision Development Method is appropriate for the appraisal of land that has specific approval for an approved development plan. The Subdivision Development Method combines aspects of the cost, sales comparison and income analyses. Income is derived from the sale of improved lots or residential units over a period of time. The sale prices and rate of absorption are market-oriented, based on sale prices of comparable units and the rate of sales in competitive or comparable projects. By deducting all costs and expenses of site development and construction and sale of the units, including profit to the developer and entrepreneur, the remaining cash flow, discounted for the period of time required to complete the project, yields an indication of land value prior to commencement of the project. Residential for-sale subdivision projects are typically analyzed using this Subdivision Development methodology.

Land which can be subdivided or condominiumized typically has three distinct value phases, (1) Raw land which does not have approvals and is unimproved, (2) Raw land which has approvals in place and (3) Approved land which is prepared and ready for vertical construction. The further along this value continuum a property is, the less risk there is to a developer.

The steps required to complete this analysis are as follows:

- Estimate the retail values (probable selling prices) for the units to be sold within the project – finished lots, single-family homes, or condominiums;
- Apply appropriate growth rates, if applicable, to concluded prices, construction costs and operating expenses;
- Estimate the direct and indirect construction costs for the units;
- Project a reasonable rate of absorption for unit sales, typically based upon an analysis of similar projects or overall market supply and demand;
- Estimate the appropriate holding and selling costs for the project (marketing, closing costs and sales commissions, taxes, general and overhead expenses, HOA fees, etc.);
- Estimate the appropriate profit rate/yield rate for the type of project under consideration;
- Discount the net cash flows to arrive at a value indication.

The DCF model allows for a complete analysis of the subject's financial performance throughout the projection period, modeling the anticipated revenues and expenses for the project based on assumptions derived from the market. The first step in the process is to estimate the aggregate retail revenues.

Aggregate Retail Value

The average retail and aggregate retail lot values were determined earlier as follows:

Uninflated Unit Value Conclusions

Unit Type	Unit Value Conclusion	# of Units	Uninflated Aggregate Retail Value
F-1	$10,780,000	1	$10,780,000
F-2	$9,380,000	1	$9,380,000
G	$16,065,000	1	$16,065,000
H-1 & F-3	$17,910,000	1	$17,910,000
H-2	$6,142,000	1	$6,142,000
I	$15,750,000	1	$15,750,000
A-E	$12,194,000	5	$60,970,000
Uninflated Aggregate Retail Value	$12,454,273	11	$136,997,000

We have utilized the average tract values for Tracts A through E. This is because we have assumed an average tract size with an equal value between each tract.

As previously discussed, the developer is eligible for bond reimbursements upon completion of the infrastructure improvements. These reimbursements were not reflected in the prior land valuation tables. At the request of the client, this reimbursement has not been considered in our cash flow projections.

The above values relfect the uninflated values of each tract. These values have been inflated for time.

Absorption Analysis

The subject is located in a master-planned, residential development. The subject consists of large-size land tracts and not developed lots. There are relatively few similarly sized developments to estimate large-tract land sales over time. In addition, master developers sometimes function as the residential horizontal subdivision developer and there might not be large-tract sales.

We have considered new construction residential home sales rates in master-planned subdivisions in Jasper County as detailed in the table that follows. Demand for homes indicates demand for developed residential lots, which indicates demand for residential land tracts for subsequent development.

Comparable Absorption

Property	Qtr End 3/31/24	Qtr End 6/30/24	Qtr End 9/30/24	Qtr End 12/31/24	2024 Total	Qtr End 3/31/25	Qtr End 6/30/25	Qtr End 9/30/25	2025 Total
Hilton Head Lakes - Lennar									
Homes Sold	1	14	25	11	**51**	13	31	0	**44**
Average Monthly Home Absorption	0.3	4.7	8.3	3.7	**4.3**	4.3	10.3	0.0	**4.9**
Hilton Head Lakes - Dream Finders Homes									
Homes Sold	0	0	0	25	**25**	11	13	6	**30**
Average Monthly Home Absorption	0.0	0.0	0.0	8.3	**2.1**	3.7	4.3	2.0	**3.3**
East Argent - DR Horton									
Homes Sold	7	16	36	12	**71**	28	39	49	**116**
Average Monthly Home Absorption	2.3	5.3	12.0	4.0	**5.9**	9.3	13.0	16.3	**12.9**
Sun City - Del Webb									
Homes Sold	43	68	68	66	**245**	60	47	76	**183**
Average Monthly Home Absorption	14.3	22.7	22.7	22.0	**20.4**	20.0	15.7	25.3	**20.3**
Latitude Margaritaville - Minto Latitude									
Homes Sold	115	123	152	147	**537**	116	123	82	**321**
Average Monthly Home Absorption	38.3	41.0	50.7	49.0	**44.8**	38.7	41.0	27.3	**35.7**
Riverton Pointe - Toll Brothers									
Homes Sold	19	25	27	33	**104**	36	46	44	**126**
Average Monthly Home Absorption	6.3	8.3	9.0	11.0	**8.7**	12.0	15.3	14.7	**14.0**

Sun City and Latitude Margaritaville are highly amenitized developments and set the upper-end of the range.

Due to the large size of the subject development, it is our opinion that it could offer multiple residential lot/ home types, and also support multiple different homebuilders.

Based on the comparable absorption rates, it is our opinion that implied demand of approximately 15 developed residential units per month is reasonable for the subject tracts, which equates to demand for 180 units per year.

The chart that follows calculates the implied years for development and absorption of residential units on each tract based on 180 units per year.

Additional Improved Sales

Tract	Units	Units/ Year	Indicated Absorption Years
F-1	308	180	1.7
F-2	268	180	1.5
G	510	180	2.8
H-1 & F-3	597	180	3.3
H-2	166	180	0.9
I	450	180	2.5
A	348	180	1.9
B	348	180	1.9
C	348	180	1.9
D	348	180	1.9
E	350	180	1.9

Our analysis is based on 12-month, annual periods.

Our absorption conclusions are shown in the chart on the page that follows.

As previously discussed, Tract I is located off of a developed roadway. It is our opinion that Tract I would be sold first, and could be sold in the first year based on its level of completion.

We have concluded that subsequent tract demand would likely continued north from Tract I based on physical geographic order. Tracts A through E are located at the northern-end of the development and will be last as they require bridge construction and roadway extensions for access.

We have projected tract absorption based on the preceding number of units in each prior tract, with consideration of a development timeline overlap. For example, Tract I is proposed to contain 498 units with an implied absorption of the units over a 2.8-year period. Therefore, we have projected the absorption of Tract H-2 in the third year. Tract H-2 has an implied absorption of 0.9-year; therefore, we have included the absorption of Tract H-1 and F-3 in the following year. This trend continues for the remaining tracts.

Unit Absorption																	
	Period	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
Annual Period Ending		10/27/2026	10/27/2027	10/27/2028	10/27/2029	10/27/2030	10/27/2031	10/27/2032	10/27/2033	10/27/2034	10/27/2035	10/27/2036	10/27/2037	10/27/2038	10/27/2039		
Unit Type	Total Units															Avg.	Total
F-1																	
Total Beginning # of Units	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0						0.1	1.0
Units Remaining		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0		
F-2																	
Total Beginning # of Units	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0							0.1	1.0
Units Remaining		1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
G																	
Total Beginning # of Units	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		0.0	0.0	0.0	0.0	0.0	1.0									0.2	1.0
Units Remaining		1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
H-1 & F-3																	
Total Beginning # of Units	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		0.0	0.0	0.0	1.0											0.3	1.0
Units Remaining		1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
H-2																	
Total Beginning # of Units	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		0.0	0.0	1.0												0.3	1.0
Units Remaining		1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
I																	
Total Beginning # of Units	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		1.0														1.0	1.0
Units Remaining		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
A-E																	
Total Beginning # of Units	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	3.0	2.0	1.0		
Absorption/ Units Sold		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	0.4	5.0
Units Remaining		5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	3.0	2.0	1.0	0.0		
Total # of Units	11.0	11.0	10.0	10.0	9.0	8.0	8.0	7.0	7.0	6.0	5.0	4.0	3.0	2.0	1.0		
Total Absorption/ Units Sold		1.0	0	1.0	1.0	0	1.0	0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	11.0
Total Units Remaining		10.0	10.0	9.0	8.0	8.0	7.0	7.0	6.0	5.0	4.0	3.0	2.0	1.0	0.0		

We have concluded to an absorption timeframe of 14 years for the subject tracts. As previously discussed, the Hardeeville development agreement implies a potential development timeline (subject to change) of 30 years. The development agreement timeline appears to consider subsequent horizontal infrastructure development as well as vertical home construction. The scope of the appraisal is to provide a value of the underlying land and it is reasonable to conclude to a shorter timeframe as the subsequent horizontal and vertical timelines will occur afterwards.

Change Rates

Lot Price Growth Rate: Local real estate prices have historically increased at rates that exceeded general inflation levels. However, there have been fluctuations in pricing during the past ten years, rather than consistent upward trends. Real estate pricing in the subject's market area has been improving. Considering the foregoing, appreciation is estimated at 3.00% per annual period.

Holding Cost Growth Rate: Based on average inflation rates, we have included holding cost escalations at a rate of 3.00% per year.

Periodic Aggregate Gross Sales

Period	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
Annual Period Ending	10/27/2026	10/27/2027	10/27/2028	10/27/2029	10/27/2030	10/27/2031	10/27/2032	10/27/2033	10/27/2034	10/27/2035	10/27/2036	10/27/2037	10/27/2038	10/27/2039		
Unit Type	Total Units														Avg.	Total
F-1																
Absorption	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$10,780,000	$11,103,400	$11,436,502	$11,779,597	$12,132,985	$12,496,975	$12,871,884	$13,258,040	$13,655,781	$14,065,455	$14,487,419	$14,922,041	$15,369,702	$15,830,793	$13,655,781	
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$13,655,781	$0	$0	$0	$0	$0		$13,655,781
F-2																
Absorption	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$9,380,000	$9,661,400	$9,951,242	$10,249,779	$10,557,273	$10,873,991	$11,200,211	$11,536,217	$11,882,303	$12,238,772	$12,605,936	$12,984,114	$13,373,637	$13,774,846	$11,536,217	
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$11,536,217	$0	$0	$0	$0	$0	$0		$11,536,217
G																
Absorption	1.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$16,065,000	$16,546,950	$17,043,359	$17,554,659	$18,081,299	$18,623,738	$19,182,450	$19,757,924	$20,350,661	$20,961,181	$21,590,017	$22,237,717	$22,904,849	$23,591,994	$18,623,738	
Periodic Gross Sales		$0	$0	$0	$0	$0	$18,623,738	$0	$0	$0	$0	$0	$0	$0	$0		$18,623,738
H-1 & F-3																
Absorption	1.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$17,910,000	$18,447,300	$19,000,719	$19,570,741	$20,157,863	$20,762,599	$21,385,477	$22,027,041	$22,687,852	$23,368,488	$24,069,542	$24,791,629	$25,535,377	$26,301,439	$19,570,741	
Periodic Gross Sales		$0	$0	$0	$19,570,741	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		$19,570,741
H-2																
Absorption	1.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$6,142,000	$6,326,260	$6,516,048	$6,711,529	$6,912,875	$7,120,261	$7,333,869	$7,553,885	$7,780,502	$8,013,917	$8,254,334	$8,501,964	$8,757,023	$9,019,734	$6,516,048	
Periodic Gross Sales		$0	$0	$6,516,048	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		$6,516,048
I																
Absorption	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$15,750,000	$16,222,500	$16,709,175	$17,210,450	$17,726,764	$18,258,567	$18,806,324	$19,370,513	$19,951,629	$20,550,178	$21,166,683	$21,801,683	$22,455,734	$23,129,406	$15,750,000	
Periodic Gross Sales		$15,750,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		$15,750,000
A-E																
Absorption	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	0.3	5.0
Periodic Avg. Unit Pricing		$12,194,000	$12,559,820	$12,936,615	$13,324,713	$13,724,454	$14,136,188	$14,560,274	$14,997,082	$15,446,994	$15,910,404	$16,387,716	$16,879,348	$17,385,728	$17,907,300	$16,894,099	
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$0	$15,910,404	$16,387,716	$16,879,348	$17,385,728	$17,907,300		$84,470,497
Total Aggregate Gross Sales		$15,750,000	$0	$6,516,048	$19,570,741	$0	$18,623,738	$0	$11,536,217	$13,655,781	$15,910,404	$16,387,716	$16,879,348	$17,385,728	$17,907,300		$170,123,021

Periodic Costs

The remaining infrastructure costs, as previously presented, are deducted as a bottom-line deduction at the end of the analysis to derive the “as is” value.

Expenses Over The Sell-Out Period

Selling costs are incurred during the sell-out period, and are necessary to realize income from sales of the units assuming construction is completed. The developer did not provide a detailed budget that included these items.

Sales Commissions*:* We have included a sales commission cost of 2.00% for the individual tracts. This conclusion considers the relatively high values of the tracts.

Detailed Sales Commissions Table																
Period		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Annual Period Ending		10/27/2026	10/27/2027	10/27/2028	10/27/2029	10/27/2030	10/27/2031	10/27/2032	10/27/2033	10/27/2034	10/27/2035	10/27/2036	10/27/2037	10/27/2038	10/27/2039	Total
F-1																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$13,655,781	$0	$0	$0	$0	$0	$13,655,781
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
F-1 Subtotal Commissions		$0	$0	$0	$0	$0	$0	$0	$0	$273,116	$0	$0	$0	$0	$0	$273,116
F-2																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$11,536,217	$0	$0	$0	$0	$0	$0	$11,536,217
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
F-2 Subtotal Commissions		$0	$0	$0	$0	$0	$0	$0	$230,724	$0	$0	$0	$0	$0	$0	$230,724
G																
Periodic Gross Sales		$0	$0	$0	$0	$0	$18,623,738	$0	$0	$0	$0	$0	$0	$0	$0	$18,623,738
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
G Subtotal Commissions		$0	$0	$0	$0	$0	$372,475	$0	$0	$0	$0	$0	$0	$0	$0	$372,475
H-1 & F-3																
Periodic Gross Sales		$0	$0	$0	$19,570,741	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$19,570,741
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
H-1 & F-3 Subtotal Commissions		$0	$0	$0	$391,415	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$391,415
H-2																
Periodic Gross Sales		$0	$0	$6,516,048	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$6,516,048
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
H-2 Subtotal Commissions		$0	$0	$130,321	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$130,321
I																
Periodic Gross Sales		$15,750,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$15,750,000
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
I Subtotal Commissions		$315,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$315,000
A-E																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$0	$15,910,404	$16,387,716	$16,879,348	$17,385,728	$17,907,300	$84,470,497
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
A-E Subtotal Commissions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$318,208	$327,754	$337,587	$347,715	$358,146	$1,689,410
Total Sales Commissions		$315,000	$0	$130,321	$391,415	$0	$372,475	$0	$230,724	$273,116	$318,208	$327,754	$337,587	$347,715	$358,146	$3,402,460

Marketing, Overhead & Closing Costs: Based on the size, location, and pricing of the subject property, we anticipate that marketing, overhead, and closing costs will be 0.50% of gross sales which considers the overall tract pricing.

Detailed Marketing, Overhead, Closing Costs Table

Period		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Annual Period Ending		10/27/2026	10/27/2027	10/27/2028	10/27/2029	10/27/2030	10/27/2031	10/27/2032	10/27/2033	10/27/2034	10/27/2035	10/27/2036	10/27/2037	10/27/2038	10/27/2039	Total
F-1																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$13,655,781	$0	$0	$0	$0	$0	$13,655,781
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
F-1 Subtotal Costs		$0	$0	$0	$0	$0	$0	$0	$0	$68,279	$0	$0	$0	$0	$0	$68,279
F-2																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$11,536,217	$0	$0	$0	$0	$0	$0	$11,536,217
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
F-2 Subtotal Costs		$0	$0	$0	$0	$0	$0	$0	$57,681	$0	$0	$0	$0	$0	$0	$57,681
G																
Periodic Gross Sales		$0	$0	$0	$0	$0	$18,623,738	$0	$0	$0	$0	$0	$0	$0	$0	$18,623,738
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
G Subtotal Costs		$0	$0	$0	$0	$0	$93,119	$0	$0	$0	$0	$0	$0	$0	$0	$93,119
H-1 & F-3																
Periodic Gross Sales		$0	$0	$0	$19,570,741	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$19,570,741
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
H-1 & F-3 Subtotal Costs		$0	$0	$0	$97,854	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$97,854
H-2																
Periodic Gross Sales		$0	$0	$6,516,048	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$6,516,048
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
H-2 Subtotal Costs		$0	$0	$32,580	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$32,580
I																
Periodic Gross Sales		$15,750,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$15,750,000
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
I Subtotal Costs		$78,750	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$78,750
A-E																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$0	$15,910,404	$16,387,716	$16,879,348	$17,385,728	$17,907,300	$84,470,497
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
A-E Subtotal Costs		$0	$0	$0	$0	$0	$0	$0	$0	$0	$79,552	$81,939	$84,397	$86,929	$89,537	$422,352
Total Costs		$78,750	$0	$32,580	$97,854	$0	$93,119	$0	$57,681	$68,279	$79,552	$81,939	$84,397	$86,929	$89,537	$850,615

Real Estate Taxes: Taxes have been modeled into the DCF analysis for the tracts that remain unsold within the project which were previously estimated. As previously discussed, there is risk to the subject property due to rollback taxes that will become due in the future as the subject tracts are subdivided and developed. We have considered this risk as part of the discount rate as discussed later in the report.

Detailed Tax Table																
	Period	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Annual Period	Ending	10/27/2026	10/27/2027	10/27/2028	10/27/2029	10/27/2030	10/27/2031	10/27/2032	10/27/2033	10/27/2034	10/27/2035	10/27/2036	10/27/2037	10/27/2038	10/27/2039	Total
F-1																
Taxes per Unit per Annual Period		$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	
Taxes on Sold Units	50%	$0	$0	$0	$0	$0	$0	$0	$0	$24,326	$0	$0	$0	$0	$0	$24,326
Taxes on Unsold Units	100%	$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$47,234	$0	$0	$0	$0	$0	$0	$341,515
F-1 Subtotal Taxes		$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$47,234	$24,326	$0	$0	$0	$0	$0	$365,841
F-2																
Taxes per Unit per Annual Period		$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	
Taxes on Sold Units	50%	$0	$0	$0	$0	$0	$0	$0	$23,617	$0	$0	$0	$0	$0	$0	$23,617
Taxes on Unsold Units	100%	$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$0	$0	$0	$0	$0	$0	$0	$294,281
F-2 Subtotal Taxes		$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$23,617	$0	$0	$0	$0	$0	$0	$317,898
G																
Taxes per Unit per Annual Period		$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	
Taxes on Sold Units	50%	$0	$0	$0	$0	$0	$22,261	$0	$0	$0	$0	$0	$0	$0	$0	$22,261
Taxes on Unsold Units	100%	$38,406	$39,558	$40,744	$41,967	$43,226	$0	$0	$0	$0	$0	$0	$0	$0	$0	$203,900
G Subtotal Taxes		$38,406	$39,558	$40,744	$41,967	$43,226	$22,261	$0	$0	$0	$0	$0	$0	$0	$0	$226,162
H-1 & F-3																
Taxes per Unit per Annual Period		$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	
Taxes on Sold Units	50%	$0	$0	$0	$20,983	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$20,983
Taxes on Unsold Units	100%	$38,406	$39,558	$40,744	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$118,708
H-1 & F-3 Subtotal Taxes		$38,406	$39,558	$40,744	$20,983	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$139,691
H-2																
Taxes per Unit per Annual Period		$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	
Taxes on Sold Units	50%	$0	$0	$20,372	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$20,372
Taxes on Unsold Units	100%	$38,406	$39,558	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$77,963
H-2 Subtotal Taxes		$38,406	$39,558	$20,372	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$98,336
I																
Taxes per Unit per Annual Period		$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	
Taxes on Sold Units	50%	$19,203	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$19,203
Taxes on Unsold Units	100%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
I Subtotal Taxes		$19,203	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$19,203
A-E																
Taxes per Unit per Annual Period		$38,406	$39,558	$40,744	$41,967	$43,226	$44,523	$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	
Taxes on Sold Units	50%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$25,055	$25,807	$26,581	$27,379	$28,200	$133,022
Taxes on Unsold Units	100%	$192,028	$197,789	$203,722	$209,834	$216,129	$222,613	$229,291	$236,170	$243,255	$200,442	$154,842	$106,325	$54,757	$0	$2,467,198
A-E Subtotal Taxes		$192,028	$197,789	$203,722	$209,834	$216,129	$222,613	$229,291	$236,170	$243,255	$225,498	$180,649	$132,906	$82,136	$28,200	$2,600,220
Total Taxes		$403,259	$395,578	$387,073	$356,718	$345,807	$333,920	$321,008	$307,021	$267,581	$225,498	$180,649	$132,906	$82,136	$28,200	$3,767,351

Association Fees*:* Reportedly, the subject tracts are not responsible for any HOA/POA dues, which we assume to be correct.

Discount Rate/Developer Profit

A discount rate is applied to the net cash flows to convert the projected cash flows to present value. The discount rate is a rate of return commensurate with perceived risk used to convert future payments or receipts to present value. This rate reflects the compensation offered to an investor for assuming the inherent risk associated with the property. The discount rate varies with the size, complexity, market potential, overall quality, appeal, estimated absorption, and pricing of the product.

There are two general methods for applying appropriate rates of return, and both recognize that engaging in a future sales program over time provides a riskier income stream than in the case of conventional stabilized real estate investment properties. One method is to apply a single higher rate to the projected cash flows. A second method is to bifurcate the risk elements by applying a typical discount rate associated with the characteristics of real estate investment, and to deduct separately a profit amount to compensate for the return necessary for incurring the risk of selling each individual unit on a speculative basis.

Developer's profit and discount rate assumptions are interrelated. Assumptions regarding entrepreneurial profit can vary considerably depending on the structure of the analysis. Profit can be included as a line item expense in the cash flow or reflected in the discount rate. There are several ways to handle entrepreneurial profit in a cash flow forecast.[1] The two most common in this market being: 1) deduction as a line item expense based on a percentage of retail sales revenues under a static residual model; and, 2) increase the discount rate to account for the entrepreneur's contribution in addition to project risk under a yield residual model.

One of the most common sources of estimating an appropriate discount rate is referencing investor surveys. We have referenced the *PwC Real Estate Investor Survey*, one of the widest quoted sources of such data. The *PwC Survey* rates are inclusive of developer profit, and assume entitlements are in place. The rates include commercial, industrial, and residential property types.

The *PwC Survey* reflects a quarterly survey of dozens of residential, office, retail and industrial developers regarding typical land investment criteria and analysis techniques.[2] In addition, they inquired as to the methodologies used by market participants to calculate return for typical land investments, as well as to determine those levels of return currently required to induce participation.

We have also consulted the *Developer Survey* published by RealtyRates.com, a national commercial real estate data source which tracks actual and pro-forma discount rates on sell-out property types including residential subdivisions. The Developer Survey represents a polling of commercial appraisers, lenders, and local, regional and national developers.

[1] Appraisal Institute, *Subdivision Analyses*, (AI, Chicago, IL: 1993); p. 53.

[2] *PwC Real Estate Investor Survey*, *Second Quarter 2011*, PricewaterhouseCoopers, LLP, Suite 48, 1747 Veterans Highway, Islandia, NY.

Discounted cash flow (DCF) analysis was the survey respondents' primary method for measuring the investment performance of land development and new condominium projects.

Southeast: Subdivisions & PUDs

	Actual Rates			Pro-Forma Rates		
	Min	Max	Avg	Min	Max	Avg
Site-Built Residential	15.20%	33.02%	22.37%	14.59%	31.70%	21.48%
-100 Units	15.20%	28.46%	21.39%	14.59%	27.33%	20.54%
100-500 Units	15.58%	31.31%	22.51%	14.96%	30.06%	21.61%
500+ Units	15.96%	32.73%	22.89%	15.32%	31.42%	21.97%
Mixed Use	16.34%	33.02%	22.70%	15.69%	31.70%	21.80%
Manufactured Housing	15.69%	36.06%	24.00%	15.06%	34.62%	23.04%
-100 Units	15.69%	31.36%	23.05%	15.06%	30.10%	22.13%
100-500 Units	16.08%	34.49%	24.27%	15.43%	33.11%	23.30%
500+ Units	16.47%	36.06%	24.69%	15.81%	34.62%	23.70%
Business Parks	15.65%	34.49%	23.27%	15.02%	33.11%	22.34%
-100 Acres	15.65%	29.99%	22.36%	15.02%	28.79%	21.47%
100-500 Acres	16.04%	32.99%	23.53%	15.40%	31.67%	22.59%
500+ Acres	16.43%	34.49%	23.93%	15.77%	33.11%	22.97%
Industrial Parks	15.72%	29.14%	20.89%	15.09%	27.97%	20.06%
-100 Acres	15.72%	25.34%	20.12%	15.09%	24.32%	19.31%
100-500 Acres	16.11%	27.87%	21.11%	15.47%	26.76%	20.27%
500+ Acres	16.50%	29.14%	21.45%	15.84%	27.97%	20.59%

*2nd Quarter 2025 Data

Realty Rates Developers Survey 2025 Q3

Southeast: AL, GA, KY, LA, MS, NC, SC, TN

The discount rates above include entrepreneurial incentive/ profit. The discount rates that follow do not include entrepreneurial incentive/ profit.

Southeast: Condominiums & Co-Ops	Actual Rates			Pro-Forma Rates		
	Min	Max	Avg	Min	Max	Avg
Primary Residential	11.82%	18.87%	14.75%	10.95%	18.12%	14.09%
Hi-Rise/Urban Townhouse	12.00%	18.85%	15.12%	11.52%	18.09%	14.51%
Garden/Suburban Townhouse	11.82%	18.14%	14.38%	11.34%	17.41%	13.80%
Mixed Use	11.90%	18.87%	14.77%	10.95%	18.12%	13.95%
Resort & Second Home	12.71%	20.42%	15.45%	12.20%	19.60%	14.83%
Hi-Rise	12.79%	20.42%	16.27%	12.28%	19.60%	15.62%
Garden/Townhouse	12.71%	17.76%	14.63%	12.20%	17.05%	14.04%
Commercial/Industrial	10.69%	19.62%	14.30%	10.26%	18.84%	13.73%
Urban Office	11.23%	18.52%	14.58%	10.78%	17.78%	13.99%
Suburban Office	10.81%	18.51%	14.08%	10.38%	17.77%	13.51%
Retail	11.00%	19.62%	14.70%	10.56%	18.84%	14.11%
Industrial	10.69%	18.16%	13.85%	10.26%	17.44%	13.29%

*2nd Quarter 2025 Data

Realty Rates Developers Survey 2025 Q3

Southeast: AL, GA, KY, LA, MS, NC, SC, TN

As previously noted, the discount rates in the chart above do not include entrepreneurial incentive/ profit. The discount rates in the chart that follows include entrepreneurial incentive/ profit.

PwC National Land Development Survey	2nd Quarter 2024			2nd Quarter 2025		
	Min	Max	Average	Min	Max	Average
Land Development Discount Rates	14.00%	30.00%	19.13%	12.00%	30.00%	17.67%

We have also held discussions with multiple local and regional real estate brokers and investors. All have indicated that investors typically hope to double their money in three to five years. This indicates an annual rate of return of approximately 20% to 33%.

Because the infrastructure will be complete, there is limited construction risk remaining. However, absorption risk would remain, as would exposure to pricing risk.

We have considered both a blended discount rate with no separate line item for entrepreneurial profit/project management (entrepreneurial profit is built into the discount rate used in the analysis). As well as a bifurcated rate (separate expense line item for entrepreneurial profit from the discount rate).

Based on our research and analysis of the data, and considering the subject's level of completion, we have concluded to a discount rate of 12.00%. The discount rate conclusion considers the length of the sellout period for the subject lots and schedule of cash flows. A higher blended discount rate is required over a short sellout period in order to adequately capture profit. A lower blended discount rate is appropriate over a longer sellout period in order to prevent capturing excess profit. This is

because the present value factor is higher in beginning periods and lower in later period. This is supported by the bifurcated rates to follow. Our discount rate selection is further explained on the pages that follow.

DCF – Blended Rate

Discounted Cash Flow - Blended Discount Rate																
Period		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Annual Period Ending		10/27/2026	10/27/2027	10/27/2028	10/27/2029	10/27/2030	10/27/2031	10/27/2032	10/27/2033	10/27/2034	10/27/2035	10/27/2036	10/27/2037	10/27/2038	10/27/2039	Total
Periodic Gross Sales																
F-1		$0	$0	$0	$0	$0	$0	$0	$0	$13,655,781	$0	$0	$0	$0	$0	$13,655,781
F-2		$0	$0	$0	$0	$0	$0	$0	$11,536,217	$0	$0	$0	$0	$0	$0	$11,536,217
G		$0	$0	$0	$0	$0	$18,623,738	$0	$0	$0	$0	$0	$0	$0	$0	$18,623,738
H-1 & F-3		$0	$0	$0	$19,570,741	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$19,570,741
H-2		$0	$0	$6,516,048	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$6,516,048
I		$15,750,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$15,750,000
A-E		$0	$0	$0	$0	$0	$0	$0	$0	$0	$15,910,404	$16,387,716	$16,879,348	$17,385,728	$17,907,300	$84,470,497
Total Gross Sales		**$15,750,000**	**$0**	**$6,516,048**	**$19,570,741**	**$0**	**$18,623,738**	**$0**	**$11,536,217**	**$13,655,781**	**$15,910,404**	**$16,387,716**	**$16,879,348**	**$17,385,728**	**$17,907,300**	**$170,123,021**
Less Projected Expenses																
Sales Commissions		$315,000	$0	$130,321	$391,415	$0	$372,475	$0	$230,724	$273,116	$318,208	$327,754	$337,587	$347,715	$358,146	$3,402,460
Marketing, Overhead, Closing		$78,750	$0	$32,580	$97,854	$0	$93,119	$0	$57,681	$68,279	$79,552	$81,939	$84,397	$86,929	$89,537	$850,615
Taxes		$403,259	$395,578	$387,073	$356,718	$345,807	$333,920	$321,008	$307,021	$267,581	$225,498	$180,649	$132,906	$82,136	$28,200	$3,767,351
Association Fees		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Expenses		**$797,009**	**$395,578**	**$549,974**	**$845,987**	**$345,807**	**$799,513**	**$321,008**	**$595,427**	**$608,975**	**$623,258**	**$590,342**	**$554,889**	**$516,779**	**$475,882**	**$8,020,426**
Periodic Net Income Stream		**$14,952,991**	**-$395,578**	**$5,966,074**	**$18,724,754**	**-$345,807**	**$17,824,225**	**-$321,008**	**$10,940,790**	**$13,046,806**	**$15,287,146**	**$15,797,375**	**$16,324,458**	**$16,868,949**	**$17,431,418**	**$162,102,595**
Discount Rate/ PV Factor	12.00%	0.89286	0.79719	0.71178	0.63552	0.56743	0.50663	0.45235	0.40388	0.36061	0.32197	0.28748	0.25668	0.22917	0.20462	
Present Value of Cash Flow		**$13,350,885**	**-$315,352**	**$4,246,534**	**$11,899,920**	**-$196,220**	**$9,030,307**	**-$145,208**	**$4,418,802**	**$4,704,809**	**$4,922,052**	**$4,541,368**	**$4,190,082**	**$3,865,928**	**$3,566,813**	**$68,080,719**
Bulk Value Rounded																**$68,080,000**

DCF – Bifurcated Rates

Discounted Cash Flow - Bifurcated Rates																
Period		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Annual Period Ending		10/27/2026	10/27/2027	10/27/2028	10/27/2029	10/27/2030	10/27/2031	10/27/2032	10/27/2033	10/27/2034	10/27/2035	10/27/2036	10/27/2037	10/27/2038	10/27/2039	Total
Periodic Gross Sales																
F-1		$0	$0	$0	$0	$0	$0	$0	$0	$13,655,781	$0	$0	$0	$0	$0	$13,655,781
F-2		$0	$0	$0	$0	$0	$0	$0	$11,536,217	$0	$0	$0	$0	$0	$0	$11,536,217
G		$0	$0	$0	$0	$0	$18,623,738	$0	$0	$0	$0	$0	$0	$0	$0	$18,623,738
H-1 & F-3		$0	$0	$0	$19,570,741	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$19,570,741
H-2		$0	$0	$6,516,048	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$6,516,048
I		$15,750,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$15,750,000
A-E		$0	$0	$0	$0	$0	$0	$0	$0	$0	$15,910,404	$16,387,716	$16,879,348	$17,385,728	$17,907,300	$84,470,497
Total Gross Sales		**$15,750,000**	**$0**	**$6,516,048**	**$19,570,741**	**$0**	**$18,623,738**	**$0**	**$11,536,217**	**$13,655,781**	**$15,910,404**	**$16,387,716**	**$16,879,348**	**$17,385,728**	**$17,907,300**	**$170,123,021**
Less Projected Expenses																
Sales Commissions		$315,000	$0	$130,321	$391,415	$0	$372,475	$0	$230,724	$273,116	$318,208	$327,754	$337,587	$347,715	$358,146	$3,402,460
Marketing, Overhead, Closing		$78,750	$0	$32,580	$97,854	$0	$93,119	$0	$57,681	$68,279	$79,552	$81,939	$84,397	$86,929	$89,537	$850,615
Taxes		$403,259	$395,578	$387,073	$356,718	$345,807	$333,920	$321,008	$307,021	$267,581	$225,498	$180,649	$132,906	$82,136	$28,200	$3,767,351
Association Fees		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Developer's Profit	10.00%	$1,575,000	$0	$651,605	$1,957,074	$0	$1,862,374	$0	$1,153,622	$1,365,578	$1,591,040	$1,638,772	$1,687,935	$1,738,573	$1,790,730	$17,012,302
Total Expenses		**$2,372,009**	**$395,578**	**$1,201,579**	**$2,803,061**	**$345,807**	**$2,661,887**	**$321,008**	**$1,749,048**	**$1,974,553**	**$2,214,298**	**$2,229,113**	**$2,242,824**	**$2,255,352**	**$2,266,612**	**$25,032,728**
Periodic Net Income Stream		**$13,377,991**	**-$395,578**	**$5,314,469**	**$16,767,680**	**-$345,807**	**$15,961,851**	**-$321,008**	**$9,787,169**	**$11,681,228**	**$13,696,106**	**$14,158,603**	**$14,636,524**	**$15,130,376**	**$15,640,688**	**$145,090,293**
Discount Rate/ PV Factor	10.00%	0.90909	0.82645	0.75131	0.68301	0.62092	0.56447	0.51316	0.46651	0.42410	0.38554	0.35049	0.31863	0.28966	0.26333	
Present Value of Cash Flow		**$12,161,810**	**-$326,924**	**$3,992,839**	**$11,452,551**	**-$214,719**	**$9,010,049**	**-$164,728**	**$4,565,786**	**$4,953,981**	**$5,280,442**	**$4,962,504**	**$4,663,647**	**$4,382,731**	**$4,118,682**	**$68,838,653**
Bulk Value Rounded																**$68,840,000**

Hypothetical As If Complete

We have concluded to a discount rate of 12.00% for the subject, which reflects an internal rate of return of 12.00%. The sum of the non-discounted cash flows totals $162,102,595. The present value of the subject units is $68,080,000. This equates to a real return of 138.11% over a 14.00 -year period (($162,102,595 - $68,080,000) / $68,080,000), or 9.86% on a straight-line, annualized basis. It is our opinion that a discount rate of 12.00% would be appropriate to entice an investor to purchase the subject in bulk based on the income stream from the sale of units.

As previously discussed, the bifurcation method is an alternative method where developer's profit is separated from the discount rate. A line item expense of 10.00% for developer's profit and a discount rate of 10.00% would result in a present value similar to using a blended discount rate of 12.00%. We believe these rates are reasonable, considering the risk associated with the subject.

We conclude to the blended rate DCF and arrived at a market value of $68,080,000.

Hypothetical Value As If Complete $68,080,000

Market Value "As Is"

To derive the "as is" value of the subject, we deduct the remaining costs to complete as previously presented in the report at $29,317,730. Therefore, our concluded "as is" value is $38,760,000 (R) ($68,080,000 - $29,317,730).

Land Residual - As Is	
Prospective Bulk Value Upon Completion	$68,080,000
Less Costs to Complete	-$29,317,730
As Is Value	$38,762,270
Rounded	$38,760,000

Market Value As Is $38,760,000

Prospective Market Value Upon Completion

The client requested a prospective market value upon completion of the infrastructure improvements. The estimated date of completion is December 1, 2031. This analysis is nearly identical to the preceding analysis with several exceptions: We have utilized the completion date for the start date; we have utilized the escalated tract value conclusions upon completion as previously presented; and we have not deducted any remaining costs to complete. We have also considered real estate tax expense escalations through the date of completion.

This portion of the analysis assumes that the subject is identical with no sold-off tracts or lots prior to this date. Therefore, the absorption conclusions remain the same. The upon completion projections follow.

