COMMITTEE ON WAYS AND MEANS

1. Invocation – Councilmember Shealy

2. Approval of Minutes:
   March 8, 2022

3. Bids and Purchases

4. Budget, Finance and Revenue Collections: An ordinance authorizing and providing for the issuance of City of Charleston, South Carolina Hospitality Tax Revenue Bonds, and other matters pertaining thereto; prescribing the form of bonds issued hereunder; pledging local Hospitality Taxes to the payment of the principal of, premium, if any, and interest on the bonds; and making other covenants and agreements in connection with the foregoing.

5. Budget, Finance and Revenue Collections: A first supplemental ordinance providing for the issuance and sale by the City of Charleston, South Carolina of not exceeding $38,000,000 Hospitality Tax Revenue Bonds, Series 2022, and other matters relating thereto. The proceeds of these bonds will be used for the Low Battery Seawall project.

6. Parks Department: Approval of the deposit of Palmetto Pride’s 2022 Keep South Carolina Beautiful Grant Award in the amount of $9,350, for Keep Charleston Beautiful to utilize for litter reduction events, litter education and awareness programming, and beautification efforts within the City of Charleston. This is an after-the-fact request. Due to time constraints, this grant was accepted on February 15, 2022. There is no City match required.

7. Parks – Capital Projects: Approval of a Municipal Operations Complex Professional Services contract with Stubbs, Muldrow, Herrin Architects in the amount of $255,178 for services including a complete inventory of existing facilities, equipment and vehicles, a needs assessment survey and interview with staff, a site analysis of 1820 Harmon St. (W.R. Grace site) and adjoining properties and a conceptual master plan including the programming of space and building interiors for the replacement of the current City operational facilities located at Milford St. Approval of the professional services contract will obligate $255,178.00 of the $600,000.00 project budget. Funding sources for this project are 2019 General Fund Reserves ($600,000.00).

8. Resiliency & Sustainability: Approval to submit the 2023 SC DHEC Solid Waste Reduction & Recycling grant application in the amount of ($15,000) to support a pilot food scrap composting program at farmers markets. The grant application is due on April 1, 2022. There is no City match required.
9. Resiliency & Sustainability: Approval to submit the 2023 SC DHEC Solid Waste Reduction & Recycling grant application in the amount of ($110,000) to support food scrap composting and associated infrastructure. The grant application is due on April 1, 2022. There is no City match required.

10. Planning, Preservation and Sustainability/ Business and Neighborhood Services – Approval to apply to the National League of Cities for the City Inclusive Entrepreneurship (CIE) Resource Mapping grant opportunity in the amount of $15,000. Funding would go towards an asset mapping of entrepreneurial resources and a report of recommendations for improving the ecosystem of entrepreneurial support. There is no City match required.

11. Housing and Community Development: Request the Mayor and City Council approve a contract amendment in the amount of $50,000. The amendment increases the amount of the award to $53,825.75. Previously, the City of Charleston awarded $50k and $10k respectively to address the needs of low and moderate income residents in the City of Charleston. From the previous award allocation $3,825.75 remains. The amendment would allow Charleston Habitat for Humanity (CHFH) to continue providing assistance to residents who own their homes and have been identified in partnership with the Department of Housing and Community Development (HCD). The funding for this contract is derived from prior-year Community Development Block Grant funds.

12. Police Department: Approval of a contract between the City and Turn 90 (formerly Turning Leaf) in the amount of $85,000. Turn 90 provides a post release reentry program for recently released inmates.

13. Police Department: Approval to submit an application for the 2023 JAG OHSJP Grant for $24,454 for row Multispectral Cameras, a 360° Camera, software, a tripod, and rain kit. The application is due on March 25, 2022. There is a 10% City match required for this grant ($2,446).

14. Police Department: Approval to submit an application for the 2023 SCDPS Safe Neighborhoods Grant for $163,240 for two portable mass spectrometers and supplies (sampling devices). The application is due April 15, 2022. There is no City match required.

15. Request to allocate funding for the Lake Dotterer Outfall Project from the City Drainage Fund. *(Requested by Councilmember Shealy)*

16. Housing and Community Development: Approval to authorize the Mayor to execute the necessary documents for the purchase of 11 Cunnington Avenue, a 0.08 acre property, which includes a recently renovated building of 3,316 total square feet, located in the Neck Area of the City, for $1,300,000 subject to the conditions outlined in the attached Agreement of Purchase and Sale. (TMS No. 464-14-00-118) (11 Cunnington Avenue, Charleston, SC 29405)

17. The Committee on Real Estate *(Meeting was held on Monday, March 21, 2022 at 2:30 p.m., Conference Call: 1-929-205-6099; Access Code: 835 678 884)*

   a. Request to authorize the Mayor to execute on behalf of the City of Charleston a Memorandum of Agreement regarding PEN 3A Water Transmission Main Project between City of Charleston and Charleston Water System.

   b. An ordinance to authorize the Mayor to execute on behalf of the City an Amended and Restated Lease between the City of Charleston and Charleston Water System regarding the use of the recreational Greenway.
c. An ordinance to authorize the Mayor to execute a deed and any other necessary documents, approved as to form by the Office of Corporation Counsel, Quit-claiming to Children’s Museum of Charleston the City of Charleston’s right, title, interest, if any, to that certain portion of property bearing Tax Map Number: 460-16-02-010, and subject to certain exceptions and other matters to be approved by the Office of Corporation Counsel.

d. Approval to authorize the Mayor to execute the necessary documents for the purchase of 11 Cunnington Avenue, a 0.08 acre property, which includes a recently renovated building of 3,316 total square feet, located in the Neck Area of the City, for $1,300,000 subject to the conditions outlined in the attached Agreement of Purchase & Sale. (TMS No. 464-14-00-118) (11 Cunnington Avenue, Charleston, SC 29405) **(Deferred to the Committee on Ways and Means)**

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

TO: John J. Tecklenburg, Mayor
FROM: Wes Ratterree DEPT. Information Technology
SUBJECT: GETAC MOBILE DATA TERMINALS/IN-CAR CAMERA COMBO UNITS
REQUEST: APPROVAL TO PURCHASE 15 GETAC MDT/IN-CAR CAMERA COMBO UNITS FROM NEWCOM FOR NEW POLICE DEPARTMENT VEHICLES. TIPS CONTRACT #200105.

COMMITTEE OF COUNCIL: Ways & Means DATE: March 22, 2022

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

<table>
<thead>
<tr>
<th>Department</th>
<th>Yes</th>
<th>N/A</th>
<th>Signature of Individual Contacted</th>
<th>Attachment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Technology</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Procurement</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FUNDING: Was funding previously approved? Yes ☑ No ☐ N/A ☐

If yes, provide the following: Dept./Div.: IT Account #: 062021-58020

Balance in Account LEASE-PURCHASE Amount needed for this item $108,489.45

Does this document need to be recorded at the RMC’s Office? Yes ☐ No ☑

NOTES: Provides fifteen (15) new Mobile Data Terminal (MDT)/In-Car Camera combo units for new Police vehicles. LEASE-PURCHASE (2021).

CFO’s Signature: [Signature]

FISCAL IMPACT: 2021 Lease Purchase

Mayor’s Signature: [Signature] John J. Tecklenburg, Mayor

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor’s Signature) PACKAGE IS DUE IN THE CLERK OF COUNCIL’S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK’S AGENDA MEETING.
# NEWCOM

## Quote

**Ship To Name**: City of Charleston Dept of Information Technology  
**Ship To**: 2 George St  
**Charleston, SC 29401**  
**Contact Name**: Lin Beets  
**Phone**: (843) 805-3222  

**Quote Number**: 00006909  
**Quote Name**: Charleston Police - Getac Video  
**Created Date**: 3/2/2022  
**Expiration Date**: 4/1/2022  
**Prepared By**: Kristine Loomer  
**Email**: kristine@newcomglobal.com

## Terms

**Payment Terms**: Net 30  
**Shipping Method**: FedEx  
**NOTE**: Actual shipping costs will be added to the invoice  
**Shipping Terms**: Ground  
**Notes**: TIPS CONTRACT #200105

## Item Pricing

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Product Code</th>
<th>Product</th>
<th>Description</th>
<th>Sales Price</th>
<th>Line Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>15.00</td>
<td>OAFACAXFAX1</td>
<td>VR-X20</td>
<td>GETAC VIDEO SOLUTIONS INC. : VR-X20 for In Car Video - VR-X20 i7 LTE with Blackbox Recording, Display (CU-D50), ZeroDark FHD IP Camera CA-NF21-148, Cabin Camera (CA-MF50S), Wiring kit iYHW</td>
<td>$4,250.00</td>
<td>$63,750.00</td>
</tr>
<tr>
<td>15.00</td>
<td>OA04X</td>
<td>Mounting Bracket</td>
<td>GETAC VIDEO SOLUTIONS INC. : Mounting Bracket (Visor) - ZeroDark Camera AND Display (CU-D50) - Interceptor</td>
<td>$60.55</td>
<td>$908.25</td>
</tr>
<tr>
<td>15.00</td>
<td>ONX0GX</td>
<td>Ethernet Cable</td>
<td>GETAC VIDEO SOLUTIONS INC. : Ethernet Cable - RJ45/CAT5e (25 ft)</td>
<td>$16.39</td>
<td>$245.35</td>
</tr>
<tr>
<td>15.00</td>
<td>GE-SVDNEXTY1</td>
<td>Ext Warranty - Y2</td>
<td>GETAC VIDEO SOLUTIONS INC. : DVR+Cameras+Display Extended Warranty-Y2</td>
<td>$154.00</td>
<td>$2,310.00</td>
</tr>
<tr>
<td>15.00</td>
<td>591GVS000013</td>
<td>Vehicle Antenna</td>
<td>GETAC VIDEO SOLUTIONS INC. : VEHICLE ANTENNA; AIRGAIN; MULTIMAX; 5IN1; WIFIX2; GPSX1-LTEX2; BOLT MOUNT; 19FT; BLACK</td>
<td>$222.00</td>
<td>$3,330.00</td>
</tr>
<tr>
<td>15.00</td>
<td>541390590001</td>
<td>DC Adapter</td>
<td>GETAC VIDEO SOLUTIONS INC. : 40W DC adapter for Havis TSD-101-GTC, 3 year warranty,</td>
<td>$92.00</td>
<td>$1,380.00</td>
</tr>
<tr>
<td>15.00</td>
<td></td>
<td>Touch Display</td>
<td>GETAC VIDEO SOLUTIONS INC. : Touch Display, 11.6, TSD-101-GTC, Havis, 3 year warranty, W/O vehicle adapter. With display cable kit (SM)</td>
<td>$921.00</td>
<td>$13,815.00</td>
</tr>
<tr>
<td>15.00</td>
<td>591GVS000032</td>
<td>Mount Kits</td>
<td>GETAC VIDEO SOLUTIONS INC. : MOUNT KITS; PKG-FAM-101, FLEX ARM PACKAGE INCLUDING FLEX ARM AND MOUNTING FOR FLAT SURFACES, HAVIS</td>
<td>$99.00</td>
<td>$1,485.00</td>
</tr>
<tr>
<td>15.00</td>
<td>591GVS000031</td>
<td>Mount Kits</td>
<td>GETAC VIDEO SOLUTIONS INC. : MOUNT KITS; C-ADP-112, VESA DEVICES ADAPTER PLATE, HAVIS</td>
<td>$14.50</td>
<td>$217.50</td>
</tr>
<tr>
<td>15.00</td>
<td>591GVS000034</td>
<td>Mount Kits</td>
<td>GETAC VIDEO SOLUTIONS INC. : MOUNT KITS; PKG-FAM-101, FLEX ARM PACKAGE INCLUDING FLEX ARM</td>
<td>$428.00</td>
<td>$6,420.00</td>
</tr>
</tbody>
</table>

If you would like to proceed with the order, please sign below and email/fax back to our office along with a purchase order. To accept this quotation, sign here and return: ____________________________

NEWCOM Wireless Services, LLC, 575 Washington Street, Pembroke, MA 02359 | 781-826-7969 (P) | 781-826-7131 (F)

THANK YOU FOR YOUR BUSINESS!
<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>GETAC VIDEO SOLUTIONS INC.: DASH MOUNT FOR 2020 FOR INTERCEPTOR UTILITY VEHICLE</td>
<td></td>
<td>$378.00</td>
</tr>
<tr>
<td>Subtotal</td>
<td></td>
<td>$99,531.60</td>
</tr>
<tr>
<td>Total Price</td>
<td></td>
<td>$99,531.60</td>
</tr>
<tr>
<td>Tax</td>
<td></td>
<td>$8,957.64</td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td>$108,489.44</td>
</tr>
</tbody>
</table>

If you would like to proceed with the order, please sign below and email/fax back to our office along with a purchase order. To accept this quotation, sign here and return: ________________________________.

NEWCOM Wireless Services, LLC, 575 Washington Street, Pembroke, MA 02359 | 781-826-7989 (P) | 781-826-7131 (F)
THANK YOU FOR YOUR BUSINESS!
COMMITTEE / COUNCIL AGENDA

TO: John J. Tecklenburg, Mayor
FROM: Wes Ratterree DEPT. Information Technology
SUBJECT: PURCHASE OF NEW/REPLACEMENT DATA CENTER CORE SWITCHES.
REQUEST: APPROVAL TO PURCHASE TWO CISCO NEXUS 9300 SWITCHES AND TWO CISCO CATALYST 9500 SWITCHES. STATE CONTRACT #4400027242

COMMITTEE OF COUNCIL: Ways & Means DATE: March 22, 2022

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

Information Technology [x] N/A [x] Signature of Individual Coordinated [x] Attachment [x]
Procurement [x] [x] [x]

FUNDING: Was funding previously approved? Yes [x] No [x] N/A [x]
If yes, provide the following:
Dept./Div.: IT Account #: 940100-58020 940100-52206
Balance in Account: $175,000 Amount needed for this item: $131,437.82 $24,820.00

Does this document need to be recorded at the RMC's Office? Yes [x] No [x]

NOTES: The network infrastructure that supports the City’s Data Center currently consists of two (2) Nexus 5K switches with a dozen (12) Nexus 2K fabric extenders. The 5K switches will reach their end of software maintenance release support (EoS) life-cycle in the second quarter of 2022. This project will replace the 5K switches with new Cisco Nexus 9K series switches as well as the accompanying core switches, currently two Cisco Catalyst 4500X switches, which have reached End of Service (EoS) status, with two new Cisco Catalyst 9000 series switches.

CFO’s Signature: Matt Cochrane (Fiscal Officer)
FISCAL IMPACT: Funded through ARPA.

Mayor’s Signature: John J. Tecklenburg, Mayor

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor’s Signature) PACKAGE IS DUE IN THE CLERK OF COUNCIL’S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK’S AGENDA MEETING.
subject: City of Charleston - 2022 Core and DC Refresh

<table>
<thead>
<tr>
<th>ITEM #</th>
<th>PART #</th>
<th>DESCRIPTION</th>
<th>TERM</th>
<th>QTY</th>
<th>LIST PRICE</th>
<th>UNIT PRICE</th>
<th>EXTENDED PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hardware &amp; Services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>NKM-CBD185YFS-CX3</td>
<td>Nexus 9300 48p 1/10/25G, 4p 40/100G, MAC</td>
<td>2</td>
<td>$29,572.13</td>
<td>$11,533.13</td>
<td>$59,144.26</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>CON-OSF-NXIC083X3</td>
<td>SN6200 48p 1/10/25G, 6p 40/100G, MAC</td>
<td>2</td>
<td>$11,180.00</td>
<td>$9,940.70</td>
<td>$16,864.40</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>MODE-NXOS</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>NKM-AF-R</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>NNOS-ID-11</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>NKM-ACC-IXT-8R</td>
<td>Nexus 4200 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>NKM-AX-PR</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>NKM-PCM-400-PR</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>NKM-PMC-400-PR</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>NKM-PMC-400-PR</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>Core Switches:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>C5600-48HC-A</td>
<td>Catalyst 9500 48-port 1/10G + 4-port 40G/100G, Advantage</td>
<td>2</td>
<td>$26,069.00</td>
<td>$12,569.00</td>
<td>$53,138.00</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>CON-OSF-C560-AV</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$3,500.00</td>
<td>$3,000.00</td>
<td>$6,000.00</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>C5600-NW-A</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>4</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>CSR-PWR-450WAC-R</td>
<td>450WAC Config 4 Power Supply front to back cooling</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>CSR-PWR-650WAC-R</td>
<td>650WAC Config 4 Power Supply front to back cooling</td>
<td>2</td>
<td>$2,258.24</td>
<td>$1,129.12</td>
<td>$2,358.48</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>CAB-BK1721A-NA</td>
<td>Power Cord, 125VAC 12A, NEMA 5-15 Plug, North America</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>CSR-G11-FANTRAY</td>
<td>Catalyst 9500 Type 1 front to back cooling Fan</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>C5600-DIA-45Y4-A</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>C5600-DIA-45Y4-A</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>C5600-DIA-45Y4-A</td>
<td>Nexus 5500 24p 1/10G, 2p 40G, MAC</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>PI-LFAS-LF</td>
<td>Prime Infrastructure Lifesyle &amp; Assurance Term - 3 Year</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>PI-LFAS-AP-T3Y</td>
<td>PI Dev Lic for Lifesyle &amp; Assurance Term 3 Year</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>NETWORK-PNP-LIC</td>
<td>Network Plug-n-Play Connect for zero-touch device deployment</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>CBS6-L1-SSD-BLANK</td>
<td>Cisco switchable SSD storage</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>CBS6-L1-SSD-BLANK</td>
<td>Cisco switchable SSD storage</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>CBS6-L1-SSD-BLANK</td>
<td>Cisco switchable SSD storage</td>
<td>2</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>E/W Links between C9500s:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>QFP-100G-CUW-4</td>
<td>100GBASE-CR4 Passive Copper Cable, 1m</td>
<td>2</td>
<td>$400.85</td>
<td>$200.43</td>
<td>$801.68</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>QFP-100G-CUW-4</td>
<td>100GBASE-CR4 Passive Copper Cable, 1m</td>
<td>2</td>
<td>$400.85</td>
<td>$200.43</td>
<td>$801.68</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>QFP-100G-CUW-4</td>
<td>100GBASE-CR4 Passive Copper Cable, 1m</td>
<td>2</td>
<td>$400.85</td>
<td>$200.43</td>
<td>$801.68</td>
<td></td>
</tr>
<tr>
<td>DC Switch SVC Peer Links:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>QFP-100G-CUW-4</td>
<td>100GBASE-CR4 Passive Copper Cable, 1m</td>
<td>2</td>
<td>$400.85</td>
<td>$200.43</td>
<td>$801.68</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>QFP-100G-CUW-4</td>
<td>100GBASE-CR4 Passive Copper Cable, 1m</td>
<td>2</td>
<td>$400.85</td>
<td>$200.43</td>
<td>$801.68</td>
<td></td>
</tr>
<tr>
<td>Core to DC Switch Fibrechannel:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>QFP-100G-CUW-4</td>
<td>100GBASE-CR4 Passive Copper Cable, 1m</td>
<td>4</td>
<td>$2,712.40</td>
<td>$678.10</td>
<td>$10,724.00</td>
<td></td>
</tr>
</tbody>
</table>

Sub-Total: $1,439,290.00

Sub-Total: $1,439,290.00

Sub-Total: $1,439,290.00

Sub-Total: $8,568.40

The enclosed material and information is proprietary to Internetwork Engineering and is strictly confidential. Any unauthorized use, reproduction or dissemination is forbidden. The preceding restrictions shall not apply to state agencies and governmental units to the extent the enclosed material is required to be disclosed under applicable state public record laws.
**SUBJECT:** City of Charleston - 2023 Core and DC Refresh

**Professional Services**

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>PAYMENT</th>
<th>QTY.</th>
<th>UNIT</th>
<th>MONTHLY</th>
<th>PAYMENT</th>
<th>QTY.</th>
<th>UNIT</th>
<th>MONTHLY</th>
<th>PAYMENT</th>
<th>QTY.</th>
<th>UNIT</th>
<th>MONTHLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>31</td>
<td>D9 - Lot 3 Mid Level Tech</td>
<td>Professiona</td>
<td>70</td>
<td></td>
<td>$195.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$13,650.00</td>
</tr>
<tr>
<td>32</td>
<td>TRN-CLC-001</td>
<td>100 Training credit, Expires in 1 yr, Team Captain required</td>
<td></td>
<td></td>
<td>$10,000.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$10,000.00</td>
</tr>
</tbody>
</table>

Sub-Total: $14,650.00

**Subscription Items:**

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>PAYMENT</th>
<th>QTY.</th>
<th>UNIT</th>
<th>MONTHLY</th>
<th>PAYMENT</th>
<th>QTY.</th>
<th>UNIT</th>
<th>MONTHLY</th>
<th>PAYMENT</th>
<th>QTY.</th>
<th>UNIT</th>
<th>MONTHLY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>G18IE35300V5V</td>
<td>Data Center Networking Essentials Term N3500 X1, X2</td>
<td>Prepaid</td>
<td>80</td>
<td>2 License</td>
<td>$203.12</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>SVS-D-NOK-ESS-XF</td>
<td>EMBEDDED BOLN SUPPORT SWBS FOR ACI NEXUS B6</td>
<td>Prepaid</td>
<td>80</td>
<td>2 License</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sub-Total: $26,419.60

The prices, purchase, sales, delivery, and all other matters related to the Cisco products and services listed in this Quote are governed by the terms and conditions of the South Carolina Contract #44000107242. The customer identified on this Quote ("Customer") agrees that South Carolina Contract #44000107242 and this Quote are the entire agreement and understanding between the parties relating to this Quote. No other terms and conditions shall apply to this Quote, including any additional terms attached to a Customer Purchase Order (PO) or other purchase authorization.

All Purchase Orders or other purchase authorization pertaining to the products and services listed above must include a reference to the South Carolina Contract #44000107242.

Quote Expires on 3/31/22

Note: By request, this quote does not include IE Professional Services.

If you would like assistance in implementing this solution, please contact your IE Account Manager immediately for a services estimate.

Total Investment $31,659.15

Plus Tax and/or Shipping

*The enclosed material and information is proprietary to Internetwork Engineering and is strictly confidential. Any unauthorized use, reproduction or disclosure is forbidden. The preceding restrictions shall not apply to state agencies and governmental units to the extent the enclosed material is required to be disclosed under applicable state public record laws.*
Core & Data Center Switch Refresh
January 31, 2022

Presented by:
Account Manager: Marta Thomas
mthomas@ineteng.com
854-854-4943
Sales Engineer: Dave Barus
# Table of Contents

- Project Overview ................................................................. 3
- Statement of Need ............................................................... 3
- Solution Overview ............................................................... 3
- Project Success Criteria ....................................................... 3
- Tasks and Responsibilities .................................................... 4
  - IE Responsibilities ............................................................ 4
  - City of Charleston Responsibilities ......................................... 5
  - Migration Strategy ............................................................ 5
  - Project Conclusion ............................................................ 5
  - Project Documentation ....................................................... 5
- Assumptions ........................................................................... 6
- Agreement .............................................................................. 7
  - Project Price ....................................................................... 7
  - Agreement of Terms ............................................................ 7
- Appendix A – Terms and Conditions .......................................... 9
PROJECT OVERVIEW

STATEMENT OF NEED
The City of Charleston depends on reliable and capable technologies to ensure services to residents, businesses and visitors can be provided in an efficient manner. The client has requested that Internetwork Engineering (IE) provide a proposal to conduct a network core and data center switch refresh which includes the replacement of the existing end-of-life devices with current generation switching technology allowing for increased performance, reliability, and support.

SOLUTION OVERVIEW
The proposed solution takes into consideration City of Charleston’s current environment and business processes, as well as the latest in technology and best practices. The solution includes migrating away from end-of-life Cisco core and data center switching devices to current generation switches.

PROJECT SUCCESS CRITERIA
The business goals for this initiative include:
- Replacing the end-of-life core and data center switches which can no longer receive the latest software/maintenance/bug-fix updates, to current generation switches which can support new technology initiatives and allow for future expansion

The successful attainment of business goals will be measured by:
- Ensuring that the existing core and data center switches are migrated to current generation switches, while minimizing downtime, and verifying that connectivity is re-established successfully

The technical goals for this initiative include:
- Replacing the current core and data center switches, decreasing the risk of unexpected hardware/software failures, allowing for software updates to take place, and leveraging current generation technologies for improved performance and reliability throughout both the core and data center environments

The successful attainment of technical goals will be measured by:
- A core and data center running on the most current and supported devices providing a reliable and stable backbone to the City of Charleston’s network environment

The following Statement of Work defines the engagement strategy for this project and provides a review of any technical and non-technical deliverables to be completed as part of this effort.

IE possesses the experience to successfully complete this engagement and we are confident that through the efforts of our engineering consultants, and the application of industry best practices, we can provide City of Charleston with a Core & Data Center Switch Refresh that meets all defined business, technical, and end-user requirements.
**Tasks and Responsibilities**

There are several groups involved in the project. The following is a detailed list of tasks and responsibilities.

**IE Responsibilities**

Project Kickoff
IE's Project Team will conduct a meeting with the customer’s project team and IE’s project team for the purpose of reviewing the tasks necessary to complete the project.
- Identify key contacts
- Review the Scope of Work (SoW)
- Review City of Charleston's IT change control procedures
- Obtain virtual and physical access
- Schedule inventory of project hardware, software and licenses

Pre-Build Design
The Pre-Build Design is our plan for how the solution will be built. The Pre-Build Design document is simply a high-level overview of how we plan to implement the solution into your environment. It includes specifics on how:
- Devices will be configured
- Solution will be implemented
- Solution will be tested
- Solution will be handed off

The Pre-Build Design is created so that the solution is configured in the most effective way and will be implemented with the least amount of disruption. The Pre-Build Design is always based on best practices and current technology innovations. IE engineers may need to collaborate with your team for the purpose of building this document.

Installation Tasks

**Cisco Catalyst C9500-48Y4C-A Core Switches**
- Install two (2) Cisco 9500 core switches replacing the existing end-of-life core switches
- Configure a Stackwise Virtual link between the two (2) physical switches
- Configure basic settings on the switch stack as detailed from the existing configurations
- Configure Layer 2 and 3 functionality as detailed from the existing configurations

**Cisco Nexus 93180-FX3 Data Center Switches**
- Install two (2) Cisco Nexus 9300 series switches replacing the existing end-of-life data center switches
- Configure basic settings on the switch stack as detailed from the existing configurations
- Configure Layer 2 and 3 functionality as detailed from the existing configurations
- Migrate up to ten (10) servers to the 9300 series switches
- Migrate connections for existing N2K-C2248TP-E-1GE FEX switches
CITY OF CHARLESTON RESPONSIBILITIES

- Provide all required hardware/software, licenses, and transceivers
- Provide virtual and/or physical access to locations and required devices
- Assist with the testing of required services post-migration

MIGRATION STRATEGY

A migration strategy will be discussed during the Pre-build Design process and once that strategy is determined, it will be documented in a Transition Plan and shared with City of Charleston IT staff. The migration strategy may include:

- Post-migration support on the first business day following any migration event
- A plan for up to one (1) migration event

*Note: If determined that additional migration events are required outside of what was scoped, City of Charleston can request IE complete them for an additional services cost.

PROJECT CONCLUSION

At the conclusion of the project, IE will conduct a meeting with the customer's project team and IE's project team to close the project. During this meeting, IE will:

- Verify project deliverables have been completed
- Review project acceptance document
- Obtain customer sign-off indicating project completion

PROJECT DOCUMENTATION

IE's documentation is a comprehensive collection of project specific details around:

- Planning
- Implementation
- Execution

This documentation will be provided to the customer through the MyIE portal at the conclusion of the project.
ASSUMPTIONS

- Any item not specifically listed in this Statement of Work will be considered "Out of Scope" and will be addressed with a Scope Change Document.
- IE engineers will work during normal business hours, Monday through Friday (excluding holidays), 8:00 AM – 5:00 PM, unless agreed upon by IE and City of Charleston.
- This proposal does not include an on-going support contract to cover moves, adds, changes, upgrades to software or hardware, and troubleshooting. Should City of Charleston require such services, IE will provide a separate proposal to meet these needs.
- City of Charleston shall designate a person to whom all IE communications may be addressed and who has the authority to act on all aspects of this services engagement.
- City of Charleston is responsible for providing all necessary physical access to its facilities and remote access as required (e.g., via VPN) within a reasonable timeframe to properly get the project underway. This also includes access to relevant network documentation and existing device configurations.
- Unless otherwise agreed to by the parties, City of Charleston shall respond within two (2) business days of an IE request for documentation or information related to the project. City of Charleston agrees to provide network and systems designs, configurations, and passwords to accurately complete the project.
- City of Charleston shall ensure that contracts with its own vendors and third-parties are fully executed and reflect the correct terms to enable IE to complete the project.
- City of Charleston is responsible for managing any and all internal change management procedures.
- City of Charleston agrees to prepare the installation site. In particular, this includes ensuring that proper environmental conditions are met and that adequate power (including UPS) is available.
- City of Charleston agrees to be responsible for any necessary licensing and maintenance contracts necessary to complete this project.
AGREEMENT

PROJECT PRICE
This project will be billed as a Fixed Fee services engagement. The investment for this project effort will be $14,820.00. All local sales taxes will apply. Any travel-related expenses are included in the fixed fee price.

Invoicing
IE will invoice for professional services at the following events:
- Project Kickoff 50%
- Project Completion 50%

The proposed Statement of Work detailed above is based on IE’s current understanding of the overall business and technical objectives for this project. IE looks forward to the opportunity to work with City of Charleston on this project. Any questions comments or requests for additional information should be directed to Marta Thomas at 854-854-4943.

This statement of work is valid for ninety (90) days from the date on the cover page.

AGREEMENT OF TERMS
- All eligible services supplied by IE as defined in this Statement of Work (“SOW”) will be governed by the South Carolina Statewide Cisco Contract #440027242 (the “State Contract”).
- Customer’s issuance of a valid purchase order will signify acceptance of this Statement of Work and authorization for IE to proceed with the Services described herein.
ASK ABOUT IE’S ONDEMAND ASSURANCE

IE’s OnDemand Assurance eliminates IT issues before they impact your business. Assurance is a proactive 24x7 operation that:

- Enables your IT team to scale at a moment’s notice through IE’s elastic engineering model
- Provides the skilled resources you need when you need them
- Dedicates a small set of engineers that adapt to your environment, your people, and your culture
- Includes management, maintenance, monitoring, and emergency support for all included systems

The monthly price for OnDemand Assurance for all equipment installed as part of this project may be as low as $1,995/month, which is an optional addition to the Project Price listed above. Should you wish to further explore IE’s OnDemand Assurance offering, contact your IE account manager or visit us at www.ineteng.com/solutions/operate.
APPENDIX A – TERMS AND CONDITIONS

The price, purchase, sale, delivery, and all other matters related to the services listed in this Statement of Work ("SOW") are governed by the terms and conditions of the SC Statewide IT Contract #4400027242 contract (the "Contract"). The customer identified on this SOW ("Customer") agrees that South Carolina Contract # 4400027242 for Cisco Products and Services governs the entire agreement and understanding between the parties relating to this SOW. No other terms and conditions shall apply to this SOW, including the South Carolina General Purchasing Terms & Conditions nor any additional terms attached to a Customer Purchase Order (PO) or other purchase authorization. All Purchase Orders or other purchase authorization pertaining to the services listed in this SOW must include a reference to Contract # 4400027242.
COMMITTEE / COUNCIL AGENDA

TO: John J. Tecklenburg, Mayor
FROM: Judge Susan Herdina
DEPT: Municipal Court
SUBJECT: CUBICLE FURNITURE AND ACCESSORIES
REQUEST: Approval to purchase cubicle furniture and accessories for the
Municipal Court from Wulbern-Koval, 1111 Morrison Drive, Charleston,
SC 29403. SC Contract #4400022600.

COMMITTEE OF COUNCIL: Ways & Means DATE: March 22, 2022

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

<table>
<thead>
<tr>
<th>Corporate Counsel</th>
<th>Yes</th>
<th>N/A</th>
<th>Signature of Individual Contacted</th>
<th>Attachment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cap. Proj. Cmte. Chair</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal Court</td>
<td></td>
<td></td>
<td>[Signature]</td>
<td></td>
</tr>
<tr>
<td>Procurement Director</td>
<td></td>
<td></td>
<td>[Signature]</td>
<td></td>
</tr>
</tbody>
</table>

FUNDING: Was funding previously approved? Yes [ ] No [ ] N/A [ ]
If yes, provide the following: Dept./Div.: 940100 Account #: 58005

Balance in Account $77,098.00 Amount needed for this item $77,097.34

Does this document need to be recorded at the RMC’s Office? Yes [ ] No [ ]

NEED: Identify any critical time constraint(s)

CFO’s Signature: [Signature] DFP for Amy Winter, CF

FISCAL IMPACT:

Mayor’s Signature: [Signature] John J. Tecklenburg, Mayor

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor’s Signature) PACKAGE IS DUE IN THE CLERK OF COUNCIL’S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK’S AGENDA MEETING.
Wulbern-Koval
1111 Morrison Drive
Charleston SC 29403

Phone  +1 (843) 577-7666
Fax     +1 (843) 577-7299

Quotation

<table>
<thead>
<tr>
<th>Quote</th>
<th>Quote Date</th>
<th>Customer Order</th>
<th>Customer</th>
<th>Account Representative</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>25558</td>
<td>02/25/22</td>
<td></td>
<td>20990</td>
<td>CLYDE QUICK</td>
<td></td>
</tr>
</tbody>
</table>

Quote To
CITY OF CHARLESTON
116 MEETING ST
Charleston SC 29401

Ship To
SUSAN HERDINA
CITY OF CHARLESTON
180 Lockwood Blvd
Charleston SC 29403-5152