Uninflated Unit Value Conclusions

Unit Type	Unit Value Conclusion	# of Units	Uninflated Aggregate Retail Value
F-1	$12,871,884	1	$12,871,884
F-2	$11,200,211	1	$11,200,211
G	$19,182,450	1	$19,182,450
H-1 & F-3	$21,385,477	1	$21,385,477
H-2	$7,333,869	1	$7,333,869
I	$18,806,324	1	$18,806,324
A-E	$14,560,274	5	$72,801,369
Uninflated Aggregate Retail Value	$14,871,053	11	$163,581,582

Unit Absorption																	
	Period	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
Annual Period	Ending	11/30/2032	11/30/2033	11/30/2034	11/30/2035	11/30/2036	11/30/2037	11/30/2038	11/30/2039	11/30/2040	11/30/2041	11/30/2042	11/30/2043	11/30/2044	11/30/2045		
Unit Type	Total Units															Avg.	Total
F-1																	
Total Beginning # of Units	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0						0.1	1.0
Units Remaining		1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0		
F-2																	
Total Beginning # of Units	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0							0.1	1.0
Units Remaining		1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
G																	
Total Beginning # of Units	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		0.0	0.0	0.0	0.0	0.0	1.0									0.2	1.0
Units Remaining		1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
H-1 & F-3																	
Total Beginning # of Units	1.0	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		0.0	0.0	0.0	1.0											0.3	1.0
Units Remaining		1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
H-2																	
Total Beginning # of Units	1.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		0.0	0.0	1.0												0.3	1.0
Units Remaining		1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
I																	
Total Beginning # of Units	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
Absorption/ Units Sold		1.0														1.0	1.0
Units Remaining		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
A-E																	
Total Beginning # of Units	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	3.0	2.0	1.0		
Absorption/ Units Sold		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	0.4	5.0
Units Remaining		5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	3.0	2.0	1.0	0.0		
Total # of Units	11.0	11.0	10.0	10.0	9.0	8.0	8.0	7.0	7.0	6.0	5.0	4.0	3.0	2.0	1.0		
Total Absorption/ Units Sold		1.0	0	1.0	1.0	0	1.0	0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	11.0
Total Units Remaining		10.0	10.0	9.0	8.0	8.0	7.0	7.0	6.0	5.0	4.0	3.0	2.0	1.0	0.0		

Periodic Aggregate Gross Sales

	Period	1	2	3	4	5	6	7	8	9	10	11	12	13	14		
	Annual Period Ending	11/30/2032	11/30/2033	11/30/2034	11/30/2035	11/30/2036	11/30/2037	11/30/2038	11/30/2039	11/30/2040	11/30/2041	11/30/2042	11/30/2043	11/30/2044	11/30/2045		
Unit Type	Total Units															Avg.	Total
F-1																	
Absorption	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$12,871,884	$13,258,040	$13,655,781	$14,065,455	$14,487,419	$14,922,041	$15,369,702	$15,830,793	$16,305,717	$16,794,889	$17,298,735	$17,817,697	$18,352,228	$18,902,795	$16,305,717	
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$16,305,717	$0	$0	$0	$0	$0		$16,305,717
F-2																	
Absorption	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$11,200,211	$11,536,217	$11,882,303	$12,238,772	$12,605,936	$12,984,114	$13,373,637	$13,774,846	$14,188,092	$14,613,734	$15,052,146	$15,503,711	$15,968,822	$16,447,887	$13,774,846	
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$13,774,846	$0	$0	$0	$0	$0	$0		$13,774,846
G																	
Absorption	1.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$19,182,450	$19,757,924	$20,350,661	$20,961,181	$21,590,017	$22,237,717	$22,904,849	$23,591,994	$24,299,754	$25,028,747	$25,779,609	$26,552,997	$27,349,587	$28,170,075	$22,237,717	
Periodic Gross Sales		$0	$0	$0	$0	$0	$22,237,717	$0	$0	$0	$0	$0	$0	$0	$0		$22,237,717
H-1 & F-3																	
Absorption	1.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$21,385,477	$22,027,041	$22,687,852	$23,368,488	$24,069,542	$24,791,629	$25,535,377	$26,301,439	$27,090,482	$27,903,196	$28,740,292	$29,602,501	$30,490,576	$31,405,293	$23,368,488	
Periodic Gross Sales		$0	$0	$0	$23,368,488	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		$23,368,488
H-2																	
Absorption	1.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$7,333,869	$7,553,885	$7,780,502	$8,013,917	$8,254,334	$8,501,964	$8,757,023	$9,019,734	$9,290,326	$9,569,036	$9,856,107	$10,151,790	$10,456,344	$10,770,034	$7,780,502	
Periodic Gross Sales		$0	$0	$7,780,502	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		$7,780,502
I																	
Absorption	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0
Periodic Avg. Unit Pricing		$18,806,324	$19,370,513	$19,951,629	$20,550,178	$21,166,683	$21,801,683	$22,455,734	$23,129,406	$23,823,288	$24,537,987	$25,274,126	$26,032,350	$26,813,321	$27,617,720	$18,806,324	
Periodic Gross Sales		$18,806,324	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0		$18,806,324
A-E																	
Absorption	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	0.3	5.0
Periodic Avg. Unit Pricing		$14,560,274	$14,997,082	$15,446,994	$15,910,404	$16,387,716	$16,879,348	$17,385,728	$17,907,300	$18,444,519	$18,997,855	$19,567,790	$20,154,824	$20,759,469	$21,382,253	$20,172,438	
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,997,855	$19,567,790	$20,154,824	$20,759,469	$21,382,253		$100,862,191
Total Aggregate Gross Sales		$18,806,324	$0	$7,780,502	$23,368,488	$0	$22,237,717	$0	$13,774,846	$16,305,717	$18,997,855	$19,567,790	$20,154,824	$20,759,469	$21,382,253		$203,135,784

Detailed Tax Table																
	Period	1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Annual Period Ending		11/30/2032	11/30/2033	11/30/2034	11/30/2035	11/30/2036	11/30/2037	11/30/2038	11/30/2039	11/30/2040	11/30/2041	11/30/2042	11/30/2043	11/30/2044	11/30/2045	Total
F-1																
Taxes per Unit per Annual Period		$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	$58,092	$59,835	$61,630	$63,479	$65,383	$67,344	
Taxes on Sold Units	50%	$0	$0	$0	$0	$0	$0	$0	$0	$29,046	$0	$0	$0	$0	$0	$29,046
Taxes on Unsold Units	100%	$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	$0	$0	$0	$0	$0	$0	$407,787
F-1 Subtotal Taxes		$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	$29,046	$0	$0	$0	$0	$0	$436,833
F-2																
Taxes per Unit per Annual Period		$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	$58,092	$59,835	$61,630	$63,479	$65,383	$67,344	
Taxes on Sold Units	50%	$0	$0	$0	$0	$0	$0	$0	$28,200	$0	$0	$0	$0	$0	$0	$28,200
Taxes on Unsold Units	100%	$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$0	$0	$0	$0	$0	$0	$0	$351,387
F-2 Subtotal Taxes		$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$28,200	$0	$0	$0	$0	$0	$0	$379,587
G																
Taxes per Unit per Annual Period		$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	$58,092	$59,835	$61,630	$63,479	$65,383	$67,344	
Taxes on Sold Units	50%	$0	$0	$0	$0	$0	$26,581	$0	$0	$0	$0	$0	$0	$0	$0	$26,581
Taxes on Unsold Units	100%	$45,858	$47,234	$48,651	$50,111	$51,614	$0	$0	$0	$0	$0	$0	$0	$0	$0	$243,468
G Subtotal Taxes		$45,858	$47,234	$48,651	$50,111	$51,614	$26,581	$0	$0	$0	$0	$0	$0	$0	$0	$270,049
H-1 & F-3																
Taxes per Unit per Annual Period		$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	$58,092	$59,835	$61,630	$63,479	$65,383	$67,344	
Taxes on Sold Units	50%	$0	$0	$0	$25,055	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$25,055
Taxes on Unsold Units	100%	$45,858	$47,234	$48,651	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$141,743
H-1 & F-3 Subtotal Taxes		$45,858	$47,234	$48,651	$25,055	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$166,799
H-2																
Taxes per Unit per Annual Period		$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	$58,092	$59,835	$61,630	$63,479	$65,383	$67,344	
Taxes on Sold Units	50%	$0	$0	$24,326	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$24,326
Taxes on Unsold Units	100%	$45,858	$47,234	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$93,092
H-2 Subtotal Taxes		$45,858	$47,234	$24,326	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$117,418
I																
Taxes per Unit per Annual Period		$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	$58,092	$59,835	$61,630	$63,479	$65,383	$67,344	
Taxes on Sold Units	50%	$22,929	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$22,929
Taxes on Unsold Units	100%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
I Subtotal Taxes		$22,929	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$22,929
A-E																
Taxes per Unit per Annual Period		$45,858	$47,234	$48,651	$50,111	$51,614	$53,162	$54,757	$56,400	$58,092	$59,835	$61,630	$63,479	$65,383	$67,344	
Taxes on Sold Units	50%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$29,917	$30,815	$31,739	$32,691	$33,672	$158,835
Taxes on Unsold Units	100%	$229,291	$236,170	$243,255	$250,553	$258,069	$265,812	$273,786	$282,000	$290,459	$239,339	$184,889	$126,957	$65,383	$0	$2,945,964
A-E Subtotal Taxes		$229,291	$236,170	$243,255	$250,553	$258,069	$265,812	$273,786	$282,000	$290,459	$269,256	$215,704	$158,696	$98,074	$33,672	$3,104,799
Total Taxes		$481,512	$472,340	$462,185	$425,940	$412,911	$398,717	$383,300	$366,599	$319,505	$269,256	$215,704	$158,696	$98,074	$33,672	$4,498,414

Detailed Sales Commissions Table

Period		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Annual Period Ending		11/30/2032	11/30/2033	11/30/2034	11/30/2035	11/30/2036	11/30/2037	11/30/2038	11/30/2039	11/30/2040	11/30/2041	11/30/2042	11/30/2043	11/30/2044	11/30/2045	Total
F-1																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$16,305,717	$0	$0	$0	$0	$0	$16,305,717
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
F-1 Subtotal Commissions		$0	$0	$0	$0	$0	$0	$0	$0	$326,114	$0	$0	$0	$0	$0	$326,114
F-2																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$13,774,846	$0	$0	$0	$0	$0	$0	$13,774,846
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
F-2 Subtotal Commissions		$0	$0	$0	$0	$0	$0	$0	$275,497	$0	$0	$0	$0	$0	$0	$275,497
G																
Periodic Gross Sales		$0	$0	$0	$0	$0	$22,237,717	$0	$0	$0	$0	$0	$0	$0	$0	$22,237,717
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
G Subtotal Commissions		$0	$0	$0	$0	$0	$444,754	$0	$0	$0	$0	$0	$0	$0	$0	$444,754
H-1 & F-3																
Periodic Gross Sales		$0	$0	$0	$23,368,488	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$23,368,488
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
H-1 & F-3 Subtotal Commissions		$0	$0	$0	$467,370	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$467,370
H-2																
Periodic Gross Sales		$0	$0	$7,780,502	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$7,780,502
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
H-2 Subtotal Commissions		$0	$0	$155,610	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$155,610
I																
Periodic Gross Sales		$18,806,324	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,806,324
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
I Subtotal Commissions		$376,126	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$376,126
A-E																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,997,855	$19,567,790	$20,154,824	$20,759,469	$21,382,253	$100,862,191
Sales Commissions	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
A-E Subtotal Commissions		$0	$0	$0	$0	$0	$0	$0	$0	$0	$379,957	$391,356	$403,096	$415,189	$427,645	$2,017,244
Total Sales Commissions		$376,126	$0	$155,610	$467,370	$0	$444,754	$0	$275,497	$326,114	$379,957	$391,356	$403,096	$415,189	$427,645	$4,062,716

Detailed Marketing, Overhead, Closing Costs Table

Period / Annual Period Ending		1 11/30/2032	2 11/30/2033	3 11/30/2034	4 11/30/2035	5 11/30/2036	6 11/30/2037	7 11/30/2038	8 11/30/2039	9 11/30/2040	10 11/30/2041	11 11/30/2042	12 11/30/2043	13 11/30/2044	14 11/30/2045	Total
F-1																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$16,305,717	$0	$0	$0	$0	$0	$16,305,717
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
F-1 Subtotal Costs		$0	$0	$0	$0	$0	$0	$0	$0	$81,529	$0	$0	$0	$0	$0	$81,529
F-2																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$13,774,846	$0	$0	$0	$0	$0	$0	$13,774,846
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
F-2 Subtotal Costs		$0	$0	$0	$0	$0	$0	$0	$68,874	$0	$0	$0	$0	$0	$0	$68,874
G																
Periodic Gross Sales		$0	$0	$0	$0	$0	$22,237,717	$0	$0	$0	$0	$0	$0	$0	$0	$22,237,717
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
G Subtotal Costs		$0	$0	$0	$0	$0	$111,189	$0	$0	$0	$0	$0	$0	$0	$0	$111,189
H-1 & F-3																
Periodic Gross Sales		$0	$0	$0	$23,368,488	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$23,368,488
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
H-1 & F-3 Subtotal Costs		$0	$0	$0	$116,842	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$116,842
H-2																
Periodic Gross Sales		$0	$0	$7,780,502	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$7,780,502
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
H-2 Subtotal Costs		$0	$0	$38,903	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$38,903
I																
Periodic Gross Sales		$18,806,324	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,806,324
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
I Subtotal Costs		$94,032	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$94,032
A-E																
Periodic Gross Sales		$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,997,855	$19,567,790	$20,154,824	$20,759,469	$21,382,253	$100,862,191
Marketing, Overhead, Closing	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
A-E Subtotal Costs		$0	$0	$0	$0	$0	$0	$0	$0	$0	$94,989	$97,839	$100,774	$103,797	$106,911	$504,311
Total Costs		$94,032	$0	$38,903	$116,842	$0	$111,189	$0	$68,874	$81,529	$94,989	$97,839	$100,774	$103,797	$106,911	$1,015,679

DCF – Blended Rate

Discounted Cash Flow - Blended Discount Rate																
Period		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Annual Period Ending		11/30/2032	11/30/2033	11/30/2034	11/30/2035	11/30/2036	11/30/2037	11/30/2038	11/30/2039	11/30/2040	11/30/2041	11/30/2042	11/30/2043	11/30/2044	11/30/2045	Total
Periodic Gross Sales																
F-1		$0	$0	$0	$0	$0	$0	$0	$0	$16,305,717	$0	$0	$0	$0	$0	$16,305,717
F-2		$0	$0	$0	$0	$0	$0	$0	$13,774,846	$0	$0	$0	$0	$0	$0	$13,774,846
G		$0	$0	$0	$0	$0	$22,237,717	$0	$0	$0	$0	$0	$0	$0	$0	$22,237,717
H-1 & F-3		$0	$0	$0	$23,368,488	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$23,368,488
H-2		$0	$0	$7,780,502	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$7,780,502
I		$18,806,324	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,806,324
A-E		$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,997,855	$19,567,790	$20,154,824	$20,759,469	$21,382,253	$100,862,191
Total Gross Sales		**$18,806,324**	**$0**	**$7,780,502**	**$23,368,488**	**$0**	**$22,237,717**	**$0**	**$13,774,846**	**$16,305,717**	**$18,997,855**	**$19,567,790**	**$20,154,824**	**$20,759,469**	**$21,382,253**	**$203,135,784**
Less Projected Expenses																
Sales Commissions		$376,126	$0	$155,610	$467,370	$0	$444,754	$0	$275,497	$326,114	$379,957	$391,356	$403,096	$415,189	$427,645	$4,062,716
Marketing, Overhead, Closing		$94,032	$0	$38,903	$116,842	$0	$111,189	$0	$68,874	$81,529	$94,989	$97,839	$100,774	$103,797	$106,911	$1,015,679
Taxes		$481,512	$472,340	$462,185	$425,940	$412,911	$398,717	$383,300	$366,599	$319,505	$269,256	$215,704	$158,696	$98,074	$33,672	$4,498,414
Association Fees		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Expenses		**$951,670**	**$472,340**	**$656,698**	**$1,010,152**	**$412,911**	**$954,660**	**$383,300**	**$710,971**	**$727,148**	**$744,202**	**$704,899**	**$662,567**	**$617,061**	**$568,229**	**$9,576,808**
Periodic Net Income Stream		**$17,854,654**	**-$472,340**	**$7,123,804**	**$22,358,336**	**-$412,911**	**$21,283,057**	**-$383,300**	**$13,063,876**	**$15,578,569**	**$18,253,652**	**$18,862,892**	**$19,492,257**	**$20,142,408**	**$20,814,024**	**$193,558,976**
Discount Rate/ PV Factor	12.00%	0.89286	0.79719	0.71178	0.63552	0.56743	0.50663	0.45235	0.40388	0.36061	0.32197	0.28748	0.25668	0.22917	0.20462	
Present Value of Cash Flow		**$15,941,655**	**-$376,547**	**$5,070,583**	**$14,209,126**	**-$234,297**	**$10,782,659**	**-$173,386**	**$5,276,280**	**$5,617,788**	**$5,877,188**	**$5,422,631**	**$5,003,177**	**$4,616,120**	**$4,258,962**	**$81,291,939**
Bulk Value Rounded																**$81,290,000**

DCF – Bifurcated Rates

Discounted Cash Flow - Bifurcated Rates																
Period		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
Annual Period Ending		11/30/2032	11/30/2033	11/30/2034	11/30/2035	11/30/2036	11/30/2037	11/30/2038	11/30/2039	11/30/2040	11/30/2041	11/30/2042	11/30/2043	11/30/2044	11/30/2045	Total
Periodic Gross Sales																
F-1		$0	$0	$0	$0	$0	$0	$0	$0	$16,305,717	$0	$0	$0	$0	$0	$16,305,717
F-2		$0	$0	$0	$0	$0	$0	$0	$13,774,846	$0	$0	$0	$0	$0	$0	$13,774,846
G		$0	$0	$0	$0	$0	$22,237,717	$0	$0	$0	$0	$0	$0	$0	$0	$22,237,717
H-1 & F-3		$0	$0	$0	$23,368,488	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$23,368,488
H-2		$0	$0	$7,780,502	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$7,780,502
I		$18,806,324	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,806,324
A-E		$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,997,855	$19,567,790	$20,154,824	$20,759,469	$21,382,253	$100,862,191
Total Gross Sales		**$18,806,324**	**$0**	**$7,780,502**	**$23,368,488**	**$0**	**$22,237,717**	**$0**	**$13,774,846**	**$16,305,717**	**$18,997,855**	**$19,567,790**	**$20,154,824**	**$20,759,469**	**$21,382,253**	**$203,135,784**
Less Projected Expenses																
Sales Commissions		$376,126	$0	$155,610	$467,370	$0	$444,754	$0	$275,497	$326,114	$379,957	$391,356	$403,096	$415,189	$427,645	$4,062,716
Marketing, Overhead, Closing		$94,032	$0	$38,903	$116,842	$0	$111,189	$0	$68,874	$81,529	$94,989	$97,839	$100,774	$103,797	$106,911	$1,015,679
Taxes		$481,512	$472,340	$462,185	$425,940	$412,911	$398,717	$383,300	$366,599	$319,505	$269,256	$215,704	$158,696	$98,074	$33,672	$4,498,414
Association Fees		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Developer's Profit	10.00%	$1,880,632	$0	$778,050	$2,336,849	$0	$2,223,772	$0	$1,377,485	$1,630,572	$1,899,785	$1,956,779	$2,015,482	$2,075,947	$2,138,225	$20,313,578
Total Expenses		**$2,832,302**	**$472,340**	**$1,434,748**	**$3,347,001**	**$412,911**	**$3,178,432**	**$383,300**	**$2,088,455**	**$2,357,720**	**$2,643,988**	**$2,661,678**	**$2,678,049**	**$2,693,008**	**$2,706,454**	**$29,890,387**
Periodic Net Income Stream		**$15,974,021**	**-$472,340**	**$6,345,754**	**$20,021,487**	**-$412,911**	**$19,059,285**	**-$383,300**	**$11,686,391**	**$13,947,997**	**$16,353,867**	**$16,906,113**	**$17,476,775**	**$18,066,461**	**$18,675,799**	**$173,245,397**
Discount Rate/ PV Factor	10.00%	0.90909	0.82645	0.75131	0.68301	0.62092	0.56447	0.51316	0.46651	0.42410	0.38554	0.35049	0.31863	0.28966	0.26333	
Present Value of Cash Flow		**$14,521,838**	**-$390,364**	**$4,767,659**	**$13,674,945**	**-$256,385**	**$10,758,470**	**-$196,694**	**$5,451,788**	**$5,915,312**	**$6,305,124**	**$5,925,489**	**$5,568,639**	**$5,233,210**	**$4,917,922**	**$82,196,952**
Bulk Value Rounded																**$82,200,000**

Prospective Market Value Upon Completion

We have concluded to a discount rate of 12.00% for the subject, which reflects an internal rate of return of 12.00%. The sum of the non-discounted cash flows totals $193,558,976. The present value of the subject units is $81,290,000. This equates to a real return of 138.11% over a 14.00 -year period (($193,558,976 - $81,290,000) / $81,290,000), or 9.86% on a straight-line, annualized basis. It is our opinion that a discount rate of 12.00% would be appropriate to entice an investor to purchase the subject in bulk based on the income stream from the sale of units.

As previously discussed, the bifurcation method is an alternative method where developer's profit is separated from the discount rate. A line item expense of 10.00% for developer's profit and a discount rate of 10.00% would result in a present value similar to using a blended discount rate of 12.00%. We believe these rates are reasonable, considering the risk associated with the subject.

We conclude to the blended rate DCF and arrived at a market value of $81,290,000.

Prospective Market Value Upon Completion $81,290,000

Reconciliation and Conclusion of Value

The sales comparison approach was used in developing an opinion of value of the individual, prospective sub-tracts, as if complete. The cost approach was used to estimate the costs to complete the master infrastructure (spine roads and sewer extensions and pump stations). The discounted cash flow method, which indicates what a developer/investor can afford to pay based on the anticipated cash flows, carrying costs, and expenses while earning a profit, was used to value the site in bulk.

Based on the preceding valuation analysis and subject to the definitions, assumptions, and limiting conditions expressed in the report, our value opinions follow:

Value Conclusions

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
Market Value As Is	Fee Simple	November 5, 2025	$38,760,000
Hypothetical Market Value As If Complete	Fee Simple	November 5, 2025	$68,080,000
Prospective Market Value at Completion	Fee Simple	December 1, 2031	$81,290,000

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. Based on the large size of the site, only portions of the overall site were inspected. We assume there are no adverse physical characteristics to the site. We assume the acreages utilized in the report are correct.
2. The site will be developed based on the plans and specifications detailed in the report by the estimated dates of completion. All master infrastructure, including spine roads, sewer extensions, and pump stations will be constructed so that the sub-tracts can be sold-off.
3. We have relied upon cost estimates provided by the developer which we have relied upon at the request of the client and assume to be reliable and correct. The developer will receive bond reimbursements upon completion of the stated infrastructure as detailed in the report; however, the bond reimbursement has not been considered in the appraisal.
4. All surveys, engineering plans, environmental reports, title reports, and entitlements (including special assessment bond issuance ability) would be transferred with a sale of the property to a new owner.
5. The appraisal is based on a specific effective date. Due to the large size of the property and prospective development timeline there is inherent risk due to the cyclical nature of the market. We cannot reliably predict the next market downturn/ recession. Our projections are based on current market conditions which are assumed to continue into the foreseeable future.
6. Delinquent taxes will be paid in the immediate future to prevent a tax lien or foreclosure.

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. The hypothetical value reported is based on the hypothetical condition that all common infrastructure improvements have been completed as of the "as is" date of the appraisal.

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, it is our opinion that the probable exposure time is 12 to 24 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. We estimate the subject's marketing period at 12 to 24 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 not performed any 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. 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 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. M. Kyle Winters, MAI, ASA made an on-site inspection of the subject on November 5, 2025. Cleveland A. Wright, Jr., MAI did not inspect the subject, but did review the report.
12. No one provided significant real property appraisal assistance to the person(s) 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, M. Kyle Winters, MAI, ASA and Cleveland A. Wright, Jr., MAI have completed the continuing education program for Designated Members of the Appraisal Institute.

15. As of the date of this report, we certify that no signing appraisers are currently Candidates or Practicing Affiliates of the Appraisal Institute.

M. Kyle Winters, MAI, ASA
Certified General Real Estate Appraiser
SC Certificate # CG6622

Cleveland A. Wright, Jr., MAI
Certified General Real Estate Appraiser
SC Certificate # CG5913

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 is 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 the Client, its 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. Integra Realty Resources – Charleston, Integra Realty Resources, Inc., Integra Strategic Ventures, Inc. and/or any of 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. 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. Integra Realty Resources – Charleston is not a building or environmental inspector. Integra Charleston does 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. It is expressly acknowledged that in any action which may be brought against any of the Integra Parties, arising out of, relating to, or in any way pertaining to this engagement, the

appraisal reports, and/or any other 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 acknowledged that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the appraisal report unless the appraisal was fraudulent or prepared with intentional misconduct. Finally, it is acknowledged that the fees charged herein are in reliance upon the foregoing limitations of liability.

25. Integra Realty Resources – Charleston, an independently owned and operated company, 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. Based on the large size of the site, only portions of the overall site were inspected. We assume there are no adverse physical characteristics to the site. We assume the acreages utilized in the report are correct.
2. The site will be developed based on the plans and specifications detailed in the report by the estimated dates of completion. All master infrastructure, including spine roads, sewer extensions, and pump stations will be constructed so that the sub-tracts can be sold-off.
3. We have relied upon cost estimates provided by the developer which we have relied upon at the request of the client and assume to be reliable and correct. The developer will receive bond reimbursements upon completion of the stated infrastructure as detailed in the report; however, the bond reimbursement has not been considered in the appraisal.
4. All surveys, engineering plans, environmental reports, title reports, and entitlements (including special assessment bond issuance ability) would be transferred with a sale of the property to a new owner.
5. The appraisal is based on a specific effective date. Due to the large size of the property and prospective development timeline there is inherent risk due to the cyclical nature of the market. We cannot reliably predict the next market downturn/ recession. Our projections are based on current market conditions which are assumed to continue into the foreseeable future.
6. Delinquent taxes will be paid in the immediate future to prevent a tax lien or foreclosure.

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. The hypothetical value reported is based on the hypothetical condition that all common infrastructure improvements have been completed as of the "as is" date of the appraisal.

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

Addendum A

Appraiser Qualifications

M. Kyle Winters, MAI, ASA

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T 704.376.0295
F 704.342.3704

irr.com

Experience

Director with Integra Realty Resources-Charlotte. Been engaged in real estate appraisal since 2005, and in April 2008 became a North Carolina State Certified General Real Estate Appraiser. Received South Carolina-Certified General Real Estate Appraiser license in 2009 and Virginia Certified General Real Estate Appraiser license in 2015. Received North Carolina Real Estate Broker's license in 2006.

Has appraised a variety of property types including, but not limited to: vacant land, industrial, manufacturing and distribution facilities, single and multi tenant retail properties, general and medical offices, mixed use developments, subdivision analyses, multifamily apartments, hotels, golf courses, and special purpose properties.

Has completed no less than four (4) going concern appraisals on special use properties within the last 36 months.

Professional Activities & Affiliations

ASA Designation, ASA , March 2014
MAI Designation, Appraisal Institute , January 2013

Licenses

North Carolina, Real Estate Broker, 237979, Expires June 2026
North Carolina, Certified General, A6825, Expires June 2026
South Carolina, State Certified General Real Estate Appraiser, CG 6622, Expires June 2026
Virginia, Certified General, 4001017222, Expires March 2027
Tennessee, Certified General Real Estate Appraiser, 6782, Expires September 2027

Education

B.S. Degree, Finance, Virginia Tech, Blacksburg, VA (2001)

Appraisal courses completed are as follows:

R1-Introduction to Real Estate Appraisal
R2-Valuation Principles & Procedures
R3-Applied Residential Property Values
R4-USPAP
G1-Introduction to Income Property Appraisal
G2-Advanced Income Capitalization Procedures
G3-Applied Income Property Valuation
Advanced Income Capitalization (formerly 510)
General Market Analysis & Highest and Best Use (formerly 520)
Advanced Sales Comparison & Cost Approach (formerly 530)
Subdivision Valuation
Advanced Applications (formerly 550)
Report Writing and Valuation Analysis (formerly 540)
General Comprehensive Exam (October 2010)

kwinters@irr.com - 704.206.8256

M. Kyle Winters, MAI, ASA

Qualified Before Courts & Administrative Bodies

North Carolina Superior Court, Yancey County, North Carolina
Warren County North Carolina Zoning Board of Adjustment
Henderson County North Carolina Zoning Board of Adjustment
United States District Court, Charlotte, North Carolina
Town of Southern Pines Town Council
Buncombe County North Carolina Zoning Board of Adjustment
Village of Cashiers Planning Council
Town of Huntersville Board of Commissioners
City of High Point City Council
United States Bankruptcy Court – Middle District of North Carolina

Integra Realty Resources - Charlotte

214 W. Tremont Avenue
Suite 200
Charlotte, NC 28203

T 704.376.0295
F 704.342.3704

irr.com

kwinters@irr.com - 704.206.8256

NORTH CAROLINA
APPRAISAL BOARD

APPRAISER QUALIFICATION CARD

REGISTRATION / LICENSE / CERTIFICATE HOLDER

M KYLE WINTERS

A6825	G	Y
APPRAISER NUMBER	TYPE	NATIONAL REGISTRY

Appraiser's Signature

Executive Director

EXPIRES JUNE 30, 2026

State of South Carolina
Department of Labor, Licensing and Regulation
Real Estate Appraisers Board

MATTHEW KYLE WINTERS

Is hereby entitled in practice as a:

Certified General Appraiser

License Number: **6622**

Expiration Date: 06/30/2026
OFFICE COPY

Laura L. Smith
Board Executive

COMMONWEALTH of VIRGINIA
Department of Professional and Occupational Regulation
9960 Mayland Drive, Suite 400, Richmond, VA 23233
Telephone: (804) 367-8500

EXPIRES ON
03-31-2027

NUMBER
4001017222

REAL ESTATE APPRAISER BOARD

CERTIFIED GENERAL REAL ESTATE APPRAISER

MATTHEWS KYLE WINTERS
214 WEST TREMONT AVENUE
SUITE 200
CHARLOTTE, NC 28203

DPOR

Status can be verified at http://www.dpor.virginia.gov

(SEE REVERSE SIDE FOR PRIVILEGES AND INSTRUCTIONS)

DPOR-LIC (02/2017)

14941375

State of Tennessee

TENNESSEE REAL ESTATE APPRAISER COMMISSION
CERTIFIED GENERAL REAL ESTATE APPRAISER
MR. MATTHEW KYLE WINTERS

This is to certify that all requirements of the State of Tennessee have been met.

ID NUMBER: 6782
LIC STATUS: ACTIVE
EXPIRATION DATE: September 03, 2027

IN-1313
DEPARTMENT OF
COMMERCE AND INSURANCE

Cleveland "Bud" A. Wright, Jr., MAI

Integra Realty Resources - Charleston

11-C Isabella Street

Charleston, SC 29403

T 843.718.2125
F 843.718.2058

irr.com

Experience

Senior Managing Director of Integra Realty Resources - Charleston. Actively engaged in real estate since 2006 in the fields of real estate valuation and consulting as well as ownership of investment real estate. Mr. Wright has a broad range of experience in valuation and analysis of all types of real estate including apartments; hotels/motels; offices; medical offices; adaptive reuse projects; manufacturing facilities; warehouses; bulk distribution facilities; mini-warehouses; shopping centers; residential subdivisions; planned unit developments; vacant land; churches; restaurants; marinas and special purpose properties. Other services include consultation, market studies, feasibility studies, condemnation, and tax appeals.

Professional Activities & Affiliations

Member: Appraisal Institute, February 2012
Member: Charleston Trident Association of Realtors

Licenses

South Carolina, State Certified General Real Estate Appraiser, CG5913, Expires June 2026
Georgia, State Certified Real Estate Appraiser, 355676, Expires August 2026
North Carolina, State Certified Real Estate Appraiser, A7896, Expires June 2026

Education

B.A. - Managerial Economics, Hampden-Sydney College, Hampden-Sydney, VA 2000

Appraisal courses completed are as follows:
L1: Fundamentals and Principles of Real Estate Appraisals
L2: Valuation Methods for Real Estate Appraisals
L3: USPAP Standard Course
CR: Applied Residential Case Study
C1: Basic Income Property Appraising
C2: Advanced Income Property Appraising
C3: Applied Income Property Valuation
420: Business Practices and Ethics
520: Market Analysis and Highest and Best Use
540: Report Writing and Valuation Analysis
510: Advanced Income Capitalization
530: Advanced Sales Comparison & Cost Approaches
550: Advanced Application
General Demonstration Report Writing
7 Hour National USPAP Equivalent Course
Eminent Domain and Condemnation
Appraisal of Medical Office Buildings
Appraising Automobile Dealerships
Forecasting Revenue
Analyzing Operating Expenses
Appraising Convenience Stores
Feasibility, Market Value, Investment Timing: Option Value

cwright@irr.com - 843.718.2125 x2

State of South Carolina
Department of Labor, Licensing and Regulation
Real Estate Appraisers Board

CLEVELAND A WRIGHT JR

Is hereby entitled to practice as a:

Certified General Appraiser

License Number: **5913**

Expiration Date: 06/30/2026
POCKET CARD

Laura L. Smith
Board Executive

CLEVELAND WRIGHT JR

**355676**
Status **ACTIVE**

END OF RENEWAL
08/31/2026

CERTIFIED GENERAL REAL PROPERTY APPRAISER

THIS LICENSE EXPIRES IF YOU FAIL TO PAY RENEWAL FEES OR IF YOU FAIL TO COMPLETE ANY REQUIRED EDUCATION IN A TIMELY MANNER.

State of Georgia
Real Estate Commission
Suite 1000 - International Tower
229 Peachtree Street, N.E.
Atlanta, GA 30303-1605

LYNN DEMPSEY
Real Estate Commissioner

1540150720404732

NORTH CAROLINA
APPRAISAL BOARD

APPRAISER QUALIFICATION CARD

REGISTRATION / LICENSE / CERTIFICATE HOLDER
CLEVELAND A WRIGHT JR

25 26

A7896	G	Y
APPRAISER NUMBER	TYPE	NATIONAL REGISTRY

Appraiser's Signature

Executive Director

EXPIRES JUNE 30, 2026

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

Property Information

Date: 01/28/2022 10:14:27 AM
Jasper County Assessor's Office
Tax Map No.: 042-00-06-045
Transfer No.: 202100007757
Ashley Bolden - JASPER COUNTY, SC

OR BK 1094 PG 914 - 926 (13)
202100007757 01/10/2022 01:48:13 PM
eFiled for Record in JASPER COUNTY, SC ROD
DEED Fee: $15.00
State Tax: $46,800.00 Local Tax: $19,800.00
Vanessa Wright, Registrar

DEED BOOK: 1094 PAGE: 2029
Date: 03/10/2022 11:33:04 AM
Monica Wilson / S Mole / STM
Auditor Jasper County, SC

ABOVE SPACE FOR RECORDING INFORMATION ONLY

Prepared by:

BOUHAN FALLIGANT
ATTORNEYS & COUNSELORS AT LAW
One West Park Avenue
Savannah, Georgia 31401
ATTN: Robert B. Brannen, Jr.
(912) 644-5721
File No.: 20778-5

LIMITED WARRANTY DEED

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)

TITLE TO REAL ESTATE
(Limited Warranty)

KNOW ALL MEN BY THESE PRESENTS, that **WA HOLDINGS SOUTH, LLC**, a South Carolina limited liability company ("Grantor"), in the State aforesaid, for good and valuable consideration to it in hand paid at and before the sealing of these Presents by **LK DEVELOPMENT GROUP, LLC**, a Delaware limited liability company ("Grantee"), in the State aforesaid, the receipt whereof is hereby acknowledged, has, subject to the Permitted Exceptions (as hereinafter defined), granted, bargained, sold and released, and by these presents does grant, bargain, sell, and release, subject to the Permitted Exceptions, unto Grantee, the following described property (the "Property"), to-wit:

SEE EXHIBIT A ATTACHED HERETO
AND INCORPORATED HEREIN BY REFERENCE FOR LEGAL DESCRIPTION

Address of Grantee: Attn: Jason Byham
1941 Savage Road, Suite 100C
Charleston, SC 29407

THIS CONVEYANCE IS MADE SUBJECT TO taxes and assessments for the current year and subsequent years, which are a lien but are not yet due and payable, and of the matters set forth on Exhibit B attached hereto (collectively, the "Permitted Exceptions").

TOGETHER WITH, all and singular, the rights, members, hereditaments and appurtenances to the Property belonging or in any way incident or appertaining, including but not limited to, all improvements of any nature located on the Property and all easements and rights-of-way appurtenant thereto.

TO HAVE AND TO HOLD, all and singular, the said Property before mentioned, subject to the Permitted Exceptions, unto the said Grantee, its successors and assigns, forever.

AND, subject to the Permitted Exceptions, the Grantor does hereby bind itself and its successors to warrant and forever defend, all and singular, the said premises unto the Grantee, its successors and assigns, against Grantor and its successors and assigns, and against every person whomsoever lawfully claiming or to claim the same, or any part thereof, by, under or through Grantor, but not otherwise.

[SIGNATURE PAGE FOLLOWS]

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

Witness

Witness

GRANTOR:

WA HOLDINGS SOUTH, LLC, a South Carolina limited liability company

By: _____
Jeffrey B. Coggin, its Manager

STATE OF GEORGIA)
) ss
COUNTY OF CHATHAM)

I Robert B. Brannen Jr (name of notary) do hereby certify that Jeffrey B. Coggin, acting in his capacity as Manager of WA Holdings South, LLC (the "Company"), personally appeared before me this day and acknowledged the due execution of the foregoing instrument as the act and deed of the Company for the purposes stated in this instrument, and he is personally known to me.

Witness my hand and official seal this the 13th day of December, 2021.

_____ (SEAL)
Notary Public for
My commission expires:

ROBERT B. BRANNEN JR. NOTARY PUBLIC Comm. Exp. 04/17/25 CHATHAM COUNTY, GA

EXHIBIT A
LEGAL DESCRIPTION

All that tract or parcel of land, known as Parcel A of the West Argent Tract, located in the City of Hardeeville, Jasper County, South Carolina, and more particularly described as follows:

Commence at a concrete monument located on the northerly right of way line of Red Dam Road, said monument having a coordinate value in the South Carolina State Plane Coordinate System of North 179,660.524 and East 1,987,715.108 being situated 0.8 mile north of the intersection of the easterly right of way line of Red Dam Road, and the northerly right of way line of Red Dam Church Road as measured along the easterly right of way line of Red Dam Road, said concrete monument being also the POINT OF BEGINNING; thence leave the northerly right of way line of Red Dam Road and run the following courses and distances: thence with the arc of a curve turning to the left, having an arc length of 983.19 feet, a radius of 967.00 feet, a chord length of 941.38 feet, and a chord bearing N 49°20'39" E; thence N 20°13'00" E a distance of 648.22 feet to a point; thence N 69°47'05" W a distance of 578.18 feet to a point; thence N 04°55'26" W a distance of 450.25 feet to a point; thence N 50°41'56" W a distance of 1032.96 feet to a point; thence N 25°14'25" E a distance of 365.33 feet to a point; thence N 67°41'28" W a distance of 2669.86 feet to a point; thence N 22°19'07" E a distance of 8496.52 feet to a point; thence N 22°18'50" E a distance of 6962.46 feet to a point; thence S 79°00'17" E a distance of 3408.67 feet to a point;

thence S 16°25'15" E a distance of 1692.86 feet to a point; thence S 08°18'59" E a distance of 2208.36 feet to a point; thence S 85°42'49" E a distance of 914.64 feet to a point; thence S 46°11'59" E a distance of 1563.82 feet to a point; thence S 11°34'47" E a distance of 1702.38 feet to a point; thence S 39°32'47" W a distance of 877.29 feet to a point;

thence S 00°19'16" W a distance of 2457.64 feet to a point; thence N 66°28'30" W a distance of 3827.05 feet to a point; thence S 23°26'15" W a distance of 4689.94 feet to a point; thence S 23°27'16" W a distance of 4473.58 feet to a point; thence N 90°00'00" E a distance of 1453.51 feet to a point; thence S 44°04'26" E a distance of 3788.62 feet to a point;

thence S 40°28'09" W a distance of 2229.52 feet to a point; thence N 31°21'00" W a distance of 2749.32 feet to a point; thence S 89°31'20" W a distance of 266.15 feet to a point; thence S 00°28'40" E a distance of 720.05 feet to a point; thence S 89°32'16" W a distance of 1338.53 feet to a point; thence N 11°26'35" W a distance of 1944.48 feet to a point;

thence N 89°02'31" W a distance of 1139.92 feet to the POINT OF BEGINNING, said tract or parcel of land having an area of 114,406,017 Square Feet or 2,626.401 Acres, more or less.

LESS AND EXCEPT:

All that tract or parcel of land, known as the Dominion Energy South Carolina Parcel, being a portion of the West Argent Tract, located in the City of Hardeeville, Jasper County, South Carolina, and more particularly described as follows:

Commence at a point on the easterly boundary line of the aforementioned Parcel A, said point having a coordinate value in the South Carolina State Plane Coordinate System of North 181,636.327 feet, and East 1,990,104.064 feet; thence leave the easterly boundary line of said Parcel A and run N 67°37'35" W a distance of 125.00 feet to the POINT OF BEGINNING; thence run the following courses and distances: thence N 67°42'54" W a distance of 700.16 feet to a point; thence N 23°29'40" E a distance of 1286.10 feet to a point; thence S 66°31'12" E a distance of 699.30 feet to a point; thence S 23°27'46" W a distance of

1271.50 feet to the POINT OF BEGINNING, said parcel or tract of land having an area of 894,715 Square Feet or 20.540 Acres, more or less.

Said parcels are more particularly described as shown on that plat entitled "ALTA/NSPS Land Title Survey, Parcel A, Argent Tract West, City of Hardeeville, Jasper County, South Carolina," prepared by Robert K. Morgan, III, S.C.R.L.S. No. 26957, dated November 4, 2021, and recorded in Plat Book 38, pages 252-257, Jasper County, South Carolina records

TOGETHER WITH the following easement rights:

Easement Area 1 (Tradition Avenue):

Easement rights conveyed pursuant to that Clerk of Court's Deed from Margaret Bostick, Clerk of Court for Jasper County to THH Acquisitions, LLC, dated November 29, 2011, and recorded in Deed Book 818, page 342, Jasper County, South Carolina records over those areas designated as "Access Easement – 1", containing 33.72 acres, more or less, and "Access Easement -2" containing 17.18 acres, more or less, which parcels are more fully shown on the plat of survey entitled "A Plat of 33.72 Ac. Access Easement & 17.18 Ac. Access Easement, Tradition, SC, TMS 042-00-02-012, City of Hardeeville, Jasper County, SC," prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated November 14, 2006, and recorded in Plat Book 29, page 264, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Easement Area 2 (School District Access):

Easement rights reserved in that Title to Real Estate from International Paper Realty Corporation, a Delaware corporation to Jasper County School District, a South Carolina public body, dated December 4, 2003, and recorded in Deed Book 287, page 71, Jasper County, South Carolina records, over, along and under that sixty-six (66) foot wide area shown as "66' Permanent Access Utility Easement" on that plat entitled "88.872 acres being a Portion of the West Side of the Argent Tract," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated November 3, 2003, and recorded in Plat Book 27, page 52, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Easement Area 3:

Easement rights conveyed pursuant to that Access and Utility Joint Use Agreement (Easement 1) between WA Holdings South, LLC and the City of Hardeeville, South Carolina, dated October 29, 2021, and recorded in Deed Book 1089, page 1620, Jasper County, South Carolina records

Derivation:

Said property is a portion of that property conveyed by Special Warranty Deed from TTH Acquisitions, LLC, an Iowa limited liability company, to WA Holdings South, LLC, a South Carolina limited liability company, dated January 2, 2020 and recorded in Deed Book 1028, page 340, Jasper County, South Carolina records; and by Quitclaim Deed from THH Acquisitions, LLC, an Iowa limited liability company to WA Holdings South, LLC, a South Carolina limited liability company, dated January 2, 2020 and recorded in Deed Book 1028, page 352 Jasper County, South Carolina, records; and by Quitclaim Deed from THH Acquisitions, LLC, an Iowa limited liability company to WA Holdings South, LLC, a South Carolina limited liability company, dated January 2, 2020 and re-recorded in Deed Book 1028, page 352 Jasper County, South Carolina, records.

Tax Map Number:
Parcel A: 042-00-06-045

Prepared by:
Robert B. Brannen, Jr., Esq.
Bouhan Falligant LLP
One West Park Avenue
Savannah, Georgia 31401

EXHIBIT B
PERMITTED EXCEPTIONS

1. Taxes and assessments for the year 2022 and subsequent years, which are liens not currently due and payable.

2. Riparian rights incident to the premises.

3. Roll-back taxes as provided under Title 12, Article 3, of the South Carolina Code of Laws, 1976, as amended, Provisions Section 12-43-220(d) and others.

4. Regulation of the U.S. Corps of Engineers, the State of South Carolina Department of Health and Environment Control or the State of South Carolina Department of Natural Resources as to any portion of the land which constitutes wetlands.

5. Attention is directed to the fact that captioned property abuts Interstate Highway No. 1-95 which is a limited Access way with rights of access limited to those points designated by the Department of Transportation of Georgia.

6. Title to that portion of captioned property located within a cemetery situated on captioned property, and rights of others to easements and rights of ingress and egress thereto.

7. Right of Way Easement from Argent Lumber Company to South Carolina Electric & Gas company, a corporation, dated September 18, 1952, and recorded in Deed Book 26, page 39, Jasper County, South Carolina records.

8. Right of Way Agreement by and between Argent Lumber Company, a corporation and Palmetto Electric Cooperative, Inc., dated January 1957, recorded in Deed Book 37, page 18, Jasper County, South Carolina records.

9. Easement Channel Improvement from Union Camp Corporation, a Virginia corporation to Low Country Resources, Conservation and Development Authority, a body corporate and politic of the State of South Carolina, dated February 23, 1970, recorded in Deed Book 66, page 128, Jasper County, South Carolina records.

10. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated June 27, 1974, recorded in Deed Book 72, page 445, Jasper County, South Carolina records.

11. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated as of May 2, 1984, and recorded in Deed Book 87, page 930, Jasper County, South Carolina records; as assigned by that certain Assignment by and between International Paper Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Deed Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records.

12. Powerline Right-of-Way Easement by and between Union Camp Corporation , a Virginia corporation and South Carolina Public Service Authority, dated as of August 10, 1987, recorded in Deed Book 91, page 2296, Jasper County, South Carolina records; as assigned by that certain

Assignment by and between International Paper Realty Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Deed Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records.

13. Easements and restrictions as contained in that certain Limited Warranty Indenture Deed for Argent by and between SP Forests L.L.C., a Delaware limited liability company and Omega 1, LLC, a South Carolina limited liability company, dated July 29, 1999, and recorded in Deed Book 205, page 260, Jasper County, South Carolina records; as assigned by that certain Assignment by and between International Paper Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Minute Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records; but omitting any restriction based on race, color, religion, sex, handicap, familial status, or national origin unless and only to be extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.

14. All matters shown on that plat entitled "88.872 acres being a Portion of the West Side of the Argent Tract," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated November 3, 2003, recorded in Plat Book 27, page 52, Jasper County, South Carolina records.

15. Terms, conditions and obligations of easements as contained in that certain Title to Real Estate from International Paper Realty Corporation, a Delaware corporation to Jasper County School District, a South Carolina public body, dated December 4, 2003, and recorded in Deed Book 287, page 71, Jasper County, South Carolina records; as assigned by that that certain Assignment by and between International Paper Realty Corporation and ViaQuest Investment Properties, LLC, ated December 21, 2004, and recorded in Minute Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties, LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between South Carolina Electric and Gas Company and Core Communities of South Carolina, LLC, dated January 5, 2009, recorded in Deed Book 717, page 56, Jasper County, South Carolina records.

16. All matters shown on that plat entitled "West Side of the Argent Tract (5,313.466 Acres) being a Portion I.P. Realty," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated September 30, 2004, recorded in Plat Book 27, page 375, Jasper County, South Carolina records.

17. Mineral royalty reservation and any reservation of minerals as contained in that certain Title to Real Estate from International Paper Realty Corporation, a Delaware corporation to ViaQuest Investment Properties, LLC, dated December 17, 2004, and recorded in Deed Book 309, page 113, Jasper County, South Carolina records.

18. Development Agreement (Argent West Tract) by and between ViaQuest Investment Properties, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, dated June 30, 2005, recorded in Deed Book 324, page 103, Jasper County, South Carolina records; and amended as follows:

a. Amendment to Development Agreement by and between ViaQuest Investment Properties, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, dated August 11, 2005, and recorded in Deed Book 327, page 228, Jasper County, South Carolina records;

b. Amendment to Development Agreement by and between ViaQuest Investment Properties, LLC, Omega 1, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, dated August 11, 2005, and recorded in Deed Book 327, page 235, Jasper County, South Carolina records;

c. Second Restated and Amended Development Agreement (Argent West Tract) by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and the governmental authority of the City of Hardeeville, South Carolina, dated October 21, 2008, and recorded in Deed Book 708, page 1, Jasper County, South Carolina records;

d. Notice of Intent to Amend Development Agreement Argent West Tract (Tradition) by Ted Felder, Interim City Manager, dated January 7, 2010, recorded in Deed Book 783, page 312, Jasper County, South Carolina records;

e. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) by the Hardeeville City Council, dated January 25, 2010, and recorded in Deed Book 788, page 174, Jasper County, South Carolina records;

f. Assignment of Rights under Development Agreement by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and THH Acquisitions, LLC, an Iowa limited liability company, dated November 8, 2010, and recorded in Deed Book 801, page 153, Jasper County, South Carolina records;

g. General Assignment of Developer and Contract Rights for Development of the Tradition by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and THH Acquisitions, LLC, an Iowa limited liability company, dated November 8, 2010, filed for record December 29, 2010 at 11:18 a.m., recorded in Deed Book 801, page 157, Jasper County, South Carolina records;

h. Assignment of Development Agreement Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn Inc., a South Carolina corporation, dated December 21, 2010, filed for record December 29, 2010 at 3:12 p.m., and recorded in Deed Book 801, page 219, Jasper County, South Carolina records;

i. Assignment of Development Agreement Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated December 22, 2010, filed for record December 29, 2010 at 4:02 p.m., and recorded in Deed Book 801, page 350, Jasper County, South Carolina records;

j. Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) by and between SLF IV / SBI West Argent, LLC, a Texas limited liability company, SLF IV I SBI JV, LLC, a Texas limited liability company, THH Acquisitions, LLC, an Iowa limited liability company and Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated April 7, 2011,and recorded in Deed Book 807, page 73, Jasper County, South Carolina records;

k. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) Pursuant to Section 6-31-90 Third Amendment by SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated March 28, 2014, and recorded in Deed Book 870, page 75, Jasper County, South Carolina records;

l. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between SLF IV/SBI West Argent, LLC and New River Preserve, LLC, dated December 10, 2014, and recorded in Deed Book 885, page

972, Jasper County, South Carolina records;

m. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Deed Book 889, page 514, Jasper County, South Carolina records;

n. Partial Assignment and Assumption of Master Agreement by and between Garden Lakes Estates, LLC and SFS Development, LLC, dated October 1, 2018, and recorded in Deed Book 986, page 907, Jasper County, South Carolina records;

o. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) by and between IOTA Woodbridge, LLC and RealStar Management, LLC, dated March 1, 2017, and recorded in Deed Book 943, page 504, Jasper County, South Carolina records

p. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) by and between RealStar Management, LLC and Magnolia Walk Development LLC, dated December 20, 2018, and recorded in Deed Book 993, page 468, Jasper County, South Carolina records;

q. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) by and between RealStar Limited, LLC and RSM Communities LLC, dated May 15, 2019, and recorded in Deed Book 1006, page 227, Jasper County, South Carolina records;

r. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between THH Acquisitions, LLC, an Iowa limited liability company and WA Holdings South, LLC, a South Carolina limited liability company, dated December 20, 2019, and recorded in Deed Book 1028, page 360, Jasper County, Georgia records.

s. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between WA Holdings South, LLC, as Master Developer to LK Development Group, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 465, Jasper County, South Carolina records.

t. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Parcel A, B, C & E) by and between LK Development Group, LLC, as Master Developer to WA Holdings South, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 764, Jasper County, South Carolina records.

u. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Omega Tract) by and between LK Development Group, LLC, as Master Developer to WA Holdings South, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 775, Jasper County, South Carolina records.

v. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Garden Lakes) by and between GL Holdings, LLC, as Master Developer to LK Development Group, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 822, Jasper County, South Carolina records.

19. All matters shown on that plat entitled "5011.127 Acres, being a Portion of West Argent Tract," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated September 15, 2005, recorded in Plat Book 28, page 200 through and including 204, Jasper County, South Carolina records.

20. All matters shown on that plat entitled "A Plat of 33.72 Ac. Access Easement & 17.18 Ac. Access Easement, Tradition, SC, TMS 042-00-02-012, City of Hardeeville, Jasper County, SC," prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated November 14, 2006, and recorded in Plat Book 29, page 264, Jasper County, South Carolina records.

21. All matters shown on that plat entitled "A Plat of Argent West Area 1 Tract, a Portion of Argent Tract, City of Hardeeville, Jasper County, South Carolina", prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated January 31, 2007, and recorded in Plat Book 29, page 349, Jasper County, South Carolina records.

22. Declaration of Preservation Covenants for Archaeological Sites by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated effective March 15, 2007, filed for record March 21, 2007 at 11:29 a.m., recorded in Deed Book 531, page 1, Jasper County, South Carolina records.

23. All matters shown on that survey prepared for South Carolina Electric & Gas Company by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated July 30, 2008, last revised November 18, 2008, and recorded in Plat Book 31, page 292, Jasper County, South Carolina records.

24. Declaration of Restrictive Covenants (Tradition South Carolina) [Wetlands] by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated March 16, 2007, filed for record March 21, 2007 at 11:29 a.m., recorded in Deed Book 531, page 12, Jasper County, South Carolina records; and amended and assigned as follows:

    a. Assignment of Declarant Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated effective as of December 22, 2010, recorded in Deed Book 801, page 341, Jasper County, South Carolina records; as re-recorded January 14, 2011 at 1:46 p.m. in Deed Book 802, page 64, Jasper County, South Carolina records;
    b. Assignment of Declarant Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn, Inc., a South Carolina corporation, dated as of December 22, 2010, and recorded in Deed Book 801, page 346, Jasper County, South Carolina records;
    c. Amended and Restated Declaration of Restrictive Covenants (Wetlands) by SLF IV I SBI West Argent, LLC, a Texas limited liability company, dated effective August 13, 2015, and recorded in Deed Book 903, page 551. Jasper County, South Carolina records.

25. Easement # 181, Tract # 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc., dated October 2, 2008 and recorded in Deed Book 704, page 145, Jasper County, South Carolina records; as amended by that certain Amendment to Easement No. 181, Tract 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc., filed for record July 16, 2009 at 10:45 a.m., recorded in Deed Book 750, page 167, Jasper County, South Carolina records.

26. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, dated January 5, 2009, and recorded in Deed Book 715, page 96, Jasper County, South Carolina records.

27. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, dated January 5, 2009, and recorded in Deed Book 715, page 100, Jasper County, South Carolina records.

28. Non-Exclusive Perpeptual [sic] Access Utility Easement Agreement by and between THH Acquisitions, LLC, an Iowa limited liability company and Palmetto Electric Cooperative, Inc., dated August 20, 2018, and recorded in Deed Book 984, page 413, Jasper County, South Carolina records.

29. Easement in favor of Dominion Energy South Carolina, Inc., dated October 25, 2019 and recorded in Deed Book 1024, page 435, Jasper County, South Carolina records.

30. Condemnation Notice and Tender of Payment in that action styled, City of Hardeeville, South Carolina, Condemnor vs. GL Holdings, LLC, a South Carolina Limited Liability Company, and WA Holdings South, LLC, a South Carolina limited Liability Company, Landowner(s), and Duke Street Trust, LLC, a Delaware Limited Liability Company, Mortgagee and North American Land Trust, a Pennsylvania Non-Profit Corporation, Other Condemnee(s), in the Court of Commons Pleas C/A No. 2021-CP-2700292 (Easement Parcels Only), as reflected by Access and Utility Joint Use Agreement (Easement 1) between WA Holdings South, LLC and the City of Hardeeville, South Carolina, dated October 29, 2021, and recorded in Deed Book 1089, page 1620, Jasper County, South Carolina records, as shown on that plat entitled, "A Plat of Right of Way Extension, 19.69 Ac., Lakeside Boulevard, Garden Lakes Estates, Hilton Head Lakes North, TMS 042-00-06-060, City of Hardeeville, Jasper County, South Carolina, prepared by Cook Land Surveying Inc., bearing the seal and certification of Donald R. Cook, Jr., South Carolina Professional Land Surveyor No. 19010, dated August 20, 2020, and recorded in Plat Book 38, page 189, Jasper County, South Carolina records.

31. All matters shown on that plat entitled, "ALTA/NSPS Land Title Survey, Parcel A, Argent Tract West, City of Hardeeville, Jasper County, South Carolina," prepared by Robert K. Morgan, III, S.C.R.L.S. No. 26957, dated November 4, 2021, and recorded in Plat Book 38, pages 252-257, Jasper County, South Carolina records, including but not limited to:

    a. SC&GE 100' Yemassee McIntosh R/W;

    b. 70' Central Electric Power Cooperative Easement;

    c. 80' Access Easement;

    d. Earth Road;

    Note:

    e. 45' Carolina Gas Transmission Corporation Easement;

    f. 40' Access Easement 2;

    g. 30' Access Easements 3 & 4;

    h. 100' SCPSA R/W;

    i. Cemetery, TM # 042-00-05-042;

    j. Dominion Energy Easement, DB 1024, PG 435;

    k. 40' Access Easements 3 & 4; and

    l. 125' SCE&G Yemassee McIntosh R/W.

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)

AFFIDAVIT OF CONSIDERATION

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

The property located at Parcel A, West Argent Tract, City of Hardeeville, bearing Jasper County Tax Map Number 042-00-06-045 was transferred by (Grantor) WA Holdings South, LLC to (Grantee) LK Development Group, LLC on December 30, 2021.

The transaction was (check one):

1. __X__ an arm's length real property transaction and the sales price is to be paid in money or money's worth was $18,000,000.00.
2. _____ **not an arm's length** real property transaction and the fair market value of the property is $_____.
3. _____ the above transaction is exempt, or partially exempt, from the recording fee as set forth in SC Code Section 12-24-10 SC Code Section 12-24-40(2).

As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as Attorney.

I further understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and upon conviction, must be fined not more than one thousand dollars, imprisoned not more than one year or both.

Responsible Person

SWORN TO BEFORE ME THIS:
30th day of December, 2021

Notary Public of North Carolina

My Commission expires 3/12/2023

PAUL L. COMER IV NOTARY PUBLIC MECKLENBURG COUNTY, NC

4856-9000-4998, v. 1

DEED BOOK: 1094 PAGE: 2029
Date: 03/10/2022 11:34:28 AM

Monica Wilson / S Mole / STM
Auditor Jasper County, SC

OR BK 1094 PG 943 - 957 (15)
202100007759 01/10/2022 03:09:14 PM
eFiled for Record in JASPER COUNTY, SC ROD
DEED Fee: $15.00
State Tax: $1,300.00 Local Tax: $550.00
Vanessa Wright, Registrar

Date: 01/28/2022 10:19:12 AM
Jasper County Assessor's Office
Tax Map No.: 042-00-06-060,042-00-06-061;ET
Transfer No.: 202100007759

Ashley Bolden - JASPER COUNTY, SC

ABOVE SPACE FOR RECORDING INFORMATION ONLY

Prepared by:

BOUHAN FALLIGANT
ATTORNEYS & COUNSELORS AT LAW
One West Park Avenue
Savannah, Georgia 31401
ATTN: Robert B. Brannen, Jr.
(912) 644-5721
File No.: 20778-5

LIMITED WARRANTY DEED

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)

TITLE TO REAL ESTATE
(Limited Warranty)

KNOW ALL MEN BY THESE PRESENTS, that **GL HOLDINGS, LLC**, a South Carolina limited liability company ("Grantor"), in the State aforesaid, for good and valuable consideration to it in hand paid at and before the sealing of these Presents by **LK DEVELOPMENT GROUP, LLC**, a Delaware limited liability company ("Grantee"), in the State aforesaid, the receipt whereof is hereby acknowledged, has, subject to the Permitted Exceptions (as hereinafter defined), granted, bargained, sold and released, and by these presents does grant, bargain, sell, and release, subject to the Permitted Exceptions, unto Grantee, the following described property (the "Property"), to-wit:

SEE EXHIBIT A ATTACHED HERETO
AND INCORPORATED HEREIN BY REFERENCE FOR LEGAL DESCRIPTION

Address of Grantee: Attn: Jason Byham
1941 Savage Road, Suite 100-C
Charleston, SC 29407

THIS CONVEYANCE IS MADE SUBJECT TO taxes and assessments for the current year and subsequent years, which are a lien but are not yet due and payable, and of the matters set forth on Exhibit B attached hereto (collectively, the "Permitted Exceptions").

TOGETHER WITH, all and singular, the rights, members, hereditaments and appurtenances to the Property belonging or in any way incident or appertaining, including but not limited to, all improvements of any nature located on the Property and all easements and rights-of-way appurtenant thereto.

TO HAVE AND TO HOLD, all and singular, the said Property before mentioned, subject to the Permitted Exceptions, unto the said Grantee, its successors and assigns, forever.

AND, subject to the Permitted Exceptions, the Grantor does hereby bind itself and its successors to warrant and forever defend, all and singular, the said premises unto the Grantee, its successors and assigns, against Grantor and its successors and assigns, and against every person whomsoever lawfully claiming or to claim the same, or any part thereof, by, under or through Grantor, but not otherwise.

[SIGNATURE PAGE FOLLOWS]

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

Witness

Witness

GRANTOR:

GL HOLDINGS, LLC, a South Carolina limited liability company

By:
Name: Jeffrey B. Coggin
Title: Manager

STATE OF GEORGIA)
) ss
COUNTY OF CHATHAM)

I Robert B. Brannen, Jr (name of notary) do hereby certify that Jeffrey B. Coggin, acting in his capacity as Manager of GL Holdings, LLC (the "Company"), personally appeared before me this day and acknowledged the due execution of the foregoing instrument as the act and deed of the Company for the purposes stated in this instrument, and he is personally known to me.

Witness my hand and official seal this the 13th day of December, 2021.

(SEAL)
Notary Public for
My commission expires:

ROBERT B BRANNEN JR NOTARY PUBLIC Comm. Exp. 04/17/25 CHATHAM COUNTY, GA

EXHIBIT A
LEGAL DESCRIPTION

All that certain piece, parcel, or tract of land situate, lying and being in the City of Hardeeville, Jasper County, South Carolina, and known as:

PARCEL 1 CONTAINING 305.59 ACRES, MORE OR LESS,
PARCEL 2 CONTAINING 479.74 ACRES, MORE OR LESS,
PARCEL 4, CONTAINING 17.82 ACRES MORE OR LESS, AND
PARCEL 5, CONTAINING 3.18 ACRES, MORE OR LESS,

as shown and designated on that plat entitled "Garden Lakes Estates, Lakeside Boulevard, Hilton Head Lakes North, Being a Portion of TMS 042-00-06-042, City of Hardeeville, Jasper County, South Carolina" dated September 2, 2014, last revised October 14, 2014, prepared by Cook Land Surveying, certified by Donald R. Cook, Jr., P.L.S. (SC No. 19010), and recorded in the Jasper County Records in Plat Volume 33, at page 276. For a more detailed description as to the metes and bounds, courses and distances, reference is had to the aforementioned recorded plat.

Tax Map Numbers:
042-00-06-060
042-00-06-061
042-00-06-063
042-00-06-064

Said property is all or a portion of that property conveyed to Garden Lakes Estates, LLC by SLF IV/SBI West Argent, LLC dated October 10, 2014, and recorded in Deed Book 882, Page 540, Jasper County, South Carolina records.

TOGETHER WITH EASEMENT RIGHTS CONTAINED IN THE FOLLOWING DOCUMENTS:

1. Easement Appurtenant by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Book 886, Page 535, Jasper County, South Carolina records.
2. Reclaimed Water System Easement Appurtenant by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Book 886, Page 541, Jasper County, South Carolina records.
3. Easement Appurtenant Lake System by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Book 886, Page 551, Jasper County, South Carolina records.
4. Easement Appurtenant by and between Hilton Head Lakes North Master Association and SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated June 8, 2016, and recorded in Book 928, Page 79, Jasper County, South Carolina records.

SUBJECT TO that Conservation Easement and Declaration of Restrictions and Covenants between Garden Lakes Estates, LLC and North American Land Trust, dated December 26, 2014, and recorded in Book 886, Page 899, Jasper County, South Carolina records.

LESS AND EXCEPT two parcels conveyed to the City of Hardeeville pursuant to that Consent Order for Dismissal, Case No. 2021-CP-27-0292, dated October 7, 2021, and recorded in Deed Book 1089, page 121, Jasper County, South Carolina records, and more particularly described as follows:

All that certain lot, tract or parcel of land, situate, lying and being in the City of Hardeeville, Jasper County, South Carolina, and shown as **RIGHT OF WAY EXTENSION 19.69 AC.**, on that Subdivision Plat entitled "A Plat of Right of Way Extension, 19.69 Ac., Lakeside Boulevard, Garden Lakes Estates, Hilton Head Lakes North, TMS 042-00-06-060, City of Hardeeville, Jasper County, South Carolina" prepared by Cook Land Surveying Inc., bearing the seal and certification of Donald R. Cook, Jr., South Carolina Professional Land Surveyor No. 19010, dated August 20, 2020, and recorded in Plat Book 38, Page 189, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Tax Map Number: 042-00-06-060

AND

All that certain lot, tract or parcel of land, situate, lying and being in the City of Hardeeville, Jasper County, South Carolina, and shown as **RIGHT OF WAY EXTENSION 0.81 AC.**, on that Subdivision Plat entitled "A Plat of Right of Way Extension, 0.81 Ac., Lakeside Boulevard, Garden Lakes Estates, Hilton Head Lakes North, TMS 042-00-06-060, City of Hardeeville, Jasper County, South Carolina" prepared by Cook Land Surveying Inc., bearing the seal and certification of Donald R. Cook, Jr., South Carolina Professional Land Surveyor No. 19010, dated August 20, 2020, and recorded in Plat Book 38, Page 190, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Tax Map Number: 042-00-06-060

Said Parcels are the same property conveyed to the City of Hardeeville pursuant to that Consent Order for Dismissal, Case No. 2021-CP-27-0292, dated October 7, 2021, and recorded in Deed Book 1089, page 121, Jasper County, South Carolina records.

Prepared by:
Robert B. Brannen, Jr., Esq.
Bouhan Falligant LLP
One West Park Avenue
Savannah, Georgia 31401

EXHIBIT B
PERMITTED EXCEPTIONS

1. Taxes and assessments for the year 2022 and subsequent years, which are liens not currently due and payable.

2. Riparian rights incident to the premises.

3. Roll-back taxes as provided under Title 1 2, Article 3, of the South Carolina Code of Laws, 1976, as amended, Provisions Section 12-43-220(d) and others.

4. Regulation of the U.S. Corps of Engineers, the State of South Carolina Department of Health and Environment Control or the State of South Carolina Department of Natural Resources as to any portion of the land which constitutes wetlands.

5. Right of Way Easement from Argent Lumber Company to South Carolina Electric & Gas company, a corporation, dated September 18, 1952, and recorded in Deed Book 26, page 39, Jasper County, South Carolina records.

6. Right of Way Agreement by and between Argent Lumber Company, a corporation and Palmetto Electric Cooperative, Inc., dated January 1957, recorded in Deed Book 37, page 18, Jasper County, South Carolina records.

7. Permit for Poles, Anchors and Wires by and between South Carolina Electric & Gas Company, a corporation and Union Bag-Camp Paper Corporation, dated February 14, 1964, recorded in Deed Book 52, page 105A, Jasper County, South Carolina records.

8. Easement Channel Improvement from Union Camp Corporation, a Virginia corporation to Low Country Resources, Conservation and Development Authority, a body corporate and politic of the State of South Carolina, dated February 23, 1970, recorded in Deed Book 66, page 128, Jasper County, South Carolina records.

9. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated June 27, 1974, recorded in Deed Book 72, page 445, Jasper County, South Carolina records.

10. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated as of May 2, 1984, and recorded in Deed Book 87, page 930, Jasper County, South Carolina records; as assigned by that certain Assignment by and between International Paper Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Deed Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records.

11. Powerline Right-of-Way Easement by and between Union Camp Corporation , a Virginia corporation and South Carolina Public Service Authority, dated as of August 10, 1987, recorded in Deed Book 91, page 2296, Jasper County, South Carolina records; as assigned by that certain Assignment by and between International Paper Realty Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Deed Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between

ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records.

12. All matters shown on that plat entitled "West Side of the Argent Tract (5,313.466 Acres) being a Portion I.P. Realty," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated September 30, 2004, recorded in Plat Book 27, page 375, Jasper County, South Carolina records.

13. Mineral royalty reservation and any reservation of minerals as contained in that certain Title to Real Estate from International Paper Realty Corporation, a Delaware corporation to ViaQuest Investment Properties, LLC, dated December 17, 2004, and recorded in Deed Book 309, page 113, Jasper County, South Carolina records.

14. Development Agreement (Argent West Tract) by and between ViaQuest Investment Properties, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, dated June 30, 2005, recorded in Deed Book 324, page 103, Jasper County, South Carolina records; and amended as follows:

    a. Amendment to Development Agreement by and between ViaQuest Investment Properties, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, dated August 11, 2005, and recorded in Deed Book 327, page 228, Jasper County, South Carolina records;
    b. Amendment to Development Agreement by and between ViaQuest Investment Properties, LLC, Omega 1, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, dated August 11, 2005, and recorded in Deed Book 327, page 235, Jasper County, South Carolina records;
    c. Second Restated and Amended Development Agreement (Argent West Tract) by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and the governmental authority of the City of Hardeeville, South Carolina, dated October 21, 2008, and recorded in Deed Book 708, page 1, Jasper County, South Carolina records;
    d. Notice of Intent to Amend Development Agreement Argent West Tract (Tradition) by Ted Felder, Interim City Manager, dated January 7, 2010, recorded in Deed Book 783, page 312, Jasper County, South Carolina records;
    e. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) by the Hardeeville City Council, dated January 25, 2010, and recorded in Deed Book 788, page 174, Jasper County, South Carolina records;
    f. Assignment of Rights under Development Agreement by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and THH Acquisitions, LLC, an Iowa limited liability company, dated November 8, 2010, and recorded in Deed Book 801, page 153, Jasper County, South Carolina records;
    g. General Assignment of Developer and Contract Rights for Development of the Tradition by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and THH Acquisitions, LLC, an Iowa limited liability company, dated November 8, 2010, filed for record December 29, 2010 at 11:18 a.m., recorded in Deed Book 801, page 157, Jasper County, South Carolina records;
    h. Assignment of Development Agreement Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn, Inc., a South Carolina corporation, dated December 21, 2010, filed for record December 29, 2010 at 3:12 p.m., and recorded in Deed Book 801, page 219, Jasper County, South Carolina records;

i. Assignment of Development Agreement Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated December 22, 2010, filed for record December 29, 2010 at 4:02 p.m., and recorded in Deed Book 801, page 350, Jasper County, South Carolina records;

j. Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) by and between SLF IV / SBI West Argent, LLC, a Texas limited liability company, SLF IV I SBI JV, LLC, a Texas limited liability company, THH Acquisitions, LLC, an Iowa limited liability company and Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated April 7, 2011,and recorded in Deed Book 807, page 73, Jasper County, South Carolina records;

k. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) Pursuant to Section 6-31-90 Third Amendment by SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated March 28, 2014, and recorded in Deed Book 870, page 75, Jasper County, South Carolina records;

l. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between SLF IV/SBI West Argent, LLC and New River Preserve, LLC, dated December 10, 2014, and recorded in Deed Book 885, page 972, Jasper County, South Carolina records;

m. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Deed Book 886, page 514, Jasper County, South Carolina records;

n. Partial Assignment and Assumption of Master Agreement by and between Garden Lakes Estates, LLC and SFS Development, LLC, dated October 1, 2018, and recorded in Deed Book 986, page 901, Jasper County, South Carolina records;

o. Partial Assignment and Assumption of Master Agreement by and between Garden Lakes Estates, LLC and SFS Development, LLC, dated October 1, 2018, and recorded in Deed Book 986, page 907, Jasper County, South Carolina records;

p. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) by and between IOTA Woodbridge, LLC and RealStar Management, LLC, dated March 1, 2017, and recorded in Deed Book 943, page 504, Jasper County, South Carolina records;

q. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) by and between RealStar Management, LLC and Magnolia Walk Development LLC, dated December 20, 2018, and recorded in Deed Book 993, page 468, Jasper County, South Carolina records;

r. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) by and between RealStar Limited, LLC and RSM Communities LLC, dated May 15, 2019, and recorded in Deed Book 1006, page 227, Jasper County, South Carolina records;

s. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) between SLF IV /SBI West Argent, LLC and RSM Communities, LLC, dated May 15, 2019 and recorded in Deed Book 1006, page 420, Jasper County, South Carolina records;

t. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West), dated December 30, 2019, and recorded in Deed Book 1028, page 360, Jasper County, South Carolina records;

u. Blanket Transfer and Assignment from Garden Lakes Estates, LLC to GL Holdings, LLC, dated December 20, 2019 and recorded in Deed Book 1028, page 394, Jasper County, South Carolina records.

v. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) by and between RealStar Limited, LLC and RSM Communities LLC, dated May 15, 2019, and recorded in Deed Book 1006, page 227, Jasper County, South Carolina records;

w. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between THH Acquisitions, LLC, an Iowa limited liability company and WA Holdings South, LLC, a South Carolina limited liability company, dated December 20, 2019, and recorded in Deed Book 1028, page 360, Jasper County, Georgia records.

x. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) by and between WA Holdings South, LLC, as Master Developer to LK Development Group, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 465, Jasper County, South Carolina records.

y. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Parcel A, B, C & E) by and between LK Development Group, LLC, as Master Developer to WA Holdings South, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 764, Jasper County, South Carolina records.

z. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Omega Tract) by and between LK Development Group, LLC, as Master Developer to WA Holdings South, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 775, Jasper County, South Carolina records.

aa. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Garden Lakes) by and between GL Holdings, LLC, as Master Developer to LK Development Group, LLC, as owner, dated December 30, 2021, and recorded in Deed Book 1094, page 822, Jasper County, South Carolina records.

15. All matters shown on that plat entitled "The Omega Tract formerly known as Parcel B, TMP# 042-00-06-038, being a portion of the Argent Tract, "prepared by Boyce L. Young, SC.R. L. S. No. 079, dated September 15, 2005, recorded in Plat Book 28, page 199, Jasper County, South Carolina records.

16. All matters shown on that plat entitled "5011.127 Acres, being a Portion of West Argent Tract," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated September 15, 2005, recorded in Plat Book 28, page 200 through and including 204, Jasper County, South Carolina records.

17. All matters shown on that plat entitled "A Plat of 33.72 Ac. Access Easement & 17.18 Ac. Access Easement, Tradition, SC, TMS 042-00-02-012, City of Hardeeville, Jasper County, SC," prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated November 14, 2006, and recorded in Plat Book 29, page 264, Jasper County, South Carolina records.

18. All matters shown on that plat entitled "A Plat of Argent West Area 1 Tract, a Portion of Argent Tract, City of Hardeeville, Jasper County, South Carolina", prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated January 31, 2007, and recorded in Plat Book 29, page 349, Jasper County, South Carolina records.

19. Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated December 20, 2006, and recorded in Deed Book 501, page 196, Jasper County, South Carolina records; supplemented, amended and assigned as follows:

a. First Supplemental Declaration to Declaration of Covenants, conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated December 20, 2006, and recorded in Deed Book 501, page 301, Jasper County, South Carolina records;

b. Second Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. by Core Communities of South Carolina limited liability company, dated December 20, 2006, and recorded in Deed Book 502, page 174, Jasper County, South Carolina records;

c. Third Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated July 2, 2007, and recorded in Deed Book 569, page 199, Jasper County, South Carolina records;

d. Amended and Restated Second Supplemental Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated March 24, 2008, and recorded in Deed Book 653, page 1, Jasper County, South Carolina records

e. Assignment of Rights under Declaration by and between Core Communities of South Carolina, LLC, a Florida limited liability company and THH Acquisitions, LLC, an Iowa limited liability company, dated November 8, 2010, filed for record December 29, 2010 at 11:18 a.m., recorded in Deed Book 801, page 149, Jasper County, South Carolina records;

f. Assignment of Declarant Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated December 22, 2010, filed for record December 29, 2010 at 4:02 p.m., recorded in Deed Book 801, page 341, Jasper County, South Carolina records; as re-recorded January 14, 2011 at 1:46 p.m., and recorded in Deed Book 802, page 64, Jasper County, South Carolina records;

g. Assignment of Declarant Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn, Inc., a South Carolina corporation, dated as of December 22, 2010, filed for record December 29, 2010 at 4:02 p.m., and recorded in Deed Book 801, page 346, Jasper County, South Carolina records;

h. Nonprofit Corporation Articles of Amendment by Tradition Master Property Owners Association, Inc., dated April 11, 2011, and recorded in Deed Book 807, page 552, Jasper County, South Carolina records;

i. Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Hilton Head Lakes North and Hilton Head Lakes North Association by SLF IV I SBI West Argent, LLC, a Texas limited liability company, dated August 1, 2011, and recorded in Deed Book 812, page 446, Jasper County, South Carolina records;

j. First Supplemental Declaration to the Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Hilton Head Lakes North And Hilton Head Lakes North Master Association by SLF IV I SBI West Argent, LLC, a Texas limited liability company, dated May 2, 2013, recorded in Deed Book 850, page 856, Jasper County, South Carolina records;

k. Second Supplemental Declaration to the Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Hilton Head Lakes North And Hilton Head Lakes North Master Association by SLF IV I SBI West Argent, LLC, a Texas limited liability company, New River Preserve, LLC and Garden Lakes Estates, LLC, dated

December 10, 2014, recorded in Deed Book 885, page 993, Jasper County, South Carolina records;

l. Assignment of Declarant's Rights (Master Declaration, Amended Master Declaration and Residential Declaration from THH Acquisitions, LLC to WA Holdings South, LLC, dated December 30, 2019 and recorded in Deed Book 1028, page 370, Jasper County, South Carolina records.

m. Assignment of Declarant's Rights (Master Declaration, Amended Master Declaration and Residential Declaration from WA Holdings South, LLC to Lennar Carolinas, LLC dated December 30, 2021 and recorded in Deed Book 1094, page 445, Jasper County, South Carolina records.

but omitting any restriction based on race, color, religion, sex, handicap, familial status, or national origin unless and only to the extend that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.

20. Declaration of Preservation Covenants for Archaeological Sites by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated effective March 15, 2007, filed for record March 21, 2007 at 11:29 a.m., recorded in Deed Book 531, page 1, Jasper County, South Carolina records.

21. Declaration of Restrictive Covenants (Tradition South Carolina) [Wetlands] by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated March 16, 2007, filed for record March 21, 2007 at 11:29 a.m., recorded in Deed Book 531, page 12, Jasper County, South Carolina records; and amended and assigned as follows:

a. Assignment of Declarant Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated effective as of December 22, 2010, recorded in Deed Book 801, page 341, Jasper County, South Carolina records; as re-recorded January 14, 2011 at 1:46 p.m. in Deed Book 802, page 64, Jasper County, South Carolina records;

b. Assignment of Declarant Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn, Inc., a South Carolina corporation, dated as of December 22, 2010, and recorded in Deed Book 801, page 346, Jasper County, South Carolina records;

c. Amended and Restated Declaration of Restrictive Covenants (Wetlands) by SLF IV I SBI West Argent, LLC, a Texas limited liability company, dated effective August 13, 2015, and recorded in Deed Book 903, page 551. Jasper County, South Carolina records.

22. Access and Utility Easement granted to Hargray, dated March 2, 2007, and recorded in Volume 533, page 46, Jasper County, South Carolina records.

23. Access and Utility Easement granted to Hargray, dated March 20, 2007, and recorded in Volume 535, page 30, Jasper County, South Carolina records.

24. Access and Utility Easement granted to Beaufort-Jasper Water & Sewer Authority, dated December 14, 2006, and recorded in Volume 550, page 73, Jasper County, South Carolina records.

25. Access and Utility Easement granted to Beaufort-Jasper Water & Sewer Authority, dated November 8, 2006, and recorded in Volume 550, page 76, Jasper County, South Carolina records.

26. Easement granted to Beaufort-Jasper Water & Sewer Authority, dated January 9, 2008, and recorded in Volume 633, page 289, Jasper County, South Carolina records.

27. Access and Utility Easement granted to Beaufort-Jasper Water & Sewer Authority, dated March 20, 2007, and recorded in and Volume 719, page 147, Jasper County, South Carolina records.

28. Easements granted to South Carolina Electric & Gas Company, dated February 16, 2007, and recorded in Volume 566, page 13, Jasper County, South Carolina records.

29. Access and Utility Easement granted to Beaufort-Jasper Water & Sewer Authority, dated June 10, 2008, and recorded in Volume 679, page 121, Jasper County, South Carolina records; as shown on that Plat entitled "Transformer Station Access & Utility Easement, Tradition SC, A Portion of the Argent West, City of Hardeeville, Jasper County, South Carolina," prepared by Michael Jim Gardner, S.C.P.L.S. No. 12239, dated December 12, 2007, and recorded in Volume 30, page 343, Jasper County, South Carolina records.

30. Easement granted to Palmetto Electric Cooperative, Inc., dated April 6, 2007, and recorded in Volume 604, page 214, Jasper County, South Carolina records; as shown on that plat entitled "A Plat of Access Easement – 1 33.72 Ac., Access Easement – 2 4.79 Ac., Access Easement – 3 4.90 Ac., & A 20' Utility Easement, Tradition, SC, TMS: 042-00-06-042, City of Hardeeville, Jasper County, South Carolina," prepared by Michael Jim Gardner, S.C.P.L.S. No. 12239, dated March 3, 2007, and recorded in Volume 29, page 376, Jasper County, South Carolina records.

31. Access and Utility Easement granted to Palmetto Electric Cooperative, Inc., dated February 16, 2007, and recorded in Volume 568, page 273, Jasper County, South Carolina records. (Parcel 2 only)

32. Easement granted to Palmetto Electric Cooperative, Inc., dated June 10, 2008, and recorded in Volume 679, page 124, Jasper County, South Carolina records; as shown on that plat entitled "A Plat of Cart Path and Utility Easements Area #1, 3.35 Ac., Area #2, 2.50 Ac., Tradition, SC, TMS:042-00-06-042, City of Hardeeville, Jasper County, South Carolina," prepared by Michael Jim Gardner, S.C.P.L.S. No. 12239, dated November 14, 2007, and recorded in Volume 30, page 344, Jasper County, South Carolina records.

33. Master Agreement (Hilton Head Lakes North) between SLF IV / SBI West Argent, LLC, New River Preserve, LLC, Hilton Head Lakes North Master Association and Garden Lakes Estates, LLC, dated October 29, 2014, and recorded in Deed Book 885, page 704, Jasper County, South Carolina records, as partially assigned by that Partial Assignment and Assumption of Master Agreement, from Garden Lakes Estates, LLC to SFS Development, LLC, dated October 1, 2108, and recorded in Deed Book 986, page 907, Jasper County, South Carolina records, as amended and assigned.

34. Easement Appurtenant by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Deed Book 886, page 535, Jasper County, South Carolina records.

35. Reclaimed Water System Easement Appurtenant by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Deed Book 886, page 541, Jasper County, South Carolina records.

36. Easement Appurtenant Lake System by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Deed Book 886, page 551, Jasper County, South Carolina records.

37. Easement Appurtenant between Garden Lakes Estates, LLC, Hilton Head Lakes North Residential Development, LLC, SLF IV / SBI West Argent, LLC and Hilton Head Lakes North Master Association, dated February 22, 2016, and recorded in Deed Book 928, page 69, Jasper County, South Carolina record, as shown on plat recorded in Plat Book 34, page 298, Jasper County, South Carolina records.

38. Conservation Easement and Declaration of Restrictions and Covenants by and between Garden Lakes Estates, LLC and North American Land Trust, dated December 26, 2014, and recorded in Deed Book 886, page 899, Jasper County, South Carolina records.

39. Easement Appurtenant by and between Hilton Head Lakes North Master Association and SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated June 8, 2016, and recorded in Deed Book 928, page 79, Jasper County, South Carolina records.

40. Master Agreement (Hilton Head Lakes North) between SLF IV / SBI West Argent, LLC, New River Preserve, LLC, Hilton Head Lakes North Master Association and Garden Lakes Estates, LLC, dated October 29, 2014, and recorded in Deed Book 885, page 704, Jasper County, South Carolina records, as partially assigned by that Partial Assignment and Assumption of Master Agreement, from Garden Lakes Estates, LLC to SFS Development, LLC, dated October 1, 2108, and recorded in Deed Book 986, page 907, Jasper County, South Carolina records, as amended and assigned.

41. All matters shown on that plat entitled "A Plat of Sign Parcels 1-4, U.S. Highway 278, Hilton Head Lakes North, A Portion of TMS 042 00 06 042, City of Hardeeville, Jasper County, South Carolina, prepared by Donald R. Cook, Jr., S.C.P.L.S No 19010, dated January 4, 2019 and recorded in Plat Book 36, page 277, Jasper County, South Carolina records.

42. Easement Appurtenant from Garden Lakes Estates, LLC to SLF VI/SBI West Argent, LLC, dated December 23, 2019, and recorded in Deed Book 1028, page 118, Jasper County, South Carolina records, and shown on that plat entitled "An Easement Plat of Golf Course Maintenance Road, Wiregrass Way, Hilton Head Lakes North, City of Hardeeville, Jasper County, South Carolina", prepared by Donald R. Cook, Jr., S.C.P.L.S No 19010, dated November 29, 2019 and recorded in Plat Book 37, page 100, Jasper County, South Carolina records.

43. Blanket Transfer and Assignment by and between Garden Lakes Estates, LLC, a Delaware limited liability company and GL Holdings, LLC, a South Carolina limited liability company, dated January 2, 2020, and recorded in Deed Book 1028, page 394, Jasper County, South Carolina records.

44. Temporary Access Easement Agreement from GL Holdings, LLC to Garden Lakes Estates, LLC, dated January 2, 2020, and recorded in Deed Book 1028, page 401, Jasper County, South Carolina records.

45. Access and Utility Joint Use Agreement (Easement Parcel 1) between WA Holdings South, LLC and the City of Hardeeville, South Carolina, dated October 29, 2021, and recorded in Deed Book 1089, page 1620, Jasper County, South Carolina records, as shown on that plat entitled, "A Plat of Right of Way Extension, 19.69 Ac., Lakeside Boulevard, Garden Lakes Estates, Hilton Head Lakes

North, TMS 042-00-06-060, City of Hardeeville, Jasper County, South Carolina, prepared by Cook Land Surveying Inc., bearing the seal and certification of Donald R. Cook, Jr., South Carolina Professional Land Surveyor No. 19010, dated August 20, 2020, and recorded in Plat Book 38, page 189, Jasper County, South Carolina records.