Terms Net 10 Days

<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Delivery and installation will be made during normal hours, 8:30 am to 4:30 pm, M-F, unless prior arrangements are made.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wulbern Koval Company vendor ID 4000026051 for SC State Contract</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Special order furniture cannot be canceled or returned without special authorization from dealership.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Steelcase SC State Contract: 4400022800 Furniture</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTION C3 - 54&quot;H PANELS WITH 12&quot; GLASS TOP TIER</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BEG</td>
<td>1 Subsection 8</td>
<td>1st FLOOR</td>
<td>TS724THF</td>
<td>51.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Frame, Horizontal package, Thin, 24W</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASIC :7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TC OPT  *OPT:TOP CAP OPTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>STD CAP  STD:Std Top Cap</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CABLEOPT  *OPT:CABLE TRAY OPTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>NO TRAY  NO CABLE TRAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASE OPT  *OPT:BASE TRIM OPTIONS</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Accepted By ___________________________ Date ____________
<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>KO BOTH</td>
<td>STD: KNOCKOUT BASE BOTH SIDES</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TRAY OPT</td>
<td>&quot;OPT: BASE TRAY OPTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BASETRAY</td>
<td>BASE TRAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tag For</td>
<td>1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>24/54c</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>15</td>
<td>TS73624TK</td>
<td>101.00</td>
<td>1,616.00</td>
</tr>
<tr>
<td></td>
<td>Panel skin-Tackable acoustical, 36H x 24W</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SURFACE :520 DEPTH</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>FAB DIR *OPT: FABRIC DIRECTION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HORZ STD: HORIZONTAL APPLICATION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tag For</td>
<td>1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>8</td>
<td>TS71224SPW</td>
<td>265.50</td>
<td>2,124.00</td>
</tr>
<tr>
<td></td>
<td>Window- Single pane, 12H x 24W</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>GLASS :6500 CLEAR GLASS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TRIM :7237 SLATE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tag For</td>
<td>1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>4</td>
<td>TS772THF</td>
<td>120.00</td>
<td>480.00</td>
</tr>
<tr>
<td></td>
<td>Frame, Horizontal package, Thin, 72W</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BASIC :7237 SLATE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TC OPT *OPT: TOP CAP OPTIONS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>STD CAP STD: Std Top Cap</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CABLEOPT *OPT: CABLE TRAY OPTION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>NO TRAY NO CABLE TRAY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BASE OPT *OPT: BASE TRIM OPTIONS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>KO BOTH STD: KNOCKOUT BASE BOTH SIDES</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TRAY OPT *OPT: BASE TRAY OPTION</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BASETRAY BASE TRAY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tag For</td>
<td>1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>72/30c</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>8</td>
<td>TS72472TK</td>
<td>113.50</td>
<td>908.00</td>
</tr>
<tr>
<td></td>
<td>Panel skin- Tackable acoustical, 24H x 72W</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SURFACE :520 DEPTH</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Accepted By ___________________________  Date ____________
<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>12</td>
<td>TS772THF</td>
<td>120.00</td>
<td>1,440.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Frame, Horizontal package, Thin, 72W</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASIC :7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>FAB DIR *OPT: FABRIC DIRECTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>HORZ HORIZONTAL APPLICATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>ONLY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>24</td>
<td>TS73672TK</td>
<td>187.00</td>
<td>4,488.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Panel skin-Tackable acoustical, 36H x 72W</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SURFACE :&amp;520 DEPTH</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>FAB DIR *OPT: FABRIC DIRECTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>HORZ HORIZONTAL APPLICATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>ONLY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>12</td>
<td>TS71272SPW</td>
<td>446.00</td>
<td>5,352.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Window-Single pane, 12H x 72W</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>GLASS :5000 CLEAR GLASS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TRIM :7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>24</td>
<td>T521328SR</td>
<td>2.67</td>
<td>64.08</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Spring Clip-Top Cap, Thin Trim, Quantify</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Accepted By ________________________________ Date ________________________________
<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>1</td>
<td>TS730TEPJ</td>
<td>63.50</td>
<td>63.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Junction-End of run, Thin, 30H</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TRIM *OPT:TRIM PACKAGE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PAINT PAINTED TRIM PKG</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>UPRIGHT UPRIGHT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TEXT PNT *UPRIGHT:TEXTURED</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PAINT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Tag For 1st FLOOR</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>E30</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>10</td>
<td>TS754TEPJ</td>
<td>83.50</td>
<td>835.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Junction-End of run, Thin, 54H</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TRIM *OPT:TRIM PACKAGE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PAINT PAINTED TRIM PKG</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>UPRIGHT UPRIGHT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TEXT PNT *UPRIGHT:TEXTURED</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PAINT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Tag For 1st FLOOR</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>E54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>8</td>
<td>TS754TLPJ</td>
<td>98.50</td>
<td>788.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Junction-L, Thin, 54H</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TRIM *OPT:TRIM PACKAGE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PAINT PAINTED TRIM PKG</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>UPRIGHT UPRIGHT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TEXT PNT *UPRIGHT:TEXTURED</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PAINT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Tag For 1st FLOOR</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>L54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>1</td>
<td>TS735TCLJ</td>
<td>139.50</td>
<td>139.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Junction-L, Change of height, Thin, 30 to 54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quote</td>
<td>Quote Date</td>
<td>Customer Order</td>
<td>Customer</td>
<td>Account Representative</td>
</tr>
<tr>
<td>-------</td>
<td>------------</td>
<td>----------------</td>
<td>----------</td>
<td>------------------------</td>
</tr>
<tr>
<td>25558</td>
<td>02/25/22</td>
<td>20990</td>
<td></td>
<td>CLYDE QUICK</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>2</td>
<td>TS754TTJP</td>
<td>98.50</td>
<td>197.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Junction-T, Thin, 54H</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TRIM *OPT:TRIM PACKAGE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PAINT PAINTED TRIM PKG</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>UPRIGHT UPRIGHT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TEXT PNT *UPRIGHT:TEXTURED</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PAINT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>L30-54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tag For</td>
<td>1st FLOOR</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| 15   | 3        | TS7353TCTJ                   | 176.00     | 528.00          |
|      |          | Junction-T, Change of height, Thin, 30 to 54 to 30 |            |                 |
|      |          | OPTIONS ** OPTIONS **        |            |                 |
|      |          | TRIM *OPT:TRIM PACKAGE       |            |                 |
|      |          | PAINT PAINTED TRIM PKG       |            |                 |
|      |          | UPRIGHT UPRIGHT              |            |                 |
|      |          | TEXT PNT *UPRIGHT:TEXTURED   |            |                 |
|      |          | PAINT                        |            |                 |
|      |          | SLATE                        |            |                 |
|      |          | T30-54-30                    |            |                 |
| Tag For | 1st FLOOR |                           |            |                 |

<p>| 16   | 1        | TS754TXPJ                    | 98.50      | 98.50           |
|      |          | Junction-X, Thin, 54H        |            |                 |
|      |          | OPTIONS ** OPTIONS **        |            |                 |
|      |          | TRIM *OPT:TRIM PACKAGE       |            |                 |
|      |          | PAINT PAINTED TRIM PKG       |            |                 |
|      |          | UPRIGHT UPRIGHT              |            |                 |
|      |          | TEXT PNT *UPRIGHT:TEXTURED   |            |                 |
|      |          | PAINT                        |            |                 |
|      |          | SLATE                        |            |                 |
|      |          | X54                          |            |                 |
| Tag For | 1st FLOOR |                           |            |                 |</p>
<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td>2</td>
<td>TS76BFX</td>
<td>158.50</td>
<td>317.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Power infeed, 3+1, 6L in ft</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLASTIC :6651 TUNGSTEN</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BPI/6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>7</td>
<td>TS7PK72X</td>
<td>191.50</td>
<td>1,340.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Kit-Power, 3+1, 72W</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>8</td>
<td>TS71SSX</td>
<td>26.00</td>
<td>208.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Receptacle-System ground, Line 1, 3+1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLASTIC :6651 TUNGSTEN</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CSTMPOPT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Option</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>NOSTAMP</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>STD: No Stamp</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>8</td>
<td>TS72SSX</td>
<td>26.00</td>
<td>208.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Receptacle-System ground, Line 2, 3+1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLASTIC :6651 TUNGSTEN</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CSTMPOPT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Option</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>NOSTAMP</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>STD: No Stamp</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>8</td>
<td>TS73SSX</td>
<td>26.00</td>
<td>208.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Receptacle-System ground, Line 3, 3+1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLASTIC :6651 TUNGSTEN</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CSTMPOPT</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Option</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>NOSTAMP</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>STD: No Stamp</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>2</td>
<td>TSWLE2247</td>
<td>402.50</td>
<td>805.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Worksurface-Corner, Low pressure</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>laminate, Curved, Extended,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quote</td>
<td>Quote Date</td>
<td>Customer Order</td>
<td>Customer</td>
<td>Account Representative</td>
</tr>
<tr>
<td>-------</td>
<td>------------</td>
<td>----------------</td>
<td>----------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>25556</td>
<td>02/25/22</td>
<td>20990</td>
<td>CLYDE QUICK</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>23</td>
<td>6</td>
<td>24DL x 24DR x 48WL x 72WR&lt;br&gt;EDGE :6034 NATURAL CHERRY&lt;br&gt;TOP-SURF:26L1 NATURAL CHERRY (VERSION 2) LPL</td>
<td>402.50</td>
<td>2,415.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR&lt;br&gt;24/48/72/24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>8</td>
<td>TSAWLH2424&lt;br&gt;Worksurface-Corner, Low pressure&lt;br&gt;laminate, Curved, Extended,&lt;br&gt;24DL x 24DR x 72WL x 48WR&lt;br&gt;EDGE :6034 NATURAL CHERRY&lt;br&gt;TOP-SURF:26L1 NATURAL CHERRY (VERSION 2) LPL</td>
<td>87.50</td>
<td>700.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR&lt;br&gt;24/72/48/24</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>2</td>
<td>TSATTIE&lt;br&gt;Tie plate, Package quantity 6</td>
<td>60.50</td>
<td>121.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR&lt;br&gt;TP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>8</td>
<td>TSATH2711&lt;br&gt;Leg-H, 11W x 27H&lt;br&gt;BASIC :7237 SLATE</td>
<td>107.50</td>
<td>860.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR&lt;br&gt;H/11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>8</td>
<td>TS2PBBF22U&lt;br&gt;Pedestal, Box / box / file,&lt;br&gt;Under worksurface, 22D&lt;br&gt;BASIC :7237 SLATE&lt;br&gt;KEYS :SK PLUG</td>
<td>285.00</td>
<td>2,280.00</td>
</tr>
<tr>
<td>Quote</td>
<td>Quote Date</td>
<td>Customer Order</td>
<td>Customer</td>
<td>Account Representative</td>
</tr>
<tr>
<td>-------</td>
<td>------------</td>
<td>----------------</td>
<td>----------</td>
<td>------------------------</td>
</tr>
<tr>
<td>25558</td>
<td>02/25/22</td>
<td></td>
<td>20990</td>
<td>CLYDE QUICK</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PULLS *OPT:PULL OPTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CONTPULL CONTEMPORARY PULL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PULL PULL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLTMETAL *PULL:PLATED METAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>9211 NICKEL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TSPED *OPT:TS PED OPTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PEN TRAY PENCIL TRAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR BBF</td>
<td></td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>8</td>
<td>TS2PFF22U</td>
<td>260.50</td>
<td>2,084.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Pedestal, File/file, Under work surface, 22D</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASIC 7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>KEYS SK PLUG</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PULLS *OPT:PULL OPTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CONTPULL CONTEMPORARY PULL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PULL PULL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>PLTMETAL *PULL:PLATED METAL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>9211 NICKEL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 1st FLOOR FF</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Subsection Sub Total: 30,880.05
9.0% CHAS COUNTY: 2,779.21
Subsection Total: 33,659.29

END Subsection

BEG Subsection 2nd FLOOR

<table>
<thead>
<tr>
<th>Line</th>
<th>Subsection</th>
<th>2nd FLOOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>29</td>
<td></td>
<td>TS724THF</td>
</tr>
<tr>
<td></td>
<td></td>
<td>51.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Frame, Horizontal package, Thin, 24W</td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASIC 7237 SLATE</td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS ** OPTIONS **</td>
</tr>
<tr>
<td></td>
<td></td>
<td>TC OPT *OPT:TOP CAP OPTIONS</td>
</tr>
<tr>
<td></td>
<td></td>
<td>STD CAP STD:Std Top Cap</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CABLEOPT *OPT:CABLE TRAY OPTION</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NO TRAY NO CABLE TRAY</td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASE OPT *OPT:BASE TRIM OPTIONS</td>
</tr>
<tr>
<td></td>
<td></td>
<td>KO BOTH STD:KNOCKOUT BASE BOTH</td>
</tr>
</tbody>
</table>

Accepted By ____________________________ Date ____________________________
<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>20</td>
<td>TS73624TK Panel skin-Tackable acoustical, 36H x 24W SURFACE :P520 DEPTH</td>
<td>101.00</td>
<td>2,020.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>**OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>FAB DIR *OPT:FABRIC DIRECTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>HORZ STD: HORIZONTAL APPLICATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>10</td>
<td>TS71224SPW Window-Single pane, 12H x 24W GLASS :6500 CLEAR GLASS</td>
<td>265.50</td>
<td>2,655.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>TRIM :7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>4</td>
<td>TS772THF Frame, Horizontal package, Thin, 72W BASIC :7237 SLATE</td>
<td>120.00</td>
<td>480.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS **OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TC OPT *OPT:TOP CAP OPTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>STD CAP STD:Std Top Cap</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CABLEOPT *OPT:CABLE TRAY OPTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>NO TRAY NO CABLE TRAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASE OPT *OPT:BASE TRIM OPTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>KO BOTH STD: KNOCKOUT BASE BOTH</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SIDES STD: KNOCKOUT BASE BOTH</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TRAY OPT *OPT:BASE TRAY OPTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASETRAY  BASE TRAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>72/30c</td>
<td></td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>8</td>
<td>TS72472TK Panel skin-Tackable acoustical, 24H x 72W SURFACE :P520 DEPTH</td>
<td>113.50</td>
<td>908.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>**OPTIONS **</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Line</td>
<td>Quantity</td>
<td>Catalog Number / Description</td>
<td>Unit Price</td>
<td>Extended Amount</td>
</tr>
<tr>
<td>------</td>
<td>----------</td>
<td>-----------------------------------------------</td>
<td>------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>34</td>
<td>15</td>
<td>TS772THF</td>
<td>120.00</td>
<td>1,800.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Frame, Horizontal package, Thin, 72W</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASIC :7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS &quot;&quot; OPTIONS &quot;&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TC OPT &quot;&quot; OPT:TOP CAP OPTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>STD CAP STD:Std Top Cap</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CABLEOPT &quot;&quot; OPT:CABLE TRAY OPTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>NO TRAY &quot;&quot; NO CABLE TRAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASE OPT &quot;&quot; OPT:BASE TRIM OPTIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>KO BOTH STD:KNOCKOUT BASE BOTH SIDES</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TRAY OPT &quot;&quot; OPT:BASE TRAY OPTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BASETRAY BASE TRAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>T2/54c</td>
<td></td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>30</td>
<td>TS73672TK</td>
<td>187.00</td>
<td>5,610.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Panel skin-Tackable acoustical, 36H x 72W</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SURFACE :P520 DEPTH</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPTIONS &quot;&quot; OPTIONS &quot;&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>FAB DIR &quot;&quot; OPT: FABRIC DIRECTION</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>HORZ HORIZONTAL APPLICATION ONLY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>15</td>
<td>TS71272SPW</td>
<td>446.00</td>
<td>6,690.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Window-Single pane, 12H x 72W</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>GLASS :5500 CLEAR GLASS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>TRIM :7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>30</td>
<td>T521328SR</td>
<td>2.67</td>
<td>80.10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Spring Clip-Top Cap, Thin Trim, Quantity1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Line</td>
<td>Quantity</td>
<td>Catalog Number / Description</td>
<td>Unit Price</td>
<td>Extended Amount</td>
</tr>
<tr>
<td>------</td>
<td>----------</td>
<td>------------------------------</td>
<td>------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>38</td>
<td>12</td>
<td>TS754TEPJ</td>
<td>83.50</td>
<td>762.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Junction-End of run, Thin, 54H OPTIONS ** OPTIONS ** TRIM *OPT:TRIM PACKAGE PAINT PAINTED TRIM PKG UPRIGHT UPRIGHT TEXT PNT *UPRIGHT:TEXTURED PAINT 7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tag For 2nd FLOOR E54</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>39</td>
<td>1</td>
<td>TS730TEPJ</td>
<td>63.50</td>
<td>63.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Junction-End of run, Thin, 30H OPTIONS ** OPTIONS ** TRIM *OPT:TRIM PACKAGE PAINT PAINTED TRIM PKG UPRIGHT UPRIGHT TEXT PNT *UPRIGHT:TEXTURED PAINT 7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tag For 2nd FLOOR E30</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>10</td>
<td>TS754TLPJ</td>
<td>99.50</td>
<td>995.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Junction-L, Thin, 54H OPTIONS ** OPTIONS ** TRIM *OPT:TRIM PACKAGE PAINT PAINTED TRIM PKG UPRIGHT UPRIGHT TEXT PNT *UPRIGHT:TEXTURED PAINT 7237 SLATE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tag For 2nd FLOOR L54</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>1</td>
<td>TS735TCLJ</td>
<td>139.50</td>
<td>139.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Junction-L, Change of height, Thin, 30 to 54 OPTIONS ** OPTIONS ** TRIM *OPT:TRIM PACKAGE PAINT PAINTED TRIM PKG UPRIGHT UPRIGHT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quote</td>
<td>Quote Date</td>
<td>Customer Order</td>
<td>Customer</td>
<td>Account Representative</td>
</tr>
<tr>
<td>-------</td>
<td>------------</td>
<td>----------------</td>
<td>----------</td>
<td>------------------------</td>
</tr>
<tr>
<td>25558</td>
<td>02/25/22</td>
<td></td>
<td>20990</td>
<td>CLYDE QUICK</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>42</td>
<td>2</td>
<td>TEXT PNT *UPRIGHT:TEXTURED PAINT 7237 SLATE</td>
<td>98.50</td>
<td>197.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 2nd FLOOR L30-54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>43</td>
<td>3</td>
<td>TS754TTPJ Junction-T, Thin, 54H OPTIONS ** OPTIONS ** TRIM *OPT:TRIM PACKAGE PAINT PAINTED TRIM PKG UPRIGHT UPRIGHT TEXT PNT *UPRIGHT:TEXTURED PAINT 7237 SLATE</td>
<td>176.00</td>
<td>528.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 2nd FLOOR T54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>2</td>
<td>TS754TXPJ Junction-X, Thin, 54H OPTIONS ** OPTIONS ** TRIM *OPT:TRIM PACKAGE PAINT PAINTED TRIM PKG UPRIGHT UPRIGHT TEXT PNT *UPRIGHT:TEXTURED PAINT 7237 SLATE</td>
<td>98.50</td>
<td>197.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For 2nd FLOOR X54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Line</td>
<td>Quantity</td>
<td>Catalog Number / Description</td>
<td>Unit Price</td>
<td>Extended Amount</td>
</tr>
<tr>
<td>------</td>
<td>----------</td>
<td>---------------------------------------------------</td>
<td>------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>45</td>
<td>8</td>
<td>TS7PK72X, Kit-Power, 3+1, 72W</td>
<td>191.50</td>
<td>1,532.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For: 2nd FLOOR PK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>46</td>
<td>2</td>
<td>TS76BPX, Power infeed, 3+1, 6L in ft, PLASTIC: 6651 TUNGSTEN</td>
<td>158.50</td>
<td>317.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For: 2nd FLOOR BPI/6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>47</td>
<td>10</td>
<td>TS71SSX, Receptacle-System ground, Line 1, 3+1, PLASTIC: 6651 TUNGSTEN OPTIONS ** OPTIONS ** CSTMOPOT *OPT:Controlled Stamp Option NOSTAMP STD:No Stamp</td>
<td>26.00</td>
<td>260.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For: 2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>48</td>
<td>10</td>
<td>TS72SSX, Receptacle-System ground, Line 2, 3+1, PLASTIC: 6651 TUNGSTEN OPTIONS ** OPTIONS ** CSTMOPOT *OPT:Controlled Stamp Option NOSTAMP STD:No Stamp</td>
<td>26.00</td>
<td>260.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For: 2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>49</td>
<td>10</td>
<td>TS73SSX, Receptacle-System ground, Line 3, 3+1, PLASTIC: 6651 TUNGSTEN OPTIONS ** OPTIONS ** CSTMOPOT *OPT:Controlled Stamp Option NOSTAMP STD:No Stamp</td>
<td>26.00</td>
<td>260.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tag For: 2nd FLOOR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>3</td>
<td>TSAWLE2247, Worksurface-Corner, Low pressure laminate, Curved, Extended, 24DL x 24DR x 48WL x 72WR</td>
<td>402.50</td>
<td>1,207.50</td>
</tr>
<tr>
<td>Quote</td>
<td>Quote Date</td>
<td>Customer Order</td>
<td>Customer</td>
<td>Account Representative</td>
</tr>
<tr>
<td>-------</td>
<td>------------</td>
<td>----------------</td>
<td>----------</td>
<td>------------------------</td>
</tr>
<tr>
<td>25558</td>
<td>02/25/22</td>
<td>20990</td>
<td>CLYDE QUICK</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>51</td>
<td>7</td>
<td>EDGE :6034 NATURAL CHERRY&lt;br&gt;TOP-SURF:26L1 NATURAL CHERRY (VERSION 2) LPL&lt;br&gt;Tag For 2nd FLOOR 24/49/72/24</td>
<td>402.50</td>
<td>2,817.50</td>
</tr>
<tr>
<td>52</td>
<td>10</td>
<td>TSAWLR2424&lt;br&gt;Worksurface-Straight, Low pressure laminate, 24D x 24W&lt;br&gt;EDGE :6034 NATURAL CHERRY&lt;br&gt;TOP-SURF:26L1 NATURAL CHERRY (VERSION 2) LPL&lt;br&gt;Tag For 2nd FLOOR 24/24</td>
<td>87.50</td>
<td>875.00</td>
</tr>
<tr>
<td>53</td>
<td>2</td>
<td>TSATTIE&lt;br&gt;Tie plate, Package quantity 6&lt;br&gt;Tag For 2nd FLOOR TP</td>
<td>60.50</td>
<td>121.00</td>
</tr>
<tr>
<td>54</td>
<td>10</td>
<td>TSATH2711&lt;br&gt;Leg-H, 11W x 27H&lt;br&gt;BASIC :7237 SLATE&lt;br&gt;Tag For 2nd FLOOR H/H</td>
<td>107.50</td>
<td>1,075.00</td>
</tr>
<tr>
<td>55</td>
<td>10</td>
<td>TS32PBBF22U&lt;br&gt;Pedestal, Box / box / file, Under worksurface, 22D&lt;br&gt;BASIC :7237 SLATE&lt;br&gt;KEYS :SK PLUG&lt;br&gt;OPTIONS * * OPTIONS **</td>
<td>285.00</td>
<td>2,850.00</td>
</tr>
<tr>
<td>Line</td>
<td>Quantity</td>
<td>Catalog Number / Description</td>
<td>Unit Price</td>
<td>Extended Amount</td>
</tr>
<tr>
<td>------</td>
<td>----------</td>
<td>------------------------------</td>
<td>------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>56</td>
<td>10</td>
<td>TS2PFF22U Pedestal, File / file, Under worksurface, 22D BASIC:7237 SLATE KEYS:SK PLUG OPTIONS:<em><strong>OPTIONS</strong></em> PULLS:OPT:PULL OPTIONS CONTPULL CONTEMPORARY PULL PULL PULL PLTMETAL:*PULL:PLATED METAL 9211 NICKEL</td>
<td>280.50</td>
<td>2,605.00</td>
</tr>
</tbody>
</table>

Subsection Sub Total: 37,810.10
9.0% CHAS COUNTY: 3,402.91
Subsection Total: 41,213.01
<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>20</td>
<td>LOCK9201FR</td>
<td>N/C</td>
<td>N/C</td>
<td></td>
</tr>
</tbody>
</table>

Lock Cylinder-FR Series, Polished Chrome
LOCK :9201 POLISHED CHROME
KEYS :SK SPEC
2-FR321
2-FR322
2-FR323
2-FR324
2-FR325
2-FR326
2-FR327
2-FR328
2-FR329
2-FR330

Tag For 2nd FLOOR

**QUOTATION TOTALS**

- Sub Total: 68,690.18
- 9.0% CHAS COUNTY: 6,182.12
- Grand Total: 74,872.30

End of Quotation
### Quotation

#### Wulbern-Koval
1111 Morrison Drive
Charleston SC 29403

**Phone**
+1 (843) 577-7686

**Fax**
+1 (843) 577-7299

<table>
<thead>
<tr>
<th>Quote</th>
<th>Quote Date</th>
<th>Customer Order</th>
<th>Customer</th>
<th>Account Representative</th>
<th>Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>25502</td>
<td>02/25/22</td>
<td>20990</td>
<td></td>
<td>CLYDE QUICK</td>
<td></td>
</tr>
</tbody>
</table>

**Quote To**
CITY OF CHARLESTON
116 MEETING ST
Charleston SC 29401

**Ship To**
SUSAN HERDINA
CITY OF CHARLESTON
MUNICIPAL COURTS
180 LOCKWOOD BLVD.
Charleston SC 29403

**Terms** Net 10 Days

---

<table>
<thead>
<tr>
<th>Line</th>
<th>Quantity</th>
<th>Catalog Number / Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>9999999999 REMOVAL OF EXISTING FIRST AND SECOND FLOOR STATIONS DURING REGULAR BUSINESS HOURS.</td>
<td>2,225.00</td>
<td>2,225.00</td>
</tr>
</tbody>
</table>

**Tag For**
1st FLOOR 72/30

**QUOTATION TOTALS**

- Sub Total 2,225.00
- SC NON-TAXABLE 0.00
- Grand Total 2,225.00

---

**End of Quotation**

Accepted By ___________________________ Date ____________
Proposal and Sales Agreement

2555R and 25502

2 25 2022

City of Charleston Municipal Court
1800 B Lockwood Blvd
Charleston, SC 29403

Redline:

- Prices quoted are firm for 60 days from the date of this proposal.
- Deposit: All orders require a deposit with the signed proposal unless otherwise approved by Wulbern-Koval.
- Changes: This agreement is final and binding. Any changes made prior to fiction production of merchandise are subject to our ability to conform and are dependent upon factory approval. Resultant charges shall be borne by the Purchaser. All requests for changes shall be submitted to Wulbern-Koval in writing.
- Cancellations: This agreement and terms hereof are not cancellable by either party except by mutual consent in writing. In the event of such cancellation, Purchaser agrees to reimburse Wulbern-Koval Co. Inc for all costs of such cancellation. All products are custom and non-returnable. In the event the manufacturer has started production of these custom products, buyer is responsible for all costs of cancellation.
- Job Site: The job site shall be clean, clear, and free of debris prior to installation. Hinderer access or availability of unloading docks, areas, elevators, staging and assembly areas may result in delays and additional charges. Stair-case, street, offload and lift equipment are not included in quoted charge. Deviations from the price quoted upon furniture breakdowns that result in additional labor must be approved and could result in extra charges.
- Delivery: NHB - Delivery and installation will be made during normal business hours, 8:00 am to 4:30 pm, Monday through Friday. Additional costs resulting from overtime work performed at the Purchaser's request will be charged to Purchaser at the overtime rate. Delivery cancellation within 48 hours of the scheduled date of delivery could incur a cancellation fee commensurate with the preparation expenses incurred for that point or shipment redelivery fees from the freight carrier.
- Electrical: If pre wired electrical product is ordered, Purchaser shall be responsible for a licensed electrician to make connections to the building's power. Pre wired electrical comes with a minimum of three 20-amp circuits. If the purchaser chooses not to fully utilize all circuits at the building's power connection, Wulbern-Koval will not be responsible for circuit overloads or equipment failure caused by such overloads.
- Storage: For products shipped to a Wulbern-Koval warehouse, goods held for more than 30 days due to construction delays or delays requested by Purchaser may be subject to storage charges. Storage charges will be assessed at a rate of $1.00 per square foot per month until the date of delivery.
- Receipt and Protection of Merchandise: At the time of delivery, Purchaser or his representative will sign a receipt for the merchandise and note any shortages, damages, or other discrepancies on the receipt. Once the merchandise is delivered to the Purchaser's premises, the Purchaser assumes responsibility, for it.
- Deep Shipments: Large shipments or merchandise valued at $50,000 and above, will be deep-shipped directly to the job site and removed by Wulbern-Koval. If the job site cannot accommodate receipt of the merchandise due to construction delays, i.e. off-site storage may have to be rented. All off-site storage rental charges and added labor expense will be Purchaser's responsibility. It is imperative that any anticipated delays to site readiness be communicated promptly to Wulbern-Koval so that, if possible, factory shipment schedules can be delayed. Any manufacturer delay charges will be Purchaser's responsibility. If the Purchaser uses its personnel to receive merchandise directly from the freight carrier, it is important to note any shortages or suspected damage on the freight bill and have the carrier driver acknowledge such discrepancies in writing. Wulbern-Koval is not responsible for understocked shortages or damage to furniture that is received by Purchaser.
- Terms: Payment terms are Net 10 days from invoice date. Invoices will be rendered on the Scheduled Installation Date or on the date Wulbern-Koval Company, Inc., receives the merchandise, whichever is later. In cases where installation is delayed beyond the Scheduled Installation Date, for Purchaser convenience (construction delays, etc.), Purchaser agrees to pay within terms if the Merchandise were received and in its possession.
- Retention: Purchaser reserves the right to withhold fifteen percent (15%) of the invoiced amount until delivery or installation is essentially complete and a list of discrepancies (punch list) is jointly compiled by Seller and Purchaser. When the list of punch list issues has been resolved, the remaining fifteen percent (15%) of the invoiced amount will then be due less amounts for specific items included on the punch list which remain outstanding. Final payment for the remaining punch list items will be due once those discrepancies have been corrected.
- Past Due: Service charges of 1% per month (annual percentage rate of 18%) will be applied to all past due balances. If past due amounts are placed in the hands of an attorney for collection, or if collected by legal proceedings or through the probate or bankruptcy courts, then all costs of collection, including reasonable attorney fees, shall be added thereto and shall be recoverable as principal.
- Security Interest: Purchaser hereby grants Wulbern-Koval Company, Inc., a security interest in the Merchandise until full payment has been received.
- Jurisdiction: All legal matters relating to dealings between Wulbern-Koval Company and the Purchaser shall be governed by the laws of the state of South Carolina.

Signing this proposal constitutes acceptance, and signer agrees to abide by all terms and conditions.

Signature ___________________________ Date ________

Name, (printed) Clyde Quick

W.K. Representative Clyde Quick

Date 2 25 22
AN ORDINANCE

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF CITY OF CHARLESTON, SOUTH CAROLINA HOSPITALITY TAX REVENUE BONDS, AND OTHER MATTERS PERTAINING THERETO; PRESCRIBING THE FORM OF BONDS ISSUED HEREUNDER; PLEDGING LOCAL HOSPITALITY TAXES TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS; AND MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING.

April 12, 2022
TABLE OF CONTENTS

ARTICLE I
FINDINGS AND DETERMINATIONS

SECTION 1.01 FINDINGS AND DETERMINATIONS .............................................................................................................. 1

ARTICLE II
DEFINITIONS AND INTERPRETATIONS

SECTION 2.01 DEFINED TERMS ........................................................................................................................................ 2
SECTION 2.02 GENERAL RULES OF INTERPRETATION .................................................................................................... 8

ARTICLE III
AUTHORIZATION AND ISSUANCE OF BONDS

SECTION 3.01 AUTHORIZATION OF BONDS .................................................................................................................. 9
SECTION 3.02 GENERAL PROVISIONS FOR ISSUANCE OF BONDS ................................................................................ 9
SECTION 3.03 CONDITIONS FOR THE ISSUANCE OF BONDS ....................................................................................... 9
SECTION 3.04 ISSUANCE OF REFUNDING BONDS ......................................................................................................... 10
SECTION 3.05 ISSUANCE OF JUNIOR BONDS .................................................................................................................. 11

ARTICLE IV
THE BONDS

SECTION 4.01 EXECUTION ................................................................................................................................................ 12
SECTION 4.02 AUTHENTICATION ................................................................................................................................... 12
SECTION 4.03 MUTILATED, LOST, STOLEN, OR DESTROYED BONDS ............................................................................. 12
SECTION 4.04 REGISTRATION AND TRANSFER OF BONDS; PERSONS TREATED AS OWNERS ..................................... 12
SECTION 4.05 FORM OF BONDS; DENOMINATIONS; MEDIUM OF PAYMENT .................................................................. 13
SECTION 4.06 NUMBERS, DATE, AND PAYMENT PROVISIONS ....................................................................................... 13
SECTION 4.07 EXCHANGE OF BONDS .......................................................................................................................... 14
SECTION 4.08 REGULATIONS WITH RESPECT TO EXCHANGES AND TRANSFER ..................................................... 14
SECTION 4.09 TEMPORARY BONDS ............................................................................................................................ 14
SECTION 4.10 CO-REGISTRARS ....................................................................................................................................... 14

ARTICLE V
REDEMPTION OF BONDS BEFORE MATURITY

SECTION 5.01 REDEMPTION OF BONDS ....................................................................................................................... 15
SECTION 5.02 SELECTION OF BONDS FOR REDEMPTION ............................................................................................ 15
SECTION 5.03 NOTICE OF REDEMPTION ...................................................................................................................... 15
SECTION 5.04 PARTIAL REDEMPTION OF BOND ........................................................................................................... 15
SECTION 5.05 EFFECT OF REDEMPTION ...................................................................................................................... 16
SECTION 5.06 CANCELLATION .......................................................................................................................................... 16
SECTION 5.07 PURCHASE OF BONDS .......................................................................................................................... 16

ARTICLE VI
ESTABLISHMENT OF FUNDS; PAYMENTS THEREFROM; INVESTMENT OF MONEYS; SECURITY FOR THE BONDS

SECTION 6.01 LISTING OF FUNDS AND ACCOUNTS ........................................................................................................ 17
SECTION 6.02 PLEDGED FEE REVENUE FUND; PLEDGE OF TRUST ESTATE ............................................................. 17
SECTION 6.03 DEBT SERVICE FUND ................................................................................................................................ 18
SECTION 6.04 DEBT SERVICE RESERVE FUND ............................................................................................................. 20
SECTION 6.05 ESTABLISHMENT OF CONSTRUCTION FUND .......................................................................................... 23
SECTION 6.06 DEPOSITS INTO CONSTRUCTION FUND ................................................................................................... 23
### ARTICLE VII

#### TRUSTEE AND CUSTODIANS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.01</td>
<td>Appointment of Trustee</td>
<td>26</td>
</tr>
<tr>
<td>7.02</td>
<td>Duties and Obligations of the Trustee</td>
<td>26</td>
</tr>
<tr>
<td>7.03</td>
<td>Fees, Charges, and Expenses of Trustee</td>
<td>29</td>
</tr>
<tr>
<td>7.04</td>
<td>Notice to Bondholders if Default Occurs</td>
<td>29</td>
</tr>
<tr>
<td>7.05</td>
<td>Intervention by Trustee</td>
<td>29</td>
</tr>
<tr>
<td>7.06</td>
<td>Merger or Consolidation of Trustee</td>
<td>29</td>
</tr>
<tr>
<td>7.07</td>
<td>Resignation by the Trustee</td>
<td>30</td>
</tr>
<tr>
<td>7.08</td>
<td>Removal of the Trustee</td>
<td>30</td>
</tr>
<tr>
<td>7.09</td>
<td>Appointment of Successor Trustee by the City or the Bondholders</td>
<td>30</td>
</tr>
<tr>
<td>7.10</td>
<td>Concerning Any Successor Trustee</td>
<td>30</td>
</tr>
<tr>
<td>7.11</td>
<td>Trustee Protected In Relying Upon Ordinances, Etc.</td>
<td>31</td>
</tr>
<tr>
<td>7.12</td>
<td>Successor Trustee as Trustee of Funds, Paying Agent, and Bond Registrar</td>
<td>31</td>
</tr>
<tr>
<td>7.13</td>
<td>Trust Estate May Be Vested in Separate or Co-Trustee</td>
<td>31</td>
</tr>
<tr>
<td>7.14</td>
<td>Appointment of Custodians</td>
<td>32</td>
</tr>
<tr>
<td>7.15</td>
<td>Duties and Obligations of Custodians</td>
<td>32</td>
</tr>
<tr>
<td>7.16</td>
<td>Custodians Protected In Relying Upon Ordinances, Etc.</td>
<td>32</td>
</tr>
<tr>
<td>7.17</td>
<td>Resignation of Custodians</td>
<td>32</td>
</tr>
<tr>
<td>7.18</td>
<td>Removal of Custodians</td>
<td>32</td>
</tr>
<tr>
<td>7.19</td>
<td>Appointment of Successor Custodians</td>
<td>32</td>
</tr>
<tr>
<td>7.20</td>
<td>Concerning Any Successor Custodians</td>
<td>33</td>
</tr>
<tr>
<td>7.21</td>
<td>Merger of Custodians</td>
<td>33</td>
</tr>
</tbody>
</table>

### ARTICLE VIII

#### COVENANTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.01</td>
<td>Condition of City’s Obligation; Payment of Principal and Interest</td>
<td>34</td>
</tr>
<tr>
<td>8.02</td>
<td>Performance of Covenants; Authority of the City</td>
<td>34</td>
</tr>
<tr>
<td>8.03</td>
<td>Instruments of Further Assurance</td>
<td>34</td>
</tr>
<tr>
<td>8.04</td>
<td>Inspection of Pledged Fee Revenues and Projects</td>
<td>35</td>
</tr>
<tr>
<td>8.05</td>
<td>Fiscal Year</td>
<td>35</td>
</tr>
<tr>
<td>8.06</td>
<td>Annual Audited Financial Statements and Certificates</td>
<td>35</td>
</tr>
</tbody>
</table>

### ARTICLE IX

#### DEFEASANCE OF BONDS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.01</td>
<td>Defeasance of Bonds</td>
<td>36</td>
</tr>
<tr>
<td>9.02</td>
<td>Deposit of Moneys</td>
<td>36</td>
</tr>
<tr>
<td>9.03</td>
<td>Election to Redeem Bonds</td>
<td>37</td>
</tr>
</tbody>
</table>

### ARTICLE X

#### DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.01</td>
<td>Events of Default</td>
<td>38</td>
</tr>
<tr>
<td>10.02</td>
<td>Acceleration</td>
<td>38</td>
</tr>
<tr>
<td>10.03</td>
<td>Additional Remedies</td>
<td>38</td>
</tr>
</tbody>
</table>
SECTION 10.04  RIGHTS OF BONDHOLDERS ................................................................. 39
SECTION 10.05  APPLICATION OF MONEYS ................................................................. 39
SECTION 10.06  REMEDIES VESTED IN TRUSTEE ...................................................... 40
SECTION 10.07  RIGHTS AND REMEDIES OF BONDHOLDERS ................................. 41
SECTION 10.08  TERMINATION OF PROCEEDINGS .................................................... 41
SECTION 10.09  WAIVERS OF EVENTS OF DEFAULT ................................................... 41
SECTION 10.10  NOTICE OF DEFAULTS; OPPORTUNITY OF THE CITY TO CURE DEFAULTS 41
SECTION 10.11  BOND INSURER ACTS IN LIEU OF HOLDERS ...................................... 42