46. Access and Utility Joint Use Agreement (Easement Parcel 2) between WA Holdings South, LLC and the City of Hardeeville, South Carolina, dated October 29, 2021, and recorded in Deed Book 1089, page 1634, Jasper County, South Carolina records, as shown on that plat entitled, "A Plat of Right of Way Extension, 0.81 Ac., Lakeside Boulevard, Garden Lakes Estates, Hilton Head Lakes North, TMS 042-00-06-060, City of Hardeeville, Jasper County, South Carolina, prepared by Cook Land Surveying Inc., bearing the seal and certification of Donald R. Cook, Jr., South Carolina Professional Land Surveyor No. 19010, dated August 20, 2020, and recorded in Plat Book 38, page 190, Jasper County, South Carolina records

47. All matters shown on that survey entitled, "ALTA/NSPS Land Title Survey, Parcel 1, Parcel 2, Parcel 4, and Parcel 5, Garden Lakes Estates, City of Hardeeville, Jasper County, South Carolina," prepared by Robert K. Morgan, III, S.C.R.L.S. No. 26957, dated November 4, 2021, including but not limited to:

a. 15' Cart Path Easement centered on cart path;

b. Lift station;

c. 10' Utility easement;

d. 30' Relocatable Ingress/Egress Easement;

e. 66' Relocatable Ingress/Egress Easement;

f. Carolina Gas Transmission Corporation Easement; and

g. Future R/W.

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)

AFFIDAVIT OF CONSIDERATION

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

The property located at Parcel 1, 2, 4 & 5, Garden Lakes Estates, Lakeside Boulevard, City of Hardeeville, bearing Jasper County Tax Map Numbers Parcel 1: 042-00-06-060, Parcel 2: 042-00-06-061, Parcel 4: 042-00-06-063, Parcel 5: 042-00-06-064 was transferred by (Grantor) GL Holdings, LLC to (Grantee) LK Development Group, LLC on December 30, 2021.

The transaction was (check one):

1. __X__ an **arm's length** real property transaction and the sales price is to be paid in money or money's worth was $500,000.00.
2. _____ **not an arm's length** real property transaction and the fair market value of the property is $_____.
3. _____ the above transaction is exempt, or partially exempt, from the recording fee as set forth in SC Code Section 12-24-10 SC Code Section 12-24-40(2).

As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as Attorney.

I further understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and upon conviction, must be fined not more than one thousand dollars, imprisoned not more than one year or both.

Responsible Person

SWORN TO BEFORE ME THIS:

30 day of December, 2021

Notary Public of ~~Georgia~~ North Carolina

My Commission expires 3/12/2023

PAUL L. COMER IV NOTARY PUBLIC MECKLENBURG COUNTY, NC

4871-1836-2118, v. 1

DEED BOOK: 1094 PAGE: 2029
Date: 03/10/2022 11:52:38 AM

Monica Wilson / S Mole / STM
Auditor Jasper County, SC

OR BK 1094 PG 1014 - 1026 (13)
202100007777 01/11/2022 09:49:44 AM
eFiled for Record in JASPER COUNTY, SC ROD
DEED Fee: $15.00
State Tax: $0.00 Local Tax: $0.00
Vanessa Wright, Registrar

Date: 01/28/2022 03:17:43 PM
Jasper County Assessor's Office
Tax Map No.: 042-00 -06-060,042-00-06-061;E
Transfer No.: 202100007777

Ashley Bolden - JASPER COUNTY, SC

ABOVE SPACE FOR RECORDING INFORMATION ONLY

Prepared by:

BOUHAN FALLIGANT
ATTORNEYS & COUNSELORS AT LAW
One West Park Avenue
Savannah, GA 31401
ATTN: Robert B. Brannen, Jr., Esq.
(912) 644-5721
File Number: 20778-5

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)

QUITCLAIM
TITLE TO REAL ESTATE

THIS DEED is made this 30 day of December, 2021, from **GL HOLDINGS, LLC**, a South Carolina limited liability company(hereinafter referred to as the "Grantor"), to **LK DEVELOPMENT GROUP, LLC**, a Delaware limited liability company (hereinafter referred to as "Grantee"), whose address is 1941 Savage Road, Suite 100-C, Charleston, South Carolina 29407 (the words "Grantor" and "Grantee" to include their respective heirs, legal representatives, successors and assigns where the context requires or permits);

W I T N E S S E T H, THAT:

GRANTOR, for and in consideration of the sum of TEN AND NO/100 DOLLARS ($10.00) and other good and valuable consideration, in hand paid at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, has granted, bargained, sold, aliened, conveyed and confirmed, and by these presents does grant, bargain, sell, alien, convey and confirm unto said Grantee, all that tract or parcel of land lying and being located in Jasper County, South Carolina, known as a Portion of the West Argent Tract, formerly Phase 2 of Tradition Hilton Head Planned Development (Hilton Head Lakes) and being undeveloped land located in the community known as West Argent, and being more particularly described on Exhibit "A", attached hereto and incorporated herein by this reference (hereinafter referred to as the "Property").

Exhibit "A", attached hereto and incorporated herein by this reference (hereinafter referred to as the "Property").

The within Deed was prepared in the office of **Bouhan Falligant LLP, One West Park Avenue, Savannah, Georgia 31401 by Robert B. Brannen, Jr., Esq.**

TO HAVE AND TO HOLD the said described Property, together with all and singular the rights, members and appurtenances thereof, to the same being, belonging, or in anywise appertaining, only to the proper use, benefit and behoof of the said Grantee, its successors and assigns, forever in FEE SIMPLE.

IN WITNESS WHEREOF, the undersigned have signed sealed and delivered this instrument the day and year first written above.

Signed, sealed and delivered
in the presence of:

Witness

Witness

GRANTOR:

GL HOLDINGS, LLC, a South Carolina limited liability company

By: Jeffrey B. Coggin

Its: Manager

STATE OF GEORGIA
COUNTY OF CHATHAM

I Robert B. Brannen, Jr (name of notary) do hereby certify that Jeffrey B. Coggin, as Manager of GL Holdings, LLC, a South Carolina limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 13th day of December, 2021.

My commission expires:

[NOTARY SEAL]

ROBERT B. BRANNEN JR
NOTARY
Comm. Exp.
04/17/25
PUBLIC
CHATHAM COUNTY, GA

EXHIBIT "A"

PARCEL 1 CONTAINING 305.59 ACRES, MORE OR LESS,

All that tract or parcel of land, being Parcel 1 of Garden Lakes Estates, located in the City of Hardeeville, Jasper County, South Carolina, and being more particularly described as follows:

Commence at a concrete right of way monument found at the intersection of the northerly right of way line of U.S. Highway 278 and the easterly right of way line of Lakeside Boulevard, said monument having a coordinate value of North 171,994.568 feet and East 1,994,493.089 feet in the South Carolina State Plane Coordinate System; thence along the northerly right of way line of U.S. Highway 278, S 79°08'44" W a straight line distance of 1300.53 feet to a point; thence S 79°08'44" W a distance of 381.63 feet to the POINT OF BEGINNING; thence leave the northerly right of way line of U.S. Highway 278 and run the following courses and distances: thence N 10°51'16" W a distance of 19.41 feet to a point; thence N 35°11'46" W a distance of 1398.62 feet to a point; thence N 70°12'54" E a distance of 1681.75 feet to a point; thence N 34°04'26" W a distance of 894.97 feet to a point; thence N 64°32'27" E a distance of 67.81 feet to a point; thence N 79°47'37" E a distance of 62.31 feet to a point; thence N 10°12'23" W a distance of 66.00 feet to a point; thence S 79°47'37" W a distance of 71.15 feet to a point; thence S 64°32'27" W a distance of 86.64 feet to a point; thence N 34°04'26" W a distance of 86.52 feet to a point; thence N 07°37'25" W a distance of 1130.74 feet to a point; thence N 40°01'03" W a distance of 943.62 feet to a point; thence N 40°28'09" E a distance of 2229.52 feet to a point; thence N 44°04'26" W a distance of 3788.62 feet to a point; thence N 90°00'00" W a distance of 1453.51 feet to a point; thence N 23°27'16" E a distance of 4473.58 feet to a point; thence N 23°26'13" E a distance of 1.60 feet to a point; thence S 43°14'37" E a distance of 125.26 feet to a point; thence with the arc of a curve turning to the left, having an arc length of 327.30 feet, a radius of 200.00 feet, a chord length of 291.98 feet, and a chord bearing S 27°54'26" W to a point; thence S 18°58'29" E a distance of 94.28 feet to a point; thence S 48°04'53" W a distance of 276.56 feet to a point; thence S 15°41'47" E a distance of 879.25 feet to a point; thence S 80°09'06" W a distance of 100.63 feet to a point; thence N 87°21'06" W a distance of 227.75 feet to a point; thence N 87°21'06" W a distance of 102.44 feet to a point; thence S 05°14'32" W a distance of 127.35 feet to a point; thence S 86°42'45" E a distance of 125.42 feet to a point; thence S 12°05'10" W a distance of 403.11 feet to a point; thence S 05°58'54" W a distance of 491.90 feet to a point; thence with the arc of a curve turning to the left, having an arc length of 166.95 feet, a radius of 100.00 feet, a chord length of 148.22 feet, and a chord bearing S 41°50'41" E to a point; thence S 89°40'17" E a distance of 418.68 feet to a point; thence S 72°52'36" E a distance of 213.86 feet to a point; thence S 89°59'38" E a distance of 182.52 feet to a point; thence S 16°48'19" E a distance of 143.02 feet to a point; thence N 74°28'41" E a distance of 120.03 feet to a point; thence N 16°48'19" W a distance of 201.41 feet to a point; thence N 77°15'30" E a distance of 816.45 feet to a point; thence N 85°20'33" E a distance of 150.73 feet to a point; thence S 04°39'17" E a distance of 220.76 feet to a point; thence with the arc of a curve turning to the right, having an arc length of 210.52 feet, a radius of 1937.05 feet, a chord length of 210.42 feet, and a chord bearing S 01°33'05" E to a point; thence with a reverse curve turning to the left, having an arc length of 555.36 feet, a radius of 2059.46 feet, a chord length of 553.68 feet, and a chord bearing S 06°09'47" E to a point; thence with a reverse curve turning to the right, having an arc length of 470.39 feet, a radius of 1939.43 feet, a chord length of 469.23 feet, and a chord bearing S 06°56'24" E to a point; thence S 00°00'22" W a distance of 334.67 feet to a point; thence with the arc of a curve turning to the right, having an arc length of 181.60 feet, a radius of 790.00 feet, a chord length of 181.20 feet, and a chord bearing S 06°35'29" W to a point; thence S 15°23'31" W a distance of 61.08 feet to a point; thence S 58°20'53" W a distance of 94.70 feet to a point; thence with the arc of a curve turning to the left, having an arc length of 209.48 feet, a radius of 1075.00 feet, a chord length of 209.15 feet, and a chord bearing N 84°15'59" W to a point; thence N 89°50'56" W a distance of 513.07 feet to a point; thence S 00°09'05" W a distance of 150.00 feet to a point; thence S 89°50'56" E a distance of 513.08 feet

to a point; thence with the arc of a curve turning to the right, having an arc length of 130.35 feet, a radius of 925.00 feet, a chord length of 130.25 feet, and a chord bearing S 85°48'43" E to a point; thence with a compound curve turning to the right, having an arc length of 66.43 feet, a radius of 75.00 feet, a chord length of 64.28 feet, and a chord bearing S 56°24'07" E to a point; thence with a reverse curve turning to the left, having an arc length of 142.32 feet, a radius of 140.00 feet, a chord length of 136.27 feet, and a chord bearing S 60°09'08" E to a point; thence with a reverse curve turning to the right, having an arc length of 337.88 feet, a radius of 475.00 feet, a chord length of 330.80 feet, and a chord bearing S 68°53'51" E to a point; thence with a compound curve turning to the right, having an arc length of 656.89 feet, a radius of 925.00 feet, a chord length of 643.17 feet, and a chord bearing S 28°10'31" E to a point; thence with a reverse curve turning to the left, having an arc length of 288.42 feet, a radius of 18340.00 feet, a chord length of 288.42 feet, and a chord bearing S 08°16'53" E to a point; thence with a compound curve turning to the left, having an arc length of 426.81 feet, a radius of 18340.00 feet, a chord length of 426.80 feet, and a chord bearing S 09°23'55" E to a point; thence with a reverse curve turning to the right, having an arc length of 58.93 feet, a radius of 73.00 feet, a chord length of 57.35 feet, and a chord bearing S 13°03'45" W to a point; thence with a reverse curve turning to the left, having an arc length of 182.47 feet, a radius of 142.00 feet, a chord length of 170.17 feet, and a chord bearing S 00°37'21" E to a point; thence with a reverse curve turning to the right, having an arc length of 234.77 feet, a radius of 473.00 feet, a chord length of 232.36 feet, and a chord bearing S 23°13'00" E to a point; thence with a compound curve turning to the right, having an arc length of 1422.91 feet, a radius of 3975.00 feet, a chord length of 1415.32 feet, and a chord bearing S 01°15'26" W to a point; thence with a reverse curve turning to the left, having an arc length of 645.96 feet, a radius of 2075.00 feet, a chord length of 643.36 feet, and a chord bearing S 02°35'38" W to a point; thence with a reverse curve turning to the right, having an arc length of 53.98 feet, a radius of 1925.00 feet, a chord length of 53.98 feet, and a chord bearing S 05°31'16" E to a point; thence S 85°16'56" W a distance of 195.54 feet to a point; thence S 11°09'48" W a distance of 74.81 feet to a point; thence S 33°30'32" W a distance of 129.62 feet to a point; thence S 66°14'59" W a distance of 123.24 feet to a point; thence S 74°26'08" W a distance of 118.71 feet to a point; thence S 89°29'22" W a distance of 34.46 feet to a point; thence N 82°55'19" W a distance of 86.88 feet to a point; thence N 73°30'16" W a distance of 99.09 feet to a point; thence N 64°41'05" W a distance of 51.88 feet to a point; thence S 61°47'41" W a distance of 54.04 feet to a point; thence S 04°25'23" W a distance of 48.94 feet to a point; thence S 03°37'35" W a distance of 87.93 feet to a point; thence S 02°25'28" E a distance of 101.98 feet to a point; thence S 00°52'10" W a distance of 85.52 feet to a point; thence S 20°33'02" E a distance of 79.45 feet to a point; thence S 25°05'11" E a distance of 69.11 feet to a point; thence S 30°16'43" E a distance of 22.72 feet to a point; thence N 84°11'45" E a distance of 50.70 feet to a point; thence N 84°50'15" E a distance of 81.75 feet to a point; thence N 66°00'10" E a distance of 54.19 feet to a point; thence N 67°27'00" E a distance of 85.38 feet to a point; thence N 29°29'33" E a distance of 94.89 feet to a point; thence N 13°22'28" E a distance of 54.96 feet to a point; thence N 73°09'31" E a distance of 220.39 feet to a point; thence with the arc of a curve turning to the right, having an arc length of 159.66 feet, a radius of 370.00 feet, a chord length of 158.42 feet, and a chord bearing N 85°31'13" E to a point; thence S 82°07'05" E a distance of 51.92 feet to a point; thence with the arc of a curve turning to the right, having an arc length of 133.58 feet, a radius of 1925.00 feet, a chord length of 133.55 feet, and a chord bearing S 10°45'46" W to a point; thence with a reverse curve turning to the left, having an arc length of 1538.39 feet, a radius of 2795.00 feet, a chord length of 1519.04 feet, and a chord bearing S 03°01'02" E to a point; thence S 18°47'07" E a distance of 365.25 feet to a point; thence with the arc of a curve turning to the right, having an arc length of 483.29 feet, a radius of 1125.00 feet, a chord length of 479.58 feet, and a chord bearing S 06°28'42" E to a point; thence with a reverse curve turning to the left, having an arc length of 136.86 feet, a radius of 1175.00 feet, a chord length of 136.78 feet, and a chord bearing S 02°29'30" W to a point; thence S 51°20'21" W a distance of 53.49 feet to a point; thence S 63°50'40" W a distance of 88.75 feet to a point; thence S 61°34'03" W a distance of 59.06 feet to a point; thence S 83°36'04" W a distance of 153.01 feet to a point; thence N 82°26'12" W a distance of 97.80 feet to a point; thence S 44°49'26" W a distance of 10.24 feet to a point; thence S

02°52'24" W a distance of 10.57 feet to a point; thence S 78°31'02" W a distance of 51.62 feet to a point; thence S 69°24'15" W a distance of 94.52 feet to a point; thence S 59°53'53" W a distance of 57.92 feet to a point; thence N 84°24'13" W a distance of 34.19 feet to a point; thence S 57°07'16" W a distance of 54.69 feet to a point; thence S 43°08'17" W a distance of 91.64 feet to a point; thence S 20°01'51" W a distance of 99.31 feet to a point; thence S 17°19'43" W a distance of 136.89 feet to a point; thence S 13°39'51" E a distance of 33.22 feet to a point; thence S 08°02'56" W a distance of 116.53 feet to a point; thence S 01°01'15" E a distance of 92.43 feet to a point; thence S 08°22'33" E a distance of 118.43 feet to a point; thence S 04°13'17" E a distance of 87.90 feet to a point; thence S 13°19'50" E a distance of 126.72 feet to a point; thence S 22°23'59" E a distance of 53.99 feet to a point; thence S 22°23'59" E a distance of 28.57 feet to a point; thence S 17°43'35" E a distance of 9.33 feet to a point; thence S 79°08'45" W a distance of 21.97 feet to a point; thence S 10°51'15" E a distance of 25.98 feet to a point; thence S 79°08'44" W a distance of 381.63 feet to the POINT OF BEGINNING, said tract or parcel of land having an area of 13,323,506 Square Feet or 305.866 Acres, more or less.

Tax Map Number:
042-00-06-060

LESS AND EXCEPT two parcels conveyed to the City of Hardeeville pursuant to that Consent Order for Dismissal, Case No. 2021-CP-27-0292, dated October 7, 2021, and recorded in Deed Book 1089, page 121, Jasper County, South Carolina records, and more particularly described as follows:

All that certain lot, tract or parcel of land, situate, lying and being in the City of Hardeeville, Jasper County, South Carolina, and shown as **RIGHT OF WAY EXTENSION 19.69 AC.**, on that Subdivision Plat entitled "A Plat of Right of Way Extension, 19.69 Ac., Lakeside Boulevard, Garden Lakes Estates, Hilton Head Lakes North, TMS 042-00-06-060, City of Hardeeville, Jasper County, South Carolina" prepared by Cook Land Surveying Inc., bearing the seal and certification of Donald R. Cook, Jr., South Carolina Professional Land Surveyor No. 19010, dated August 20, 2020, and recorded in Plat Book 38, Page 189, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Tax Map Number: 042-00-06-060

AND

All that certain lot, tract or parcel of land, situate, lying and being in the City of Hardeeville, Jasper County, South Carolina, and shown as **RIGHT OF WAY EXTENSION 0.81 AC.**, on that Subdivision Plat entitled "A Plat of Right of Way Extension, 0.81 Ac., Lakeside Boulevard, Garden Lakes Estates, Hilton Head Lakes North, TMS 042-00-06-060, City of Hardeeville, Jasper County, South Carolina" prepared by Cook Land Surveying Inc., bearing the seal and certification of Donald R. Cook, Jr., South Carolina Professional Land Surveyor No. 19010, dated August 20, 2020, and recorded in Plat Book 38, Page 190, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Tax Map Number: 042-00-06-060

Said Parcels are the same property conveyed to the City of Hardeeville pursuant to that Consent Order for Dismissal, Case No. 2021-CP-27-0292, dated October 7, 2021, and recorded in Deed Book 1089, page 121, Jasper County, South Carolina records.

PARCEL 2 CONTAINING 479.74 ACRES, MORE OR LESS:

All that tract or parcel of land, being Parcel 2 of Garden Lakes Estates, located in the City of Hardeeville, Jasper County, South Carolina, and being more particularly described as follows:

Commence at a concrete right of way monument found at the intersection of the northerly right of way line of U.S. Highway 278 and the easterly right of way line of Lakeside Boulevard, said monument having a coordinate value of North 171,994.568 feet and East 1,994,493.089 feet in the South Carolina State Plane Coordinate System; thence proceed along the northerly right of way line of U.S. Highway 278, N 79°08'45" E a distance of 1405.41 feet to a point; thence N 79°04'55 E a straight line distance of 538.28 feet to the POINT OF BEGINNING; thence leave the northerly right of way line of U.S. Highway 278 and run the following courses and distances: thence N 10°51'15" W a distance of 25.98 feet to a point; thence S 79°08'45" W a distance of 32.84 feet to a point; thence N 40°15'37" W a distance of 19.82 feet to a point; thence N 40°15'37" W a distance of 15.90 feet to a point; thence N 15°18'49" W a distance of 77.37 feet to a point; thence with the arc of a curve turning to the right, having an arc length of 45.26 feet, a radius of 50.00 feet, a chord length of 43.73 feet, and a chord bearing N 10°37'01" E to a point; thence N 36°32'50" E a distance of 91.69 feet to a point; thence N 43°19'53" E a distance of 56.56 feet to a point; thence N 15°11'59" E a distance of 141.80 feet to a point; thence N 88°55'37" W a distance of 341.42 feet to a point; thence N 67°17'45" W a distance of 514.09 feet to a point; thence S 27°46'38" W a distance of 169.22 feet to a point; thence N 72°11'28" W a distance of 80.67 feet to a point; thence N 43°00'47" W a distance of 908.86 feet to a point; thence N 03°36'31" W a distance of 422.45 feet to a point; thence N 69°47'46" W a distance of 947.31 feet to a point; thence N 02°47'33" E a distance of 457.02 feet to a point; thence N 27°26'55" E a distance of 404.59 feet to a point; thence N 85°08'49" E a distance of 111.96 feet to a point; thence S 84°13'48" E a distance of 129.77 feet to a point; thence N 70°42'11" E a distance of 129.77 feet to a point; thence N 45°38'10" E a distance of 129.77 feet to a point; thence N 20°34'09" E a distance of 129.77 feet to a point; thence N 03°32'32" E a distance of 46.85 feet to a point; thence N 72°22'04" E a distance of 44.26 feet to a point; thence N 68°38'08" E a distance of 109.43 feet to a point; thence N 67°56'21" E a distance of 84.82 feet to a point; thence S 87°21'22" E a distance of 66.96 feet to a point; thence S 84°13'03" E a distance of 114.47 feet to a point; thence N 84°29'40" E a distance of 64.45 feet to a point; thence S 28°15'45" E a distance of 65.17 feet to a point; thence S 32°19'08" E a distance of 105.53 feet to a point; thence N 55°59'02" E a distance of 150.00 feet to a point; thence S 34°00'58" E a distance of 214.23 feet to a point; thence with the arc of a curve turning to the right, having an arc length of 38.97 feet, a radius of 47.00 feet, a chord length of 37.87 feet, and a chord bearing S 10°15'37" E to a point; thence with a reverse curve turning to the left, having an arc length of 321.60 feet, a radius of 67.00 feet, a chord length of 90.51 feet, and a chord bearing N 55°59'02" E to a point; thence with a reverse curve turning to the right, having an arc length of 38.97 feet, a radius of 47.00 feet, a chord length of 37.87 feet, and a chord bearing N 57°46'19" W to a point; thence N 34°00'58" W a distance of 233.89 feet to a point; thence with the arc of a curve turning to the right, having an arc length of 24.43 feet, a radius of 970.00 feet, a chord length of 24.43 feet, and a chord bearing N 33°17'41" W to a point; thence N 73°10'30" E a distance of 156.69 feet to a point; thence N 73°05'51" E a distance of 290.59 feet to a point; thence S 44°04'04" E a distance of 1025.72 feet to a point; thence N 45°55'56" E a distance of 424.59 feet to a point; thence N 07°51'25" W a distance of 246.20 feet to a point; thence N 54°36'51" W a distance of 310.45 feet to a point; thence S 73°10'10" W a distance of 264.45 feet to a point; thence N 83°34'45" W a distance of 182.82 feet to a point; thence N 42°31'19" W a distance of 310.63 feet to a point; thence N 13°36'51" E a distance of 237.61 feet to a point; thence N 32°58'06" W a distance of 215.52 feet to a point; thence N 56°22'59" W a distance of 430.26 feet to a point; thence N 41°09'45" E a distance of 74.61 feet to a point; thence N 37°35'13" E a distance of 78.40 feet to a point; thence N 43°02'43" E a distance of 77.79 feet to a point; thence N 48°19'20" E a distance of 73.20 feet to a point; thence N 44°13'50" E a distance of 74.70 feet to a point; thence N 55°39'21" E a distance of 74.71 feet to a point; thence N 55°11'59" E a distance of 75.14 feet to a point; thence N 54°45'52" E a distance of 75.18 feet to a point; thence N 56°52'01" E a distance of 75.04 feet to a point; thence N 57°38'45" E a distance of 75.01 feet to a point; thence N 61°01'53" E a distance of 75.06 feet to a point; thence N 63°21'39" E a distance of 75.24 feet to a point; thence N 70°27'24" E a distance of 85.45 feet to a point; thence N 78°03'24" E a distance of 98.90 feet to a point; thence N 58°39'09" E a distance of 144.65 feet to a point; thence N 71°24'33" E a distance of 77.71 feet

to a point; thence N 61°15'29" E a distance of 105.95 feet to a point; thence N 26°40'19" E a distance of 123.01 feet to a point; thence N 11°20'56" E a distance of 59.24 feet to a point; thence N 33°51'30" W a distance of 45.60 feet to a point; thence N 69°44'11" W a distance of 153.92 feet to a point; thence N 55°52'07" W a distance of 16.78 feet to a point; thence N 42°00'04" W a distance of 89.11 feet to a point; thence N 37°26'16" W a distance of 78.36 feet to a point; thence N 26°35'41" W a distance of 27.60 feet to a point; thence N 20°51'49" W a distance of 75.07 feet to a point; thence N 28°30'31" W a distance of 76.20 feet to a point; thence N 16°00'51" W a distance of 75.06 feet to a point; thence N 12°02'12" W a distance of 75.46 feet to a point; thence N 10°38'03" W a distance of 75.68 feet to a point; thence N 13°44'41" W a distance of 80.87 feet to a point; thence N 22°53'48" W a distance of 81.42 feet to a point; thence N 25°54'49" W a distance of 82.76 feet to a point; thence N 29°00'56" W a distance of 84.76 feet to a point; thence N 28°52'30" W a distance of 71.98 feet to a point; thence N 13°56'10" W a distance of 68.88 feet to a point; thence S 83°28'00" W a distance of 152.75 feet to a point; thence with the arc of a curve turning to the right, having an arc length of 20.00 feet, a radius of 445.41 feet, a chord length of 20.00 feet, and a chord bearing N 07°07'17" W to a point; thence N 83°29'42" E a distance of 152.83 feet to a point; thence N 00°10'33" E a distance of 78.73 feet to a point; thence N 16°26'27" E a distance of 92.06 feet to a point; thence N 08°14'23" E a distance of 119.62 feet to a point; thence N 07°01'07" W a distance of 119.62 feet to a point; thence N 21°18'12" W a distance of 113.40 feet to a point; thence N 25°02'23" W a distance of 100.00 feet to a point; thence N 25°02'23" W a distance of 100.00 feet to a point; thence N 25°02'23" W a distance of 100.00 feet to a point; thence N 25°02'23" W a distance of 100.00 feet to a point; thence N 21°14'04" W a distance of 87.40 feet to a point; thence N 09°42'46" W a distance of 84.70 feet to a point; thence S 86°03'55" W a distance of 150.02 feet to a point; thence with the arc of a curve turning to the right, having an arc length of 113.28 feet, a radius of 570.00 feet, a chord length of 113.10 feet, and a chord bearing N 01°45'32" E to a point; thence with a reverse curve turning to the left, having an arc length of 335.36 feet, a radius of 67.00 feet, a chord length of 79.91 feet, and a chord bearing N 69°34'00" W to a point; thence N 85°29'29" W a distance of 133.18 feet to a point; thence N 05°19'25" E a distance of 303.58 feet to a point; thence N 30°14'59" E a distance of 225.55 feet to a point; thence N 72°33'11" E a distance of 527.50 feet to a point; thence N 65°09'15" E a distance of 449.63 feet to a point; thence N 17°30'31" W a distance of 341.51 feet to a point; thence N 33°54'40" E a distance of 57.95 feet to a point; thence N 12°13'37" W a distance of 157.74 feet to a point; thence N 30°26'32" W a distance of 200.48 feet to a point; thence N 35°23'57" W a distance of 148.77 feet to a point; thence N 12°15'59" W a distance of 54.27 feet to a point; thence N 58°10'07" E a distance of 133.27 feet to a point; thence S 38°48'56" E a distance of 318.86 feet to a point; thence S 56°40'39" E a distance of 257.81 feet to a point; thence N 76°09'27" E a distance of 1091.69 feet to a point; thence N 20°56'11" W a distance of 118.13 feet to a point; thence N 86°32'04" W a distance of 836.09 feet to a point; thence N 46°51'22" W a distance of 142.83 feet to a point; thence N 03°56'01" E a distance of 268.21 feet to a point; thence N 35°51'53" W a distance of 104.77 feet to a point; thence S 86°14'49" W a distance of 71.11 feet to a point; thence S 59°41'02" W a distance of 71.81 feet to a point; thence S 20°05'19" W a distance of 57.07 feet to a point; thence S 30°08'18" W a distance of 52.13 feet to a point; thence S 51°31'54" W a distance of 36.16 feet to a point; thence N 67°09'41" W a distance of 36.07 feet to a point; thence N 49°32'01" W a distance of 39.44 feet to a point; thence N 86°07'11" W a distance of 112.32 feet to a point; thence S 83°46'05" W a distance of 82.99 feet to a point; thence S 33°23'40" W a distance of 47.92 feet to a point; thence S 85°56'57" W a distance of 63.51 feet to a point; thence S 76°30'42" W a distance of 65.60 feet to a point; thence S 73°38'30" W a distance of 199.47 feet to a point; thence N 13°58'08" W a distance of 269.52 feet to a point; thence S 71°15'40" W a distance of 313.72 feet to a point; thence S 63°10'39" W a distance of 299.86 feet to a point; thence S 72°56'57" W a distance of 346.76 feet to a point; thence S 40°41'55" W a distance of 147.23 feet to a point; thence S 04°39'32" W a distance of 342.11 feet to a point; thence S 05°41'03" E a distance of 79.20 feet to a point; thence S 89°40'22" W a distance of 224.64 feet to a point; thence N 62°27'38" W a distance of 315.88 feet to a point; thence S 89°44'02" W a distance of 464.85 feet to a point; thence S 81°04'57" W a distance of 265.46 feet to a point; thence S 71°48'35" W a distance of 515.15 feet to a point; thence N 89°59'38" W a

distance of 149.85 feet to a point; thence with the arc of a curve turning to the left, having an arc length of 413.38 feet, a radius of 2060.00 feet, a chord length of 412.68 feet, and a chord bearing N 08°08'15" W to a point; thence with a reverse curve turning to the right, having an arc length of 523.01 feet, a radius of 1940.00 feet, a chord length of 521.42 feet, and a chord bearing N 06°09'47" W to a point; thence with a reverse curve turning to the left, having an arc length of 223.54 feet, a radius of 2060.00 feet, a chord length of 223.43 feet, and a chord bearing N 01°32'55" W to a point; thence N 04°39'27" W a distance of 195.94 feet to a point; thence N 85°20'33" E a distance of 226.56 feet to a point; thence S 84°51'14" E a distance of 492.55 feet to a point; thence N 81°07'02" E a distance of 186.86 feet to a point; thence with the arc of a curve turning to the left, having an arc length of 206.13 feet, a radius of 150.00 feet, a chord length of 190.29 feet, and a chord bearing N 41°44'57" E to a point; thence N 02°22'52" E a distance of 359.00 feet to a point; thence N 01°23'16" W a distance of 256.16 feet to a point; thence N 19°16'49" E a distance of 201.65 feet to a point; thence N 01°04'04" E a distance of 326.44 feet to a point; thence N 12°24'47" E a distance of 538.36 feet to a point; thence S 65°14'52" E a distance of 559.51 feet to a point; thence S 08°28'02" W a distance of 699.60 feet to a point; thence S 12°06'49" E a distance of 194.45 feet to a point; thence S 24°33'20" E a distance of 141.66 feet to a point; thence S 62°03'51" E a distance of 134.18 feet to a point; thence S 80°53'02" E a distance of 95.70 feet to a point; thence S 63°10'06" E a distance of 63.91 feet to a point; thence S 45°56'35" E a distance of 544.61 feet to a point; thence S 26°54'50" E a distance of 272.25 feet to a point; thence S 33°13'36" E a distance of 356.48 feet to a point; thence N 71°15'40" E a distance of 200.14 feet to a point; thence N 13°09'22" W a distance of 425.34 feet to a point; thence N 00°08'43" W a distance of 225.92 feet to a point; thence N 08°59'47" W a distance of 343.74 feet to a point; thence N 31°59'10" W a distance of 171.69 feet to a point; thence N 88°26'55" E a distance of 1601.17 feet to a point; thence S 60°45'40" E a distance of 1959.73 feet to a point; thence S 30°41'40" W a distance of 2209.67 feet to a point; thence S 11°05'41" E a distance of 1184.31 feet to a point; thence S 23°51'26" W a distance of 2256.75 feet to a point; thence S 61°08'06" W a distance of 1132.67 feet to a point; thence S 24°57'07" E a distance of 540.39 feet to a point; thence S 81°05'05" E a distance of 588.55 feet to a point; thence S 26°08'22" E a distance of 672.70 feet to a point; thence S 36°13'32" W a distance of 760.85 feet to a point; thence S 44°04'52" E a distance of 919.84 feet to a point; thence S 38°04'19" W a distance of 1178.09 feet to a point; thence S 10°57'15" E a distance of 549.02 feet to a point; thence S 79°08'45" W a distance of 485.16 feet to the POINT OF BEGINNING, said tract or parcel of land having an area of 22,242,260 Square Feet or 510.612 Acres, more or less.

LESS AND EXCEPT:

All that tract or parcel of land, being known as Golf Hole 4 of the Hilton Head Lakes Golf Course, being a portion of Garden Lakes Estates, located in the City of Hardeeville, Jasper County, South Carolina, and being more particularly described as follows:

Commence at a point on the easterly boundary line of the aforementioned Parcel 2, said point having a coordinate value in the South Carolina State Plane Coordinate System of North 173,918.340 feet, East 1,997,500.278 feet; thence proceed N 82°30'28" W a distance of 1023.97 feet to the POINT OF BEGINNING; thence run the following courses and distances: thence S 04°26'30" W a distance of 319.25 feet to a point; thence S 23°54'50" W a distance of 305.06 feet to a point; thence S 65°48'58" W a distance of 127.47 feet to a point; thence N 75°01'50" W a distance of 93.61 feet to a point; thence N 45°51'07" W a distance of 100.21 feet to a point; thence N 04°27'52" W a distance of 250.73 feet to a point; thence N 14°02'04" W a distance of 1033.00 feet to a point; thence N 07°16'45" W a distance of 133.71 feet to a point; thence N 53°39'54" E a distance of 83.79 feet to a point; thence N 83°46'08" E a distance of 94.94 feet to a point; thence S 55°58'34" E a distance of 88.70 feet to a point; thence S 29°40'52" E a distance of 966.49 feet to the POINT OF BEGINNING; said tract or parcel of land having an area of 585,127 Square Feet or 13.433 Acres, more or less.

LESS AND EXCEPT:

All that tract or parcel of land, being known as Golf Hole 5 of the Hilton Head Lakes Golf Course, being a portion of Garden Lakes Estates, located in the City of Hardeeville, Jasper County, South Carolina, and being more particularly described as follows:

Commence at a point on the westerly boundary line of the aforementioned Parcel 2, said point having a coordinate value in the South Carolina State Plane Coordinate System of North 173,520.677, East 1,994,868.370; thence proceed N 61°48'07" E a distance of 569.33 feet to the POINT OF BEGINNING; thence run the following courses and distances:
thence N 30°44'01" W a distance of 52.36 feet to a point;
thence N 16°45'17" W a distance of 70.22 feet to a point;
thence N 37°02'57" W a distance of 72.04 feet to a point;
thence N 21°01'55" W a distance of 116.23 feet to a point;
thence N 23°21'35" W a distance of 84.29 feet to a point;
thence N 30°56'37" W a distance of 73.25 feet to a point;
thence N 47°40'25" W a distance of 55.85 feet to a point;
thence N 05°23'21" W a distance of 79.78 feet to a point;
thence N 17°06'15" W a distance of 114.94 feet to a point;
thence N 02°55'09" W a distance of 100.95 feet to a point;
thence N 16°45'16" E a distance of 106.09 feet to a point;
thence N 18°57'18" E a distance of 174.25 feet to a point;
thence N 16°57'38" E a distance of 126.17 feet to a point;
thence N 29°04'21" E a distance of 159.31 feet to a point;
thence N 54°43'05" E a distance of 85.18 feet to a point;
thence N 59°11'43" E a distance of 53.74 feet to a point;
thence S 61°31'07" E a distance of 71.80 feet to a point;
thence S 25°36'12" E a distance of 199.50 feet to a point;
thence S 13°34'48" E a distance of 136.96 feet to a point;
thence S 19°51'20" W a distance of 326.50 feet to a point;
thence S 05°05'17" W a distance of 176.82 feet to a point;
thence S 17°01'43" W a distance of 184.78 feet to a point;
thence S 02°12'41" E a distance of 338.24 feet to a point;
thence S 84°16'06" W a distance of 40.20 feet to the POINT OF BEGINNING, said tract or parcel of land having an area of 372,657 Square Feet or 8.555 Acres, more or less.

LESS AND EXCEPT:

All that tract or parcel of land, being known as Golf Hole 11 of the Hilton Head Lakes Golf Course, being a portion of Garden Lakes Estates, located in the City of Hardeeville, Jasper County, South Carolina, and being more particularly described as follows:

Commence at a point on the easterly boundary line of the aforementioned Parcel 2, said point having a coordinate value in the South Carolina State Plane Coordinate System of North 180,150.837 feet, East 1,997,881.048 feet; thence proceed N 02°00'37" W a distance of 571.56 feet to the POINT OF BEGINNING; thence run the following courses and distances: thence S 57°13'13" W a distance of 198.05 feet to a point;
thence S 45°41'42" W a distance of 126.67 feet to a point;
thence S 34°21'14" W a distance of 13.50 feet to a point;
thence S 23°14'05" W a distance of 41.51 feet to a point;

thence N 80°46'32" W a distance of 69.03 feet to a point;
thence N 53°04'30" W a distance of 47.31 feet to a point;
thence N 69°47'42" W a distance of 20.14 feet to a point;
thence N 86°30'54" W a distance of 114.74 feet to a point;
thence S 85°42'53" W a distance of 648.20 feet to a point;
thence N 17°30'31" W a distance of 191.23 feet to a point;
thence N 71°26'08" E a distance of 175.97 feet to a point;
thence N 77°53'54" E a distance of 742.13 feet to a point;
thence N 61°17'06" E a distance of 273.57 feet to a point;
thence N 71°42'58" E a distance of 77.11 feet to a point;
thence S 79°16'05" E a distance of 95.20 feet to a point;
thence S 37°51'27" E a distance of 150.73 feet to a point;
thence S 44°02'31" W a distance of 240.47 feet to the POINT OF BEGINNING, said tract or parcel having an area of 386,723 Square Feet or 8.878 Acres, more or less.

Tax Map Number:
042-00-06-061

PARCEL 4, CONTAINING 17.82 ACRES MORE OR LESS:

All that tract or parcel of land, being Parcel 4 of Garden Lakes Estates, located in the City of Hardeeville, Jasper County, South Carolina, and being more particularly described as follows:

Commence at a concrete right of way monument found at the intersection of the northerly right of way line of U.S. Highway 278 and the easterly right of way line of Lakeside Boulevard, said monument having a coordinate value of North 171,994.568 feet and East 1,994,493.089 feet in the South Carolina State Plane Coordinate System; said concrete right of way monument being also the POINT OF BEGINNING; thence leave the northerly right of way line of U.S. Highway 278, and run the following courses and distances: thence N 55°50'57" W a distance of 82.38 feet to a point; thence N 10°51'16" W a distance of 91.72 feet to a point; thence S 79°10'37" W a distance of 20.00 feet to a point; thence with the arc of a curve turning to the left, having an arc length of 366.06 feet, a radius of 1175.00 feet, a chord length of 364.58 feet, and a chord bearing N 19°46'48" W to a point; thence with a reverse curve turning to the right, having an arc length of 389.05 feet, a radius of 1025.00 feet, a chord length of 386.72 feet, and a chord bearing N 17°49'53" W to a point; thence with a compound curve turning to the right, having an arc length of 20.00 feet, a radius of 1025.00 feet, a chord length of 20.00 feet, and a chord bearing N 06°23'55" W to a point; thence with a compound curve turning to the right, having an arc length of 208.65 feet, a radius of 1025.00 feet, a chord length of 208.29 feet, and a chord bearing N 00°00'29" W to a point; thence S 85°52'55" E a distance of 161.94 feet to a point; thence S 06°23'56" E a distance of 399.44 feet to a point; thence S 07°14'57" E a distance of 428.11 feet to a point; thence N 74°22'01" E a distance of 332.68 feet to a point; thence N 12°28'12" E a distance of 229.87 feet to a point; thence N 29°04'25" E a distance of 351.85 feet to a point; thence S 74°51'50" E a distance of 520.17 feet to a point; thence S 45°38'57" E a distance of 319.68 feet to a point; thence S 45°55'18" E a distance of 55.34 feet to a point; thence S 14°27'01" E a distance of 81.02 feet to a point; thence S 47°51'24" E a distance of 27.85 feet to a point; thence S 83°07'46" E a distance of 80.49 feet to a point; thence S 22°10'22" E a distance of 98.37 feet to a point; thence S 79°08'45" W a distance of 1405.41 feet to the POINT OF BEGINNING, said tract or parcel of land having an area of 778,166 Square Feet or 17.864 Acres, more or less.