ARTICLE XI
AMENDING AND SUPPLEMENTING OF ORDINANCE

SECTION 11.01  AMENDING AND SUPPLEMENTING OF ORDINANCE WITHOUT CONSENT OF HOLDERS OF BONDS ................................................................. 43
SECTION 11.02  AMENDING AND SUPPLEMENTING OF ORDINANCE WITH CONSENT OF HOLDERS OF BONDS ................................................................. 44
SECTION 11.03  NOTATION UPON BONDS; NEW BONDS ISSUED UPON AMENDMENTS ............ 45
SECTION 11.04  EFFECTIVENESS OF SUPPLEMENTAL ORDINANCE ............................. 45
SECTION 11.05  SUPPLEMENTAL ORDINANCE AFFECTING TRUSTEES OR CUSTODIANS ....... 45

ARTICLE XII
MISCELLANEOUS

SECTION 12.01  BENEFITS OF ORDINANCE LIMITED TO THE CITY, THE TRUSTEE, AND HOLDERS OF THE BONDS ................................................................. 46
SECTION 12.02  ORDINANCE BINDING UPON SUCCESSORS OR ASSIGNS OF THE CITY ............ 46
SECTION 12.03  NO PERSONAL LIABILITY ........................................................................ 46
SECTION 12.04  EFFECT OF SATURDAYS, SUNDAYS AND LEGAL HOLIDAYS ..................... 46
SECTION 12.05  PARTIAL INVALIDITY ............................................................................. 47
SECTION 12.06  LAW AND PLACE OF ENFORCEMENT OF THE ORDINANCE ................. 47
SECTION 12.07  EFFECT OF ARTICLE AND SECTION HEADINGS AND TABLE OF CONTENTS ................. 47
SECTION 12.08  REPEAL OF INCONSISTENT ORDINANCES AND RESOLUTIONS ............... 48
SECTION 12.09  EFFECTIVENESS OF THIS ORDINANCE .................................................. 48
BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHARLESTON, SOUTH CAROLINA, AS FOLLOWS:

ARTICLE I

FINDINGS AND DETERMINATIONS

Section 1.01 Findings and Determinations. As an incident to the enactment of this ordinance (the "Ordinance") and the issuance of the Bonds (as defined below) provided for herein, the City Council of the City of Charleston (the "Council"), the governing body of the City of Charleston, South Carolina (the "City"), finds that the facts set forth in this Article I exist, and the following statements are in all respects true and correct:

(a) The City is a body politic and corporate and a municipal corporation organized under the laws of the State of South Carolina (the "State") located in both Charleston County, South Carolina and Berkeley County, South Carolina, and as such, possesses all powers granted to municipalities by the Constitution and general laws of the State.

(b) The City, pursuant to Title 6, Chapter 1, Article 7 of the Code of Laws of South Carolina, 1976, as amended, imposed a local hospitality tax (the "Hospitality Tax") by Ordinance No. 1993-450 enacted on December 7, 1993, as restated and amended from time to time.

(c) Article X, Section 14, of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), provides that a political subdivision may incur indebtedness payable solely from a revenue-producing project which source does not involve revenues from any tax or license. Pursuant to Section 6-1-760 utilizing the procedures of Title 6, Chapter 17 of the Code of Laws of South Carolina, 1976, as amended (collectively, the "Enabling Act"), the City may issue revenue bonds (i) to defray the cost of tourist-related projects as enumerated in Title 6, Chapter 1, Article 7, which are consistent with the purposes enumerated in Section 6-1-530 of the Code of Laws of South Carolina, 1976, as amended, secured by a pledge of the Pledged Fee Revenues (as defined below) and (ii) to refund obligations issued for such purposes.

(d) It is now in the best interest of the City for the Council to provide for the issuance and sale of Bonds of the City pursuant to the aforesaid provisions of the Constitution and laws of the State.

[End of Article I]
ARTICLE II

DEFINITIONS AND INTERPRETATIONS

Section 2.01 Defined Terms. The terms defined in this Section 2.01 (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Ordinance shall have the respective meanings specified in this Section 2.01.

"Accreted Value" shall mean, except as otherwise provided by a Supplemental Ordinance, with respect to any Capital Appreciation Bond an amount equal to the principal amount of the Capital Appreciation Bond (determined on the basis of the original principal amount per $5,000 at maturity thereof) plus the amount, assuming semiannual compounding of earnings, which would be produced on the investment of the principal amount, beginning at the dated date of the Capital Appreciation Bond and ending at the maturity date thereof, at a yield which, if produced until maturity, will produce $5,000 at maturity. The Accreted Value of any Capital Appreciation Bond shall mean, as of any Valuation Date, the amount set forth for that date in the Supplemental Ordinance authorizing Capital Appreciation Bonds, and as of any date other than a Valuation Date, the sum of (a) the Accreted Value on the preceding Valuation Date and (b) the product of (1) a fraction, the numerator of which is the number of days having elapsed from the preceding Valuation Date and the denominator of which is the number of days from the preceding Valuation Date to the next succeeding Valuation Date, and (2) the difference between the Accreted Values for such preceding and succeeding Valuation Dates.

"Accountant" shall mean any independent certified public accountant or firm of accountants selected by the City and who or which is experienced in the auditing of governmental entities.

"Authorized Representative" shall mean the Mayor or the Chief Financial Officer of the City and any other Person or Persons designated to act on behalf of the City by written certificate of the Mayor furnished to the Trustee and containing the specimen signatures of such officers.

"Balloon Indebtedness" shall mean indebtedness in the form of Bonds 25% or more of the principal payments of which are due in a single year, which portion of the principal is not required by the instrument authorizing the issuance of such indebtedness to be amortized by redemption prior to such maturity date.

"Bond" or "Bonds" shall mean all bonds and other obligations of the City issued pursuant to and under the authority of Sections 3.02, 3.03 and 3.04 hereof but excluding Junior Bonds and bond anticipation notes not secured by Pledged Fee Revenues, and Outstanding from time to time.

"Bond Counsel" shall mean any attorney or firm of attorneys of nationally recognized standing in the matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bond Holders," "Bondholders," "Holders," or the term "Registered Holders," or any similar term, shall mean the registered owner of any Outstanding Bond or Bonds.

"Bond Redemption Account" shall mean the account by that name established in the Debt Service Fund.
“Books of Registry” shall mean the registration books maintained by the Trustee as bond registrar in accordance with Section 4.04 hereof.

“Capital Appreciation Bonds” shall mean any Bonds as to which interest is payable only at the maturity, prior redemption or acceleration of the Bonds. For the purposes of (i) receiving payment of the redemption price of a Capital Appreciation Bond that is redeemed prior to maturity, (ii) receiving payment of a Capital Appreciation Bond if the principal of all Bonds of a Series is declared immediately due and payable following an Event of Default as provided in Section 10.02 hereof, or (iii) computing the principal amount of Bonds held by the Holder of a Capital Appreciation Bond in giving any notice, consent, request, or demand pursuant to the Ordinance, or for any purpose whatsoever including, without limitation, for transfer and exchange, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value on the date set for redemption, or the date of declaration, or the date of computation of the principal amount or on the date of transfer or exchange, as the case may be, or in any other case, on the analogous date as of which the principal amount is intended to be calculated.

“Capital Lease” shall mean any lease of property which, in accordance with generally accepted accounting principles, has been or should be capitalized on the lessee’s balance sheet or for which the amount of the asset and liability thereunder as if so capitalized should be disclosed in a note to the balance sheet.

“City” shall mean the City of Charleston, South Carolina, a body politic and corporate and a municipal corporation organized and existing under the laws of the State.

“Clerk” shall mean the City Clerk or in his or her absence, any Deputy City Clerk, Assistant City Clerk, Interim City Clerk or Acting City Clerk, as the case may be.

“Code” shall mean the Internal Revenue Code of 1986, as amended, any successor provision of law, and regulations promulgated thereunder.

“Completion Date” shall mean the date of completion of construction of any Project as that date shall be certified in writing to the Trustee.

“Construction Fund” shall mean any fund established with and maintained with the Trustee and funded with certain of the proceeds of the sale of any Series of Bonds and intended to defray Project Costs in connection therewith and the Costs of Issuance in connection with that Series of Bonds, all as established in a Supplemental Ordinance authorizing the issuance of any Series of Bonds.

“Costs of Issuance” shall mean all items of expense, directly or indirectly payable or reimbursable by or to the City and related to the authorization, sale, and issuance 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 or Custodian; legal fees and charges; fees and disbursements of financial advisors, consultants and professionals; costs of credit ratings; fees and charges for preparation, execution, transportation, and safekeeping of Bonds; costs and expenses of refunding of Bonds; premiums or other charges for insurance or other credit enhancement for the payment of Bonds; financing charges; accrued interest with respect to the initial investment of proceeds of Bonds; and any other cost, charge or fee in connection with the original issuance of Bonds.
"Council" shall mean the City Council of the City of Charleston, South Carolina, the governing body of the City or any successor governing body of the City.

"Custodian" shall mean any bank, trust company, national banking association, or national association selected by the City as a depository of moneys or securities pursuant to this Ordinance.

"Debt Service Fund" shall mean the fund established by the provisions of Section 6.01(b) hereof designed to provide for the payment of the principal of, premium, if any, and interest on the Bonds (excluding Junior Bonds), as they respectively fall due.

"Debt Service Reserve Fund" shall mean the fund established by the provisions of Section 6.01(c) hereof intended to meet any possible deficiencies in the Debt Service Fund and to be maintained in the amounts, if any, and in separate accounts if established with respect to a Series of Bonds as set forth in the Supplemental Ordinance providing for the issuance of that Series of Bonds. A separate account within the Debt Service Reserve Fund shall be established for each Series of Bonds for which there is a Debt Service Reserve Fund Requirement.

"Debt Service Reserve Fund Requirement" shall mean that amount, if any, with respect to each Series of Bonds as set forth in the Supplemental Ordinance providing for the issuance of that Series of Bonds. This amount may be satisfied by the delivery of a surety bond in accordance with Section 6.04 hereof.

"Default" or "Event of Default" shall mean any of those defaults specified in and defined by Article X hereof.

"Enabling Act" shall mean Section 6-1-760 utilizing the procedures of Title 6, Chapter 17 of the Code of Laws of South Carolina 1976, as amended, and as such may be further amended from time to time.

"Fiscal Year" shall mean the period of twelve (12) calendar months, beginning on the first day of January of each year and ending with the 31st day of December of the same calendar year, until changed to a different twelve-month period by ordinance of the Council.

"Interest Account" shall mean the account by that name established in the Debt Service Fund.

"Investment Obligations" shall mean (i) obligations issued or guaranteed by the United States of America or its agencies, or to the payment of which the full faith and credit of the United States of America is pledged; (ii) general obligations of the State or its political units; (iii) interest bearing deposits in savings and loan associations to the extent that they are insured by an agency of the federal government; (iv) certificates of deposit issued by a bank or trust company (including the Trustee), where the certificates of deposit are collaterally secured by securities of the type described in (i) and (ii) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided, however, that collateral shall not be required to the extent the certificates of deposit are insured by an agency of the federal government; (v) repurchase agreements when collateralized by securities of the type described in (i), (ii), (iii), or (iv) above; (vi) no load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is
made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit or political subdivision, if the particular portfolio of the investment company or investment trust in which the investment is made (a) is limited to obligations described in items (i), (ii), or (v) above, and (b) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, values its assets by the amortized cost method; (vii) the South Carolina Pooled Investment Fund established pursuant to the provisions of Chapter 6, Title 6, of the Code of Laws of South Carolina, 1976, as amended; or (viii) any other investments now or hereafter permitted under Section 6-5-10 of the Code of Laws of South Carolina, 1976, as amended.

"Junior Bond Debt Service" shall mean such fund authorized by Section 6.01 hereof to be established in a Supplemental Ordinance with respect to Junior Bonds.

"Junior Bonds" shall mean bonds secured by a pledge of Pledged Fee Revenues junior and subordinate in all respects to the pledge securing the Bonds authorized by Sections 3.02, 3.03 and 3.04 hereof.

"Mayor" shall mean the Mayor of the City, or in his or her absence, the Mayor Pro Tempore of the City, or his or her designee.

"Ordinance" shall mean this General Bond Ordinance as from time to time amended or supplemented by one or more Supplemental Ordinances.

"Outstanding Bonds" or "Outstanding" shall mean all Bonds which have been duly authenticated and delivered by the Trustee hereunder except:

(a) Bonds theretofore cancelled by the Trustee or theretofore delivered by the Trustee for cancellation;

(b) Bonds (or portions thereof) deemed to have been redeemed within the meaning of Sections 5.03 and 5.05 hereof;

(c) Bonds in lieu of which others have been authenticated, unless proof satisfactory to the Trustee is presented to the Trustee that the Bonds are held by bona fide purchasers as that term is defined in Article 8 of the South Carolina Uniform Commercial Code, as amended, in which case the Bond or Bonds so replaced and the Bond or Bonds authenticated and delivered therefor shall both be deemed Outstanding; and

(d) Bonds (or portions thereof) deemed to have been paid within the meaning of Section 9.01 hereof.

"Person" shall mean natural persons, firms, associations, corporations, and public bodies.

"Pledged Fee Revenue Fund" shall mean the fund of that name created by Section 6.01 hereof.

"Pledged Fee Revenues" shall mean the Hospitality Taxes collected by the City as well as any penalties or late fees related thereto collected by the City.
"Principal Account" shall mean the account by that name established within the Debt Service Fund.

"Principal and Interest Requirements" with respect to any Bonds shall mean the amount required to pay principal of (whether at maturity or pursuant to mandatory redemption requirements applicable thereto), redemption premium, if any, and interest (exclusive of funded interest) on the Bonds during the period of time for which Principal and Interest Requirements are being calculated; provided (i) with respect to Balloon Indebtedness, the amount of the principal which would be payable in such period shall be computed as if such principal were amortized from the date of incurrence thereof over a period of 20 years (or, if the term thereof is less than 20 years, over a period equal to such term) on a level debt service basis at an interest rate equal to the rate borne by such Balloon Indebtedness on the date calculated, except that if the date of calculation is within 12 months of the actual maturity of such Balloon Indebtedness, the full amount of principal payable at maturity shall be included in such calculation; (ii) the interest on Variable Rate Indebtedness shall be calculated at one hundred percent (100%) of the average rate borne by the Variable Rate Indebtedness during the preceding twelve (12) months, or if the Variable Rate Indebtedness is yet to be incurred, at one hundred percent (100%) of the average rate such Variable Rate Indebtedness would have borne during the preceding twelve (12) months based on the applicable index or other method of determining the interest rate under the terms of the Supplemental Ordinance providing for the incurrence of the Variable Rate Indebtedness; (iii) interest as used in this definition shall include interest on Capital Appreciation Bonds accruing, but not payable, during the period of time for which Principal and Interest Requirements are being calculated; and (iv) there shall be excluded from such calculation of interest due on any Bonds the amount of any interest rate subsidy receivable by the City from the United States Treasury or other governmental unit pursuant to Section 54AA, 1400U-2 or 6431 of the Code or any successor or similar interest rate subsidy program established under the Code.

"Project" or "Projects" shall mean, as applicable, a tourist-related project or projects allowed under Title 6, Chapter 1, Article 7 as enumerated under Section 6-1-530 of the Code of Laws of South Carolina, 1976, as amended.

"Project Costs" shall mean costs incurred in connection with a Project, the repayment to the City of any funds expended in the acquisition or construction of any Project, and shall include, without limiting the costs permitted under the Enabling Act and Title 6, Chapter 1, Article 7 as enumerated under Section 6-1-530 of the Code of Laws of South Carolina, 1976, as amended, the following items to the extent they relate to a Project: (i) all direct costs of such Project described in the plans and specifications for such Project; (ii) all costs of planning, designing, acquiring, constructing, financing and placing such Project in operation; (iii) the cost of any lands or interests therein and all of the properties deemed necessary or convenient for the maintenance and operation of such Project; (iv) all engineering, legal and financial costs and expenses; (v) all expenses for estimates of costs and of revenues; (vi) costs of obtaining governmental and regulatory permits, licenses and approvals; (vii) all fees of special advisors and consultants associated with one or more aspects of such Project; (viii) all amounts required to be paid by this Ordinance or any Supplemental Ordinance authorizing the issuance of Bonds into the Debt Service Fund or Debt Service Reserve Fund upon the issuance of any Series of Bonds; (ix) the payment of all principal, premium, if any, and interest, when due, of any Bonds of any Series or other evidences of indebtedness issued to finance a portion of the cost of such Project, whether at the maturity thereof or at the due date of interest or upon redemption thereof; (x) interest on Bonds of any Series prior to and during construction of such Project for which such Bonds were issued, and for such additional periods as the City may reasonably determine to be necessary for the placing of such Project in operation.
“Purchaser” shall mean, with respect to any Series of Bonds, the initial purchaser of that Series of Bonds.

“Record Date” shall mean, with respect to any Series of Bonds, (i) the fifteenth (15th) day (whether or not a business day) of the calendar month immediately preceding an interest payment date in the event that the interest payment date is the first day of a month, (ii) the last day (whether or not a business day) of the calendar month immediately preceding each interest payment date in the event that the interest payment date is the fifteenth (15th) day of a month, or (iii) any other day as may be provided in the Supplemental Ordinance authorizing the issuance of that Series; provided, however, that in the case of a default in the payment of interest due on a Series of Bonds, the Trustee shall establish a special record date for payment of the defaulted interest, notice thereof to be mailed by first-class mail, postage prepaid, by the Trustee to the Holder of that Series of Bonds not less than ten (10) days prior to the special record date.

“Serial Bonds” shall mean Bonds which are not Term Bonds.

“Series” or “Series of Bonds” or “Bonds of a Series” shall mean all Bonds designated as being of the same series, issued and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter delivered in lieu thereof or in substitution therefor pursuant to this Ordinance.

“State” shall mean the State of South Carolina.

“Supplemental Ordinance” shall mean any ordinance enacted by the Council providing for the issuance of Bonds and any ordinance enacted by the Council pursuant to and in compliance with the provisions of Article XI hereof amending or supplementing the provisions of the Ordinance.

“Term Bond” or “Term Bonds” shall mean any Bond designated by the Supplemental Ordinance providing for its issuance as being subject to retirement or redemption from moneys credited to the Bond Redemption Account in the Debt Service Fund or the Junior Bond Debt Service Fund as mandatory redemption requirements.

“Trust Estate” shall mean the Pledged Fee Revenues and funds which have been pledged and assigned as security for payment of the Bonds and such funds which may be subsequently pledged, including the initial deposit of proceeds, future deposits, and investment earnings on all such monies, but shall include any deposits in a Debt Service Reserve Fund only in favor of the Holders of the Bonds of such Series to which such Debt Service Reserve Fund has been pledged as security for such Series of Bonds.

“Trustee” shall mean any bank, trust company, national banking association, or national association selected by the City and any successor Trustee appointed in accordance with Section 7.01 hereof, and any co-trustee appointed pursuant to Section 7.13 hereof.

“Valuation Date,” with respect to any Capital Appreciation Bonds, shall have the meaning ascribed to the term in the Supplemental Ordinance authorizing the issuance of the Capital Appreciation Bonds.
“Variable Rate Indebtedness” shall mean indebtedness in the form of Bonds that bears interest at a variable, adjustable or floating rate or indebtedness in the form of Bonds, the interest on which is not established at the time of incurrence at a fixed or constant rate until its maturity.

Section 2.02   General Rules of Interpretation.

(a) Articles, sections, and paragraphs mentioned by number are the respective articles, sections, and paragraphs of this Ordinance so numbered.

(b) Except as otherwise expressly provided or unless the context otherwise requires, words importing persons include firms, associations, and corporations, and the masculine includes the feminine and the neuter.

(c) Words importing the redemption or redeeming or calling for redemption of a Bond do not include or connote the payment of the Bond at its stated maturity or the purchase of the Bond.

(d) Words importing the singular number include the plural number and vice versa.

[End of Article II]
ARTICLE III

AUTHORIZATION AND ISSUANCE OF BONDS

Section 3.01 Authorization of Bonds. There is hereby authorized to be issued Bonds of the City to be known as "Hospitality Tax Revenue Bonds," or as otherwise designated in the Supplemental Ordinance authorizing any Series of Bonds, which Bonds may be issued pursuant to the Ordinance and in accordance with the terms, conditions, and limitations set forth herein, in Series, in the amounts, and from time to time as the Council may from time to time deem to be necessary or advisable for any corporate purpose of the City for which Bonds may be issued under the Ordinance and the Enabling Act.

Section 3.02 General Provisions for Issuance of Bonds.

(a) The Bonds shall be issued in Series by means of Supplemental Ordinances enacted by the Council in accordance with the provisions of this Article III. Each Supplemental Ordinance shall designate the Bonds provided for thereby by an appropriate Series designation and by any further particular designations, if any, as the Council deems appropriate; and shall, unless or except as is otherwise set forth herein, also specify (i) the authorized principal amount of the Series of Bonds; (ii) the purpose or purposes for which the Bonds of the Series are being issued, which shall be one or more of the purposes set forth in Sections 3.03 and 3.04 hereof; (iii) if the Bonds of the Series are being issued for a purpose specified in Section 3.03 hereof, the Project for which the Bonds are being issued; (iv) if the Bonds of the Series are being issued for a purpose specified in Section 3.03 hereof, an estimate of the Project Costs to be financed by the Series of Bonds; (v) the date or dates of the Bonds of the Series or the manner to determine such dates; (vi) the maturity date or dates of the Bonds of the Series and the mandatory redemption amounts and due dates, if any, for the Term Bonds of the Series or the manner to determine such issues; (vii) the interest rate or rates of the Bonds of the Series, or the manner of determining the rate or rates, the initial interest payment date therefor, and the subsequent interest payment dates or the manner to determine such dates; (viii) the denominations of and manner of numbering and lettering, the Bonds of the Series; (ix) the redemption premium or premiums, if any, or the redemption price or prices to be paid upon the redemption of the Bonds of the Series, the period or periods, if any, during which premiums or prices shall be payable, and the terms and conditions, if any, of redemption or the manner to determine such issues; (x) the place or places of payment of the Bonds of the Series and interest thereon, and the paying agents therefor; (xi) the provisions for the sale or other disposition of the Bonds of the Series and the use, application, and investment, if any, of the proceeds of the sale or other disposition, which use, application and investment shall not be inconsistent with the provisions hereof; (xii) whether there will be a Debt Service Reserve Fund Requirement for such Series; (xiii) any other provisions which may be required to be included therein by other provisions of the Ordinance; and (xiv) any other necessary or desirable provisions not inconsistent with the provisions of the Ordinance.

(b) Bonds of a Series may be executed and delivered to the Trustee by the City and authenticated and delivered by the Trustee to the City or upon its order upon compliance with Section 3.03, 3.04, or with respect to Junior Bonds, Section 3.05 hereof.

Section 3.03 Conditions for the Issuance of Bonds.

(a) At any time and from time to time, one or more Series of Bonds (exclusive of the initial Series of Bonds issued hereunder or Bonds issued pursuant to the provisions of
Section 3.04 hereof) may be issued for any purposes as may be permitted by the Enabling Act upon compliance with the provisions of Section 3.02 hereof and this Section 3.05 (except where specifically provided otherwise in this Section 3.03) in any principal amounts as may be determined by the Council.

(i) There shall be filed with the Trustee a certificate of the Mayor stating (A) either (1) that no Default exists in the payment of the principal or, premium, if any, or interest on any Bonds or Junior Bonds, and all mandatory redemption requirements, if any, required to have been made or satisfied shall have been made or satisfied, or (2) that the application of the proceeds of the sale of the Series of Bonds to be issued as required by the Supplemental Ordinance authorizing their issuance will cure the Default or permit the making or satisfaction of the redemption requirements; and (B) either (1) that to the knowledge of the Mayor, the City is not in Default in the performance of any other of its covenants and agreements contained in the Ordinance, or (2) setting forth the circumstances of each Default known to him.

(b) If a certificate filed pursuant to Section 3.03(a)(i) should disclose a Default or Defaults hereunder, which have not been cured, there shall be filed with the Trustee an opinion of Bond Counsel that, in the case of any Default disclosed in a certificate filed pursuant to Section 3.03(a)(i), no Default deprives the Bondholders of the security afforded by the Ordinance in any material respect.

(c) For the issuance of Bonds (other than the initial Series of Bonds and Junior Bonds) issued hereunder to finance the Costs of the Project there shall be delivered to the Trustee a certificate of an Authorized Representative, which is not required to be based upon an audit of the City, to the effect that Pledged Fee Revenues deposited into the Pledged Fee Revenue Fund for any consecutive twelve-month period out of the last eighteen-month consecutive period immediately preceding the issuance date of the proposed Bonds (the "Test Period") are not less than 150% of the maximum annual Principal and Interest Requirements for all Series of Bonds then Outstanding and the additional Bonds then proposed to be issued (with adjustments, if any, for any Bonds that will be discharged upon the issuance of such additional Bonds). If new establishments have become subject to the Hospitality Tax during the Test Period, the annualized revenues may be included as if they were collected during the Test Period.

(d) The Bonds may be issued to secure funds to defray Project Costs or to refund any Bonds, Junior Bonds, or any notes, bonds, or other obligations issued to finance or to aid in financing Projects.

(e) There shall be on deposit in the Debt Service Reserve Fund, if such is required by any Supplemental Ordinance, cash and securities (including any insurance policy, surety bond or letter of credit permitted by Supplemental Ordinance) as provided in Section 6.04 hereof (inclusive of any proceeds of Bonds to be deposited in the Debt Service Reserve Fund), having an aggregate value not less than the Debt Service Reserve Fund Requirement, if any, with respect to each Series of Bonds to be then Outstanding and the Bonds then proposed to be issued.

Section 3.04 Issuance of Refunding Bonds. Upon compliance with the provisions of paragraphs (a), (b), (c) and (e) of Section 3.03 hereof, the City by means of a Supplemental Ordinance enacted in compliance with the Enabling Act and any other statutory provisions authorizing the issuance of revenue refunding bonds, including advance refunding bonds, may issue hereunder refunding Bonds for the purpose of refunding (including by purchase) Bonds or any other notes, bonds or other obligations issued to finance or to aid in financing of Projects,
including amounts to pay principal, redemption premium, and interest to the date of the redemption (or purchase) of the refunded Bonds or any other notes, bonds or other obligations issued to finance or to aid in financing of Projects, and the Costs of Issuance of the refunding Bonds and to fund any necessary reserves or other accounts. In addition, the City by means of a Supplemental Ordinance may issue refunding Bonds for the purpose of refunding Bonds or any other notes, bonds or other obligations issued to finance or to aid in financing of Projects, without satisfying the conditions for the issuance of Bonds as contained in Section 3.03(c) hereof to the extent that the aggregate Principal and Interest Requirements with respect to the refunding Bonds is less than the aggregate Principal and Interest Requirements with respect to the Bonds to be refunded or any other notes, bonds or other obligations issued to finance or to aid in financing of Projects to be refunded.

Section 3.05  Issuance of Junior Bonds. The City may at any time issue Junior Bonds in any amount as it may from time to time determine, payable from the Pledged Fee Revenues; provided that (a) such Junior Bonds are issued to secure funds to defray Project Costs, including obligations issued in the form of Capital Leases, or to refund Bonds, Junior Bonds, or any notes, bonds, or other obligations issued to finance or to aid in financing Projects; (b) the pledge of Pledged Fee Revenues securing Junior Bonds shall at all times be subordinate and inferior to the pledge of Pledged Fee Revenues securing the Bonds such that Junior Bonds shall be payable from Pledged Fee Revenues held in the Pledged Fee Revenue Fund after provision has been made for all payments (including all outstanding principal, interest and any redemption premium payable) required to be made hereunder with respect to the Bonds, and (c) there shall be delivered to the Trustee a certificate of an Authorized Representative to the effect that Pledged Fee Revenues for the Test Period are not less than 100% of the greatest sum for any Fiscal Year obtained by adding the Principal and Interest Requirements for each Fiscal Year for all Series of Bonds plus the principal and interest requirements for the Junior Bonds proposed to be issued. If new establishments have become subject to the Hospitality Tax during the Test Period, the annualized revenues may be included as if they were collected during the Test Period.

[End of Article III]
ARTICLE IV

THE BONDS

Section 4.01 Execution.

(a) Unless or except as is otherwise set forth in the Supplemental Ordinance providing for the issuance of a Series of Bonds, the Bonds shall be executed on behalf of the City by the Mayor by his or her manual or facsimile signatures and attested by the Clerk by his or her manual or facsimile signature.

(b) In case any officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be that officer before the delivery of the Bonds, the signature or the facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery.

Section 4.02 Authentication. Upon compliance with the provisions of Sections 4.03, 4.04, or 4.05 hereof, as applicable, and upon the written order of the City, the Trustee shall authenticate Bonds authorized to be issued hereunder. Except as otherwise set forth in a Supplemental Ordinance, only those Bonds as shall have endorsed thereon a certificate of authentication duly executed manually by the Trustee shall be entitled to any right or benefit under this Ordinance, and no Bond shall be valid or obligatory for any purpose unless and until the certificate of authentication shall have been duly executed by the Trustee. The executed certificate of the Trustee upon any Bond shall be conclusive evidence that the Bond has been authenticated and delivered. The Trustee’s certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Trustee, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder or on all of the Bonds of a particular Series.

Section 4.03 Mutilated, Lost, Stolen, or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen, or destroyed, the City may execute and the Trustee may authenticate a new Bond having the same date, maturity, and denomination as that mutilated, lost, stolen, or destroyed Bond; provided that, in the case of any mutilated Bond, it shall first be surrendered to the City and in the case of any lost, stolen, or destroyed Bond, there shall be first furnished to the City and the Trustee evidence of the loss, theft, or destruction satisfactory to the City and the Trustee, together with indemnity satisfactory to them; provided that, in the case of a Holder which is a bank or insurance company, the agreement of the bank or insurance company to indemnify shall be sufficient. In the event any Bond shall have matured, instead of issuing a duplicate Bond, the City may pay it without surrender thereof. The City and the Trustee may charge the Holder of the Bond with their reasonable fees and expenses in this connection.

Section 4.04 Registration and Transfer of Bonds; Persons Treated as Owners.

(a) Each Bond shall be fully registered and transferable only upon the Books of Registry of the City which shall be kept for that purpose at the corporate trust office of the Trustee by the Registered Holder thereof or by his attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee, duly executed by the Registered Holder or his duly authorized attorney, signature guaranteed. Upon the transfer of any Bond, the City shall issue, subject to the provisions of Section 4.07 hereof, in the name of the transferee, a new Bond or Bonds of the same Series and of the same aggregate principal amount as the unpaid principal amount of the surrendered Bond.
(b) Any Bondholder requesting any transfer shall pay any tax or other governmental charge required to be paid with respect thereto. As to any Bond, the person in whose name it shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of or on account of the principal of, premium, if any, and interest on any Bond shall be made only to or upon the order of the Holder thereof, or his duly authorized attorney, and neither the City nor the Trustee shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All the payments made in this manner shall be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums paid.

Section 4.05 Form of Bonds; Denominations; Medium of Payment. Unless or except as is otherwise provided in the Supplemental Ordinance authorizing their issuance, the Bonds: (a) shall be in fully registered form without coupons; (b) shall be issued in denominations of $5,000, or any integral multiple thereof (or, in the case of Capital Appreciation Bonds, in denominations representing $5,000 Accreted Value at maturity or integral multiple thereof); provided that, upon partial redemption of a Bond requiring surrender thereof and the issuance of a new Bond, the new Bond may be in the denomination of the unredeemed balance; and (c) shall be payable with respect to principal, interest, and premium, if any, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The City may provide in any Supplemental Ordinance for a book-entry system for such Series of Bonds.

Section 4.06 Numbers, Date, and Payment Provisions.

(a) The Bonds shall be numbered and designated in any manner as the City, with the concurrence of the Trustee shall determine. Each Bond of a Series shall bear interest from the interest payment date immediately preceding the date of its authentication, unless authentication shall be upon an interest payment date, in which case, it shall bear interest from its authentication, or unless authentication shall precede the first interest payment date for the Bond, in which case it shall bear interest from the date of its delivery, or as otherwise provided in the Supplemental Ordinance authorizing their issuance; provided, however, that if the date of authentication of any Bond of any Series is after a Record Date and before the corresponding interest payment date thereof, it shall bear interest from the next succeeding interest payment date; notwithstanding the foregoing, if at the time of authentication of any Bond any interest on the Bond is in default, it shall bear interest from the date to which interest on it has been paid or if no interest has been paid, the Bond shall bear interest from the date of delivery thereof or as otherwise provided in the Supplemental Ordinance authorizing the issuance of the Bond.

(b) The principal of and redemption premium, if any, on the Bonds and Accreted Value on any Capital Appreciation Bonds shall be payable when due in lawful money of the United States of America upon presentation and surrender of the Bonds at the office of the Trustee described in the Supplemental Ordinance authorizing the issuance of the Bonds. Except as otherwise set forth in a Supplemental Ordinance, payment of interest on Bonds other than Capital Appreciation Bonds shall be made by check or draft drawn upon the Trustee and mailed to the Registered Holder at his address as it appears upon the Books of Registry; provided that payment to any Bondholder owning $1,000,000 or more of Bonds may be made by wire transfer to an account in the continental United States of America upon the written request and instructions provided by such Bondholder to the Trustee no later than the preceding Record Date. The Trustee shall maintain a record of the amount and date of any payment of principal or interest on the Bonds (whether at the maturity date or the redemption date prior to the maturity or upon the maturity thereof by declaration or otherwise).
Section 4.07 Exchange of Bonds. Bonds, upon surrender thereof at the office of the Trustee described in the Supplemental Ordinance authorizing the issuance of that Series of Bonds, with a written instrument of transfer satisfactory to the Trustee, duly executed by the Bondholder or his duly authorized attorney, signatures guaranteed, may, at the option of the Bondholder thereof, and upon payment by the Bondholder of any charges which the Trustee may make as provided in Section 4.08, be exchanged for a principal amount of Bonds of any other authorized denomination equal to the unpaid principal amount of surrendered Bonds.

Section 4.08 Regulations with Respect to Exchanges and Transfer. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the City shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of the Ordinance. All Bonds surrendered in any exchanges or transfers shall forthwith be cancelled by the Trustee. There shall be no charge to the Bondholder for the exchange or transfer of Bonds except that the Trustee may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to the exchange or transfer. Neither the City nor the Trustee shall be required (a) to exchange or transfer Bonds (i) from the Record Date to the next succeeding interest payment date or (ii) for a period of fifteen (15) days following any selection of Bonds to be redeemed or thereafter until after the first publication or mailing of any notice of redemption, or (b) to transfer any Bonds called for redemption.

Section 4.09 Temporary Bonds. Any Series of Bonds may be initially issued in temporary form, exchangeable for definitive Bonds to be delivered as soon as practicable and subject to the agreement of the City and the Purchaser. The temporary Bonds may be printed or typewritten, shall be of any denominations and may be numbered in any manner as may be determined by the City, and may contain reference to any of the provisions of the Ordinance as may be appropriate. Every temporary Bond shall be executed by the City upon the same conditions and in substantially the same manner as the definitive Bonds. If the City issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered for cancellation at the office of the Trustee, and the Trustee shall deliver and exchange for the temporary Bonds an equal, aggregate principal amount of definitive Bonds having the same aggregate principal amount and in authorized denominations of the same Series, maturity or maturities, and interest rate or rates. Until exchanged, the temporary Bonds shall be entitled to the same benefits under the Ordinance as definitive Bonds under the Ordinance.

Section 4.10 Co-Registrars. In the Supplemental Ordinance authorizing the issuance of any Series of Bonds, the City may appoint a co-registrar in addition to the Trustee. The co-registrar shall be authorized to perform the duties and responsibilities of the Trustee set forth in Sections 4.02, 4.03, 4.04, and 4.07 hereof with respect to the authentication, registration and exchange of Bonds of that Series, the same as if the Trustee pursuant to those Sections. Any co-registrar shall be required to furnish to the Trustee the names and addresses of the transferors and transferees of any Bonds registered, transferred, or exchanged by it, and the numbers and other identifying symbols of any Bonds cancelled or exchanged by it, and shall comply with all reasonable instructions with respect to the performance of its duties and responsibilities that the Trustee shall give to it.