Tax Map Number:
042-00-06-063

PARCEL 5, CONTAINING 3.18 ACRES, MORE OR LESS:

All that tract or parcel of land, being Parcel 5 of Garden Lakes Estates, located in the City of Hardeeville, Jasper County, South Carolina, and being more particularly described as follows:

Commence at a concrete right of way monument found at the intersection of the northerly right of way line of U.S. Highway 278 and the easterly right of way line of Lakeside Boulevard, said monument having a coordinate value of North 171,994.568 feet and East 1,994,493.089 feet in the South Carolina State Plane Coordinate System; thence along the northerly right of way line N 79°08'45" E a distance of 1405.41 feet to the POINT OF BEGINNING; thence leave the northerly right of way line of U.S. Highway 278 and run the following courses and distances: thence N 22°10'22" W a distance of 98.37 feet to a point; thence N 83°07'46" W a distance of 80.49 feet to a point; thence N 47°51'24" W a distance of 27.85 feet to a point; thence N 14°27'01" W a distance of 81.02 feet to a point; thence N 45°55'18" W a distance of 55.34 feet to a point; thence N 79°05'24" E a distance of 760.50 feet to a point; thence S 43°19'53" W a distance of 56.56 feet to a point; thence S 36°32'50" W a distance of 91.69 feet to a point; thence with the arc of a curve turning to the left, having an arc length of 45.26 feet, a radius of 50.00 feet, a chord length of 43.73 feet, and a chord bearing S 10°37'01" W to a point; thence S 15°18'49" E a distance of 77.37 feet to a point; thence S 40°15'37" E a distance of 15.90 feet to a point; thence S 79°08'11" W a distance of 96.18 feet to a point; thence S 10°51'15" E a distance of 43.23 feet to a point; thence S 79°05'29" W a distance of 108.39 feet to a point; thence N 10°51'16" W a distance of 149.90 feet to a point; thence S 79°08'44" W a distance of 100.00 feet to a point; thence S 10°51'19" E a distance of 149.90 feet to a point; thence S 79°10'36" W a distance of 190.78 feet to the POINT OF BEGINNING, said tract or parcel of land having an area of 138,557 Square Feet or 3.181 Acres, more or less.

Tax Map Number:
042-00-06-064

Said parcels are more particularly described as shown on that plat entitled "ALTA/NSPS Land Title Survey, Parcel 1, Parcel 2, Parcel 4, and Parcel 5, Garden Lakes Estates, City of Hardeeville, Jasper County, South Carolina," prepared by Robert K. Morgan, III, S.C.R.L.S. No. 26957, dated November 4, 2021.

Said parcels are all or a portion of that property conveyed to Garden Lakes Estates, LLC by SLF IV/SBI West Argent, LLC dated October 10, 2014, and recorded in Deed Book 882, Page 540, Jasper County, South Carolina records.

TOGETHER WITH EASEMENT RIGHTS CONTAINED IN THE FOLLOWING DOCUMENTS:

1. Easement Appurtenant by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Book 886, Page 535, Jasper County, South Carolina records.
2. Reclaimed Water System Easement Appurtenant by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Book 886, Page 541, Jasper County, South Carolina records.
3. Easement Appurtenant Lake System by and between SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated December 10, 2014, and recorded in Book 886, Page 551, Jasper County, South Carolina records.

4. Easement Appurtenant by and between Hilton Head Lakes North Master Association and SLF IV/SBI West Argent, LLC and Garden Lakes Estates, LLC, dated June 8, 2016, and recorded in Book 928, Page 79, Jasper County, South Carolina records.

SUBJECT TO that Conservation Easement and Declaration of Restrictions and Covenants between Garden Lakes Estates, LLC and North American Land Trust, dated December 26, 2014, and recorded in Book 886, Page 899, Jasper County, South Carolina records.

Prepared by:
Robert B. Brannen, Jr., Esq.
Bouhan Falligant LLP
One West Park Avenue
Savannah, Georgia 31401

4870-0714-8806, v. 1

STATE OF SOUTH CAROLINA)
) AFFIDAVIT OF CONSIDERATION
COUNTY OF JASPER)

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

The property located at Parcel 1, 2, 4 & 5, Garden Lakes Estates, Lakeside Boulevard, City of Hardeeville, bearing Jasper County Tax Map Numbers Parcel 1: 042-00-06-060, Parcel 2: 042-00-06-061, Parcel 4: 042-00-06-063, Parcel 5: 042-00-06-064 was transferred by (Grantor) GL Holdings, LLC to (Grantee) LK Development Group, LLC on December 22, 2021.

The transaction was (check one):

1. _____ an **arm's length** real property transaction and the sales price is to be paid in money or money's worth was $_____.
2. _____ **not an arm's length** real property transaction and the fair market value of the property is $_____.
3. __X__ the above transaction is exempt, or partially exempt, from the recording fee as set forth in SC Code Section 12-24-10: SC Code Section 12-24-40(12).

As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as Attorney.

I further understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and upon conviction, must be fined not more than one thousand dollars, imprisoned not more than one year or both.

Responsible Person

SWORN TO BEFORE ME THIS:

30th day of December, 2021

Notary Public of ~~Georgia~~ North Carolina

My Commission expires 3/12/2023

PAUL L. COMER IV NOTARY PUBLIC MECKLENBURG COUNTY, NC

4885-5808-4102, v. 1

DEED BOOK: 1148 PAGE: 389-400
Date: 05/22/2024 10:44:06 AM

Megan C. Horton / Megan Horton / MH
Auditor Jasper County, SC

OR BK 1148 PG 389 - 400 (12)
202400002158 04/19/2024 01:08:55 PM
eFiled for Record in JASPER COUNTY, SC ROD
DEED Fee: $15.00
State Tax: $13,570.70 Local Tax: $5,741.45
Vanessa Wright, Registrar

Date: 04/25/2024 04:37:29 PM
Jasper County Assessor's Office
Tax Map No.: 042-00-06-045
Transfer No.: 202400002158

Joyce Gamo - JASPER COUNTY, SC

After recording, return to:
St. Amand & Efird PLLC
3315 Springbank Lane, Suite 308
Charlotte, NC 28226

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)

TITLE TO REAL ESTATE
(Limited Warranty)

KNOW ALL MEN BY THESE PRESENTS, that **LK DEVELOPMENT GROUP, LLC**, a Delaware limited liability company ("Grantor"), in the State aforesaid, in consideration of Ten and 00/100 Dollars ($10.00) and for other good and valuable consideration to it in hand paid at and before the sealing of these Presents by **MILLROSE PROPERTIES SOUTH CAROLINA, LLC**, a South Carolina limited liability company ("Grantee"), in the State aforesaid, the receipt whereof is hereby acknowledged, has, subject to the Permitted Exceptions (as hereinafter defined), granted, bargained, sold and released, and by these presents does grant, bargain, sell, and release, subject to the Permitted Exceptions, unto Grantee, its successors and assigns, forever, the following described property (the "Property"), to-wit:

SEE EXHIBIT A ATTACHED HERETO
AND INCORPORATED HEREIN BY REFERENCE FOR LEGAL DESCRIPTION

Address of Grantee: Attn: Jason Byham
1505 King Street Ext., Suite 100
Charleston, South Carolina 29405

THIS CONVEYANCE IS MADE SUBJECT TO taxes and assessments for the current year and subsequent years, which are a lien but are not yet due and payable, and all of the matters set forth on Exhibit B attached hereto (collectively, the "Permitted Exceptions").

TOGETHER WITH, all and singular, the rights, members, hereditaments and appurtenances to the Property belonging or in any way incident or appertaining, including but not limited to, all improvements of any nature located on the Property and all easements and rights-of-way appurtenant thereto.

TO HAVE AND TO HOLD, all and singular, the said Property before mentioned, subject to the Permitted Exceptions, unto the said Grantee, its successors and assigns, forever.

AND, subject to the Permitted Exceptions, the Grantor does hereby bind itself and its successors to warrant and forever defend, all and singular, the said premises unto the Grantee, its successors and assigns, against Grantor and its successors and assigns, and against every person whomsoever lawfully claiming or to claim the same, or any part thereof, by, under or through Grantor, but not otherwise; PROVIDED, HOWEVER, that Grantor does not give any warranty of title as to any of the easements, easement rights or easement areas set forth and described as Easement Area 1, Easement Area 2 and Easement Area 3 in Exhibit A attached hereto.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE OF LIMITED WARRANTY INDENTURE DEED]

WITNESS the Grantor's hand and seal this 12th **day of April, 2024.**

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

First Witness

Second Witness

GRANTOR:

LK DEVELOPMENT GROUP, LLC,
a Delaware limited liability company

By: _____ (SEAL)
Name: James P. Harvey
Its: Authorized Signatory

STATE OF FLORIDA)
)
COUNTY OF HILLSBOROUGH)

ACKNOWLEDGMENT

I, the undersigned Notary Public for the State of Florida, do hereby certify that **LK DEVELOPMENT GROUP, LLC**, a Delaware limited liability company, by James P. Harvey, its Authorized Signatory, who is personally known to me, or who proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument, appeared before me this day and acknowledged the due execution of the foregoing instrument.

Subscribed to and sworn before me this 12th day of April, 2024.

_____(SEAL)
Signature of Notary Public
Print Name: Bryon T. LoPreste
Notary Public for State of Florida
My commission expires: 01-27-28

[AFFIX NOTARY SEAL]

BRYON T. LOPRESTE
MY COMMISSION # HH 456133
EXPIRES: January 27, 2028

EXHIBIT A

LEGAL DESCRIPTION

ALL those certain lots, pieces and parcels of land, with all building and improvements located thereon, situate, lying and being in the City of Hardeeville, Jasper County, South Carolina, and shown and designated as "PARCEL A-1A 9,955.844 SF 228.55 AC." and "PARCEL A-1B 790,001 SF 18.136 AC." on that certain plat entitled "SUBDIVSION PLAT OF PARCEL A-1 DEVELOPMENT POD I ARGENT TRACT WEST" dated March 5, 2024, prepared by Robert K. Morgan, III, RLS No. 26957, of Thomas & Hutton Engineering Co., and recorded in the Jasper County, South Carolina Register of Deeds Office on March 19, 2024, in Book 38 at Page 790, bearing Doc. No. 202400001477, with said lot having such size, shape, dimensions, butting and boundings as will by reference to said plat more fully appear.

TOGETHER WITH all of Grantor's rights, title and interests, if any, in and to the following easement rights to extent (but only to the extent) such easement rights were intended to (and may or do) benefit the aforesaid land (but reserving, however, unto Grantor, its successors and assigns, forever, all of Grantor's rights, title and interests, if any, in and to the following easement rights to the extent (but only to the extent) such easement rights were also intended to (and may or do) benefit the remaining land (and any other properties) owned by Grantor:

Easement Area 1 (Tradition Avenue):

Easement rights conveyed pursuant to that Clerk of Court's Deed from Margaret Bostick, Clerk of Court for Jasper County to THH Acquisitions, LLC, dated November 29, 2011, and recorded in Deed Book 818, page 342, Jasper County, South Carolina records over those areas designated as "Access Easement – 1", containing 33.72 acres, more or less, and "Access Easement -2" containing 17.18 acres, more or less, which parcels are more fully shown on the plat of survey entitled "A Plat of 33.72 Ac. Access Easement & 17.18 Ac. Access Easement, Tradition, SC, TMS 042-00-02-012, City of Hardeeville, Jasper County, SC," prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated November 14, 2006, and recorded in Plat Book 29, page 264, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Easement Area 2 (School District Access):

Easement rights reserved in that Title to Real Estate from International Paper Realty Corporation, a Delaware corporation to Jasper County School District, a South Carolina public body, dated December 4, 2003, and recorded in Deed Book 287, page 71, Jasper County, South Carolina records, over, along and under that sixty-six (66) foot wide area shown as "66' Permanent Access Utility Easement" on that plat entitled "88.872 acres being a Portion of the West Side of the Argent Tract," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated November 3, 2003, and recorded in Plat Book 27, page 52, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Easement Area 3:

Easement rights conveyed pursuant to that Access and Utility Joint Use Agreement (Easement 1) between WA Holdings South, LLC and the City of Hardeeville, South Carolina, dated October 29, 2021, and recorded in Deed Book 1089, page 1620, Jasper County, South Carolina records.

BEING a portion of the same property conveyed to LK Development Group, LLC by deed from WA Holdings South, LLC dated December 13, 2021, and recorded on January 10, 2022, in the in the Jasper County, South Carolina Register of Deeds Office in Book 1094 at Page 914.

TAX MAP PARCEL ID #: 042-00-06-045 (Portion of)

EXHIBIT B

PERMITTED EXCEPTIONS

1. Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in the Jasper County Records in **Book 501, Page 196**; as supplemented by First Supplemental Declaration to Declaration of Covenants, conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 501, Page 301**; as supplemented by Second Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 502, Page 174**; as supplemented by Third Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 569, Page 199**; amended and restated in that Amended and Restated Second Supplemental Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 653, Page 1**; amended and restated in that Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Hilton Head Lakes North and Hilton Head Lakes North Master Association recorded in the Jasper County Records in **Book 812, Page 446;** as supplemented by that First Supplemental Declaration recorded in **Book 850, Page 856**, Second Supplemental Declaration recorded in **Book 885, Page 993**, Third Supplemental Declaration recorded in **Book 946, Page 39**, Fourth Supplemental Declaration recorded in Book **976, Page 895**, and Fifth Supplemental Declaration recorded in **Book 977, Page 342;** as amended by that First Amendment recorded in **Book 988, Page 259** and that Second Amendment recorded in **Book 1078, Page 620**; as affected by Assignment of Rights under Declaration recorded in Book **801, Page 149**; that Assignment of Declarant Rights recorded in **Book 801, Page 341** re-recorded in **Book 802, Page 64**, that Assignment of Declarant Rights recorded in **Book 801, Page 346**, that Assignment of Declarant Rights recorded in **Book 993, Page 483**, that Assignment of Declarant Rights recorded in **Book 1006, Page 214**, and that Assignment of Declarant Rights recorded in **Book 1006, Page 428**; that Assignment of Declarant Rights recorded in **Book 1087, Page 1815;** and that Assignment of Declarant Rights recorded in **Book 1094, Page 445.**

2. Irrigation System Agreement in **Book 1006, Page 501** (as amended in **Book 1015, Page 253** and **Book 1062, Page 204**).

3. Declaration of Protective Covenants, Conditions and Restrictions for Hilton Head Lakes North recorded in the Jasper County Records in **Book 812, Page 574**; as amended by that First Amendment recorded in **Book 843, Page 249,** that Second Amendment recorded in **Book 988, Page 262,** that Third Amendment recorded in **Book 1070, Page 276**, and that Fourth Amendment recorded in **Book 1078, Page 625**; as supplemented by that First Supplemental Declaration recorded in **Book 946, Page 44,** that Second Supplemental Declaration recorded in **Book 976, Page 899,** and that Third Supplemental Declaration

recorded in **Book 1017, Page 281**; as affected by that Assignments of Rights recorded in **Book 885, Page 982**, that Assignment of Declarant Rights in **Book 993, Page 479**, that Assignment of Declarant Rights recorded in **Book 1006, Page 220**, that Assignment of Declarant Rights recorded in **Book 1006, Book 436,** that Irrigation System Agreement in Book **1006, Page 501** (as amended in **Book 1015, Page 253** and **Book 1062, Page 204**), that Assignment of Declarant Rights recorded in **Book 1087, Page 1793,** and those Architectural Design Guidelines recorded in **Book 1015, Page 504**.

4. Declaration of Preservation Covenants for Archaeological Sites by Core Communities of South Carolina, LLC, and recorded in the Jasper County Records in **Book 531 at Page 1**.

5. Development Agreement (Argent West Tract) by and between ViaQuest Investment Properties, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, , recorded in **Deed Book 324, page 103**, and amended as follows:

   a. Amendment to Development Agreement recorded in Deed Book 327, page 228;
   b. Amendment to Development Agreement recorded in Deed Book 327, page 235;
   c. Second Restated and Amended Development Agreement (Argent West Tract) Deed Book 708, page 1;
   d. Notice of Intent to Amend Development Agreement Argent West Tract (Tradition) Deed Book 783, page 312;
   e. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) recorded in Deed Book 788, page 174;
   f. Assignment of Rights under Development Agreement recorded in Deed Book 801, page 153;
   g. General Assignment of Developer and Contract Rights for Development of the Tradition recorded in Deed Book 801, page 157;
   h. Assignment of Development Agreement Rights recorded in Deed Book 801, page 219;
   i. Assignment of Development Agreement recorded in Deed Book 801, page 350;
   j. Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) recorded in Deed Book 807, page 73;
   k. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) Pursuant to Section 6-31-90 Third Amendment recorded in Deed Book 870, page 75;
   l. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 885, page 972;
   m. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 886, page 514;
   n. Partial Assignment and Assumption of Master Agreement recorded in Deed Book 986, page 901;
   o. Partial Assignment and Assumption of Master recorded in Deed Book 986, page 907;
   p. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in Deed Book 943, page 504;

q. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in Deed Book 993, page 468;
r. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent recorded in Deed Book 1006, page 227;
s. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) recorded in Deed Book 1006, page 420;
t. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) recorded in Deed Book 1028, page 360;
u. Blanket Transfer and Assignment recorded in Deed Book 1028, page 394;
v. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in Deed Book 1006, page 227;
w. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 1028, page 360;
x. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 1088, Page 294;
y. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 1094, page 465;
z. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Parcel A, B, C & E) recorded in Deed Book 1094, page 764;
aa. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Omega Tract) recorded in Deed Book 1094, page 775;
bb. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Garden Lakes) recorded in Deed Book 1094, page 822.

6. Amended and Restated Declaration of Restrictive Covenants (Wetlands) recorded in the Jasper County Records in Book 903, Page 551.

7. Declaration of Restrictive Covenants (Tradition South Carolina) [Wetlands] by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated March 16, 2007, filed for record March 21, 2007 at 11:29 a.m., recorded in Deed Book 531, page 12, Jasper County, South Carolina records; and amended and assigned as follows:

a. Assignment of Declarant Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated effective as of December 22, 2010, recorded in Deed Book 801, page 341, Jasper County, South Carolina records; as re-recorded January 14, 2011 at 1 :46 p.m. in Deed Book 802, page 64, Jasper County, South Carolina records;

b. Assignment of Declarant Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn, Inc., a South Carolina corporation, dated as of December 22, 2010, and recorded in Deed Book 801, page 346, Jasper County, South Carolina records;
c. Amended and Restated Declaration of Restrictive Covenants (Wetlands) by SLF IV I SBI West Argent, LLC, a Texas limited liability company, dated effective August 13, 2015, and recorded in Deed Book 903, page 551. Jasper County, South Carolina records.

8. Restrictions and conditions contained in deeds to Tradition Master Property Owners Association, Inc. (n/k/a/ Hilton Head Lakes North Master Association) recorded in the Jasper County Records in Book 714 at Page 151, and Book 714 at Page 157.

9. Restrictions and conditions contained in Deed to Hilton Head Lakes North Master Association recorded in Book 880 at Page 722, Jasper County Records.

10. Mineral royalty reservation by International Paper Realty Corporation contained in that certain Deed from International Paper Realty Corporation to ViaQuest Investment Properties, LLC, recorded in Deed Book 309 at Page 113, Jasper County Records.

11. Access and Utility Easement granted to Hargray recorded in the Jasper County Records in Book 533 at Page 46 (Phase I), in Book 533 at Page 51 (Phase II-A), and in Book 535 at Page 30 (Tradition Avenue Phase I and Levitt Road).

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30. Easement Appurtenant recorded in Book 1015, Page 417.

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Low Country Resources, Conservation and Development Authority, a body corporate and politic of the State of South Carolina, dated February 23, 1970, recorded in Deed Book 66, page 128, Jasper County, South Carolina records.

34. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated June 27, 1974, recorded in Deed Book 72, page 445, Jasper County, South Carolina records.

35. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated as of May 2, 1984, and recorded in Deed Book 87, page 930, Jasper County, South Carolina records; as assigned by that certain Assignment by and between International Paper Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Deed Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records.

36. Easement # 181, Tract # 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc., dated October 2, 2008 and recorded in Deed Book 704, page 145, Jasper County, South Carolina records; as amended by that certain Amendment to Easement No. 181, Tract 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc., filed for record July 16, 2009 at 10:45 a.m., recorded in Deed Book 750, page 167, Jasper County, South Carolina records.

37. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, dated January 5, 2009, and recorded in Deed Book 715, page 96, Jasper County, South Carolina records.

38. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, dated January 5, 2009, and recorded in Deed Book 715, page 100, Jasper County, South Carolina records.

39. Non-Exclusive Perpetual Access Utility Easement Agreement by and between THH Acquisitions, LLC, an Iowa limited liability company and Palmetto Electric Cooperative, Inc., dated August 20, 2018, and recorded in Deed Book 984, page 413, Jasper County, South Carolina records.

40. Easement in favor of Dominion Energy South Carolina, Inc., dated October 25, 2019 and recorded in Deed Book 1024, page 435, Jasper County, South Carolina records.

41. Restrictive Covenant Agreement in Book 1094, Page 1182, Jasper County, South Carolina records.

42. Restrictive Covenant Agreement in Book 1094, Page 1193, Jasper County, South Carolina records.

43. Easement in favor of Dominion Energy South Carolina, Inc., dated July 27, 2023 and recorded in Deed Book 1132, page 1216, Jasper County, South Carolina records.

44. Easement by and between Jasper County School District and LK Development Group, LLC dated September 5, 2023 and recorded in Deed Book 1134, page 1042, Jasper County, South Carolina records.

STATE OF FLORIDA)
COUNTY OF HILLSBOROUGH)

AFFIDAVIT

Date of Transfer of Title
April 19, 2024

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 is being transferred from LK DEVELOPMENT GROUP, LLC (Grantor) to MILLROSE PROPERTIES SOUTH CAROLINA, LLC (Grantee) on April 19, 2024.

3. The DEED is (check one of the following)

   (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 distribution to a trust beneficiary.

   (c) _____ EXEMPT from the deed recording fee because (exemption# and explanation required): N/A

   (If exempt, please skip items 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 $5,219,185.52.

   (b) _____ The fee is computed on the fair market value of the realty which is $N/A.

   (c) _____ The fee is computed on the fair market value of the realty as established for property tax purposes which is $N/A.

5. Check YES ____ or NO __X__ 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 $N/A.

6. The DEED Recording Fee is computed as follows:

(a) The amount listed in item 4 above:	$5,219,185.52
(b) The amount listed in item 5 above (no amount place zero):	$0.00
(c) Subtract Line 6(b) from Line 6(a) and place the result.	$5,219,185.52

7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording fee due is: $19,312.15.

8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: **Grantor**

9. I understand that a person required to furnish this affidavit who willfully 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.

LK DEVELOPMENT GROUP, LLC

By: _____
Name: James P. Harvey
Title: Authorized Signatory

Sworn to before me this 12th day of April, 2024

(SEAL)

Notary Public for the State of Florida
My Commission Expires: 01/27/28

BRYON T. LOPRESTE
MY COMMISSION # HH 456133
EXPIRES: January 27, 2028

DEED BOOK: 1151 PAGE: 827-839
Date: 06/14/2024 09:25:13 AM

Megan C. Horton / Megan Horton / MH
Auditor Jasper County, SC

OR BK 1151 PG 827 - 839 (13)
202400002982 05/28/2024 04:10:35 PM
eFiled for Record in JASPER COUNTY, SC ROD
DEED Fee: $15.00
State Tax: $0.00 Local Tax: $0.00
Vanessa Wright, Registrar

Date: 05/31/2024 11:48:52 AM
Jasper County Assessor's Office
Tax Map No.: 042-00-06-045 PORTION OF
Transfer No.: 202400002982

Joyce Gamo - JASPER COUNTY, SC

WHEN RECORDED RETURN TO:
St. Amand & Efird PLLC
3315 Springbank Lane, Suite 308
Charlotte, North Carolina 28226

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)

TITLE TO REAL ESTATE
(General Warranty)

KNOW ALL MEN BY THESE PRESENTS, that **MILLROSE PROPERTIES SOUTH CAROLINA , LLC**, a South Carolina limited liability company, having an address of 1505 King Street Extension, Suite 100, Charleston, South Carolina 29405 ("**Grantor**"), in the State aforesaid, for good and valuable consideration to it in hand paid at and before the sealing of these Presents by **LENNAR CAROLINAS, LLC**, a Delaware limited liability company ("**Grantee**"), in the State aforesaid, the receipt whereof is hereby acknowledged, has, subject to the Permitted Exceptions (as hereinafter defined), granted, bargained, sold and released, and by these presents does grant, bargain, sell, and release, subject to the Permitted Exceptions, unto Grantee, the following described property (the "**Property**"), to-wit:

SEE **EXHIBIT "A"** ATTACHED HERETO AND INCORPORATED HEREIN

Address of Grantee: 1505 King Street Extension, Suite 100
Charleston, South Carolina 29405
Attn: Jason Byham

THIS CONVEYANCE IS MADE SUBJECT TO the covenants, conditions, restrictions, reservations, easements, rights-of-way and other matters of record set forth on **Exhibit "B"** attached hereto and incorporated herein (collectively, the "**Permitted Exceptions**").

TOGETHER WITH, all and singular, the rights, members, hereditaments and appurtenances to the Property belonging or in any way incident or appertaining, including but not limited to, all improvements of any nature located on the Property and all easements and rights-of-way appurtenant thereto.

TO HAVE AND TO HOLD, all and singular, the said Property before mentioned, subject to the Permitted Exceptions, unto the said Grantee, its successors and assigns, forever.

AND, subject to the Permitted Exceptions, Grantor does hereby bind itself and its successors to warrant and forever defend, all and singular, the said Property unto Grantee, its successors and assigns, against Grantor and its successors and assigns, and against every person whomsoever lawfully claiming or to claim the same, or any part thereof.

IN WITNESS WHEREOF, Grantor, has caused this Deed to be executed and has adopted as its seal the word "SEAL" appearing beside its name, this sealed instrument being executed and delivered on this 12th day of April, 2024.

WITNESSES

Name: Rachel Klion

Name: Matthew Milove

MILLROSE PROPERTIES SOUTH CAROLINA, LLC, a South Carolina limited liability company

By: _____

Name: Gabe Ebner

Title: Vice President

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

I, DEBRA JONES, a Notary Public of the County of CHARLESTON, State of South Carolina, certify that Gabe Ebner as Vice President of Millrose Properties South Carolina, LLC, a South Carolina limited liability company, personally came before me this day and acknowledged that she signed the foregoing instrument.

Witness my hand and notary seal or stamp, this the 12th day of APRIL, 2024.

[SEAL]

Notary Public
Printed Name: DEBRA JONES

My Commission Expires: 8/22/2033

DEBRA JONES NOTARY PUBLIC My Commission Expires August 22, 2033 STATE OF SOUTH CAROLINA

Exhibit "A"

Legal Description

All that certain piece, parcel or tract of land located in Jasper County, South Carolina, shown and depicted as "**Parcel A-1A**" containing 228.555 acres, more or less, and "**Parcel A-1B**" containing 18.136 acres, more or less and being more particularly described on the plat entitled "SUBDIVISION PLAT OF PARCEL A-1 DEVELOPMENT POD I ARGENT TRACT WEST", prepared by Thomas & Hutton Engineering Co., and certified by Robert K. Morgan, III, S.C.R.L.S. No. 26957, dated March 5, 2024, and recorded March 19, 2024 in Plat Book 38, Page 790 in the Jasper County Registry, said plat being incorporated herein and made a part hereof by this reference.

TOGETHER WITH the following easement rights:

ROAD "A" Easement Area

Easement rights conveyed pursuant to that Temporary Access Easement between LK Development Group, LLC and the Lennar Carolinas, LLC, recorded April 19, 2024 in Deed Book 1148, page 449, Jasper County, South Carolina records.

Easement Area 1 (Tradition Avenue):

Easement rights conveyed pursuant to that Clerk of Court's Deed from Margaret Bostick, Clerk of Court for Jasper County to THH Acquisitions, LLC, dated November 29, 2011, and recorded in Deed Book 818, page 342, Jasper County, South Carolina records over those areas designated as "Access Easement – 1", containing 33.72 acres, more or less, and "Access Easement -2" containing 17.18 acres, more or less, which parcels are more fully shown on the plat of survey entitled "A Plat of 33.72 Ac. Access Easement & 17.18 Ac. Access Easement, Tradition, SC, TMS 042-00-02-012, City of Hardeeville, Jasper County, SC," prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated November 14, 2006, and recorded in Plat Book 29, page 264, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Easement Area 2 (School District Access):

Easement rights reserved in that Title to Real Estate from International Paper Realty Corporation, a Delaware corporation to Jasper County School District, a South Carolina public body, dated December 4, 2003, and recorded in Deed Book 287, page 71, Jasper County, South Carolina records, over, along and under that sixty-six (66) foot wide area shown as "66' Permanent Access Utility Easement" on that plat entitled "88.872 acres being a Portion of the West Side of the Argent Tract," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated November 3, 2003, and recorded in Plat Book 27, page 52, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Easement Area 3:

Easement rights conveyed pursuant to that Access and Utility Joint Use Agreement (Easement 1) between WA Holdings South, LLC and the City of Hardeeville, South Carolina, dated October 29, 2021, and recorded in Deed Book 1089, page 1620, Jasper County, South Carolina records

Derivation: Being that Property conveyed to Millrose Properties South Carolina, LLC by LK Development Group, LLC via deed and recorded April 19, 2024 in Book 1148, Page 389 in the Jasper County Registry.

Portion of TMS No. 042-00-06-045

Exhibit "B"

Permitted Title Exceptions

1. Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in the Jasper County Records in **Book 501, Page 196**; as supplemented by First Supplemental Declaration to Declaration of Covenants, conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 501, Page 301**; as supplemented by Second Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 502, Page 174**; as supplemented by Third Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 569, Page 199**; amended and restated in that Amended and Restated Second Supplemental Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 653, Page 1**; amended and restated in that Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Hilton Head Lakes North and Hilton Head Lakes North Master Association recorded in the Jasper County Records in **Book 812, Page 446;** as supplemented by that First Supplemental Declaration recorded in **Book 850, Page 856**, Second Supplemental Declaration recorded in **Book 885, Page 993**, Third Supplemental Declaration recorded in **Book 946, Page 39**, Fourth Supplemental Declaration recorded in Book **976, Page 895**, and Fifth Supplemental Declaration recorded in **Book 977, Page 342;** as amended by that First Amendment recorded in **Book 988, Page 259** and that Second Amendment recorded in **Book 1078, Page 620**; as affected by Assignment of Rights under Declaration recorded in Book **801, Page 149**; that Assignment of Declarant Rights recorded in **Book 801, Page 341** re-recorded in **Book 802, Page 64**, that Assignment of Declarant Rights recorded in **Book 801, Page 346**, that Assignment of Declarant Rights recorded in **Book 993, Page 483**, that Assignment of Declarant Rights recorded in **Book 1006, Page 214**, and that Assignment of Declarant Rights recorded in **Book 1006, Page 428**; that Assignment of Declarant Rights recorded in **Book 1087, Page 1815;** and that Assignment of Declarant Rights recorded in **Book 1094, Page 445.**

2. Irrigation System Agreement in **Book 1006, Page 501** (as amended in **Book 1015, Page 253** and **Book 1062, Page 204**).

3. Declaration of Protective Covenants, Conditions and Restrictions for Hilton Head Lakes North recorded in the Jasper County Records in **Book 812, Page 574**; as amended by that First Amendment recorded in **Book 843, Page 249,** that Second Amendment recorded in **Book 988, Page 262,** that Third Amendment recorded in **Book 1070, Page 276**, and that Fourth Amendment recorded in **Book 1078, Page 625**; as supplemented by that First Supplemental Declaration recorded in **Book 946, Page 44,** that Second Supplemental Declaration recorded in **Book 976, Page 899,** and that Third Supplemental Declaration recorded in **Book 1017, Page 281**; as affected by that Assignments of Rights recorded in **Book 885, Page 982**, that Assignment of Declarant Rights in **Book 993, Page 479**, that Assignment of Declarant Rights recorded in **Book 1006, Page 220**, that Assignment of Declarant Rights recorded in **Book 1006, Book 436,** that Irrigation System Agreement in Book **1006, Page 501** (as amended in **Book 1015, Page 253** and **Book 1062, Page 204**), that Assignment of Declarant Rights recorded in **Book 1087, Page 1793,** and those Architectural Design Guidelines recorded in **Book 1015, Page 504**.

4. Declaration of Preservation Covenants for Archaeological Sites by Core Communities of South Carolina, LLC, and recorded in the Jasper County Records in **Book 531 at Page 1**.

5. Development Agreement (Argent West Tract) by and between ViaQuest Investment Properties, LLC, Core Communities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, , recorded in **Deed Book 324, page 103**, and amended as follows:

    a. Amendment to Development Agreement recorded in Deed Book 327, page 228;
    b. Amendment to Development Agreement recorded in Deed Book 327, page 235;
    c. Second Restated and Amended Development Agreement (Argent West Tract) Deed Book 708, page 1;
    d. Notice of Intent to Amend Development Agreement Argent West Tract (Tradition) Deed Book 783, page 312;
    e. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) recorded in Deed Book 788, page 174;
    f. Assignment of Rights under Development Agreement recorded in Deed Book 801, page 153;
    g. General Assignment of Developer and Contract Rights for Development of the Tradition recorded in Deed Book 801, page 157;
    h. Assignment of Development Agreement Rights recorded in Deed Book 801, page 219;
    i. Assignment of Development Agreement recorded in Deed Book 801, page 350;
    j. Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) recorded in Deed Book 807, page 73;
    k. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) Pursuant to Section 6-31-90 Third Amendment recorded in Deed Book 870, page 75;
    l. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 885, page 972;
    m. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 886, page 514;
    n. Partial Assignment and Assumption of Master Agreement recorded in Deed Book 986, page 901;
    o. Partial Assignment and Assumption of Master recorded in Deed Book 986, page 907;
    p. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in Deed Book 943, page 504;
    q. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in Deed Book 993, page 468;
    r. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent recorded in Deed Book 1006, page 227;
    s. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) recorded in Deed Book 1006, page 420;
    t. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) recorded in Deed Book 1028, page 360;
    u. Blanket Transfer and Assignment recorded in Deed Book 1028, page 394;
    v. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in Deed Book 1006, page 227;

w. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 1028, page 360;
x. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 1088, Page 294;
y. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in Deed Book 1094, page 465;
z. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Parcel A, B, C & E) recorded in Deed Book 1094, page 764;
aa. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Omega Tract) recorded in Deed Book 1094, page 775;
bb. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Garden Lakes) recorded in Deed Book 1094, page 822.
cc. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement recorded in Book 1148, Page 441.

6. Amended and Restated Declaration of Restrictive Covenants (Wetlands) recorded in the Jasper County Records in Book 903, Page 551.

7. Declaration of Restrictive Covenants (Tradition South Carolina) [Wetlands] by Core Communities of South Carolina, LLC, a South Carolina limited liability company, dated March 16, 2007, filed for record March 21, 2007 at 11:29 a.m., recorded in Deed Book 531, page 12, Jasper County, South Carolina records; and amended and assigned as follows:

a. Assignment of Declarant Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company, dated effective as of December 22, 2010, recorded in Deed Book 801, page 341, Jasper County, South Carolina records; as re-recorded January 14, 2011 at 1 :46 p.m. in Deed Book 802, page 64, Jasper County, South Carolina records;

b. Assignment of Declarant Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn, Inc., a South Carolina corporation, dated as of December 22, 2010, and recorded in Deed Book 801, page 346, Jasper County, South Carolina records;

c. Amended and Restated Declaration of Restrictive Covenants (Wetlands) by SLF IV I SBI West Argent, LLC, a Texas limited liability company, dated effective August 13, 2015, and recorded in Deed Book 903, page 551. Jasper County, South Carolina records.

8. Restrictions and conditions contained in deeds to Tradition Master Property Owners Association, Inc. (n/k/a/ Hilton Head Lakes North Master Association) recorded in the Jasper County Records in Book 714 at Page 151, and Book 714 at Page 157.

9. Restrictions and conditions contained in Deed to Hilton Head Lakes North Master Association recorded in Book 880 at Page 722, Jasper County Records.

10. Mineral royalty reservation by International Paper Realty Corporation contained in that certain Deed from International Paper Realty Corporation to ViaQuest Investment Properties, LLC, recorded in Deed Book 309 at Page 113, Jasper County Records.

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33. Easement Channel Improvement from Union Camp Corporation, a Virginia corporation to Low Country Resources, Conservation and Development Authority, a body corporate and politic of the State of South Carolina, dated February 23, 1970, recorded in Deed Book 66, page 128, Jasper County, South Carolina records.

34. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated June 27, 1974, recorded in Deed Book 72, page 445, Jasper County, South Carolina records.

35. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation, dated as of May 2, 1984, and recorded in Deed Book 87, page 930, Jasper County, South Carolina records; as assigned by that certain Assignment by and between International Paper Corporation and ViaQuest Investment Properties, LLC, dated December 21, 2004, and recorded in Deed Book 10, page 281, Jasper County, South Carolina records; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, dated September 21, 2005, and recorded in Deed Book 690, page 118, Jasper County, South Carolina records.

36. Easement # 181, Tract # 30 by and between Core Communities of South Carolina, LLC and Central

Electric Power Cooperative, Inc., dated October 2, 2008 and recorded in Deed Book 704, page 145, Jasper County, South Carolina records; as amended by that certain Amendment to Easement No. 181, Tract 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc., filed for record July 16, 2009 at 10:45 a.m., recorded in Deed Book 750, page 167, Jasper County, South Carolina records.

37. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, dated January 5, 2009, and recorded in Deed Book 715, page 96, Jasper County, South Carolina records.

38. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, dated January 5, 2009, and recorded in Deed Book 715, page 100, Jasper County, South Carolina records.

39. Non-Exclusive Perpetual Access Utility Easement Agreement by and between THH Acquisitions, LLC, an Iowa limited liability company and Palmetto Electric Cooperative, Inc., dated August 20, 2018, and recorded in Deed Book 984, page 413, Jasper County, South Carolina records.

40. Easement in favor of Dominion Energy South Carolina, Inc., dated October 25, 2019 and recorded in Deed Book 1024, page 435, Jasper County, South Carolina records.

41. Restrictive Covenant Agreement in Book 1094, Page 1182, Jasper County, South Carolina records.

42. Restrictive Covenant Agreement in Book 1094, Page 1193, Jasper County, South Carolina records.

43. Easement in favor of Dominion Energy South Carolina, Inc., dated July 27, 2023 and recorded in Deed Book 1132, page 1216, Jasper County, South Carolina records.

44. Easement by and between Jasper County School District and LK Development Group, LLC dated September 5, 2023 and recorded in Deed Book 1134, page 1042, Jasper County, South Carolina records.

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

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 is located in Jasper County, South Carolina and is a portion of TMS Number: 042-00-06-045 as more particularly described on **Exhibit "A"** attached hereto and incorporated herein by deed from Millrose Properties South Carolina, LLC to Lennar Carolinas, LLC on May 28, 2024.

3. Check one of the following: The deed is:

   (a) ☐ 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 *(see #8 on Information section of the Affidavit): transferring realty to a corporation, a partnership, or a trust in order to become, or as, a stockholder, partner, or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust, or the increase in value in such stock or interest held by the grantor..*
   (If exempt, pleases skip items 4, 6, and 7, and go to item 8 of this affidavit)
   If exempt under exemption #14 as described in the information section of this affidavit, did the agent and principal relationship exist at the time of the original sale and was the purpose of this relationship to purchase the realty? Check Yes ☐ or No ☐

4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit):

   (a) ☐ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of $_____

   (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. (This includes, pursuant to Code Section 12-59-140(E)(6), and lien or encumbrance on realty in possession of a forfeited land commission which may subsequently be waived or reduced after the transfer under a signed contract between the lienholder and the buyer existing before 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)	Place the amount listed in item 4 above here:	$0
(b)	Place the amount listed in item 5 above here (if no amount place zero)	$0
(c)	Subtract Line 6(b) from Line 6(a) and place result here:	$0

7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording fee due is: **$0.00**

8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: **Grantor**

9. I understand that a person required to furnish this affidavit who willfully 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.

SIGNATURE ON FOLLOWING PAGE

MILLROSE PROPERTIES SOUTH CAROLINA, LLC, a South Carolina limited liability company

By: _____

Name: Gabe Ebner

Title: Vice President

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

I, DEBRA JONES, a Notary Public of the County of CHARLESTON, State of South Carolina, certify that Gabe Ebner as Vice President of Millrose Properties South Carolina, LLC, a South Carolina limited liability company, personally came before me this day and acknowledged that she signed the foregoing instrument.

Witness my hand and notary seal or stamp, this the 12th day of APRIL, 2024.