[End of Article IV]
ARTICLE V

REDEMPTION OF BONDS BEFORE MATURITY

Section 5.01 Redemption of Bonds. The Bonds of a Series shall be subject to redemption prior to their stated maturities upon the terms and conditions and at the dates and redemption price or prices or premium or premiums as shall be set forth or provided for in the Supplemental Ordinance pursuant to which that Series is issued, and upon the further terms and condition as are hereinafter set forth.

Section 5.02 Selection of Bonds for Redemption. In the event of the redemption at any time of only part of the Bonds of a Series, the Bonds to be redeemed shall be redeemed in the order as is set forth or provided for in the Supplemental Ordinance providing for the issuance of that Series. Unless otherwise provided by Supplemental Ordinance, if less than all of the Bonds having the same maturity of any Series shall be called for prior redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected as provided in the Supplemental Ordinance; provided, however, that the portion of any Bond of a denomination (or, in the case of Capital Appreciation Bonds, Accreted Value at maturity) of more than $5,000 to be redeemed shall be in the principal amount of $5,000 or an integral multiple thereof, and that, in selecting portions of Bonds for redemption, the Trustee shall treat each Bond as representing that number of Bonds of $5,000 denomination which is obtained by dividing the principal amount or Accreted Value at maturity of the Bond by $5,000.

Section 5.03 Notice of Redemption. Unless or except as is otherwise provided in the Supplemental Ordinance authorizing the issuance of the Bonds, the provisions of this Section 5.03 apply to each Series of Bonds. In the event any of the Bonds or portions thereof are called for redemption, the Trustee shall give notice, in the name of the City, of the redemption of the Bonds to be redeemed, the redemption date, the principal amount of each Bond to be redeemed (if less than all), the redemption price, the place or places where amounts due upon redemption will be payable, and the numbers of the Bonds to be redeemed. The notice shall be given by mailing a copy of the redemption notice by first-class mail, postage prepaid, at least thirty (30) days, but not more than sixty (60) days, prior to the date fixed for redemption to the Holder of each Bond or portion thereof to be redeemed at the address shown on the Books of Registry. Failure to duly give notice by mailing, or any defect in the notice, to the Holder of any Bond designated for redemption shall not affect the validity of any proceedings for the redemption of any other Bonds. All Bonds or portions thereof called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption are on deposit with the Trustee on or before such redemption date; and the Bonds shall not be deemed to be Outstanding under the provisions of the Ordinance. If on the date fixed for redemption there is not on deposit with the Trustee funds for redemption, the Trustee shall send a notice to all Holders in the same manner as the notice of redemption canceling such notice of redemption.

If at the time of mailing of the notice of redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all of the Bonds called for redemption, which moneys are or will be available for redemption of Bonds, such notice will state that it is conditional upon the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Section 5.04 Partial Redemption of Bond. In the event that only part of the principal sum of a Bond shall be called for redemption or prepaid, payment of the amount to be redeemed
or prepaid shall be made only upon surrender of the Bond to the Trustee. Upon surrender of the Bond, the City shall execute and the Trustee shall authenticate and deliver to the Holder thereof, at the office of the Trustee, or send to the Holder by registered mail at his request, risk, and expense, a new fully executed Bond or Bonds, of authorized principal sums equal in aggregate principal amount to, and of the same Series, maturity, and interest rate as, the unredeemed portion of the Bond surrendered.

**Section 5.05  Effect of Redemption.** If a Bond is subject by its terms to prior redemption and has been duly called for redemption and notice of the redemption thereof has been duly given as hereinbefore provided and if moneys for the payment of the Bond (or of the principal amount thereof to be redeemed) at the then applicable redemption price or together with the then applicable premium, if any, and the interest to accrue to the redemption date on the Bond (or the principal amount thereof to be redeemed) are held on or before the date fixed for redemption for the purpose of payment by the Trustee or other paying agent for the Series of Bonds of which that Bond is one, then on the redemption date designated in the notice, the Bond (or the principal amount thereof to be redeemed) called for redemption shall become due and payable and interest on the Bond (or the principal amount thereof to be redeemed) called for redemption shall cease to accrue.

**Section 5.06  Cancellation.** All Bonds which have been redeemed shall be cancelled and either maintained or destroyed by the Trustee and shall not be reissued. A counterpart of the certificate of destruction evidencing the destruction shall be furnished by the Trustee to the City upon the request of the City.

**Section 5.07  Purchase of Bonds.** The Trustee shall, if and to the extent practicable, endeavor to purchase Bonds or portions of Bonds at the written direction of the City at the time, in the manner, and at the price as may be specified by the City but in no event greater than the call price first to become available or then prevailing. The Trustee may so purchase Bonds with any moneys then held by the Trustee and available for the redemption or purchase of Bonds; provided, that any limitations or restrictions on redemption or purchases contained in the Ordinance shall be complied with. The expenses of purchase shall be deemed an expense of the Trustee under Section 7.03 hereof. The Trustee shall incur no liability for any purchase made in accordance with this Section 5.07 or for its inability to effect purchase thereof.

[End of Article V]
ARTICLE VI

ESTABLISHMENT OF FUNDS; PAYMENTS THEREFROM; INVESTMENT OF MONEYS; SECURITY FOR THE BONDS

Section 6.01 Listing of Funds and Accounts. The following are the funds and accounts established by the Ordinance:

(a) Pledged Fee Revenue Fund;

(b) Debt Service Fund, including an Interest Account, Principal Account, and Bond Redemption Account;

(c) Debt Service Reserve Fund; and

(d) Construction Fund for each Series to the extent the Series of Bonds is issued for Project Costs.

One or more accounts may be established within any of the above funds as are reasonably necessary. It is intended by the Ordinance that the funds referred to in this Article VI (other than the Construction Fund) shall remain in existence for so long a time as any sum remains due and payable by way of principal of and interest on the Bonds, and that deposits and withdrawals therefrom be made in the manner herein prescribed and in the order of priority hereinafter set forth in this Article VI. The initial implementation of this Article VI may, at the option of the City, be postponed until the occasion of the initial issuance of Bonds pursuant to the Ordinance. Upon the issuance of any Junior Bonds, the Trustee shall then establish pursuant to the Supplemental Ordinance a Junior Bond Debt Service Fund. Any debt service due on Junior Bonds shall be paid after all deposits with respect to Bonds (exclusive of Junior Bonds) have been made into the funds described in (a) through (d) above.

Section 6.02 Pledged Fee Revenue Fund: Pledge of Trust Estate.

(a) There is hereby established a Pledged Fee Revenue Fund to be maintained by the City or a Custodian appointed by the City pursuant to Section 7.14 hereof and into which shall be deposited all Pledged Fee Revenues, if any, as received by the City. Moneys in the Pledged Fee Revenue Fund shall be withdrawn, and allocation and use therefrom shall be made at the direction of the City but only in the manner specified in this Article VI and in the order of priority according to items (b) and (c) of Section 6.01 hereof. Upon satisfaction on a Fiscal Year basis of all requirements for payments into the Debt Service Fund, the Debt Service Reserve Fund or the Junior Bond Debt Service Fund, all moneys remaining in the Pledged Fee Revenue Fund shall be used by the City for any lawful purpose.

(b) The Bonds shall be payable solely from the Trust Estate which includes Pledged Fee Revenues in the manner provided herein, and the Pledged Fee Revenues herein made applicable thereto are hereby irrevocably pledged to the payment of the Bonds, and to the payments into the various funds herein provided for, to the extent and in the manner provided for by the Ordinance. The Bonds (excluding Junior Bonds), including payment of the principal thereof, redemption premium, if any, and interest thereon, shall be equally and ratably secured hereunder by the Trust Estate without priority by reason of Series, number, date of enactment of Supplemental Ordinance providing for the issuance thereof, the purposes or Projects for which the Bonds are issued, the date, date of sale, execution, issuance or delivery of the Bonds, or
otherwise, and without regard to which section hereof the Bonds are issued under, except as hereinafter otherwise expressly provided. The pledge securing the Bonds shall constitute a prior and paramount lien and charge on the Trust Estate, subject only to the provisions of the Ordinance restricting or permitting the application thereof for the purposes and on the terms and conditions set forth in the Ordinance. The Pledged Fee Revenues and the other moneys and securities hereby pledged as part of the Trust Estate shall immediately be subject to such lien and the pledge without any physical delivery thereafter or further act, and such lien and the pledge shall be valid and binding against all parties having claims of any kind, in tort, contract, or otherwise, against the City, whether or not the parties have notice thereof.

(c) The covenants and agreements herein set forth to be performed by the City shall be for the equal and proportionate benefit, security, and protection of all Holders of the Bonds without preference, priority, or distinction as to payment or security or otherwise (except as to maturity) of any of the Bonds or any of the others for any reason or cause whatsoever, except as expressly provided herein or in the Bonds, and, except as aforesaid and with respect to Junior Bonds, all Bonds shall rank pari passu and shall be secured equally and ratably hereunder without discrimination or preference whatsoever.

Section 6.03 Debt Service Fund.

(a) There is hereby established a Debt Service Fund to be maintained in trust by the Trustee, and within the Debt Service Fund there is hereby established a separate Interest Account, Principal Account, and Bond Redemption Account. This fund is intended to provide for the payment of the principal of, premium, if any, and interest on the Bonds (exclusive of Junior Bonds) as they respectively fall due. Payments into this fund shall be made in the manner prescribed by the Ordinance and all moneys in the Debt Service Fund shall be used solely to pay the principal of, redemption premium, if any, and interest on the Bonds, and for no other purpose; and withdrawals therefrom shall be made only to effect payment of the principal of, redemption premium, if any, and interest on the Bonds. Earnings on investments of the Debt Service Fund shall become a part of the Debt Service Fund or at the written direction of an Authorized Representative and with an approving opinion of Bond Counsel be used for any lawful purpose related to the Project; provided, however, that by Supplemental Ordinance the City may provide that earnings on moneys in the Debt Service Fund representing capitalized interest on any Series of Bonds may, during the construction period of any Project financed by that Series of Bonds, be transferred to the Construction Fund established for that Series of Bonds.

(b) There shall be transferred by the City from the Pledged Fee Revenue Fund to the Trustee for deposit into the Debt Service Fund sufficient moneys so as to comply with the following provisions for the payment of the Principal and Interest Requirements on the Bonds then Outstanding:

(i) On or before the fifteenth day prior to the next interest payment date into the Interest Account of the Debt Service Fund, that amount which will, together with any other funds on deposit from whatever source in the Interest Account of the Debt Service Fund which will be applied to the next interest payment, provide sufficient funds to pay the aggregate amount of interest to become due on the Bonds on the next interest payment date. If any Bonds are issued with provision that the interest rate thereon is subject to adjustment from time to time, the City shall provide in the Supplemental Ordinance pursuant to which the Bonds are issued for any further and additional or alternate credits to the Interest Account as are necessary to provide for the payment of interest thereon when due, taking into account any other funds as will be available for
that payment. In making the transfers required by this paragraph, any amounts credited to the Interest Account representing accrued interest received on the sale of Bonds, interest accruing during the month in which the credit is made from capitalized proceeds of Bonds, and any other transfers and credits otherwise made or required to be made to the Interest Account shall be taken into consideration and allowed for.

(ii) On or before the fifteenth day prior to the next principal payment date into the Principal Account of the Debt Service Fund, that amount which will, together with any other funds on deposit from whatever source in the Principal Account of the Debt Service Fund which will be applied to the payment of principal next to become due, provide sufficient funds to pay the aggregate amount of the principal of Serial Bonds to become due on the next principal payment date.

(iii) On or before the fifteenth day prior to a mandatory redemption of Term Bonds of a Series falls due an amount such that the amount so credited to the Bond Redemption Account for the purpose of redeeming the Term Bonds of that Series would be equal to the amount (excluding accrued interest) required to redeem the principal amount of those Term Bonds required by the sinking fund installment then falling due on the Term Bonds of that Series. At any time before Bonds of a Series subject to redemption from amounts deposited pursuant to this paragraph have been selected for redemption, or after the redemption date thereof, the City may, in lieu of making all or any portion of a payment with respect to that Series of Bonds required by this paragraph, deliver to the Trustee for cancellation Bonds of that Series subject to redemption from amounts so paid, in which event the payments required by this paragraph shall be reduced by the applicable redemption price of the Bonds delivered for cancellation. The Trustee shall apply the moneys credited to the Bond Redemption Account as mandatory redemption requirements to the retirement of the Term Bonds of each Series by redemption in accordance with the Supplemental Ordinance providing for the issuance of that Series of Bonds, without further authorization or direction, on each mandatory redemption date with respect to the Term Bonds of that Series; provided, however, that if the last mandatory redemption requirement for the Term Bonds becomes due on the stated maturity date thereof, the amount of the mandatory redemption requirement may be applied to the payment thereof at maturity. The Trustee shall, if so directed in writing by the City, apply the moneys credited to the Bond Redemption Account as mandatory redemption requirements for the retirement of the Term Bonds of a Series to the purchase of the Bonds at a purchase price (including accrued interest and any brokerage or other charge) not to exceed the redemption price then applicable upon the redemption of those Bonds from mandatory redemption requirements, plus accrued interest, in which event the principal amount of the Bonds required to be redeemed on the next ensuing mandatory redemption date shall be reduced by the principal amount of the Bonds purchased; provided, however, that no Bonds of the Series shall be purchased during the interval between the date on which notice of redemption of the Bonds from mandatory redemption requirements is given and the mandatory redemption date set forth in the notice, unless the Bonds so purchased are Bonds called for redemption in the notice or are purchased from moneys other than those credited to the Bond Redemption Account with respect to the mandatory redemption requirements.

In the event that moneys in the Bond Redemption Account, other than moneys credited thereto as mandatory redemption requirements, are to be applied to the retirement of one or more Series of Bonds, the City may direct the Trustee in writing within thirty (30) days of the deposit of the moneys to apply the moneys to the purchase
of Bonds of that Series and may direct from which of the Series of Bonds purchases may be made and may elect that all purchases shall be made from only one Series or from more than one Series. The price payable on any purchase shall not exceed the highest redemption price applicable at the time or any time thereafter with respect to the Series of Bonds. Any moneys not applied to the purchase of Bonds shall be applied to the redemption of Bonds of any Series then subject to redemption from those moneys. In the event that the moneys may be applied to the redemption of more than one Series of Bonds, the moneys shall be applied by the Trustee to the redemption of Bonds of each Series in proportion to which the principal amount of Bonds of each Series then Outstanding and subject to redemption from the moneys bears to the total principal amount of Bonds of all Series then Outstanding and subject to redemption from the moneys. The purchase or redemption of Term Bonds pursuant to this paragraph shall be credited against the mandatory redemption requirement of the Term Bonds in any order of the mandatory redemption dates as determined by the City in writing. The Trustee shall keep and retain accurate records of application of each deposit of funds under this paragraph. Neither the City nor the Trustee shall be required to redeem Bonds pursuant to this paragraph if the moneys available for redemption are less than $50,000. The Trustee, in the name and on behalf of the City, shall give notice of all redemptions in accordance with the provisions of Article V hereof. Any purchase of Bonds pursuant to this paragraph may be made with or without tenders of Bonds at public or private sale; provided, however, the City shall direct the Trustee in writing of any method to be followed in purchasing Bonds. Except as provided below with respect to payments on the Bonds to be made from a Debt Service Reserve Fund, the accrued interest to be paid on the purchase or redemption of Bonds shall be paid from the Interest Account. All Bonds purchased or redeemed pursuant to this paragraph shall be cancelled and not reissued.

(iv) If, on any occasion when the payments required by paragraphs (i), (ii), and (iii), supra, are to be made, the sum total of the payments made do not provide, together with any other funds in the Debt Service Fund to be applied to the payment of principal and interest, sufficient funds to meet the payment of the next succeeding installment of either principal (whether due at stated maturity or by mandatory redemption) or interest, or both, as the case may be, there shall be added to the payments to be made pursuant to paragraphs (i), (ii), and (iii), supra, with respect to any Series of Bonds, from the account, if any, in the Debt Service Reserve Fund established with respect to that Series of Bonds, a sum equal to the deficiency; the effect of this subparagraph (iv) being to ensure that moneys in the Debt Service Fund and the Pledged Fee Revenue Fund be applied equally and ratably to the payment of Bonds, without priority between Series, but that the moneys, if any, in the Debt Service Reserve Fund account established with respect to any Series of Bonds be applied solely to the payment of debt service on the Bonds of that Series.

(c) If at any time the amounts held by the Trustee in the funds established under this Article VI are sufficient to pay principal of, premium, if any, and interest on the Bonds then Outstanding to maturity or prior redemption, together with any amounts due the Trustee, the Trustee shall notify the City, and thereafter the Trustee shall apply the amounts in the funds to the payment of the principal of, premium, if any, and interest on the Bonds and any amounts due the Trustee and shall be required to pay over any excess moneys to the City.

Section 6.04 Debt Service Reserve Fund.
(a) There is hereby established a Debt Service Reserve Fund to be maintained in trust by the Trustee. The Supplemental Ordinance providing for the issuance of each Series of Bonds may provide for the establishment of a separate account, if any, within the Debt Service Reserve Fund with respect to the applicable Series of Bonds, and, if so established, shall specify the applicable Debt Service Reserve Fund Requirement with respect to that Series of Bonds. The Debt Service Reserve Fund account established with respect to any Series of Bonds is intended to ensure the timely payment of the principal of and interest on the Bonds of that Series and to provide for the redemption of Bonds of that Series at or prior to their stated maturities. Moneys in the Debt Service Reserve Fund account established with respect to any Series of Bonds shall be used for the following purposes, and the Trustee is authorized to use such moneys for the following purposes, and for no other:

(i) To prevent a Default in the payment of the principal of or interest on the Bonds of that Series, by reason of the fact that moneys in the Debt Service Fund are insufficient for those purposes.

(ii) To pay the principal of, interest on, and redemption premium, if any, of the Bonds of that Series in the event that all Outstanding Bonds of that Series be redeemed as a whole.

(iii) To effect partial redemption of the Bonds of that Series, provided that the redemption be undertaken in accordance with the provisions of the Ordinance permitting a partial redemption of Bonds and the balance remaining in the Debt Service Reserve Fund account following the partial redemption shall not be less than the Debt Service Reserve Fund Requirement, if any, with respect to the Bonds of that Series Outstanding following the partial redemption.

(iv) To effect the retirement of Bonds of that Series through purchase under the conditions herein prescribed.

(v) To pay the final installments of principal and interest of the Bonds of that Series provided that the balance remaining in the Debt Service Reserve Fund account following such payment shall not be less than the Debt Service Reserve Fund Requirement with respect to the Bonds of that Series Outstanding following such payment.