[SEAL]

_____
Notary Public
Printed Name: DEBRA JONES

My Commission Expires: 8/22/2033

DEBRA JONES
My Commission Expires
NOTARY PUBLIC
August 22, 2033
STATE OF SOUTH CAROLINA

INFORMATION

Except as provided in this paragraph, the term "value" means "the consideration paid or to be paid in money or money's worth for the realty," Consideration paid or to be paid in money's worth includes, but is not limited to, other realty, personal property, stocks, bonds, partnership interest and other intangible property, the forgiveness or cancellation of a debt, the assumption of a debt, and the surrendering of any right. The fair market value of the consideration must be used in calculating the consideration paid in moneys worth. Taxpayers may elect to use the fair market value of the realty being transferred in determining fair market value of the consideration. In the case of realty transferred between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, and in the case of realty transferred to a trust or as a distribution to a trust beneficiary, "value" means the realty's fair market value. A deduction from value is allowed for the amount of any lien or encumbrance existing on the land, tenement, or realty before the transfer and remaining on the land, tenement, or realty after the transfer. Taxpayers may elect to use the fair market value for property tax purposes in determining fair market value under the provisions of the law.

Exempted from the fee are deeds:

1. transferring realty in which the value of the realty, as defined in Code Section 12-24-30, is equal to or less than one hundred dollars;
2. transferring realty to the federal government or to a state, its agencies and departments, and its political subdivisions, including school districts;
3. that are otherwise exempted under the laws and Constitution of this State or of the United States;
4. transferring realty in which no gain or loss is recognized by reason of Section 1041 of the Internal Revenue Code as defined in Section 12-6-40(A);
5. transferring realty in order to partition realty as long as no consideration is paid for the transfer other than the interests in the realty that are being exchanged in order to partition the realty;
6. transferring an individual grave space at a cemetery owned by a cemetery company licensed under Chapter 55 of Title 39;
7. that constitute a contract for the sale of timber to be cut;
8. transferring realty to a corporation, a partnership, or a trust in order to become, or as, a stockholder, partner, or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust, or the increase in value in such stock or interest held by the grantor. However, the transfer of realty from a corporation, a partnership, or a trust to a stockholder, partner, or trust beneficiary of the entity is subject to the fee even if the realty is transferred to another corporation, a partnership, or trust;
9. transferring realty from a family partnership to a partner or from a family trust to a beneficiary, provided no consideration is paid for the transfer other than a reduction in the grantee's interest in the partnership or trust. A "family partnership" is a partnership whose partners are all members of the same family. A "family trust" is a trust, in which the beneficiaries are all members of the same family. The beneficiaries of a family trust may also include charitable entities. "Family" means the grantor and the grantor's spouse, parents, grandparents, sisters, brothers, children, stepchildren, grandchildren, and the spouses and lineal descendants of any the above. A "charitable entity" means an entity which may receive deductible contributions under Section 170 of the Internal Revenue Code as defined in Section 12-6-40(A);
10. transferring realty in a statutory merger or consolidation from a constituent corporation to the continuing or new corporation;
11. transferring realty in a merger or consolidation from a constituent partnership to the continuing or new partnership;
12. that constitute a corrective deed or a quit claim deed used to confirm title already vested in the grantee, provided that no consideration of any kind is paid or is to be paid under the corrective or quit claim deed;
13. transferring realty subject to a mortgage to the mortgagee whether by a deed in lieu of foreclosure executed by the mortgagee or deed pursuant to foreclosure proceedings;
14. transferring realty from an agent to the agent's principal in which the realty was purchased with funds of the principal, provided that a notarized document is also filed with the deed that establishes the fact that the agent and principal relationship existed at the time of the original purchase as well as for the purpose of purchasing the realty; and
15. transferring title to facilities for transmitting electricity that is transferred, sold, or exchanged by electrical utilities, municipalities, electric cooperatives, or political subdivisions to a limited liability company which is subject to regulation under the Federal Power Act (16 U.S. C. Section 791(a)) and which is formed to operate or to take functional control of electric transmission assets as defined in the Federal Power Act.

DEED BOOK: 1151 PAGE: 1807-1813
Date: 06/14/2024 02:01:28 PM

Megan C. Horton / Megan Horton / MH
Auditor Jasper County, SC

DEED BOOK: 1151 PAGE: 1807-1813
Date: 06/14/2024 02:48:22 PM

Megan C. Horton / Megan Horton / MH
Auditor Jasper County, SC

OR BK 1151 PG 1807 - 1813 (7)
202400003128 06/04/2024 12:10:11 PM
eFiled for Record in JASPER COUNTY, SC ROD
DEED Fee: $15.00
State Tax: $11,888.50 Local Tax: $5,029.75
Vanessa Wright, Registrar

Date: 06/07/2024 04:10:43 PM
Jasper County Assessor's Office
Tax Map No.: 042-00-06-045 PORTION OF
Transfer No.: 202400003128

Joyce Gamo - JASPER COUNTY, SC

AFTER RECORDING, RETURN TO:
TPG AG EHC III (LEN) MULTI STATE 1, LLC
c/o Essential Housing Asset Management, LLC
8585 E. Hartford Drive, Suite 118
Scottsdale, AZ 85255

STATE OF SOUTH CAROLINA)
) **TITLE TO REAL ESTATE**
) **(LIMITED WARRANTY DEED)**
COUNTY OF JASPER)

KNOW ALL MEN BY THESE PRESENTS, that **LENNAR CAROLINAS, LLC**, a Delaware limited liability company (hereinafter whether singular or plural referred to as the "**Grantor**"), in the State aforesaid, for and in consideration of the sum of Four Million Five Hundred Seventy-Two Thousand One Hundred Seventy and 00/100 Dollars ($4,572,170.00) and other good and valuable consideration to the Grantor in hand paid at or before the sealing and delivery of these presents by **TPG AG EHC III (LEN) MULTI STATE 1, LLC**, a Delaware limited liability company (hereinafter referred to as the "**Grantee**"), in the State aforesaid, the receipt and sufficiency of whereof are hereby acknowledged, has granted, bargained, sold and released, and by these presents does hereby grant, bargain, sell and release unto the Grantee, its successors and assigns, forever, the following described property, to wit:

SEE **EXHIBIT A** ATTACHED HERETO AND
INCORPORATED HEREIN BY REFERENCE FOR A FULL AND
COMPLETE LEGAL DESCRIPTION OF THE PROPERTY
BEING CONVEYED (THE "**PREMISES**")

GRANTEE'S MAILING ADDRESS: For the purpose of this deed Grantee's mailing address is:

TPG AG EHC III (LEN) MULTI STATE 1, LLC
c/o Essential Housing Asset Management, LLC
8585 E. Hartford Drive, Suite 118
Scottsdale, AZ 85255
Attn: Steven S. Benson

GRANTEE'S MAILING ADDRESS FOR TAX NOTICES:

TPG AG EHC III (LEN) Multi State 1, LLC
c/o Lennar Carolinas, LLC
1505 King Street Extension, Suite 100
Charleston, SC 29405

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to the said Premises belonging or in any way incident or appertaining, including but not limited to all improvements of any nature located on the Premises and all easements and rights-of-way appurtenant to the Premises.

SUBJECT TO taxes for the current and all subsequent years, zoning ordinances and other similar government ordinances, regulations and restrictions and all matters of record.

TO HAVE AND TO HOLD all and singular the Premises unto the Grantee, its successors and assigns, forever.

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

The masculine singular pronouns used throughout this document shall be read as the masculine, feminine or neuter form of pronoun (in singular or plural) as the context shall require. In addition, the word "Heirs" shall be read as "Successors" in reference to any grantor or grantee which is not an individual.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Grantor has caused this Deed to be executed and has adopted as its seal the word "SEAL" appearing beside its name, this sealed instrument being executed and delivered on the date first above written.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

Witness #1

Witness #2

GRANTOR:

LENNAR CAROLINAS, LLC,
a Delaware ~~limited~~ liability company

By: _____ (SEAL)

Name: Jason Byham

Title: Vice President

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

ACKNOWLEDGMENT

I, the undersigned Notary Public for Dorchester County, do hereby certify that Jason Byham, Vice President of Lennar Carolinas, LLC, who is personally known to me, or who was proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument, appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official seal this 29 day of May, 2024.

(affix notarial stamp below)

Notary Public

Erika Fisher

Print Name

My Commission Expires: 10/08/2030

ERIKA FISHER
My Commission Expires
NOTARY PUBLIC
October 8, 2030
STATE OF SOUTH CAROLINA

EXHIBIT A

LEGAL DESCRIPTION

All that certain piece, parcel or tract of land located in Jasper County, South Carolina, shown and depicted as "**Parcel A-1A**" containing 228.555 acres, more or less, and "**Parcel A-1B**" containing 18.136 acres, more or less and being more particularly described on the plat entitled "SUBDIVISION PLAT OF PARCEL A-1 DEVELOPMENT POD I ARGENT TRACT WEST", prepared by Thomas & Hutton Engineering Co., and certified by Robert K. Morgan, III, S.C.R.L.S. No. 26957, dated March 5, 2024, and recorded March 19, 2024 in Plat Book 38, Page 790 in the Jasper County Registry, said plat being incorporated herein and made a part hereof by this reference.

TOGETHER WITH the following easement rights:

ROAD "A" Easement Area:

Easement rights conveyed pursuant to that Temporary Access Easement between LK Development Group, LLC and Millrose Properties South Carolina, LLC, dated April 15, 2024 and recorded in Deed Book 1148, page 449, Jasper County, South Carolina records.

Easement Area 1 (Tradition Avenue):

Easement rights conveyed pursuant to that Clerk of Court's Deed from Margaret Bostick, Clerk of Court for Jasper County to THH Acquisitions, LLC, dated November 29, 2011, and recorded in Deed Book 818, page 342, Jasper County, South Carolina records over those areas designated as "Access Easement – 1", containing 33.72 acres, more or less, and "Access Easement -2" containing 17.18 acres, more or less, which parcels are more fully shown on the plat of survey entitled "A Plat of 33.72 Ac. Access Easement & 17.18 Ac. Access Easement, Tradition, SC, TMS 042-00-02-012, City of Hardeeville, Jasper County, SC," prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated November 14, 2006, and recorded in Plat Book 29, page 264, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Easement Area 2 (School District Access):

Easement rights reserved in that Title to Real Estate from International Paper Realty Corporation, a Delaware corporation to Jasper County School District, a South Carolina public body, dated December 4, 2003, and recorded in Deed Book 287, page 71, Jasper County, South Carolina records, over, along and under that sixty-six (66) foot wide area shown as "66' Permanent Access Utility Easement" on that plat entitled "88.872 acres being a Portion of the West Side of the Argent Tract," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated November 3, 2003, and recorded in Plat Book 27, page 52, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Easement Area 3:

Easement rights conveyed pursuant to that Access and Utility Joint Use Agreement (Easement 1) between WA Holdings South, LLC and the City of Hardeeville, South Carolina, dated October 29, 2021, and recorded in Deed Book 1089, page 1620, Jasper County, South Carolina records.

Derivation: Being that property conveyed to Lennar Carolinas, LLC from Millrose Properties South Carolina, LLC by deed dated April 12, 2024 and recorded May 28, 2024, in Book 1151, Page 827, in the Jasper County Registry.

TMS No.: P/O 042-00-06-045

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

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 is located in Jasper County, South Carolina and being a portion of TMS No.: 042-00-06-045 as more particularly described on **Exhibit A** to the deed from Lennar Carolinas, LLC to TPG AG EHC III (LEN) Multi State 1, LLC executed May 29, 2024..

3. Check one of the following: The deed is:

   (a) ☒ 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 *(see #___ on Information section of Affidavit):* _____.
   (If exempt, pleases skip items 4, 6, and 7, and go to item 8 of this affidavit)
   If exempt under exemption #14 as described in the information section of this affidavit, did the agent and principal relationship exist at the time of the original sale and was the purpose of this relationship to purchase the realty? Check Yes ☐ or No ☐

4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit):

   (a) ☒ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of **$4,572,170.00**

   (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. (This includes, pursuant to Code Section 12-59-140(E)(6), and lien or encumbrance on realty in possession of a forfeited land commission which may subsequently be waived or reduced after the transfer under a signed contract between the lienholder and the buyer existing before 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)	Place the amount listed in item 4 above here:	**$4,572,170.00**
(b)	Place the amount listed in item 5 above here (if no amount place zero)	**$0.00**
(c)	Subtract Line 6(b) from Line 6(a) and place result here:	**$4,572,170.00**

7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording fee due is: **$16,918.25.**

8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: Grantor

9. I understand that a person required to furnish this affidavit who willfully 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.

SUBSCRIBED AND SWORN to before me this 29 day of May, 2024.

Notary Public

My Commission Expires: 10/08/2030

[affix notarial stamp below]

ERIKA FISHER
My Commission Expires
NOTARY PUBLIC
October 8, 2030
STATE OF SOUTH CAROLINA

Lennar Carolinas, LLC
a Delaware limited liability company

By:

Name: Jason Ayham

Title: Vice President

Date: 06/16/2025 03:55:16 PM
Jasper County Assessor's Office
Tax Map No.: 042-00-06-132
Transfer No.: 202500003928

Joyce Gamo - JASPER COUNTY, SC

OR BK 1186 PG 605 - 616 (12)
202500003928 06/11/2025 01:03:40 PM
eFiled for Record in JASPER COUNTY, SC ROD
DEED Fee: $15.00
State Tax: $9,707.10 Local Tax: $4,106.85
Vanessa Wright, Registrar

After recording, return to:
St. Amand & Efird PLLC
3315 Springbank Lane, Suite 308
Charlotte, NC 28226

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)

TITLE TO REAL ESTATE
(Limited Warranty)

KNOW ALL MEN BY THESE PRESENTS, that **LK DEVELOPMENT GROUP, LLC**, a Delaware limited liability company ("Grantor"), in the State aforesaid, in consideration of Three Million Seven Hundred Thirty-Three Thousand Four Hundred Sixty-Seven and 55/100 Dollars ($3,733,467.55) and for other good and valuable consideration to it in hand paid at and before the sealing of these Presents by **MILLROSE PROPERTIES SOUTH CAROLINA, LLC**, a South Carolina limited liability company ("Grantee"), in the State aforesaid, the receipt whereof is hereby acknowledged, has, subject to the Permitted Exceptions (as hereinafter defined), granted, bargained, sold and released, and by these presents does grant, bargain, sell, and release, subject to the Permitted Exceptions, unto Grantee, its successors and assigns, forever, the following described property (the "Property"), to-wit:

SEE EXHIBIT A ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE FOR LEGAL DESCRIPTION

Address of Grantee: MILLROSE PROPERTIES SOUTH CAROLINA, LLC
600 Brickell Ave.
Miami, Florida 33131

THIS CONVEYANCE IS MADE SUBJECT TO taxes and assessments for the current year and subsequent years, which are a lien but are not yet due and payable, and all of the matters set forth on Exhibit B attached hereto (collectively, the "Permitted Exceptions").

TOGETHER WITH, all and singular, the rights, members, hereditaments and appurtenances to the Property belonging or in any way incident or appertaining, including but not limited to, all improvements of any nature located on the Property and all easements and rights-of-way appurtenant thereto.

TO HAVE AND TO HOLD, all and singular, the said Property before mentioned, subject to the Permitted Exceptions, unto the said Grantee, its successors and assigns, forever.

AND, subject to the Permitted Exceptions, the Grantor does hereby bind itself and its successors to warrant and forever defend, all and singular, the said premises unto the Grantee, its successors and assigns, against Grantor and its successors and assigns, and against every person whomsoever lawfully claiming or to claim the same, or any part thereof, by, under or through Grantor, but not otherwise. PROVIDED, HOWEVER, that Grantor does not give any warranty of title as to any of the easements, easement rights or easement areas set forth and described as Easement Area 1, Easement Area 2 and Easement Area 3 in Exhibit A attached hereto.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE OF LIMITED WARRANTY DEED]

WITNESS the Grantor's hand and seal this 6th day of June, 2025.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

First Witness

Second Witness

GRANTOR:

LK DEVELOPMENT GROUP, LLC,
a Delaware limited liability company

By: _____ (SEAL)
Name: James P. Harvey
Its: Authorized Signatory

STATE OF FLORIDA)
)
COUNTY OF HILLSBOROUGH)

ACKNOWLEDGMENT

I, the undersigned Notary Public for the State of Florida, do hereby certify that **LK DEVELOPMENT GROUP, LLC**, a Delaware limited liability company, by James P. Harvey, its Authorized Signatory, who is personally known to me, or who proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument, appeared before me this day and acknowledged the due execution of the foregoing instrument.

Subscribed to and sworn before me this 6th day of June, 2025.

_____(SEAL)
Signature of Notary Public
Print Name: Bryon T. LoPreste
Notary Public for State of Florida
My commission expires: 01-28

[AFFIX NOTARY SEAL]

BRYON T. LOPRESTE
MY COMMISSION # HH 456133
EXPIRES: January 27, 2028

EXHIBIT A

LEGAL DESCRIPTION

PARCEL B2 AND PARCEL D:

ALL THOSE PIECES, PARCELS OR TRACTS OF LAND, with all building and improvements located thereon, situate, lying and being in the City of Hardeeville, Jasper County, South Carolina, and shown and designated as "**PARCEL B2 5,636.934 SF 129.406 AC.**" containing 129.406 acres, more or less, and "**PARCEL D 65,930 SF 1.511 AC.**" containing 1.511 acres, more or less, on that certain plat entitled "**MINOR SUBDIVISION OF PARCEL A-1B, PARCEL B & ROAD "A" DEVELOPMENT POD I ARGENT WEST TRACT WEST**" dated May 13, 2025, prepared by Robert K. Morgan, III, RLS No. 26957, of Thomas & Hutton Engineering Co., and recorded in the Jasper County, South Carolina Register of Deeds Office on May 14, 2025, **in Book 38 at Page 1147**, bearing Doc. No. 202500003195, with said lot having such size, shape, dimensions, butting and boundings as will by reference to said plat more fully appear.

TOGETHER WITH all of Grantor's rights, title and interests, if any, in and to the following easement rights to extent (but only to the extent) such easement rights were intended to (and may or do) benefit the aforesaid land (but reserving, however, unto Grantor, its successors and assigns, forever, all of Grantor's rights, title and interests, if any, in and to the following easement rights to the extent (but only to the extent) such easement rights were also intended to (and may or do) benefit the remaining land (and any other properties) owned by Grantor:

Easement Area 1 (Tradition Avenue):

Easement rights conveyed pursuant to that Clerk of Court's Deed from Margaret Bostick, Clerk of Court for Jasper County to THH Acquisitions, LLC, dated November 29, 2011, and recorded in Deed Book 818, page 342, Jasper County, South Carolina records over those areas designated as "Access Easement – 1", containing 33.72 acres, more or less, and "Access Easement -2" containing 17.18 acres, more or less, which parcels are more fully shown on the plat of survey entitled "A Plat of 33.72 Ac. Access Easement & 17.18 Ac. Access Easement, Tradition, SC, TMS 042-00-02-012, City of Hardeeville, Jasper County, SC," prepared by Michael Jim Gardner, S.C.R.L.S. No. 12239, dated November 14, 2006, and recorded in Plat Book 29, page 264, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Easement Area 2 (School District Access):

Easement rights reserved in that Title to Real Estate from International Paper Realty Corporation, a Delaware corporation to Jasper County School District, a South Carolina public body, dated December 4, 2003, and recorded in Deed Book 287, page 71, Jasper County, South Carolina records, over, along and under that sixty-six (66) foot wide area shown as "66' Permanent Access Utility Easement" on that plat entitled "88.872 acres being a Portion of the West Side of the Argent Tract," prepared by Boyce L. Young, SC.R. L. S. No. 079, dated November 3, 2003, and recorded in Plat Book 27, page 52, Jasper County, South Carolina records, said plat being incorporated herein and made a part hereof by this reference.

Easement Area 3:

Easement rights conveyed pursuant to that Access and Utility Joint Use Agreement (Easement 1) between WA Holdings South, LLC and the City of Hardeeville, South Carolina, dated October 29, 2021, and recorded in Deed Book 1089, page 1620, Jasper County, South Carolina records.

BEING a portion of the real property conveyed to **LK DEVELOPMENT GROUP, LLC**, a Delaware limited liability company, by deed from **WA HOLDINGS SOUTH, LLC,** a South Carolina limited liability company, dated December 13, 2021, and recorded January 10, 2022, in Book 1094 at Page 914, in the Jasper County, South Carolina Register of Deeds Office.

TAX MAP PARCEL ID #: 042-00-06-132 (portion of)

EXHIBIT B

PERMITTED EXCEPTIONS

1. Taxes and assessments for the year 2025 and all subsequent years, which are not yet due and payable.

2. Any right, easement, setback, interest, claim, encroachment, encumbrance, violation, variation, or otheradverse circumstance affecting the Title disclosed by plat(s) recorded in **Plat Book 38**, **Page 790**, Jasper County Registry.

3. Terms, provisions, options, right of first refusal, covenants, conditions, restrictions, easements, charges, assessments, and liens provided for in instrument(s) filed for record in Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in the Jasper County Records in **Book 501**, **Page 196**; as supplemented by First Supplemental Declaration to Declaration of Covenants, conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 501**, **Page 301**; as supplemented by Second Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 502**, **Page 174**; as supplemented by Third Supplemental Declaration to Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 569**, **Page 199**; amended and restated in that Amended and Restated Second Supplemental Declaration of Covenants, Conditions and Restrictions and Provisions for Membership in Tradition Master Property Owners Association, Inc. recorded in **Book 653**, **Page 1**; amended and restated in that Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Hilton Head Lakes North and Hilton Head Lakes North Master Association recorded in the Jasper County Records in **Book 812**, **Page 446**; as supplemented by that First Supplemental Declaration recorded in **Book 850**, **Page 856**, Second Supplemental Declaration recorded in **Book 885**, **Page 993**, Third Supplemental Declaration recorded in **Book 946**, **Page 39**, Fourth Supplemental Declaration recorded in **Book 976**, **Page 895**, and Fifth Supplemental Declaration recorded in **Book 977**, **Page 342**; asamended by that First Amendment recorded in **Book 988**, **Page 259** and that Second Amendment recorded in **Book 1078**, **Page 620**; as affected by Assignment of Rights under Declaration recorded in **Book 801**, **Page 149**; that Assignment of Declarant Rights recorded in **Book 801**, **Page 341** re-recorded in**Book 802**, **Page 64**, that Assignment of Declarant Rights recorded in **Book 801**, **Page 346**, that Assignment of Declarant Rights recorded in **Book 993**, **Page 483**, that Assignment of Declarant Rights recorded in **Book 1006**, **Page 214**, and that Assignment of Declarant Rights recorded in **Book 1006**, **Page 428**; that Assignment of Declarant Rights recorded in **Book 1087**, **Page 1815**; and that Assignment of Declarant Rights recorded in **Book 1094**, **Page 445**, and any related maps, plans, bylaws and other document(s) and amendment(s).

4. Irrigation System Agreement recorded in **Deed Book 1006**, **Page 501**; as amended in **Deed Book 1015**,**Page 253** and **Deed Book 1062**, **Page 204**, Jasper County Registry.

5. Terms, provisions, options, right of first refusal, covenants, conditions, restrictions, easements, charges, assessments, and liens provided for in instrument(s) filed for record in Declaration of Protective Covenants, Conditions and Restrictions for Hilton Head Lakes North recorded in the Jasper County Records in **Book 812**, **Page 574**; as amended by that First Amendment recorded in **Book 843**, **Page 249**, that Second Amendment recorded in **Book 988**, **Page 262**, that Third Amendment recorded in **Book 1070**, **Page 276**, and that Fourth Amendment recorded in **Book**

1078, **Page 625**; as supplemented by that First Supplemental Declaration recorded in **Book 946**, **Page 44**, that Second Supplemental Declaration recorded in **Book 976**, **Page 899**, and that Third Supplemental Declaration recorded in **Book 1017**, **Page 281**; as affected by that Assignments of Rights recorded in **Book 885**, **Page 982**, that Assignment of Declarant Rights in **Book 993**, **Page 479**, that Assignment of Declarant Rights recorded in **Book 1006**, **Page 220**, that Assignment of Declarant Rights recorded in **Book 1006**, **Book 436**, that Irrigation System Agreement in **Book 1006**, **Page 501** (as amended in **Book 1015**, **Page 253** and **Book 1062**, **Page 204**), that Assignment of Declarant Rights recorded in **Book 1087**, **Page 1793**, and those Architectural Design Guidelines recorded in **Book 1015**, **Page 504**, and any related maps, plans, bylaws and other document(s)and amendment(s).

6. Declaration of Preservation Covenants for Archaeological Sites by Core Communities of South Carolina,LLC recorded in **Deed Book 531**, **Page 1**, Jasper County Registry.

7. Development Agreement (Argent West Tract) by and between ViaQuest Investment Properties, LLC, CoreCommunities of South Carolina, LLC and the governmental authority of the City of Hardeeville, South Carolina, recorded in **Deed Book 324**, **Page 103**, Jasper County Registry, and amended as follows:

   a. Amendment to Development Agreement recorded in **Deed Book 327**, **Page 228**;

   b. Amendment to Development Agreement recorded in **Deed Book 327**, **Page 235**;

   c. Second Restated and Amended Development Agreement (Argent West Tract) **Deed Book 708**, **Page 1**;

   d. Notice of Intent to Amend Development Agreement Argent West Tract (Tradition) **Deed Book 783**, **Page 312**;

   e. An Ordinance Further Amending the Second Restated and Amended Development Agreement (Argent West Tract) recorded in **Deed Book 788**, **Page 174**;

   f. Assignment of Rights under Development Agreement recorded in **Deed Book 801**, **Page 153**;

   g. General Assignment of Developer and Contract Rights for Development of the Tradition recorded in **Deed Book 801**, **Page 157**;

   h. Assignment of Development Agreement Rights recorded in **Deed Book 801**, **Page 219**;

   i. Assignment of Development Agreement recorded in **Deed Book 801**, **Page 350**;

   j. Ordinance Further Amending the Second Restated and Amended Development Agreement (ArgentWest Tract) recorded in **Deed Book 807**, **Page 73**;

   k. An Ordinance Further Amending the Second Restated and Amended Development Agreement (ArgentWest Tract) Pursuant to Section 6-31-90 Third Amendment recorded in **Deed Book 870**, **Page 75**;

   l. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in **Deed Book 885**, **Page 972**;

   m. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in **Deed Book 886**, **Page 514**;

   n. Partial Assignment and Assumption of Master Agreement recorded in **Deed Book 986**, **Page 901**;

   o. Partial Assignment and Assumption of Master recorded in **Deed Book 986**, **Page 907**;

p. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in **Deed Book 943**, **Page 504**;

q. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in **Deed Book 993**, **Page 468**;

r. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent recorded in **Deed Book 1006**, **Page 227**;

s. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) recorded in **Deed Book 1006**, **Page 420**;

t. Assignment and Assumption of Rights and Obligations under Development Agreement (Argent West) recorded in **Deed Book 1028**, **Page 360**;

u. Blanket Transfer and Assignment recorded in **Deed Book 1028**, **Page 394**;

v. Assignment and Assumption of Rights and Obligations Under Development Agreement (West Argent) recorded in **Deed Book 1006**, **Page 227**;

w. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in **Deed Book 1028**, **Page 360**;

x. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in **Deed Book 1088**, **Page 294**;

y. Assignment and Assumption of Rights and Obligations Under Development Agreement (Argent West) recorded in **Deed Book 1094**, **Page 465**;

z. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (ParcelA, B, C & E) recorded in **Deed Book 1094**, **Page 764**;

aa. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement(Omega Tract) recorded in **Deed Book 1094**, **Page 775**;

bb. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement(Garden Lakes) recorded in **Deed Book 1094**, **Page 822**;

cc. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Phase 1) recorded in **Deed Book 1148**, **Page 441**;

dd. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Phase 1) recorded in **Deed Book 1151**, **Page 840**;

ee. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Parcel A, B, C & E) recorded in **Deed Book 1175**, **Page 1684**;

ff. Third Partial Restatement and Amendment to Development Agreement (Hilton Head Lakes West Tract) recorded in **Deed Book 1183**, **Page 1**;

gg. Partial Assignment and Assumption of Rights and Obligations Under Development Agreement (Phase 2) by and between LK Development Group, LLC and Millrose Properties South Carolina, LLC (to be recorded).

8. Declaration of Restrictive Covenants (Tradition South Carolina) [Wetlands] by Core Communities of South Carolina, LLC, a South Carolina limited liability company recorded in **Deed Book 531**, **Page 12**, Jasper County Registry; and amended and assigned as follows:

a. Assignment of Declarant Rights by and between Summerton Inn, Inc., a South Carolina corporation and SLF IV/SBI West Argent, LLC, a Texas limited liability company recorded in **Deed Book 801**, **Page 341**; as re-recorded in **Deed Book 802**, **Page 64**;

b. Assignment of Declarant Rights by and between Core Communities of South Carolina, LLC, a South Carolina limited liability company and Summerton Inn, Inc., a South Carolina corporation, recorded in **Deed Book 801**, **Page 346**;

c. Amended and Restated Declaration of Restrictive Covenants (Wetlands) by SLF IV I SBI West Argent,LLC, a Texas limited liability company recorded in **Deed Book 903**, **Page 551**.

9. Restrictions and conditions contained in deeds to Tradition Master Property Owners Association, Inc. (n/k/a/ Hilton Head Lakes North Master Association) recorded in **Deed Book 714**, **Page 151**; and **Deed Book 714**, **Page 157**, Jasper County Registry.

10. Restrictions and conditions contained in Deed to Hilton Head Lakes North Master Association recorded in **Deed Book 880**, **Page 722**, Jasper County Registry.

11. Mineral royalty reservation by International Paper Realty Corporation contained in that certain Deed from International Paper Realty Corporation to ViaQuest Investment Properties, LLC, recorded in **Deed Book 309**, **Page 113**, Jasper County Registry.

12. Access and Utility Easement granted to Hargray recorded in **Deed Book 533**, **Page 46** (Phase I); **Deed Book 533**, **Page 51** (Phase II-A), and **Deed Book 535**, **Page 30** (Tradition Avenue Phase I and Levitt Road), Jasper County Registry.

13. Easements to Beaufort Jasper Water Sewer Authority (BJWSA) recorded in **Deed Book 550**, **Page 69**;**Deed Book 550**, **Page 73**; **Deed Book 550**, **Page 76**; **Deed Book 590**, **Page 137**; **Deed Book 719**, **Page147**; and **Deed Book 789**, **Page 847**, Jasper County Registry.

14. Right(s)-of-way/Easement(s) to South Carolina Electric & Gas (SCE&G) recorded in **Deed Book 566**, **Page 13** (Phase I); **Deed Book 566**, **Page 19**; **Deed Book 574**, **Page 242**; and **Deed Book 574**, **Page 244**,Jasper County Registry.

15. Access and Utility Easements granted to Palmetto Electric Cooperative, Inc. recorded in **Deed Book 568**,**Page 268**; **Deed Book 568**, **Page 273**; and **Deed Book 604**, **Page 214** (Tradition Avenue Access Easement), Jasper County Registry.

16. Utility Easement granted to South Carolina Public Service Authority by Union Camp Corporation recorded in **Deed Book 91**, **Page 2296**, Jasper County Registry.

17. Easements for Right of Way to City of Hardeeville for Median Crossover recorded in **Deed Book 850**, **Page 853**, Jasper County Registry.

18. Easement Appurtenant to New River Preserve, LLC recorded in **Deed Book 886**, **Page 1**, Jasper County Registry.

19. Reclaimed Water System Easement Appurtenant to New River Preserve, LLC recorded in **Deed Book 886**, **Page 7**, Jasper County Registry.

20. Easement Appurtenant Lake System to New River Preserve, LLC recorded in **Deed Book 886**, **Page 17**,J asper County Registry.

21. Easement Appurtenant to Garden Lakes Estates, LLC recorded in **Deed Book 886**, **Page 535**, Jasper County Registry.

22. Reclaimed Water System Easement Appurtenant to Garden Lakes Estates, LLC recorded in **Deed Book 886**, **Page 541**, Jasper County Registry.

23. Easement Appurtenant Lake System to Garden Lakes Estates, LLC recorded in **Deed Book 886**, **Page 551**, Jasper County Registry.

24. Easement Appurtenant Garden Lakes Estates, LLC to Hilton Head Lakes North Residential Development, LLC, SLF IV/SBI West Argent, LLC, Hilton Head Lakes North Master Association and Hilton Head Lakes North Owners Association, recorded in **Deed Book 928**, **Page 69**, Jasper County Registry.

25. Easement Appurtenant Hilton Head Lakes North Master Association and SLF IV/SBI West Argent, LLC to Garden Lakes Estates, LLC recorded in **Deed Book 928**, **Page 79**, Jasper County Registry.

26. Utility Easement to Beaufort Jasper Sewer and Water Authority recorded in **Deed Book 976**, **Page 902**, Jasper County Registry.

27. Declaration of Easement by SLF IV / SBI West Argent, LLC recorded in **Deed Book 978**, **Page 836**, Jasper County Registry.

28. Assignment of Amended & Restated Water and Sewer Agreement to RSM Communities, LLC recorded in **Deed Book 1006**, **Page 470**, Jasper County Registry.

29. Assignment of Stormwater and Riparian Rights to RSM Communities, LLC recorded in **Deed Book 1006**, **Page 480**, Jasper County Registry.

30. Any right, easement, setback, interest, claim, encroachment, encumbrance, violation, variation, or other adverse circumstance affecting the Title disclosed by plat(s) recorded in **Plat Book 27**, **Page 52**; **Plat Book 29**, **Page 260**; **Plat Book 29**, **Page 264**; **Plat Book 29**, **Page 274**; **Plat Book 29**, **Pages 379-380**; **Plat Book 30**, **Page 72**; **Plat Book 31**, **Page 50**; **Plat Book 31**, **Page 142**; **Plat Book 34**, **Page 298**; **Plat Book 35**, **Page 145**; **Plat Book 36**, **Page 15**; **Plat Book 38**, **Page 747**, Jasper County Registry.

31. Easement Appurtenant recorded in **Deed Book 1015**, **Page 417**, Jasper County Registry.

32. Right(s)-of-way/Easement(s) from Argent Lumber Company to South Carolina Electric & Gas company, a corporation, recorded in **Deed Book 26**, **Page 39**, Jasper County Registry.

33. Right(s)-of-way/Easement(s) Agreement by and between Argent Lumber Company, a corporation and Palmetto Electric Cooperative, Inc. recorded in **Deed Book 37**, **Page 18**, Jasper County Registry.

34. Right of Way Easement from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation recorded in **Deed Book 72**, **Page 445**, Jasper County Registry.

35. Right of Way Easement(s) from Union Camp Corporation, a Virginia corporation to South Carolina Electric & Gas Company, a South Carolina corporation recorded in **Deed Book 87**, **Page 930**, Jasper County Registry; as assigned by that certain Assignment by and between International Paper Corporation and ViaQuest Investment Properties, LLC, recorded in **Deed Book 10**, **Page 281**; as further assigned by that certain Assignment by and between ViaQuest Investment Properties LLC and Core Communities of South Carolina, LLC, recorded in **Deed Book 690**, **Page 118**, aforesaid records.

36. Easement # 181, Tract # 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc. recorded in **Deed Book 704**, **Page 145**, Jasper County Registry; as amended by that certain Amendment to Easement # 181, Tract # 30 by and between Core Communities of South Carolina, LLC and Central Electric Power Cooperative, Inc. recorded in **Deed Book 750**, **Page 167**, aforesaid records.

37. Easement Appurtenant from Core Communities of South Carolina, LLC to South Carolina Electric & Gas Company, recorded in **Deed Book 715**, **Page 96**, Jasper County Registry.

38. Easement Appurtenant from Core Commumt1es of South Carolina, LLC to South Carolina Electric & Gas Company, recorded in **Deed Book 715**, **Page 100**, Jasper County Registry.

39. Non-Exclusive Perpetual Access Utility Easement Agreement by and between THH Acquisitions, LLC, an Iowa limited liability company and Palmetto Electric Cooperative, Inc. recorded in **Deed Book 984**, **Page 413**, Jasper County Registry.

40. Right(s)-of-way/Easement(s) to Dominion Energy South Carolina, Inc. recorded in **Deed Book 1024**, **Page 435**, Jasper County Registry.

41. Restrictive Covenant Agreement recorded in **Deed Book 1094**, **Page 1182**, Jasper County Registry.

42. Restrictive Covenant Agreement recorded in **Deed Book 1094**, **Page 1193**, Jasper County Registry.

43. Right(s)-of-way/Easement(s) to Dominion Energy South Carolina, Inc. recorded in **Deed Book 1132**, **Page 1216**, Jasper County Registry.

44. Easement by and between Jasper County School District and LK Development Group, LLC recorded in **Deed Book 1134**, **Page 1042**, Jasper County Registry.

45. Memorandum of Agreement by and between Lennar Carolinas, LLC and LK Development Group, LLC recorded in **Deed Book 1147**, **Page 426**, Jasper County Registry.

46. Temporary Access Easement Agreement between LK Development Group, LLC and Millrose Properties South Carolina, LLC recorded in **Deed Book 1148**, **Page 449**, Jasper County Registry.

47. Right(s)-of-way/Easement(s) to Comcast Cable Communications Management, LLC recorded in **Book 1159**, **Page 1640**, Jasper County Registry.

48. Right(s)-of-way/Easement(s) to Dominion Energy South Carolina, Inc. recorded in **Book 1169**, **Page 1924**, Jasper County Registry.

49. Terms and conditions of the easement set forth in instrument recorded in **Deed Book 818**, **Page 342**, Jasper County Registry, and rights of others in and to the use thereof.

50. Terms and conditions of the easement set forth in instrument recorded in **Deed Book 287**, **Page 71**, Jasper County Registry, and rights of others in and to the use thereof.

51. Terms and conditions of the easement set forth in instrument recorded in **Deed Book 1089**, **Page 1620**, Jasper County Registry, and rights of others in and to the use thereof.

52. Terms, provisions, options, right of first refusal, covenants, conditions, restrictions, easements, charges, assessments, and liens provided for in instrument(s) entitled Declaration of Covenants, Conditions and Restrictions for Hilton Head Lakes West filed for record in **Book 1184, Page 1414**, Jasper County Registry, and any related maps, plans, bylaws and other document(s) and amendment(s).

53. Memorandum of Option Agreement by and between Millrose Properties South Carolina, LLC and Lennar Carolinas, LLC to be recorded.

54. Any right, easement, setback, interest, claim, encroachment, encumbrance, violation, variation, or other adverse circumstance affecting the Title disclosed by survey entitled "MINOR SUBDIVISION PLAT OF PARCEL A-1B & ROAD "A" DEVELOPMENT POD I ARGENT TRACT WEST" by Rober K. Morgan, III PLS, dated May 13, 2025, and recorded in **Plat Book 38**, **Page 1147**, Jasper County Registry.

55. All applicable federal, state, county, municipal and local governmental laws, statutes, ordinances, rules and regulations, including, without limitation, zoning and other land use regulations or restriction of any political subdivision or governmental agency having jurisdiction over the Property.

STATE OF SOUTH CAROLINA	)	AFFIDAVIT	Date of Transfer of Title
COUNTY OF JASPER	)		June 6, 2025

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 is being transferred from LK DEVELOPMENT GROUP, LLC (Grantor) to MILLROSE PROPERTIES SOUTH CAROLINA, LLC (Grantee) on June 6, 2025.

3. The DEED is (check one of the following)

   (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 distribution to a trust beneficiary.

   (c) _____ EXEMPT from the deed recording fee because (exemption# and explanation required): N/A

   (If exempt, please skip items 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 $3,733,467.55.

   (b) _____ The fee is computed on the fair market value of the realty which is $N/A.

   (c) _____ The fee is computed on the fair market value of the realty as established for property tax purposes which is $N/A.

5. Check YES ____ or NO __X__ 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 $N/A.

6. The DEED Recording Fee is computed as follows:

(a) The amount listed in item 4 above:	$3,733,467.55
(b) The amount listed in item 5 above (no amount place zero):	$0.00
(c) Subtract Line 6(b) from Line 6(a) and place the result.	$3,733,467.55

7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording fee due is: $13,813.95.

8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: **Grantor**

9. I understand that a person required to furnish this affidavit who willfully 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.

LK DEVELOPMENT GROUP, LLC

By: _____
Name: James P. Harvey
Title: Authorized Signatory

Sworn to before me this 16 day of June 2025
_____ (SEAL)
Notary Public for the State of Florida
My Commission Expires: _____

BRYON T. LOPRESTE
MY COMMISSION # HH 456133
EXPIRES: January 27, 2028

202221538.v6

Jasper COUNTY South Carolina

← Back to Search

Record / Summary

Menu

Property Information

Parcel Number	042-00-06-129
Description	PARCEL A-1A F/K/A PARCEL A-1
District	03
Acres	222.18
Assessed Value	$266,620.00
Taxable Appraised Value	$4,443,600.00
Owner	TPG AG EHC III (LEN) MULTI STA
Owner Address	C/O ESSENTIAL HOUSING ASSET MG 8585 E HARTFORD DR SCOTTSDALE AZ, 85255

Taxes & Fees

Status	Unpaid
Base Taxes	$90,384.18
Credit	-$4,576.91
Penalty	$0.00
Costs	$0.00
Total Due	$111,136.17

Add to Cart

Bill Information

Record Type	Real Property

Jasper County, SC

Summary

Parcel Number	042-00-06-129
Tax District	County (District 03)
Location Address	
Class Code (NOTE: Not Zoning Info)	350-Rural agricultural (no use value)
Acres	222.18
Description	
Record Type	Agricultural
Town Code / Neighborhood	
Owner Occupied	

View Map

Owners

TPG AG EHC III (LEN) MULTI STATE 1, LLC
8585 E HARTFORD DR , STE 118
SCOTTSDALE AZ
85255

Current Value Information

Land Market Value	$4,443,600
Improvement Market Value	$0
Total Market Value	$4,443,600
Taxable Value	$4,443,600
Total Assessment Market	$266,620

Building Information

Heated Square Footage 0 **Year Built** 0

Sales Information

Sale Date	Price	Deed Book	Plat Book	Grantor
5/29/2024	$4,572,170	1151 1807	38 790	LENNAR CAROLINAS LLC
4/12/2024	Not Available	1151827	Not Available	Not Available
4/12/2024	Not Available	1148389	Not Available	Not Available

Generate Owner List by Radius

Distance:
100 Feet

Use Address From:
Owner Property

Select export file format:
Address labels (5160)

International mailing labels that exceed 5 lines are not supported on the Address labels (5160). For international addresses, please use the xlsx, csv or tab download formats.

Download

Show All Owners
Show Parcel ID on Label

Skip Labels 0

Recent Sales In Area

Sale date range:

From: 11/10/2
To: 11/10/2

Sales by Area

Distance: 1500
Units: Feet

Search Sales by Distance

No data available for the following modules: Lot Size Information (Dimensions in Feet), Photos.

Jasper County makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The assessment information is from the last certified taxroll. All data is subject to change before the next certified taxroll.
| User Privacy Policy | GDPR Privacy Notice
Last Data Upload: 11/7/2025, 8:28:24 PM

Contact Us

Developed by
SCHNEIDER GEOSPATIAL

Jasper County, SC

Summary

Parcel Number	042-00-06-130
Tax District	County (District 03)
Location Address	
Class Code (NOTE: Not Zoning Info)	117-Urban single family residence (land vacant)
Acres	3.30
Description	
Record Type	Residential
Town Code / Neighborhood	
Owner Occupied	

View Map

Owners

LK DEVELOPMENT GROUP LLC
1941 SAVAGE RD STE 100 C
CHARLESTON SC
29407

Current Value Information

Land Market Value	$10,000
Improvement Market Value	$0
Total Market Value	$10,000
Taxable Value	$10,000
Total Assessment Market	$600

Building Information

Heated Square Footage 0 **Year Built** 0

Sales Information

Sale Date	Price	Deed Book	Plat Book	Grantor
1/25/2024	$0		38 747	

Generate Owner List by Radius

Distance:
100 Feet

Use Address From:
(•) Owner ( ) Property

Select export file format:
Address labels (5160)

International mailing labels that exceed 5 lines are not supported on the Address labels (5160). For international addresses, please use the xlsx, csv or tab download formats.

Download

[x] Show All Owners
[ ] Show Parcel ID on Label

Skip Labels 0

Recent Sales In Area

Sale date range:

From: 11/10/2(**To:** 11/10/2(

Sales by Area

Distance: 1500 **Units:** Feet

Search Sales by Distance

No data available for the following modules: Lot Size Information (Dimensions in Feet), Photos.

Jasper COUNTY South Carolina

← Back to Search

Record / Summary

Menu

Property Information

Parcel Number	042-00-06-131
Description	PARCEL A-1B
District	03
Acres	18.13
Assessed Value	$1,080.00
Taxable Appraised Value	$18,000.00
Owner	TPG AG EHC III (LEN) MULTI STA
Owner Address	C/O ESSENTIAL HOUSING ASSET MA 8585 E HARTFORD DR SCOTTSDALE AZ, 85255

Taxes & Fees

Status	Unpaid
Base Taxes	$366.12
Credit	-$18.54
Penalty	$0.00
Costs	$0.00
Total Due	$450.18

Add to Cart

Bill Information

Record Type	Real Property
Tax Year	2025

Jasper County, SC

Summary

Parcel Number	042-00-06-131
Tax District	County (District 03)
Location Address	
Class Code (NOTE: Not Zoning Info)	350-Rural agricultural (no use value)
Acres	18.13
Description	
Record Type	Agricultural
Town Code / Neighborhood	
Owner Occupied	

View Map

Owners

TPG AG EHC III (LEN) MULTI STATE 1, LLC
8585 E HARTFORD DR , STE 118
SCOTTSDALE AZ
85255

Current Value Information

Land Market Value	$18,000
Improvement Market Value	$0
Total Market Value	$18,000
Taxable Value	$18,000
Total Assessment Market	$1,080

Building Information

Heated Square Footage 0 **Year Built** 0

Sales Information

Sale Date	Price	Deed Book	Plat Book	Grantor
5/29/2024	$4,572,170	1151 1807	38 790	LENNAR CAROLINAS LLC
4/12/2024	Not Available	1151827	Not Available	Not Available
4/12/2024	Not Available	1148389	Not Available	Not Available

Generate Owner List by Radius

Distance:
100 Feet

Use Address From:
Owner Property

Select export file format:
Address labels (5160)

International mailing labels that exceed 5 lines are not supported on the Address labels (5160). For international addresses, please use the xlsx, csv or tab download formats.

Download

Show All Owners
Show Parcel ID on Label

Skip Labels 0

Recent Sales In Area

Sale date range:

From: 11/10/2
To: 11/10/2

Sales by Area

Distance: 1500
Units: Feet

Search Sales by Distance

No data available for the following modules: Lot Size Information (Dimensions in Feet), Photos.

Jasper County makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The assessment information is from the last certified taxroll. All data is subject to change before the next certified taxroll.
| User Privacy Policy | GDPR Privacy Notice
Last Data Upload: 11/7/2025, 8:28:24 PM

Contact Us

Developed by
SCHNEIDER GEOSPATIAL

Jasper COUNTY South Carolina

← Back to Search

Record / Summary

Menu

Property Information

Parcel Number	042-00-06-132
Description	PARCEL B
District	03
Acres	132.53
Assessed Value	$146,340.00
Taxable Appraised Value	$2,439,000.00
Owner	LK DEVELOPMENT GROUP LLC
Owner Address	1941 SAVAGE RD STE 100 C CHARLESTON SC, 29407

Taxes & Fees

Status	Unpaid
Base Taxes	$49,609.26
Credit	-$2,512.17
Penalty	$0.00
Costs	$0.00
Total Due	$60,999.39

Add to Cart

Bill Information

Record Type	Real Property
Tax Year	2025

Jasper County, SC

Summary

Parcel Number	042-00-06-132
Tax District	County (District 03)
Location Address	
Class Code (NOTE: Not Zoning Info)	350-Rural agricultural (no use value)
Acres	129.40
Description	
Record Type	Agricultural
Town Code / Neighborhood	
Owner Occupied	

View Map

Owners

MILLROSE PROPERTIES SOUTH CAROLINA LLC
600 BRICKELL AVE
MIAMI FL
33131

Current Value Information

Land Market Value	$2,439,000
Improvement Market Value	$0
Total Market Value	$2,439,000
Taxable Value	$2,439,000
Total Assessment Market	$146,340

Building Information

Heated Square Footage 0 **Year Built** 0

Sales Information

Sale Date	Price	Deed Book	Plat Book	Grantor
6/6/2025	$3,733,467	1186 605	38 1147	LK DEVELOPMENT GROUP LLC
3/19/2024	Not Available		Not Available	Not Available

Generate Owner List by Radius

Distance:

100 Feet

Use Address From:

(•) **Owner** ( ) **Property**

Select export file format:

Address labels (5160)

International mailing labels that exceed 5 lines are not supported on the Address labels (5160). For international addresses, please use the xlsx, csv or tab download formats.

Download

[x] Show All Owners
[ ] Show Parcel ID on Label

Skip Labels 0

Recent Sales In Area

Sale date range:

From: 11/10/2(**To:** 11/10/2(

Sales by Area

Distance: 1500 **Units:** Feet

Search Sales by Distance

No data available for the following modules: Lot Size Information (Dimensions in Feet), Photos.

Jasper County makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The assessment information is from the last certified taxroll. All data is subject to change before the next certified taxroll.
| User Privacy Policy | GDPR Privacy Notice
Last Data Upload: 11/7/2025, 8:28:24 PM

Contact Us

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Addendum C

Comparable Data

Land Sale Profile

Sale No. 1

Location & Property Identification

Property Name:	Residential Land - 91.67 acres
Sub-Property Type:	Residential, Single Family Development Land
Address:	E. Argent Pky.
City/State/Zip:	Hardeeville, SC 29927
County:	Jasper
Market Orientation:	Suburban
IRR Event ID:	3428547

Sale Information

Sale Price:	$9,040,000
Effective Sale Price:	$9,040,000
Sale Date:	09/24/2025
Sale Status:	Closed
$/Unit:	$37,667 /Approved Unit
$/Acre(Gross):	$98,615
$/Land SF(Gross):	$2.26
$/Acre(Usable):	$98,615
$/Land SF(Usable):	$2.26
$/Unit (Potential):	$37,667 /Approved Unit
Grantor/Seller:	Two Packard Bluffton, LLC
Grantee/Buyer:	East Argent SC, LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	Book: 1196 Page: 1784
Verification Type:	Secondary Verification

Improvement and Site Data

Legal/Tax/Parcel ID:	066-00-00-003
Acres(Usable/Gross):	91.67/91.67
Land-SF(Usable/Gross):	3,993,145/3,993,145

Usable/Gross Ratio:	1.00
No. of Units (Potential):	240
No. of Units/Unit Type:	240/Approved Units
Shape:	Irregular
Topography:	Gently Sloping
Corner Lot:	No
Frontage Feet:	1683
Frontage Desc.:	E Argent Pkwy
Frontage Type:	2 way, 1 lane each way
Density-Unit/Gross Acre:	2.62
Density-Unit/Usable Acre:	2.62
Zoning Code:	PDD
Zoning Desc.:	Planned Development District
Flood Plain:	Yes
Flood Zone Designation:	A
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	All available
Source of Land Info.:	Public Records

Comments

91.67 acres planned for 240 single family homes.

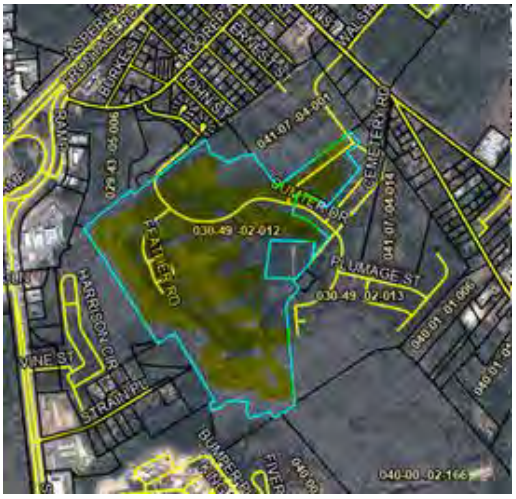
Residential Land - 91.67 acres

Land Sale Profile

Sale No. 2

Location & Property Identification

Property Name:	119.15 Acres
Sub-Property Type:	Residential, Single Family Development Land
Address:	Heron Pointe Pl.
City/State/Zip:	Hardeeville, SC 29927
County:	Jasper
Market Orientation:	Small Town - Non Metro
IRR Event ID:	3377893



Sale Information

Sale Price:	$6,758,000
Effective Sale Price:	$6,758,000
Sale Date:	06/27/2025
Sale Status:	Closed
$/Unit:	$38,839 /Approved Lot
$/Acre(Gross):	$56,718
$/Land SF(Gross):	$1.30
$/Acre(Usable):	$56,718
$/Land SF(Usable):	$1.30
$/Unit (Potential):	$38,839 /Approved Lot
Grantor/Seller:	McClure Real Estate LLC
Grantee/Buyer:	Heron Pointe SC 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 1188 Page 1685
Verified By:	Elizabeth B. Keys
Verification Date:	06/26/2025
Verification Type:	Secondary Verification

Improvement and Site Data

Legal/Tax/Parcel ID:	p/o 030-49-02-012, 041-07-04-002
Acres(Usable/Gross):	119.15/119.15
Land-SF(Usable/Gross):	5,190,174/5,190,174
Usable/Gross Ratio:	1.00
No. of Units (Potential):	174
No. of Units/Unit Type:	174/Approved Lots
Shape:	Irregular
Topography:	Level
Vegetation:	Heavily treed
Density-Unit/Gross Acre:	1.46
Density-Unit/Usable Acre:	1.46
Zoning Code:	PDD
Zoning Desc.:	Planned Development District
Utilities:	Electricity, Water Public, Sewer
Source of Land Info.:	Public Records

Comments

Site to be developed with 174 SF lots.
Property located in close proximity to the intersection of Main Street and Jasper Highway.

119.15 Acres

Land Sale Profile

Sale No. 3

Location & Property Identification

Property Name:	750 lot site
Sub-Property Type:	Residential, Single Family Development Land
Address:	E. Argent Pky.
City/State/Zip:	Ridgeland, SC 29936
County:	Jasper
Market Orientation:	Small Town - Non Metro
IRR Event ID:	3353772

Sale Information

Sale Price:	$13,125,000
Effective Sale Price:	$13,125,000
Sale Date:	10/04/2023
Sale Status:	Closed
$/Unit:	$17,500 /Approved Lot
$/Acre(Gross):	$41,922
$/Land SF(Gross):	$0.96
$/Acre(Usable):	$41,922
$/Land SF(Usable):	$0.96
$/Unit (Potential):	$17,500 /Approved Lot
Grantor/Seller:	RF Development, LLC
Grantee/Buyer:	HIC East Argent 15, LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
% of Interest Conveyed:	100.00
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	1135/1567
Verified By:	Elizabeth B. Keys
Verification Date:	04/24/2025
Confirmation Source:	Victor Padilla - Hoyer Invest
Verification Type:	Confirmed-Buyer

Improvement and Site Data

MSA:	Hilton Head Island-Bluffton-Beaufort, SC
Legal/Tax/Parcel ID:	066-00-00-010
Acres(Usable/Gross):	313.08/313.08
Land-SF(Usable/Gross):	13,637,765/13,637,765
Usable/Gross Ratio:	1.00
No. of Units (Potential):	750
No. of Units/Unit Type:	750/Approved Lots
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	4095
Frontage Desc.:	Argent Parkway
Density-Unit/Gross Acre:	2.40
Density-Unit/Usable Acre:	2.40
Zoning Code:	RP
Zoning Desc.:	Rural Preservation
Flood Plain:	No
Comm. Panel No.:	45053C0405D
Date:	10/18/2019
Utilities:	Electricity
Source of Land Info.:	Public Records

Comments

Lots are entitled but not engineering.

750 lot site

Land Sale Profile

Sale No. 4

Location & Property Identification

Property Name:	Pulte Midpoint
Sub-Property Type:	Residential, Single Family Development Land
Address:	New Riverside Dr
City/State/Zip:	Bluffton, SC 29910
County:	Beaufort
Market Orientation:	Suburban
IRR Event ID:	3428814

Sale Information

Sale Price:	$14,098,000
Effective Sale Price:	$14,098,000
Sale Date:	09/29/2023
Sale Status:	Closed
$/Unit:	$38,310 /Approved Lot
$/Acre(Gross):	$68,771
$/Land SF(Gross):	$1.58
$/Acre(Usable):	$68,771
$/Land SF(Usable):	$1.58
$/Unit (Potential):	$38,310 /Approved Lot
Grantee/Buyer:	Pulte Home Company LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	Book 4279 Page 1264
Verified By:	Baker Haynes
Verification Date:	11/10/2025
Verification Type:	Secondary Verification
Secondary Verific. Source:	CoStar, Press Release, Public Records

Improvement and Site Data

Legal/Tax/Parcel ID:	R610 044 000 0012 0000
Acres(Usable/Gross):	205.00/205.00
Land-SF(Usable/Gross):	8,929,800/8,929,800
Usable/Gross Ratio:	1.00
No. of Units (Potential):	368
No. of Units/Unit Type:	368/Approved Lots
Shape:	Irregular
Topography:	Level
Corner Lot:	No
Frontage Desc.:	MidPoint Blvd
Density-Unit/Gross Acre:	1.80
Density-Unit/Usable Acre:	1.80
Zoning Code:	PD
Zoning Desc.:	Planned Development
Flood Plain:	No
Utilities:	Electricity, Water Public, Sewer
Source of Land Info.:	Public Records

Comments

Site purchased for development of 368 single family homes.

Pulte Midpoint

Land Sale Profile

Sale No. 5

Location & Property Identification

Property Name:	Proposed Townhomes
Sub-Property Type:	Residential, Townhome Development Land
Address:	FC Carter Dr.
City/State/Zip:	Beaufort, SC 29906
County:	Beaufort
Market Orientation:	Suburban
IRR Event ID:	3428770

Sale Information

Sale Price:	$3,300,000
Effective Sale Price:	$3,300,000
Sale Date:	03/20/2023
Sale Status:	Closed
$/Unit:	$23,913 /Approved Lot
$/Acre(Gross):	$165,000
$/Land SF(Gross):	$3.79
$/Acre(Usable):	$165,000
$/Land SF(Usable):	$3.79
$/Unit (Potential):	$23,913 /Approved Lot
Grantee/Buyer:	CCC Grove at Broad River LLC
Assets Sold:	Real estate only
Property Rights:	Fee Simple
Financing:	Cash to seller
Conditions of Sale:	Arm's-length
Document Type:	Deed
Recording No.:	Book 4429 Page 820
Verified By:	Baker Haynes
Verification Date:	11/10/2025
Verification Type:	Secondary Verification

Improvement and Site Data

Legal/Tax/Parcel ID:	R10 02- 000 0045 0000 and 0482
Acres(Usable/Gross):	20.00/20.00
Land-SF(Usable/Gross):	871,200/871,200
Usable/Gross Ratio:	1.00
No. of Units (Potential):	138
No. of Units/Unit Type:	138/Approved Lots
Shape:	Rectangular
Topography:	Level
Corner Lot:	No
Frontage Feet:	300
Frontage Desc.:	Broad River Rd
Density-Unit/Gross Acre:	6.90
Density-Unit/Usable Acre:	6.90
Zoning Code:	C5R
Zoning Desc.:	Regional Center Mixed Use
Flood Plain:	No
Utilities:	Electricity, Water Public, Sewer
Utilities Desc.:	Available
Source of Land Info.:	Public Records

Comments

To be developed with 138 townhomes and duplex units.

Proposed Townhomes

Addendum D

Engagement Letter

Docusign Envelope ID: 0EBAB621-61D6-4A9B-A4BF-364BCFF0FE6B

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES (the "**Agreement**"), dated as of September 29, 2025 ("**Effective Date**"), is made by and between LK Development Group LLC ("**Owner**") and Integra Realty Resources-Charlotte, LLC ("**Consultant**") relating to the performance of professional services as further described herein. In consideration of the mutual promises contained herein, Owner and Consultant agree as follows:

1. SCOPE OF SERVICES.

a. Basic Services: A description of the nature and scope of services to be performed by Consultant under this Agreement ("**Basic Services**") is set forth in **Exhibit "A"** attached hereto and incorporated herein by reference.

b. Additional Services: Owner may, from time to time, authorize Consultant in writing to perform additional services ("**Additional Services**"), in which event Consultant shall perform same. Any such Additional Services shall be set forth in an Amendment to this Agreement, which shall be executed by Owner and Consultant, and which shall be governed by the terms and conditions of this Agreement unless otherwise expressly set forth therein. For the avoidance of doubt, unless an Amendment to this Agreement providing for Additional Services is executed by Owner and Consultant, Consultant shall perform only the Basic Services, Consultant shall be entitled to payment only for the Basic Services, and Consultant shall not be entitled to payment for any Additional Services.

c. Reduction of Scope of Services: Basic Services plus Additional Services are hereinafter referred to collectively as "**Services**." Owner retains the right, in its sole discretion, for any or no reason, to reduce any portion, component and/or aspect of the scope of Services. In the event Owner reduces the scope of Services, Owner shall be entitled to a proportionate reduction to the Fixed Price (defined in Article 2).

d. Time for Completion: Consultant shall commence the Services upon execution of this Agreement, or as otherwise directed by Owner, and shall complete the Services in accordance with the schedule ("**Schedule**") set forth in **Exhibit "B"** attached hereto and incorporated herein by reference, it being understood and agreed that TIME IS OF THE ESSENCE of this Agreement and as to all specified dates. Consultant shall at all times allocate sufficient professional staff and other resources as required to perform the Services in accordance with the Schedule. Consultant's failure to timely complete the Services in accordance with the Schedule, except for force majeure, shall be a material breach of this Agreement.

e. Acceleration: Consultant shall accelerate performance of its Services in the manner directed by Owner in the event that Owner, in its sole discretion, determines that such acceleration is necessary to maintain the Schedule. If acceleration is required as a result of delays caused by Consultant, then such acceleration shall be at no cost to Owner. If acceleration is required as a result of delays partially caused by Consultant, then such portion of any delay partially caused by Consultant shall not be compensated by Owner, and any other portion of any such delay shall be compensated as an Additional Service, in all cases as reasonably determined by Owner.

2. COMPENSATION.

a. Owner shall pay on a time and materials basis consistent with Exhibit A for performance of the Services, as directed by Owner's Representative (as defined in Article 20). Should the actual cost of completing the Services be greater than the total fee/price of the Services set forth in **Exhibit "A"** ("**Fixed Price**"), unless Consultant has received written

authorization from Owner for an increase in the Fixed Price, which Owner may or may not grant in its sole discretion, Consultant shall bear the entire responsibility for the amount in excess of the Fixed Price that is necessary to complete the Services.

b. The basis of compensation for any Additional Services shall be set forth in an Amendment to this Agreement providing for such Additional Services. Any Additional Services performed by Consultant prior to an Amendment to this Agreement providing for such Additional Services being executed by Owner and Consultant shall be at Consultant's sole risk and expense and shall not be compensated by Owner.

c. Progress payments shall be made monthly for Services properly performed and accepted by Owner, based upon the actual cost incurred by Consultant at the agreed rates through the end of the month for which an invoice is submitted. On the first day of each month, Consultant shall submit to Owner an invoice, which shall (i) display the Fixed Price (ii) be itemized and include complete documentation and substantiation for all labor and/or material charges being invoiced, (iii) itemize each Amendment to this Agreement and any amount(s) being billed against same, (iv) itemize all amounts previously invoiced and paid under this Agreement, (v) attach the purchase order that was assigned to this Agreement (or reference the purchase order number on the face of the invoice), (vi) attach properly executed lien releases (in the form approved by Owner) from Consultant, and (vii) attach a list of every Subconsultant (defined in Article 9), supplier and/or other person or entity that provided labor, services, or materials in connection with the Services and attach properly executed lien releases (in the form approved by Owner) from all such Subconsultants, suppliers and/or other persons or entities. Consultant acknowledges, stipulates, and agrees that if Consultant fails to provide all the required information and documentation hereunder, including but not limited to all required lien releases, the invoice shall be insufficient, shall not be entitled to payment, and shall not be due and payable. All invoices shall be submitted via email **ONLY** to landinvoices@brookfieldkolter.com. If Consultant has provided all information and documentation required hereunder (including but not limited to all required lien releases), Owner shall pay each approved invoice (or uncontested portion thereof) received before the 20th of the month before the end of the following month.

3. BOOKS AND RECORDS. Consultant shall maintain, in accordance with generally accepted accounting principles, comprehensive books and records relating to all Services performed under this Agreement, which shall be retained by Consultant through and including the date the applicable statute of repose for the project expires. Owner, or its authorized representatives, shall have the right to audit such books and records at all reasonable times upon two (2) days prior notice to Consultant.

4. DELIVERABLES.

a. "**Deliverables**" shall mean all drawings, specifications, data, ideas, designs, concepts, sketches, artwork, molds, models, tooling, programs, software, reports, improvements, inventions, original works of authorship or other tangible or intangible work product in whole or in part conceived, produced, commissioned or acquired by Consultant in connection with the Services. Consultant shall supply all Deliverables to Owner in accordance with the requirements of this Agreement. Consultant is and shall be fully responsible for the preparation and accuracy of all Deliverables and the strict compliance of the Deliverables with all requirements hereof. Owner's review, approval, action or inaction taken on the Deliverables is for Owner's convenience and/or to express Owner's opinion and shall not relieve or discharge Consultant either expressly or by implication from its responsibilities and obligations hereunder.

b. Title to all Deliverables shall be and remain the sole and exclusive property of Owner when produced, whether or not fixed in a tangible medium of expression. In the event

of early termination of the Services hereunder, Consultant shall deliver to Owner all Deliverables whether complete or not.

c. Without limiting the foregoing, Consultant stipulates and agrees that any Deliverables shall be deemed to be "works made for hire" for Owner as the author, creator, or inventor upon creation; provided, however, that in the event and to the extent that such Deliverables are determined not to constitute "works made for hire" as a matter of law, Consultant hereby irrevocably assigns and transfers such property forever (including any initial and extended copyright terms), and all right, title and interest therein, whether now known or hereafter existing, including, but not limited to, patents, trademarks, service marks, designs, and copyrights, to Owner and its successors and assigns. Consultant irrevocably grants to Owner all rights, including, without limitation, reproduction, manufacturing and moral rights, throughout the universe in perpetuity and in all languages and in any and all media whether now or hereafter known, with respect to such Deliverables. Consultant acknowledges that Owner is the motivating force and factor, and for purposes of copyright or patent, has the right to such copyrightable or patentable Deliverables produced by Consultant under this Agreement. Consultant shall deliver all Deliverables to Owner promptly upon their completion or the sooner termination of Consultant's services hereunder. Consultant agrees to execute any and all documents and do such other acts as requested by Owner to further evidence any of the transfers, assignments and exploitation rights provided for herein.

d. Owner acknowledges that the Deliverables provided by Consultant may contain certain standard component details from Consultant’s best practices detail library which standard component design details shall remain the property of Consultant. The details are repetitive in nature, not project-specific, function rather than form-oriented, and were not developed for or identifiable with the Services. Owner agrees that continued use by Consultant of such component design details from Consultant’s best practices detail library shall not infringe on the conveyances of ownership and copyright set forth above.

e. The provisions of this Article shall survive the expiration or earlier termination of this Agreement.

5. CONFIDENTIALITY OF MATERIAL. Consultant may, during the course of providing its Services hereunder or in relation to this Agreement, have access to and acquire knowledge regarding plans, concepts, designs, drawings, artwork, materials, data, systems and/or other information of or with respect to Owner and/or Owner’s parent companies, subsidiaries, affiliates, and/or related companies, which may not be accessible or known to the general public (“**Confidential Information**”). Confidential Information that is specific as to techniques, equipment, processes, products, concepts or designs shall not be deemed to be within the knowledge of the general public merely because it is embraced by general disclosures in the public domain. Any knowledge acquired by Consultant from such Confidential Information or otherwise through providing its Services hereunder or in relation to this Agreement shall not be used, published, shared or divulged by Consultant to any other person, firm or corporation, or used in any advertising or promotion regarding Consultant or its services, or in any other manner or connection whatsoever without first having obtained the written permission of Owner, which Owner may withhold in its sole discretion. Consultant specifically agrees that the foregoing confidentiality obligation applies to, but is not limited to, any information disclosed to Consultant in any document provided to Consultant arising out of or relating to this Agreement, including, but not limited to, a Request for Proposal, Request for Estimate, Request for Quotation and Invitation to Bid. The provisions of this Article shall survive the expiration or earlier termination of this Agreement.

6. INSURANCE.

a. Prior to the commencement of any work under this Agreement, Consultant and any Subconsultant shall at its sole expense secure and maintain the insurance as provided in this Article as will protect Consultant, Owner, Brookfield Kolter Land Partners LLC, The Kolter Group LLC, Kolter Group Acquisitions LLC, Osprey Creek Member LP, Grace Groves Member LP, Brookfield Communities (Florida) GP LLC, BF-KL (Florida) Holdco LLC, Trez US #8 Master Partnership, LP, and TB Lot Development #1 Aggregator Limited Partnership from claims which may arise in whole or in part from operations by Consultant or any Subconsultant or anyone directly or indirectly employed by either of them, or anyone for whose acts either of them may be liable:

(i) Commercial General Liability: This insurance shall be written on an **occurrence** (not claims-made) basis, on a current ISO occurrence form, covering liability for all ongoing and completed operations of Consultant and the Subconsultants, and covering claims for bodily injury, including without limitation sickness, disease or death of any persons, injury to or destruction of property, including loss of use resulting therefrom, personal and advertising injury, completed operations, and contractual liability insuring the obligations assumed by Consultant under this Agreement. This insurance shall have annual limits of at least $1,000,000 per occurrence for bodily injury and property damage, $1,000,000 per occurrence for personal and advertising injury, $2,000,000 general aggregate on a per project basis, and $2,000,000 products/completed operations aggregate on a per project basis. This insurance shall not have any residential, apartments, or tract home exclusions. Consultant shall maintain, without interruption, this insurance from the commencement date of the Services through and including the date the applicable statute of repose for the project expires. Policies and/or endorsements cannot include any provisions that terminate products-completed operations coverage at the end of a policy period or limit the coverage in any other way with respect to additional insureds.

(ii) Automobile Liability: This insurance shall be provided by a current ISO occurrence form policy (or equivalent) and apply on an “any auto” (Symbol 1) basis, including coverage for bodily injury and property damage arising out of the operation, maintenance, use, loading and/or unloading of any vehicle, including owned, non-owned, and hired vehicles, in connection with the Services, and providing annual limits of at least $1,000,000 per occurrence for bodily injury and property damage combined including uninsured and underinsured motorist coverage, medical payment protection, and loading and unloading. If the Services require the removal and transportation of hazardous materials from the project site, coverage must be amended to include pollution liability coverage applicable to bodily injury and property damage arising from all hazardous waste hauling and include the CA 9948 and MCS90 endorsements. Consultant shall maintain, without interruption, this insurance from the commencement date of the Services through and including the date that Consultant achieves final completion of the Services

(iii) Workers’ Compensation: This insurance shall be provided as required by law in the state in which the Services will take place. If Consultant leases one or more employees through the use of a payroll, employee management, or other similar company, then Consultant must procure worker’s compensation insurance written on an “if any” policy form, including an endorsement providing coverage for alternate employer/leased employee liability. Such insurance shall be in addition to the workers’ compensation coverage provided to the leased employee by the payroll, employee management, or other similar company. Consultant shall maintain, without interruption, this insurance from the commencement date of the Services through and including the date that the Consultant achieves final completion of the Services.

(iv) Employer’s Liability: This insurance shall provide limits of at least $1,000,000 for each bodily injury by accident, bodily injury by disease, and annual aggregate.

Consultant shall maintain, without interruption, this insurance from the commencement date of the Services through and including the date that Consultant achieves final completion of the Services.

(v) Excess/Umbrella Liability Coverage: This insurance shall provide coverage excess to, and at least as broad as, the Commercial General Liability, Automobile Liability, and Employer's Liability insurance coverages detailed above with limits of at least $5,000,000 per occurrence and in the aggregate. Consultant shall maintain, without interruption, this insurance from the commencement date of the Services through and including the date that Consultant achieves final completion of the Services.

(vi) Professional Liability: For all work performed by Consultant as an architect, engineer, professional and/or on a design/build basis, Consultant shall provide and maintain professional liability insurance covering errors and omissions in the performance of such work with limits of at least $2,000,000 per claim and in the aggregate and with a deductible, if any, acceptable to Owner in its sole discretion. This insurance shall have a retroactive coverage date that precedes the commencement date of the Services. This insurance shall not contain policy language that (i) excludes coverage for claims arising out of mold, asbestos or silica that are the result of Consultant's and/or Subconsultant's performance or failure to perform services under the Agreement; or (ii) excludes coverage for claims arising from services within the means, methods and techniques of construction. Consultant shall maintain, without interruption, this insurance from the commencement date of the Services through and including the date the applicable statute of repose for the project expires.

b. Prior to commencement of the Services, Consultant shall furnish to Owner certificates of insurance on ACORD Form 25 (or such other form approved by Owner) and copies of insurance policy endorsements evidencing (i) the coverages required to be carried by Consultant under this Agreement and (ii) the additional insureds and other requirements under this Agreement. A sample certificate of insurance is attached as **Exhibit "D"** attached hereto. From time to time, upon Owner's request, to evidence compliance with the insurance requirements hereunder, Consultant shall promptly deliver appropriate certificates of insurance, insurance policy endorsements, and certified copies of insurance policies. Certificates of insurance, insurance policy endorsements and/or insurance policies which, in Owner's sole opinion, are incomplete or do not reflect the coverage, limits, or terms required hereunder may be returned by Owner for resubmission by Consultant. If Consultant's current insurance will expire before final completion of the Services, Consultant shall provide to Owner renewal certificates of insurance and additional insureds and other endorsements (conforming with the requirements set forth in this Agreement) before the date of expiration of all applicable insurance. For all coverage required to be maintained after final completion of the Services, Consultant shall submit to Owner certificates of insurance evidencing such coverage and the satisfaction of the additional insureds requirements on an annual basis as the coverage is renewed (or replaced).

c. Additional Insureds: Owner, Brookfield Kolter Land Partners LLC, The Kolter Group LLC, Kolter Group Acquisitions LLC, Osprey Creek Member LP, Grace Groves Member LP, Brookfield Communities (Florida) GP LLC, BF-KL (Florida) Holdco LLC, Trez US #8 Master Partnership, LP, TB Lot Development #1 Aggregator Limited Partnership, and other persons or entities designated by Owner in writing shall each be included in all policies required hereunder to be maintained by Consultant and Subconsultants (except for workers' compensation and professional liability insurance) as an additional insured for claims against them relating to the Services, with the understanding that any affirmative obligation imposed upon the insured Consultant or Subconsultant (including without limitation the liability to pay premiums and deductibles) shall be the sole obligation of Consultant or Subconsultant, as applicable, and not of any of the additional insureds. The additional insureds' status under the Consultant's and Subconsultant's Commercial General Liability insurance policies shall be effected using the ISO

Additional Insured Endorsement form CG 20 10 11 85 (or CG 20 10 10 01 and CG 20 37 10 01) or such other endorsement or combination of endorsements providing coverage at least as broad and approved by Owner in writing. The insurance afforded to each additional insured shall be at least as broad as that afforded to the first named insured under each policy. All of Consultant's and Subconsultant's liability policies (except for workers' compensation and professional liability insurance) shall be endorsed using ISO form CG 20 01 04 13 or its equivalent so as to indicate that such policies provide primary coverage (without any right of contribution by any other insurance or self-insurance, including any deductible or retention maintained by an additional insured) for all claims against the additional insureds arising out of the performance of this Contract by Consultant or Subconsultants, or anyone for whom the Consultant or a Subconsultant may be liable.

d. Primary and Non-Contributory Coverage: All insurance required hereunder shall state that the insurance provided to the additional insureds is primary and non-contributory to any other insurance maintained by or available to the additional insureds. Consultant's insurance shall exhaust vertically, and not share horizontally with any of the additional insured's insurance, notwithstanding any case law to the contrary.

e. Severability of Interests (cross-liability): All policies required hereunder shall not contain any cross-liability exclusion applicable to the additional insureds, or any restriction that limits coverage for a claim brought by an additional insured against a named insured.

f. Waiver of Subrogation: All insurance required hereunder shall include a waiver of subrogation in favor of the additional insureds. Consultant hereby waives all rights of recovery by subrogation because of deductible clauses, inadequacy of limits of any insurance policy, limitations or exclusions of coverage, and/or any other reason. A waiver of subrogation shall be effective as to any individual or entity, even if such individual or entity (a) would otherwise have a duty of indemnification, contractual or otherwise, (b) did not pay the insurance premium, directly or indirectly, and (c) whether or not such individual or entity has an insurable interest in the property damaged.

g. Notice of Cancellation, Modification or Termination: All policies required hereunder shall not be subject to cancellation, termination, modification or non-renewal except upon thirty (30) days' prior written notice to the additional insureds.

h. All insurance shall be maintained in the form and with companies satisfactory to Owner and that have a current A.M Best rating of A- VII or better, that have an S&P rating of A- or better, and that have been authorized to do business in the State of Florida.

i. Failure of Consultant to comply with the insurance requirements hereunder, or to ensure that all Subconsultants comply with the insurance requirements hereunder, shall constitute a material breach of the Agreement and Owner may terminate the Agreement or, at its discretion, procure such insurance to protect Owner's interests, pay any and all premiums in connection therewith, and withhold or recover all monies so paid from Consultant. For the avoidance of doubt, neither the insurance required hereunder nor any other provision in this Article shall (A) relieve Consultant, or any Subconsultant, of their respective obligations to exercise due care in the performance of their duties in connection with the Services, and to complete the Services in strict compliance with the Agreement; or (B) limit any of the Consultant's indemnification obligations or other obligations arising out of or relating to the Services and/or this Agreement. Consultant and its Subconsultants shall be solely responsible for payment of all

premiums, deductibles, and/or self-insured retentions for their respective insurance policies. Owner, in its sole discretion, at any time, may audit compliance with the insurance requirements hereunder, and Consultant shall cooperate with any such audits. Consultant shall provide complete copies of insurance policies upon Owner's request. Consultant understands and agrees that Owner's timely receipt from Consultant of all certificates evidencing all insurance required hereunder, all endorsements required hereunder, and copies of all insurance policies (if requested by Owner) shall be a condition precedent to Owner's obligation to make any payments under the Agreement.

j. The provisions of this Article shall survive the expiration or sooner termination of this Agreement.

7. INDEMNIFICATION AND LIMITATION OF LIABILITY.

a. Notwithstanding anything to the contrary in this Agreement or the Exhibits, to the fullest extent permitted by law, Consultant shall defend, indemnify, and hold harmless Owner, Brookfield Kolter Land Partners LLC, The Kolter Group LLC, Kolter Group Acquisitions LLC, Osprey Creek Member LP, Grace Groves Member LP, Brookfield Communities (Florida) GP LLC, BF-KL (Florida) Holdco LLC, Trez US #8 Master Partnership, LP, TB Lot Development #1 Aggregator Limited Partnership, each of the foregoing entities' respective direct and indirect owners, parent companies, subsidiaries, affiliates, and related companies, and each of the foregoing entities' respective officers, directors, members, owners, managers, partners, employees, representatives, and agents who are not themselves a supplier or subcontractor of Consultant retained as to the project (each individually, "Indemnitee," and collectively, "Indemnitees") from and against any and all claims, losses, demands, liabilities, damages (including, without limitation, bodily injury, emotional injury, death, property damage, costs to repair, diminution in value and any other consequential or incidental damages), costs or expenses (including, without limitation, attorneys' fees, experts' fees and court costs, including attorneys' fees and experts' fees incurred by the Indemnitee in enforcing this Article), in any way arising out of, relating to or connected with this Agreement, the Exhibits and/or the Services and only to the extent caused by or resulting from Consultant's or its Subconsultant's, materialmen's, or agents' of any tier or their respective employee's: (i) negligence, error or omission; (ii) defective work or Services; (iii) recklessness, intentional wrongdoing or willful misconduct; or (iv) breach of any obligation under this Agreement and/or the Exhibits ("Claim(s)"). Notwithstanding anything to the contrary in this Agreement or the Exhibits, nothing contained within this Article shall require or be construed to require Consultant to indemnify or hold harmless any Indemnitee for liability for damages to persons or property caused in whole or in part by any act, omission, or default of such Indemnitee arising from this Agreement, the Exhibits, or their performance. Consultant's defense and indemnification obligation herein shall survive the expiration or earlier termination of this Agreement until such time as it is determined by final judgment that Claims against the Indemnitees for such matters indemnified hereunder are fully and finally barred as to the Indemnitees by the applicable statute of limitations or repose.

b. Owner and Consultant acknowledge, agree and stipulate that Indemnitees are express intended third-party beneficiaries under this Agreement.

c. Consultant, in its agreements with its sub-consultants, vendors, and suppliers, shall require those sub-consultants, vendors, and suppliers to undertake the same indemnification and defense obligations contained in this Article in favor of the Indemnitees.

d. PURSUANT TO FLORIDA STATUTE § 558.0035,

AN INDIVIDUAL EMPLOYEE OR AGENT OF CONSULTANT, MAY NOT BE HELD INDIVIDUALLY LIABLE FOR ECONOMIC DAMAGES RESULTING FROM NEGLIGENCE OCCURRING WITHIN THE COURSE AND SCOPE OF PROFESSIONAL SERVICES RENDERED UNDER THIS PROFESSIONAL SERVICES CONTRACT, BUT ONLY IF THE CONSULTANT MAINTAINS THE PROFESSIONAL LIABILITY INSURANCE REQUIRED UNDER THIS CONTRACT. THIS LIMITATION OF LIABILITY SHALL NOT EXTEND TO PERSONAL INJURIES OR PROPERTY NOT SUBJECT TO THE CONTRACT, PER § 558.0035(e).

e. The provisions of this Article shall survive the expiration or sooner termination of this Agreement.

8. **PROFESSIONAL STANDARDS.**

a. Consultant hereby represents and warrants that it has the professional experience and skill to perform the Services required to be performed hereunder; that it shall comply with all applicable federal, state and local laws, including, without limitation, all professional licensing and/or registration requirements (both corporate and individual) for all required disciplines; that it shall perform the Services in accordance with generally accepted professional standards and in an expeditious and economical manner; that it has sufficient capital assets and is adequately financed to meet all financial obligations it may be required to incur hereunder; that the Deliverables shall not call for the use of nor infringe any patent, trademark, service mark, copyright or other proprietary interest claimed or held by any person or interest; and that it shall provide and employ in connection with the performance of Services personnel qualified and experienced in their profession, it being understood that Owner may at any time require Consultant to remove, and Consultant shall forthwith remove, any person employed in connection with the performance of the Services for any reason whatsoever.

b. Consultant shall be responsible to Owner for the acts and omissions of its employees, agents, representatives, Subconsultants, and each of their respective employees, agents, and representatives that perform any portion of the Services. If, at any time from the commencement date of the Services through and including the date the applicable statute of repose expires, it is discovered that Consultant has committed any negligent act or omission, or has failed to meet the warranties and representations contained herein, which has caused or may cause potential liability, damage or expense to Owner, then Consultant shall, upon Owner's request, promptly make all necessary corrections, perform all necessary remedial work, and bear all additional expenses associated with same. The foregoing is without limitation of Owner's other rights under this Agreement or at law.

c. Consultant shall comply with all applicable laws, statutes, regulations and codes, including without limitation those relating to sanctions, anti-bribery and anti-corruption (collectively, the "**Relevant Requirements**"). Upon request by Owner, Consultant shall certify in writing within three (3) days that Consultant is and at all times has been in compliance with all Relevant Requirements. Owner may terminate this Agreement immediately upon written notice to Consultant if Consultant fails to timely provide the requested certification, Consultant is not in

compliance with the Relevant Requirements, or Owner reasonably suspects that Consultant is not in compliance with the Relevant Requirements.

d. Consultant represents, warrants, and covenants that: (i) neither Consultant nor any director, officer, employee or owner of Consultant is a Sanctioned Party (defined below) or otherwise subject to Sanctions (defined below), (ii) within the past five (5) years, neither Consultant nor any director, officer, employee or owner of Consultant has (A) engaged in or is engaging in any dealings or transactions with any Sanctioned Party, or in any country or territory, that at the time of the dealing or transaction is or was in violation of Sanctions, or (B) received any written notice alleging any violation of Sanctions by any Governmental Authority, (iii) Consultant is in compliance with all applicable Sanctions, and Consultant has instituted and continues to maintain policies and procedures designed to ensure compliance with applicable Sanctions (e.g., appropriate screening before payments are made to third parties), and (iv) Consultant shall take commercially reasonable measures to ensure that funds paid by Owner to Consultant shall not result in a violation of Sanctions.

e. Consultant represents, warrants, and covenants that: (i) Consultant established and continues to maintain internal policies, procedures, and controls reasonably designed to ensure compliance with Anti-Bribery and Corruption Laws, Sanctions laws, and Anti-Money Laundering Laws, and (ii) Consultant shall take commercially reasonable steps to ensure that (A) Consultant conducts their business in compliance with Anti-Bribery and Corruption Laws, Sanctions laws, and Anti-Money Laundering Laws, and (B) Consultant does not breach any of the representations and warranties made by Consultant under this Article 8.

f. The following definitions shall apply:

(i) "Sanctioned Party" means any person or entity that is or is directly or indirectly owned or controlled (as such terms are interpreted in accordance with applicable Sanctions laws and regulations) by any person or entity that is subject to Sanctions or that is located, organized or resident in a country or territory that is the subject of comprehensive Sanctions (including, without limitation, Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, and the so-called Donetsk People's Republic and Luhansk People's Republic).

(ii) "Sanctions" means any type of economic, trade, financial, transactional or other type of sanction (or any other form of ban or prohibition pursuant to any laws or regulations) administered, imposed or enforced by a Governmental Authority, or any other applicable sanctions authority in any relevant jurisdiction, including the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council, the European Union, the UK Government (including Her Majesty's Treasury), and the Canadian Government.

(iii) "Governmental Authority" means (a) any government or any governmental, judicial, administrative, executive or legislative subdivision, department, organization, court, tribunal, agency or instrumentality thereof, whether federal, national, supranational, state, provincial, county, municipal, or local; and/or (b) any public international organization (such as United Nations, European Union, Organization for Economic Co-operation and Development, or World Bank).

(iv) "Anti-Bribery and Corruption Laws" means all applicable anti-bribery and anti-corruption laws or regulations, including the United States Foreign Corrupt Practices Act of 1977, the United Kingdom's Bribery Act 2010, and Canada's Corruption of Public Officials Act

(v) "Anti-Money Laundering Laws" means all applicable laws or regulations dealing with or otherwise concerning money laundering, including (a) the U.S. Patriot Act, which includes 18 U.S.C. §§ 1956-1957 (Laundering of Money Instruments), 18 U.S.C. §§ 981-986 (Federal Asset Forfeiture), 18 U.S.C. §§ 881 (Drug Property Seizure), Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001, and the United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56, and (b) any of the U.S. federal or state criminal laws relating to terrorism or the laundering of monetary instruments, including the Bank Secrecy Act and the Money Laundering Control Act of 1986.

g. The provisions of this Article shall survive the expiration or sooner termination of this Agreement.

9. SUBCONSULTANT. If Consultant, as part of the performance of the Services, hires, retains, and/or engages other consultants and/or contractors (each, a "**Subconsultant**"), then the following provisions shall apply:

a. Consultant shall obtain Owner's written consent prior to engaging the services of any Subconsultant and shall not engage any Subconsultant to which Owner objects;

b. Consultant shall direct and coordinate the services of any Subconsultant commissioned by Consultant;

c. Consultant shall bear full responsibility under this Agreement for all services of its Subconsultant(s), including, without limitation, each Subconsultant's negligent acts and omissions;

d. The costs of all Subconsultants' services shall be billed to Owner without markup and such costs of all Subconsultants' shall be included in the Scope of Services herein;

e. Owner shall have no obligation to pay, or be responsible in any way, for the payment of any monies to any Subconsultant, except as may otherwise be required by law;

f. All agreements between Consultant and any Subconsultant shall reflect the terms of this Agreement and require the Subconsultant, to the extent of the Services to be performed by the Subconsultant, to assume toward Consultant all the obligations which Consultant by this Agreement assumes towards Owner, it being understood that nothing herein shall in any way relieve Consultant from any of its duties under this Agreement;

g. Consultant shall require and verify that each Subconsultant is independently in compliance with all insurance obligations applicable to Consultant hereunder (including, without limitation, coverages, additional insureds requirements, and waiver of subrogation requirements), and Consultant shall provide Owner with all documentation evidencing each Subconsultant's compliance with same; and

h. Owner shall be a third-party beneficiary of all obligations under all agreements between Consultant and any Subconsultant; provided, however, that nothing contained herein or therein shall create any contractual relationship between Owner and any Subconsultant or any obligation of Owner to any Subconsultant. The provisions of this Article shall survive the expiration or earlier termination of this Agreement.

10. TERMINATION/SUSPENSION.

a. Termination for Cause. This Agreement may be terminated by either party if the other party materially fails to perform its respective obligations as outlined in this Agreement, upon not less than seven (7) consecutive calendar days written notice and opportunity to cure within the notice period. In such event, no further payments will be made to Consultant until the project is completed. Consultant will then be paid for the Services properly performed and approved by Owner up to the date of termination, minus the additional costs or damages incurred by Owner to complete the Services for the project.

b. Termination for Convenience. Owner may, without cause, terminate this Agreement for convenience at any time upon not less than ten (10) consecutive calendar days written notice to Consultant. In such event, Consultant shall be paid for the Services properly performed and approved by Owner up to the date of termination and any unpaid reimbursable expenses. Consultant will provide all supporting documentation for all such expenses to Owner upon request.

c. General Provisions applicable to all Terminations. Except as specifically provided in Article 10(a) or (b) above, Owner shall have no further liability to Consultant for payment, compensation, expenses, or fees, and no amount shall be payable for anticipated profits, lost profits, unperformed Services or any other amounts of any kind whatsoever. All amounts payable to Consultant shall be subject to Owner's right of audit and subject to any applicable offsets and/or back charges attributable to Consultant including, but not limited to, all costs to complete the Services that exceed the remaining Agreement balance. Upon termination, Consultant shall provide to Owner any and all Deliverables, materials, and documentation relating to the Services, in any form, and shall be deemed to have irrevocably granted to Owner a non-exclusive license to use and copy all Deliverables for the purpose of performing repairs, alterations, improvements and/or other work at the project. A termination for cause, if wrongly done, shall be deemed a termination for convenience under this paragraph.

d. Upon delivery to Consultant of a written notice to suspend services ("**Notice to Suspend Services**"), Consultant shall immediately suspend performance of its Services in the manner and for the duration directed by Owner in said Notice to Suspend Services. Consultant shall take reasonable steps to preserve any Deliverables in progress at the time of suspension. Upon written notice that the suspension has been canceled, Consultant shall be entitled to an equitable adjustment as to the Schedule only. In no event shall any suspension of Services (i) entitle Consultant to an increase or equitable adjustment as to compensation, or (ii) exceed one (1) year in duration.

11. ASSIGNMENT. This Agreement is for the personal services of Consultant and may not be assigned by Consultant, nor shall it be assignable by operation of law, without the prior written consent of Owner, which Owner may withhold in its sole discretion. Owner reserves the right to assign or novate all or any portion of this Agreement and Consultant agrees to execute all documents that are required (if any) to effectuate such assignment or novation.

12. KEY EMPLOYEES. In the event that any employees of Consultant are listed as Key Employees in **Exhibit "C"**, Consultant acknowledges that Owner has relied upon and hired Consultant because of the involvement of such individuals. Consultant agrees that such Key Employees shall be assigned to perform the Services. Consultant shall not remove any Key Employees from the performance of the Services without the prior written consent of Owner.

13. NOTICE.

a. All notices or other communications required or permitted to be given hereunder shall be in writing and shall be either (i) delivered by hand or sent postage prepaid, by certified mail or overnight courier service, which notice shall be deemed given when so delivered by hand, or if mailed, three calendar days after mailing (one business day in the case of express mail or overnight courier service); or (ii) sent by email, which email shall be deemed given one calendar day after sending. The following addresses shall apply:

If to Owner:	LK Development Group LLC 14025 Riveredge Drive, Suite 175 Tampa, FL 33637
If to Owner's Representative:	Brookfield Kolter Land Partners LLC 14025 Riveredge Drive, Suite 175 Tampa, FL 33637
If to Consultant:	Integra Realty Resources-Charlotte, LLC Cleveland Wright Jr. 214 W Tremont Avenue, Suite 200 Charlotte, NC 28203 cwright@irr.com

or to such other address as either party may direct by written notice given to the other as hereinabove provided.

b. Notwithstanding the foregoing, any notice sent to the last designated address of the party to whom a notice may be or is required to be delivered hereunder shall not be deemed ineffective if actual delivery cannot be made due to an unnoticed change of address of the party to whom the notice is directed or the failure or refusal of such party to accept delivery of the notice.

14. PROMOTION. Consultant shall acquire no right under this Agreement to use, and Consultant shall not use, the name (or any variation thereof) of Owner, Owner's Representative, or any of their respective parent, related, affiliated or subsidiary companies, or any of the foregoing entities' marks or logos (or any variation thereof):

a. in any of Consultant's advertising, publicity, or promotion, including, but not limited to, the Internet; or

b. in any of Consultant's in-house publications; or

c. to express or imply any endorsement of Consultant, the Services or in any other manner whatsoever (whether or not similar to the uses specifically prohibited above). The provisions of this Article shall survive the expiration or earlier termination of this Agreement.

15. CODES. Consultant shall ensure that the Services conform to all applicable federal, state, and local laws, statutes, codes, ordinances and agency regulations, as same may be amended from time to time, which have jurisdiction and which are current at the time Consultant renders Services hereunder.

16. NO AGENCY.

a. It is the express intention of the parties that Consultant is an independent contractor and not an employee, agent, joint venturer, or partner of Owner. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between Owner and Consultant or any employee or agent of Consultant. Both parties acknowledge that Consultant is not an employee for state or federal tax purposes. Consultant shall retain the right to perform services for others during the term of this Agreement.

b. Consultant is responsible for paying all required state and federal taxes, including without limitation, FICA, FUTA, SUI, DUI, worker's compensation, and other employee benefits.

c. Consultant shall complete, execute and deliver to Owner a Request For Taxpayer Identification And Certification Form (W-9) prior to, or concurrent with, the execution of this Agreement by Consultant. Failure to comply with this requirement shall constitute a material breach of this Agreement and Owner shall have the right to terminate this Agreement with no further obligations to Consultant and to seek any damages caused by said failure.

17. MISCELLANEOUS. This Agreement supersedes any and all other discussions, understandings and/or agreements, either oral or written, between the parties hereto with respect to the subject matter hereof, and this Agreement constitutes the sole and only agreement between the parties with respect to the subject matter hereof. In case of any conflict or inconsistency between any terms, provisions or requirements contained in this Agreement and any terms, provisions and/or requirements in any exhibit hereto, the terms, provisions and/or requirements contained in this Agreement shall negate, supersede, govern and control over any exhibit. Further, Consultant and Owner acknowledge, stipulate and agree that (i) any and all issues arising out of or relating to insurance, indemnification, allocation of risk, damages, dispute resolution, and liability shall be governed solely by the provisions in the main body of this Agreement (and not by any provisions in any exhibits or attachments), (ii) any terms and/or provisions arising out of or relating to insurance, indemnification, allocation of risk, damages, dispute resolution, and/or liability contained in any exhibit and/or attachment to this Agreement (or any exhibit or attachment to any Amendment to this Agreement) shall be null and void, unenforceable, and of no legal effect, and (iii) any terms and/or provisions contained in any exhibit and/or attachment to this Agreement (or any exhibit or attachment to any Amendment to this Agreement) purporting to add "terms and conditions" or similar provisions shall be null and void, unenforceable, and of no legal effect. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied herein, and that no agreement, statement or promise not contained in this Agreement shall be valid or binding or of any force or effect. All prior negotiations are merged into this Agreement. Time is of the essence of this Agreement. Where necessary to effectuate the intent of the parties, the terms of this Agreement shall survive completion of the project. The captions, headings and sub-headings are to aid only in navigating the Agreement and shall not be used to interpret, expand, modify, explain or limit any provisions of this Agreement. Should any provision of this Agreement be held or declared to be void or illegal for any reason, all other provisions of this Agreement shall nevertheless remain in full force and effect. The failure of any party to insist, in any one or more instances, upon the performance of any of the terms of this Agreement shall not be construed as a waiver or relinquishment of such term as respects further performance. This Agreement cannot be modified except in a written document signed by Owner and Consultant. This Agreement is the joint product of the parties and shall not be more strictly construed against any party to this Agreement.

18. NO WAIVER OF RIGHTS. Consultant and Owner stipulate and agree that:

a. Owner's review, approval and/or payment for the Services shall not operate as a waiver of any of Owner's rights arising out of or relating to the Services, whether under this

Agreement or under applicable law. By way of example, and not limitation, Owner's review, approval and/or payment for the Services shall not operate as a waiver of any claims, causes of action or any other remedies Owner may have against Consultant arising out of or relating to errors, omissions and/or negligence in connection with Consultant's performance of the Services. Notwithstanding Owner's review, approval and/or payment for the Services, Consultant shall remain liable and responsible for all of its obligations arising out of or relating to this Agreement, the Services, and applicable law.

b. The rights and remedies of Owner under this Agreement are in addition to all other rights and remedies provided by law. Owner shall be entitled to deduct (which may be effectuated by offsets, back charges and/or otherwise) from monies owed or to be owed to Consultant for any costs, damages, expenses and/or liabilities arising from or relating to Consultant's breach of this Agreement.

19. **EFFECTIVE DATE.** Any Services performed or caused to be performed by Consultant prior to the Effective Date of this Agreement shall be deemed to have been performed under this Agreement.

20. OWNER'S REPRESENTATIVE.

a. Brookfield Kolter Land Partners LLC, whose mailing address is referenced above, shall act as Owner's authorized representative (herein referred to as the "**Owner's Representative**"); provided, however, that Owner may, without liability to Consultant, unilaterally amend this Article from time to time by designating a different person or organization to act as its representative and so advising Consultant in writing, at which time the person or organization so designated shall be Owner's Representative for purposes of this Agreement. Except as otherwise provided in this Agreement, and until Consultant is notified in writing to the contrary, all actions to be taken by, all approvals, notices, consent, directions and instructions to be given by, all notices and other matters to be delivered to, all determinations and decisions to be made by and, in general, all other action to be taken by, or given to, Owner shall be taken, given and made by, or delivered or given to, Owner's Representative in the name of and on behalf of Owner; provided, however, that Owner (and not Owner's Representative) shall be solely obligated to Consultant for all sums required to be paid by Owner to Consultant hereunder.

b. Nothing contained in this Agreement shall create any contractual relationship between Consultant and Owner's Representative; provided, however, that Owner's Representative shall be deemed to be a third-party beneficiary of those obligations of Consultant to Owner under this Agreement.

21. DETERMINATION OF DISPUTES/CHOICE OF LAW/JURY WAIVER. Each of the parties agrees that the exclusive venue for any dispute, action, cause of action and/or claim that arises out of, relates to and/or otherwise concerns this Agreement shall lie exclusively in the State Courts for the County where the project is located. Each of the parties irrevocably waives any objection that it may now or hereafter have to the venue of any suit, action or proceeding arising out of or relating to this Agreement, and hereby further irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. In the event of any suit, action or proceeding of any type arising out of or relating to the performance of this Agreement, the prevailing party shall be entitled to recover its reasonable costs and attorney's fees at all trial, appellate and bankruptcy levels. Pending resolution of any dispute, suit, action or proceeding, Consultant shall continue to perform its obligations under this Agreement and be compensated for any amounts not in dispute to minimize interruptions regarding development of the project. This Agreement shall be governed by and be construed in

accordance with the laws of the State of Florida applicable to agreements made and to be performed entirely within such State, without regard to the conflicts of law principles of such State.

22. JURY WAIVER. IN ANY CIVIL ACTION, COUNTERCLAIM OR PROCEEDING THAT ARISES OUT OF, CONCERNS, OR RELATES TO THIS AGREEMENT, ANY SERVICES CONTEMPLATED BY THIS AGREEMENT, THE PERFORMANCE OF THIS AGREEMENT AND/OR THE RELATIONSHIP CREATED BY THIS AGREEMENT, WHETHER SOUNDING IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, TRIAL SHALL BE TO A COURT OF COMPETENT JURISDICTION AND NOT TO A JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed on the day and year first above written.

CONSULTANT
Integra Realty Resources-Charlotte, LLC
a Limited Liability Company

Authorized Signature Cleveland Wright, Jr. Date: 10/27/2025 | 4:48 PM EDT

Print Name/Title Cleveland Wright, Jr. Senior Managing Director

OWNER
LK Development Group LLC
a limited liability company

Authorized Signature Doug Pattillo Date: 11/3/2025 | 12:53 PM EST

Print Name/Title: Doug Pattillo, Authorized Signatory

Owner and Consultant acknowledge, stipulate, and agree that the only provisions incorporated into this Agreement from the exhibits and/or attachments are solely the particular provisions describing the nature and scope of the services to be provided, the price for the services, the schedule for the performance of the services, and Consultant's Key Employees, if applicable.

Owner and Consultant acknowledge, stipulate, and agree that any other provisions in the exhibits and/or attachments, including but not limited to any provisions purporting to add "terms and conditions" or any terms relating to allocation of risk, liability, damages, indemnification, insurance, dispute resolution, or otherwise, shall not be incorporated into the Agreement, shall not be part of this Agreement, and shall be deemed inapplicable, null and void, unenforceable, and of no legal effect.

Docusign Envelope ID: 0EBAB621-61D6-4A9B-A4BF-364BCFF0FE6B

EXHIBIT "A"
SCOPE OF SERVICES

September 3, 2025

Cleveland "Bud" Wright Jr.
Senior Managing Director
cwright@irr.com

Re: Hilton Head Lakes West Tract Municipal Improvement District (West Argent) Appraisal Report

Dear Bud,

By this letter, I hereby request you to prepare an appraisal report (the "Report" or the "Appraisal") for the proposed Hilton Head Lakes West Project (the "Project" or the "Development") located within the Hilton Head Lakes West Tract Municipal Improvement District (the "Municipal Improvement District" or "MID") for the Hilton Head Lakes West Municipal Improvement District Assessment Revenue Bonds, Series 2025 (the "Series 2025 Bonds"). The Appraisal will be included as an appendix to the preliminary and final offering memorandums for the Series 2025 Bonds and will be utilized by the underwriter in marketing the Series 2025 Bonds to prospective investors. The information contained in the Appraisal is expected to inform and influence investor purchase decisions. The Series 2025 Bonds are the first of multiple issues expected by the City of Hardeeville (the "City") for the Project.

The Municipal Improvement District consists of approximately 2,605 acres and is situated northeast of U.S. Highway 278 and east of Interstate 95, between the existing Lakeside Boulevard corridor and North of the Jasper County School campus. Primary access will be provided by the extension of Lakeside Boulevard, to be known as Main Road South and Main Road North for MID purposes, and a new single-lane roundabout connection to Red Dam Road.

The MID currently consists primarily of vacant land, except for areas where initial phases of the Development have commenced. The development agreement allows for multiple land uses, including various residential, commercial, recreational, and open spaces. The Development is currently anticipated to include:

- 1,204 market-rate, for-sale, single-family attached units,
- 2,837 market-rate, for-sale, single-family detached units, and
- Recreation, open space, and civic uses.

The Development will be supported by a primary roadway running south to north through the District, along with water, sewer, and stormwater utilities and two regional pump stations. These planned infrastructure improvements are proposed to be financed through the Series 2025 Bonds and future bond issuances. A $600 special assessment, increasing at 3% annually, will be levied on each unit to pay debt service and related expenses on the Series 2025 Bonds and future bond issuances. Additional details on the Development and infrastructure improvements will be provided upon engagement.

A map of the MID, illustrating the infrastructure improvements and the Development, is shown in Exhibit A. A comprehensive listing of the parcels comprising the MID is included in Exhibit B.

Docusign Envelope ID: 0EBAB621-61D6-4A9B-A4BF-364BCFF0FE6B

will provide you with projections for the issuance of bonds and the levy of special assessments.

6 weeks from the date of engagement with a fee of $19,000.

We request an initial draft of the Appraisal be provided by ~~October 30, 2025~~. Following delivery, a conference call will be held with the working group to review the draft and provide comments. A revised draft will be expected thereafter. Please note that more than two iterations may be required based on feedback received. Each subsequent draft must include a redlined version clearly identifying all changes from the prior submission.

The Appraisal proposal should include a lump sum fee that covers all services and reimbursable costs. We request that the proposal be submitted by **September 17, 2025**. LK Development Group, LLC, will take full responsibility for paying such fee. Stifel, Nicholas & Company will not be responsible for the costs of the Appraisal. For any additional information about the property, please contact Brian Keirnan. For any additional information about the Series 2025 Bonds, please contact Pam Holton.

Docusign Envelope ID: 0EBAB621-61D6-4A9B-A4BF-364BCFF0FE6B

EXHIBIT "B"
SCHEDULE

Consultant shall commence the Services upon execution of the Agreement or as otherwise directed by Owner, it being understood and agreed that TIME IS OF THE ESSENCE.

Docusign Envelope ID: 0EBAB621-61D6-4A9B-A4BF-364BCFF0FE6B

EXHIBIT "C"
KEY EMPLOYEES

Docusign Envelope ID: 0EBAB621-61D6-4A9B-A4BF-364BCFF0FE6B

EXHIBIT "D"
SAMPLE CERTIFICATE OF LIABILITY INSURANCE

Docusign Envelope ID: 0EBAB621-61D6-4A9B-A4BF-364BCFF0FE6B

EXHIBIT "E"
SAMPLE LIEN RELEASE

Docusign Envelope ID: 0EBAB621-61D6-4A9B-A4BF-364BCFF0FE6B

ATTACHMENT I

STANDARD ASSUMPTIONS & LIMITING CONDITIONS

The appraisal report and any work product related to the engagement will be limited by the following standard assumptions:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The Subject 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 Subject Property.
3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the Subject Property more or less valuable. Furthermore, there is no asbestos in the Subject 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 Subject 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.

The appraisal report and any work product related to the engagement will be 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 Subject 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 Subject Property without compensation relative to such additional employment.
6. We have made no survey of the Subject Property and assume no responsibility in connection with such matters. Any sketch or survey of the Subject 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 Subject 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 Subject 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 Subject 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~~.~~; provided, however, notwithstanding the foregoing, the parties hereby expressly acknowledge and consent that all or any portion of the contents of this report and information derived therefrom may be used or included with materials and documents in connection with the establishment of an Municipal Improvement District upon the Subject Property, including, but not limited to, such contents and information being included as an appendix to preliminary and final offering memorandums for bonds and utilized by underwriters in marketing bonds to prospective investors.

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 Subject 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 Subject 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 Subject Property 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 value 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 Subject 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 Property 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 other 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 and/or any of its 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 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 Subject 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 assumes 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 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 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~~Subject to the provisions of Paragraph 10, 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, including for the purposes set forth in Paragraph 10, unless we provide our prior written consent. Notwithstanding the foregoing, no third party may rely upon the appraisal report without our prior written consent. We expressly reserve the unrestricted right to withhold our consent to ~~your disclosure of~~any reliance upon 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 the Subject 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, 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.

As will be determined during the assignment, additional extraordinary or hypothetical conditions may be required to complete the assignment. The appraisal shall also be subject to those assumptions.

September 3, 2025

Cleveland "Bud" Wright Jr.
Senior Managing Director
cwright@irr.com

Re: Hilton Head Lakes West Tract Municipal Improvement District (West Argent) Appraisal Report

Dear Bud,

By this letter, I hereby request you to prepare an appraisal report (the "Report" or the "Appraisal") for the proposed Hilton Head Lakes West Project (the "Project" or the "Development") located within the Hilton Head Lakes West Tract Municipal Improvement District (the "Municipal Improvement District" or "MID") for the Hilton Head Lakes West Municipal Improvement District Assessment Revenue Bonds, Series 2025 (the "Series 2025 Bonds"). The Appraisal will be included as an appendix to the preliminary and final offering memorandums for the Series 2025 Bonds and will be utilized by the underwriter in marketing the Series 2025 Bonds to prospective investors. The information contained in the Appraisal is expected to inform and influence investor purchase decisions. The Series 2025 Bonds are the first of multiple issues expected by the City of Hardeeville (the "City") for the Project.

The Municipal Improvement District consists of approximately 2,605 acres and is situated northeast of U.S. Highway 278 and east of Interstate 95, between the existing Lakeside Boulevard corridor and North of the Jasper County School campus. Primary access will be provided by the extension of Lakeside Boulevard, to be known as Main Road South and Main Road North for MID purposes, and a new single-lane roundabout connection to Red Dam Road.

The MID currently consists primarily of vacant land, except for areas where initial phases of the Development have commenced. The development agreement allows for multiple land uses, including various residential, commercial, recreational, and open spaces. The Development is currently anticipated to include:

- 1,204 market-rate, for-sale, single-family attached units,
- 2,837 market-rate, for-sale, single-family detached units, and
- Recreation, open space, and civic uses.

The Development will be supported by a primary roadway running south to north through the District, along with water, sewer, and stormwater utilities and two regional pump stations. These planned infrastructure improvements are proposed to be financed through the Series 2025 Bonds and future bond issuances. A $600 special assessment, increasing at 3% annually, will be levied on each unit to pay debt service and related expenses on the Series 2025 Bonds and future bond issuances. Additional details on the Development and infrastructure improvements will be provided upon engagement.

A map of the MID, illustrating the infrastructure improvements and the Development, is shown in Exhibit A. A comprehensive listing of the parcels comprising the MID is included in Exhibit B.

Scope and Content of Appraisal

The Appraisal should estimate the following values for the private ownership interests based upon fee simple interest on the property:

a) The "as is" market value of the undeveloped property as of the date of the Appraisal;
b) The prospective market value of the property, assuming completion of the infrastructure improvements financed with the Series 2025 Bonds as of the date of completion of the infrastructure improvements; and
c) The hypothetical market value of the property, assuming completion of the infrastructure improvements financed with the Series 2025 Bonds as of the date of the Appraisal.

Values (b) and (c) should recognize the creation of the district, levying of assessments, approval of the Series 2025 Bonds to finance the infrastructure improvements, and the need for property owners to pay a special assessment for debt service and related expenses on the Series 2025 Bonds.

The scope and content of the Appraisal should be prepared in conformity with the Uniform Standards of Professional Appraisal Practice and presented in the Uniform Appraisal Report Form. In arriving at the appraised value, please utilize all standard approaches to value (cost and sales comparison).

The Appraisal should include the following:

- A detailed and specific description of the property.
- A thorough analysis of the property's characteristics and surrounding environment.
- Identification of any neighborhood or area influences that may impact the property's marketability or value.
- Disclosure of any prior sales of the property within the past three years.
- Verification of sales prices for comparable properties, with confirmation that the appraiser is familiar with the market data used in the valuation.
- A stated marketing period assumption.
- Discussion of any market conditions or trends that may affect the property's absorption period or value.
- Appropriate deductions or additions, with an explanation of how the subject property compares to comparable properties.

The Appraisal should clearly state its intended purpose and use and provide evidence to support its conclusions. The findings, analysis, supporting data and documentation, and conclusions should be presented in a self-contained written format that logically guides the reader to the conclusions. The Appraisal should be signed by an appraiser who is a Member of the Appraisal Institute (MAI) and takes full responsibility for its contents. The appraiser must certify that neither the assignment nor the remuneration was based on a requested minimum, specific valuation, or the approval of any financing.

You will be asked to provide certifications that (1) you have reviewed, approved, and consented to descriptions of your firm and the Appraisal in the preliminary and final offering memorandums for the Series 2025 Bonds and (2) you have consented to the use of the Appraisal in such offering memorandums. These statements should also be included within the Appraisal itself.

The developer will provide you with the following information:

- Project overview and site context
- Property purchase price
- Detailed description of the infrastructure improvements financed with the Series 2025 Bonds
- Cost estimates of the infrastructure improvements financed with the Series 2025 Bonds
- Detailed Development program
- Cost estimates for the private Development associated with the Series 2025 Bonds
- Projected take-down and construction schedules
- Development pro forma, including sales prices
- Target market and positioning
- Comparable and prior experience
- Additional information you request in writing

You should review the developer's assumptions and estimates regarding the Development but rely on your own independent judgment and research to assess their accuracy and reasonableness. MuniCap will provide you with projections for the issuance of bonds and the levy of special assessments.

6 weeks from the date of engagement with a fee of $19,000.

We request an initial draft of the Appraisal be provided by ~~**October 20, 2025**~~. Following delivery, a conference call will be held with the working group to review the draft and provide comments. A revised draft will be expected thereafter. Please note that more than two iterations may be required based on feedback received. Each subsequent draft must include a redlined version clearly identifying all changes from the prior submission.

The Appraisal proposal should include a lump sum fee that covers all services and reimbursable costs. We request that the proposal be submitted by **September 17, 2025**. LK Development Group, LLC, will take full responsibility for paying such fee. Stifel, Nicholas & Company will not be responsible for the costs of the Appraisal. For any additional information about the property, please contact Brian Keirnan. For any additional information about the Series 2025 Bonds, please contact Pam Holton.

Please address the proposal to:

LK Development Group, LLC
14025 Riveredge Dr, Suite 175
Tampa, Florida 33637
(813) 615-1244
Attn: Brian Keirnan
BKeirnan@brookfieldkolter.com

With copies to:

Stifel, Nicolaus & Company, Inc.
7200 Wisconsin Ave, Suite 314
Bethesda, MD 20814
(301) 941-2424
Attn: Pamela Holton and Trevor McDonagh

holtonp@stifel.com

MuniCap, Inc.
8965 Guilford Rd, Suite 210
Columbia, MD 21046
(443) 539-4101
Attn: Keenan Rice
keenan.rice@municap.com

Maynard Nexsen PC
205 King St, Suite 400
Charleston, South Carolina 29401
(843) 720-1701
Attn: Nicole Scott
NScott@maynardnexsen.com

Accepted:

INTEGRA

By:
_____

Title: Senior Managing Director
_____

Date: 9/23/2025
_____

LK Development Group, LLC

By:
_____

Title:
_____

Date:
_____

EXHIBIT A: MID MAP
(As of April 2025)

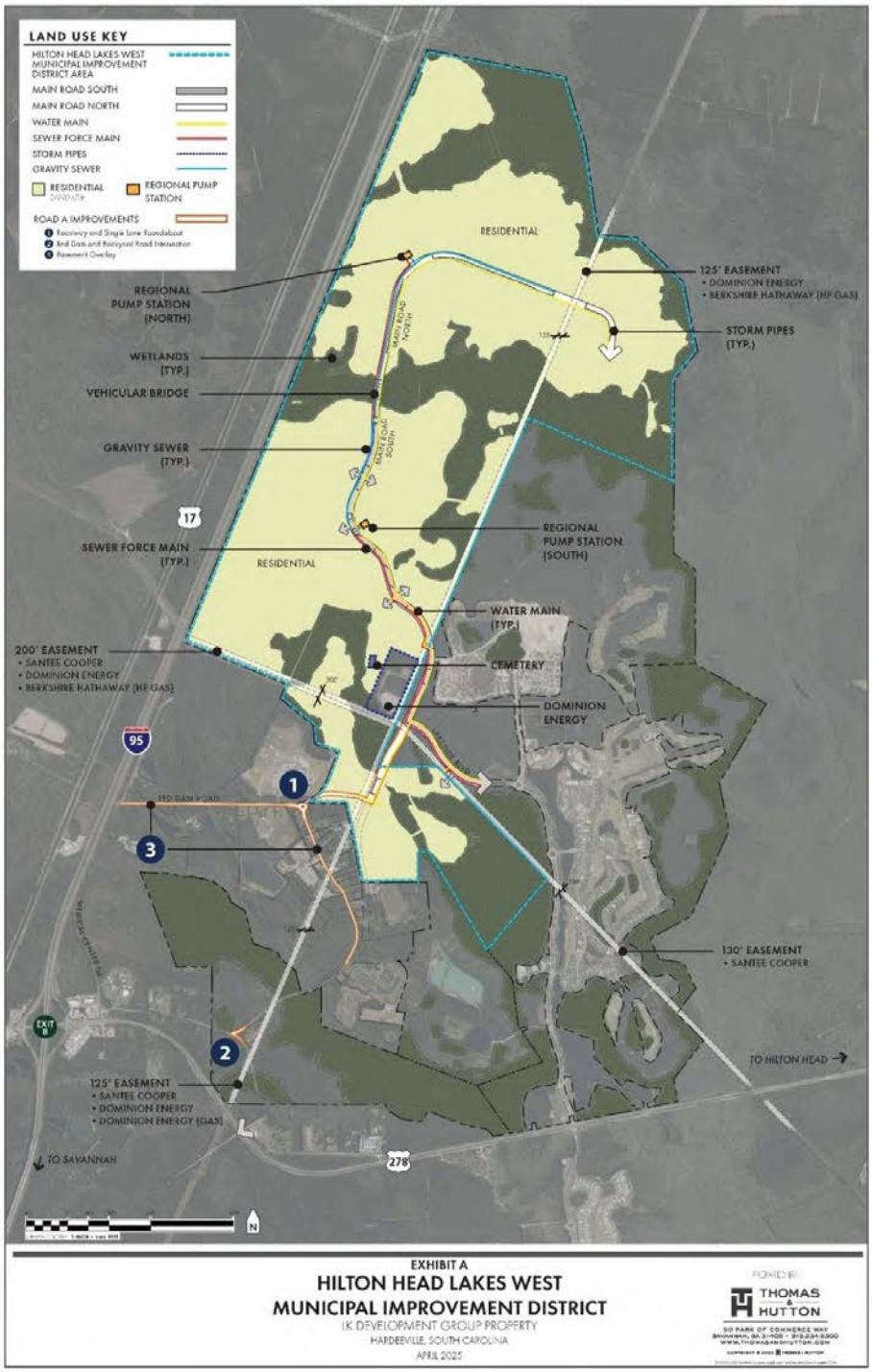

EXHIBIT B: MID PARCELS
(As of July 24, 2025)

Parcel ID	Owner	Acres (Approximate)
042-00-06-045	LK Development Group LLC	2,216.51
042-00-06-129	TPG AG EHC III (LEN) Multi State 1, LLC	228.56
042-00-06-130	LK Development Group LLC	10.13
042-00-06-131	TPG AG EHC III (LEN) Multi State 1, LLC	18.14
042-00-06-132	LK Development Group LLC	132.53
Total		**2,605.86**

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APPENDIX J

FORM OF INITIAL INVESTOR LETTER

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APPENDIX J

FORM OF INITIAL INVESTOR LETTER

City of Hardeeville
Hardeeville, South Carolina

Stifel, Nicolaus & Company, Incorporated
St. Louis, Missouri

Re: $_____ City of Hardeeville, South Carolina Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series 2026

Ladies and Gentlemen:

The undersigned (the "*Investor*") hereby acknowledges that it is purchasing $[_____] aggregate principal amount of City of Hardeeville, South Carolina Hilton Head Lakes West Tract Improvement District Special Assessment Revenue Bonds, Series 2026 (the "*Series 2026 Bonds*") issued in authorized denominations of $100,000 or any integral multiple of $5,000 in excess thereof pursuant to an Ordinance of the City Council of the City of Hardeeville enacted on November 6, 2025 (the "*Authorizing Document*"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Authorizing Document.

This letter is being provided pursuant to a Bond Purchase Agreement, dated _____, 2026, among the City of Hardeeville, South Carolina (the "*Issuer*"), LK Development Group, LLC, Lennar Carolinas, LLC, and Stifel, Nicolaus & Company, Incorporated (the "*Underwriter*").

The Investor acknowledges that the proceeds of the Series 2026 Bonds will be used for the purposes, and Bond principal and interest thereon shall be payable solely from the sources, described in the Preliminary Limited Offering Memorandum dated _____, 2026 (the "*Offering Document*").

In connection with the sale of the Series 2026 Bonds to the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has the authority and is duly authorized to purchase the Series 2026 Bonds and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with its purchase of the Series 2026 Bonds.

2. The Investor is (a) a "qualified institutional buyer" as that term is defined in Rule 144A under the Securities Act of 1933, as amended (the "*Securities Act*"), or (b) an "accredited investor" as that term is defined in Rule 501(a)(1),(2),(3), or (7) under the Securities Act, and, therefore, has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal obligations, to be able to evaluate the risks and merits of the investment represented by the Series 2026 Bonds.

3. The Investor acknowledges:

   The Series 2026 Bonds are being acquired by the Investor for

   A) investment and not with a current view to, or for resale in connection with, any distribution of the Series 2026 Bonds, and the Investor intends to hold the Series 2026 Bonds solely for its own account for investment purposes for an indefinite period of time, and does not intend at this time to dispose of all or any part of the Series 2026 Bonds. However, the Investor may sell the Series 2026 Bonds at any time the Investor deems appropriate, subject to the transfer restrictions set forth in the Series 2026 Bonds and in the Authorizing Document. The Investor understands that it may need to

bear the risks of this investment for an indefinite time, since a sale of the Series 2026 Bonds, or any portion thereof, prior to maturity may not be possible. The Investor understands that the Series 2026 Bonds will be issued only in authorized minimum denominations, and confirms that it will not allocate Series 2026 Bonds to accounts in violation of such limitations; and

B) to the extent the Investor is purchasing the Series 2026 Bonds not on its own behalf but in its capacity as investment adviser to beneficial owners of separately managed accounts, such accounts will solely be for investors which meet the qualifications for investors as set forth in the Authorizing Document and as described in subparagraph 2 of this paragraph. The Investor understands that the Underwriter will not facilitate the establishment of such accounts and that the Series 2026 Bonds will be issued only in authorized minimum denominations, and confirms that it will not facilitate the deposit of Series 2026 Bonds into accounts in violation of such limitations.

4. The Investor understands that the Series 2026 Bonds are not, and are not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Series 2026 Bonds (a) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating agency, and (d) will be delivered in a form that may not be readily marketable.

5. The Investor has been supplied with, and reviewed, a copy of the Offering Document for the Series 2026 Bonds. Neither the Issuer nor the Underwriter has made any representations to the Investor other than as set forth in the Offering Document, as amended to the date of this letter.

6. The Investor acknowledges that the obligations of the Issuer under the Authorizing Document are limited and carry material risks associated with the timely and full payment of principal and interest on the Series 2026 Bonds given the nature of the securities and the security pledges including the risks as described in the Offering Document.

7. The Investor acknowledges and agrees that the Underwriter and the Issuer take no responsibility for, and make no representation to the Investor, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Series 2026 Bonds in violation of the provisions of the Authorizing Document, or any securities law or income tax law consequences thereof. The Investor also acknowledges that, with respect to the Issuer's obligations and liabilities, the Investor is solely responsible for compliance with the sales restrictions on the Series 2026 Bonds in connection with any subsequent transfer of the Series 2026 Bonds made by the Investor.

8. The Investor agrees that it is bound by and will abide by the provisions of the Authorizing Document relating to transfer, the restrictions noted on the face of the Series 2026 Bonds and this Investor Letter. The Investor also covenants to comply with all applicable federal and state securities laws, rules and regulations in connection with any resale or transfer of the Series 2026 Bonds by the Investor.

9. The Investor acknowledges that the sale of the Series 2026 Bonds to the Investor is made in reliance upon the certifications, representations, and warranties herein made to the addressees hereto.

10. The interpretation of the provisions hereof shall be governed and construed in accordance with South Carolina law without regard to principles of conflicts of laws.

11. All representations of the Investor contained in this letter shall survive the execution and delivery of the Series 2026 Bonds to the Investor as representations of fact existing as of the date of execution and delivery of this Investor Letter.

Date: _____ __, 2026

Very truly yours,

Investor: _____

By: _____
Name: _____
Title: _____

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APPENDIX K

DTC AND BOOK-ENTRY-ONLY SYSTEM

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues and money market investments (from over 100 countries) that DTC's participants ("*Direct Participants*") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("*DTCC*"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "*Indirect Participants*"). DTC has a Standard & Poor's (hereinafter defined) rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com (which is not intended to be an active hyperlink).

Purchases of Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of the actual purchaser of each Series 2026 Bond ("*Beneficial Owner*") is in turn to be recorded on the DTC Participants' Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2026 Bonds, except in the event that use of the book-entry only system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all of the Series 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults and proposed amendments to the bond documents. For example, Beneficial Owners of Series 2026 Bonds may wish to ascertain that the nominee holding the Series 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2026 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Series 2026 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit DTC Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the City or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Series 2026 Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, the Series 2026 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

CITY OF HARDEEVILLE, SOUTH CAROLINA

HILTON HEAD LAKES WEST TRACT IMPROVEMENT DISTRICT SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2026

Hardeeville
SOUTH CAROLINA

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Printed by: ImageMaster, LLC
www.imagemaster.com