(b) Whenever the market value of the cash and securities in the Debt Service Reserve Fund account established with respect to any Series of Bonds as determined by the Trustee in accordance with Section 6.13 hereof shall exceed the Debt Service Reserve Fund Requirement, if any, with respect to that Series of Bonds, the excess may be used at the written direction of an Authorized Representative (i) to repurchase and retire Bonds of that Series at prices not exceeding the call price first to become available or then prevailing; (ii) subject to the provisions of paragraph (h) of this Section 6.04, transferred to the Debt Service Fund to be applied to the payment of debt service on that Series of Bonds; or (iii) with an approving opinion of Bond Counsel, transferred to the City and applied for any lawful purpose. Purchases of Bonds shall be effected by the City through the Trustee. Whenever Bonds shall have been purchased pursuant to this authorization, it shall be the duty of the Trustee to cancel and destroy those Bonds and to deliver certificates evidencing that act to the City.

(c) Other than as provided in paragraphs (b), (e), (g) and (h) of this Section 6.04, withdrawals from the Debt Service Reserve Fund shall be made only to make available to the
Trustee the moneys which it requires to effect payment of principal and interest and premium, if any, on the Bonds in accordance with this Section 6.04. Withdrawals shall be made not less than one (1) day nor more than five (5) days prior to the occasion when installments of principal and interest and premium, if any, become due or the applicable redemption or Bond purchase date, as applicable.

(d) Whenever the value of cash and securities (or the equivalent security permitted by Supplemental Ordinance) in the Debt Service Reserve Fund account established with respect to any Series of Bonds as determined by the Trustee in accordance with Section 6.13 hereof shall be less than the Debt Service Reserve Fund Requirement, if any, with respect to that Series of Bonds due to decline in market value or a withdrawal pursuant to Section 6.04(a)(i), there shall be deposited, from the Pledged Fee Revenue Fund after the payments required under Section 6.03 have been made into the Debt Service Fund on or before the fifteenth day of each month into the Debt Service Reserve Fund account in an amount which, together with equal, successive, monthly deposits in the same amount, will provide cash and securities in the Debt Service Reserve Fund account of a value not less than the Debt Service Reserve Fund Requirement with respect to that Series within twelve (12) months next succeeding the determination.

(e) In lieu of the deposit of moneys into the Debt Service Reserve Fund account established with respect to any Series of Bonds to meet the Debt Service Reserve Fund Requirement with respect to that Series, the City may cause to be credited a surety bond or an insurance policy payable to, or a letter of credit in favor of, the Trustee for the benefit of the Holders of the Bonds meeting the standard set forth in the Supplemental Ordinance authorizing that Series of Bonds. The amount of moneys required to be deposited to the Debt Service Reserve Fund account shall be reduced by the amount of the surety bond, insurance policy, or letter of credit. The surety bond, insurance policy, or letter of credit shall be payable (upon the giving of notice as required thereunder) on any interest payment date on which moneys will be required to be withdrawn from the Debt Service Reserve Fund account and applied to the payment of the principal or interest on any Bonds of that Series but only to the extent that withdrawals cannot be made by amounts then credited to the Debt Service Reserve Fund account.

(f) If the issuer of a surety bond, insurance policy, or letter of credit on deposit in the Debt Service Reserve Fund shall fail to meet the standard set forth with respect thereto in the Supplemental Ordinance, the City shall use reasonable efforts to replace the surety bond, insurance policy, or letter of credit with one issued by an issuer having a rating as described, but shall not be obligated to pay, or commit to pay, increased fees, expenses, or interest in connection with the replacement or to deposit Pledged Fee Revenues in the Debt Service Reserve Fund in lieu of replacing the surety bond, insurance policy, or letter of credit with another.

(g) If the City obtains a surety bond, insurance policy, or letter of credit after the deposit of moneys to the Debt Service Reserve Fund account established with respect to any Series of Bonds, excess moneys shall be transferred to the Construction Fund established for that Series of Bonds, or if one does not exist, to the Debt Service Fund and applied to pay debt service on that Series of Bonds; provided that, if, in an opinion of Bond Counsel addressed to the Trustee, the excess moneys do not constitute "proceeds" within the meaning of Section 148(d) of the Code, they shall be transferred to the City for use by the City for any lawful purposes.

(h) Earnings on investment of moneys held in the Debt Service Reserve Fund account established with respect to any Series of Bonds, shall be credited to and become a part of such Debt Service Reserve Fund account but whenever the value of the cash and securities in the Debt Service Reserve Fund account exceeds the Debt Service Reserve Fund Requirement with
respect to that Series of Bonds, the excess shall be transferred to the Debt Service Fund or at the written direction of an Authorized Representative and with an approving opinion of Bond Counsel addressed to the Trustee be used for any lawful purpose related to the Project; provided, however, that by Supplemental Ordinance authorizing the issuance of any Series of Bonds the City may provide that any excess may, during the construction period of any Project financed by that Series of Bonds, be transferred to the Construction Fund established for that Series of Bonds.

Section 6.05 Establishment of Construction Fund. There shall be created and established with the City or, at the City’s option, the Trustee a Construction Fund with respect to each Series of Bonds (other than for Bonds issued to refund any obligations of the City) in the Supplemental Ordinance providing for their issuance, the moneys in which shall be used to defray the Costs of the Project and Costs of Issuance with respect to the Projects financed.

Section 6.06 Deposits into Construction Fund. On the occasion of the delivery of any Series of Bonds, other than refunding Bonds, such proceeds, as specified in a Supplemental Ordinance, shall be paid into the Construction Fund established for that Series as set forth in a Supplemental Ordinance authorizing that Series.

Section 6.07 Withdrawals from Construction Fund. Withdrawals from the Construction Fund shall not be made except as provided in the Supplemental Ordinance establishing the Construction Fund. The process for requisition of funds held by the Trustee shall be set forth in the Supplemental Ordinance establishing such Construction Fund. The Trustee shall be protected in relying on any such requisition and shall have no duty to confirm that any funds requisitioned are properly applied to the respective Project.

Section 6.08 Transfer of Surplus Construction Fund Moneys. All funds remaining in any Construction Fund established under a Supplemental Ordinance upon completion of the Projects intended to be financed thereby shall be transferred to the Interest Account, Principal Account or Bond Redemption Account of the Debt Service Fund as directed in writing by an Authorized Representative and shall be used only to pay the principal of, premium, if any, and interest on the Bonds or Junior Bonds of the Series issued under the terms of the Supplemental Ordinance or to acquire Outstanding Bonds or Junior Bonds of that Series at a price (exclusive of accrued interest) not exceeding the face amount thereof, or other lawful purpose.

Section 6.09 Investment of Funds.

(a) Any moneys held as part of any fund or account created under the Ordinance shall, at the written direction of and as specified by an Authorized Representative, be invested and reinvested by the Trustee or the Custodian of the fund, as the case may be, in Investment Obligations to the extent practicable. Any investments shall be held by or under the control of the Trustee or the Custodian of the fund, as the case may be, and shall be deemed at all times a part of those funds and the interest accruing thereon and any profit realized from investments shall be credited to the fund, and any loss resulting from investments shall be charged to the fund. The Trustee or the Custodian of the fund, as the case may be, is directed to sell and reduce to cash funds a sufficient amount of investments whenever the cash balance in the fund is insufficient to make any necessary transfers or withdrawals from the fund.

(b) No Investment Obligation in any fund or account may mature beyond the latest maturity date of any Bonds Outstanding at the time the Investment Obligation is deposited.
(c) An Authorized Representative may at any time give to the Trustee or the Custodian of the fund, as the case may be, written directions respecting the investment of any moneys required to be invested hereunder subject however to the provisions of this Section 6.09 and the Trustee or the Custodian of the fund, as the case may be, shall then invest the money under this Section 6.09 as so directed by an Authorized Representative. The Trustee or the Custodian of the fund, as the case may be, may request in writing direction or authorization of an Authorized Representative with respect to the proposed investment of money under the provisions of the Ordinance. Upon receipt of any request accompanied by a memorandum setting forth details of any proposed investment, an Authorized Representative will either approve the proposed investment or will give written directions to the Trustee or the Custodian of the fund, as the case may be, respecting the investment of the money and in the case of the directions, the Trustee or the Custodian of the fund, as the case may be, shall then, subject to the provisions of this Section 6.09, invest the money in accordance with the directions.

(d) An Authorized Representative may enter into or direct the Trustee or the Custodian, as the case may be, to enter into financial product agreements with respect to the Construction Fund, the Debt Service Fund, the Junior Bond Debt Service Fund and the Debt Service Reserve Fund provided the proceeds thereof are used for Project Costs; and provided, the rights, obligations and protections of the Trustee or the Custodian, as the case may be, contained in such financial product agreements must be in form and content acceptable to the Trustee or the Custodian, as the case may be, in their sole discretion, and the Trustee or the Custodian, as the case may be, may charge reasonable additional fees in connection therewith.

(e) The Trustee shall not be liable for any loss resulting from the making or disposition of any investment pursuant to the provisions of this Section 6.09, and any such losses shall be charged to the fund and account with respect to which such investment is made. The Trustee may conclusively rely upon the City's written instructions as to both the suitability and legality of all investments directed hereunder, their qualification as Investment Obligations and as to their compliance with the provisions of this Section 6.09. Ratings of investments shall be determined at the time of purchase of such investments and without regard to ratings subcategories. 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. In the absence of written investment instructions form the City, the Trustee shall not be responsible or liable for keeping the money held by it hereunder fully invested. Confirmations of investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. In the absence of written investment directions from the City, the Trustee shall hold all such funds uninvested in cash, without liability for interest.

Section 6.10 Trustee’s and Custodian’s Own Bond Department. Subject to Section 6.09(a), the Trustee and any Custodian may make any and all investments permitted under Section 6.09 through their respective bond departments.

Section 6.11 Trustee’s and Custodian’s Right to Rely. The Trustee and any Custodian may conclusively rely upon any investment directions given by an Authorized Representative within the limitations set forth hereinafore received pursuant to this Article VI and shall not be liable or responsible for (a) any diminution in the value of any investments made pursuant to this Article VI or for any loss arising from any sale or other disposition thereof, (b) any violation of any statute or of any policy or rules or regulations of or applicable to the City or of the Internal Revenue Service with respect to “arbitrage bonds,” or (c) any requirement to rebate excess earnings earned on any funds established hereunder as provided under the Code.
Section 6.12  Pooled Investment of Moneys Held in Funds. The moneys in the funds established under the Ordinance may be pooled with each other for investment purposes.

Section 6.13  Valuation.

(a)  For the purpose of determining the amount on deposit in any fund or account, Investment Obligations in which money in the fund or account is invested shall be valued at the market value of the obligations.

(b)  The Trustee shall value the Investment Obligations in the funds and accounts held by the Trustee established under the Ordinance as of each December 31, within 45 days of that date. The City shall value the Investment Obligations in all other funds and accounts established under the Ordinance as of each December 31, within 45 days of that date. In addition, the Investment Obligations held by the Trustee shall be valued by the Trustee at any time requested by the City on reasonable notice to the Trustee; provided, however, that the Trustee shall not be required to value the Investment Obligations more than once in any calendar quarter.

(c)  Notwithstanding the above provisions of this Section 6.13, Investment Obligations on deposit in the Debt Service Reserve Fund shall be valued on the beginning of each calendar quarter at the market value thereof.

(d)  For purposes of any valuation hereunder, the value of any surety bond, insurance policy, or letter of credit credited to the Debt Service Reserve Fund shall be the amount available to the Trustee or other beneficiary under the instrument as of the time of the calculation.

Section 6.14  Tax Covenant. No investment shall be made by the City of any of the funds set forth above which would cause any Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code; provided, however, that this Section 6.14 shall not prohibit the issuance of Bonds which are subject to federal income taxation upon their original issuance.

[End of Article VI]
ARTICLE VII

TRUSTEE AND CUSTODIANS

Section 7.01 Appointment of Trustee.

Upon the appointment of a Trustee, the Trustee shall signify its acceptance of the powers, duties and obligations conferred and imposed upon it by this Ordinance by executing and delivering to the City a written instrument of acceptance upon which the Trust Estate shall be vested in the Trustee.

The Trustee, including any successor Trustee shall, at the time of appointment, be a bank or trust company which is a member of the Federal Reserve System with a capital stock, surplus and undivided profits aggregating in excess of Five Hundred Million Dollars ($500,000,000).

Section 7.02 Duties and Obligations of the Trustee. Prior to the occurrence of any Event of Default and after the curing of all such Events of Default that may have occurred, the Trustee shall perform such duties and only such duties of the Trustee as are specifically set forth in this Ordinance and no implied covenants or obligations shall be read into this Ordinance against the Trustee. Upon the occurrence and continuance of an Event of Default of which the Trustee is deemed to have knowledge, the Trustee shall use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs. The duties and obligations of the Trustee are further subject to the following terms and conditions:

(a) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers, or employees, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay reasonable compensation to all attorneys, agents, receivers, and employees as may be reasonably employed in connection with the trusts hereof. The Trustee shall not be responsible for any misconduct or negligence of any agent or attorney appointed with due care by the Trustee. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the City) except that with respect to matters involving the exemption from federal income taxes of the interest on the Bonds, such attorneys shall be Bond Counsel. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon the opinion or advice.

(b) The Trustee shall not be responsible for any recital herein or in the Bonds (except in respect to the authentication certificate of the Trustee endorsed on the Bonds), or for the validity of the enactment by the Council of the Ordinance or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on the part of the City, except as herein expressly set forth; but the Trustee may require of the City full information and advice as to the performance of the covenants, conditions, and agreements aforesaid and as to the condition of the property conveyed hereby. The Trustee makes no representations as to the technical or financial feasibility of the Project, the compliance of the Project with the Enabling Act, or the tax-exempt status of the Bonds. The Trustee is not accountable for the use or application by the City of any of the Bonds or the proceeds of the Bonds, or for the use or application of any moneys paid over by the Trustee in accordance with any provision of this Ordinance.
(c) The Trustee may become the owner of Bonds, secured hereby with the same rights which it would have were it not Trustee. The Trustee may also engage in or be interested in any financial or other transaction with the City.

(d) The Trustee shall be protected in acting under the Ordinance upon any notice, request, consent, certificate, order, affidavit, letter, telegram, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to the Ordinance upon the request or authority or consent of any person who at the time of making the request or giving the authority or consent is the Holder of any Bond, shall be conclusive and binding upon all future Holders of the same Bond and of Bonds issued in exchange therefor or in place thereof, regardless of whether or not any notation of making the request or giving the authority or consent is made on the Bond.

(e) As to the existence or non-existence of any act or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the City by an Authorized Representative as sufficient evidence of the facts therein contained and prior to the occurrence of a Default of which the Trustee has been notified as provided in subsection (g) of this Section 7.02, or of which by that subsection it is deemed to have notice, may also accept a similar certificate to the effect that any particular dealing, transaction, or action is necessary or expedient, but may, at its discretion, obtain any further evidence deemed necessary or advisable, but shall in no case be bound to obtain it. The Trustee may accept a certificate of the Clerk to the effect that an Ordinance in the form therein set forth has been enacted by the Council as conclusive evidence that the Ordinance has been duly enacted and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated in the Ordinance shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful default.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any Default hereunder except failure by the City to cause to be made any of the payments to the Trustee required to be made by Article VI hereof, unless the Trustee shall be specifically notified in writing of the Default by the City, or by the Holders of at least twenty-five percent (25%) in aggregate principal amount of all Bonds then Outstanding and all notices or other instruments required by the Ordinance to be delivered to the Trustee, must, in order to be effective, be delivered at the principal corporate trust office of the Trustee or at any other address as set forth in a Supplemental Ordinance, and in the absence of notice delivered, the Trustee may conclusively assume there is no Default except as aforesaid.

(h) At any and all reasonable times, the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants, and representatives, shall have the right fully to inspect any and all Projects, including all books, papers, and records of the City pertaining to the Bonds, and to make copies and take any memoranda from and in regard thereto as may be desired.

(i) The Trustee shall not be required to give any bond or surety in respect to the execution of the trusts and powers or otherwise in respect of the premises.

(j) Before taking any action hereunder, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to
protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default by reason of any action so taken.

(k) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law or by the Ordinance. The Trustee shall be under no liability for interest on any moneys received hereunder except as may be agreed upon.

(l) The Trustee is not liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Bondholders under any provision of this Ordinance relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under this Ordinance.

(m) Whenever in the administration of this Ordinance the Trustee deems it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence thereof is specifically prescribed) may, in the absence of bad faith on its part, rely upon a certificate of an Authorized Representative.

(n) The Trustee is not required to make any inquiry or investigation into the facts or matters stated in any ordinance, resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture or other paper or document.

(o) In the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of holders of Bonds, each representing less than a majority in aggregate principal amount of the Bonds Outstanding, pursuant to the provisions of this Ordinance, the Trustee, in its sole discretion, may determine what action, if any, shall be taken and shall have no liability with respect to any such action taken in the absence of bad faith.

(p) The Trustee’s immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Ordinance shall extend to the Trustee’s officers, directors, agents, attorneys and employees. Such immunities and protections and right to indemnification, together with the Trustee’s right to compensation, shall survive the Trustee’s resignation or removal, the discharge of this Ordinance and final payment of the Bonds.

(q) Except for information provided by the Trustee concerning the Trustee, the Trustee shall have no responsibility for any information in any offering memorandum or other disclosure material distributed with respect to the Bonds, and the Trustee shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(r) No provision of the Ordinance shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it has reasonable grounds for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.
(s) Whether or not expressly so provided, every provision of this Ordinance relating to the conduct or affecting the liability of or affording protection to the Trustee is subject to the provisions of this Section 7.02.

(t) The Trustee shall not be responsible for and makes no representation as to the legality, effectiveness or sufficiency of any security document or for the creation, perfection, priority or protection of any lien securing the Bonds. The Trustee shall not be responsible for filing any financing or continuation statement or recording any documents or instruments in any public office at any time or otherwise for perfecting or maintaining the perfection of any lien or security interest in the trust estate it being understood that the City shall be obligated to make such filings, if any, on behalf of the trustee.

Section 7.03 Fees, Charges, and Expenses of Trustee. The Trustee shall be entitled to payment or reimbursement for reasonable fees for its services rendered hereunder, and all advances, counsel fees, and other expenses reasonably and necessarily made or incurred by the Trustee in connection with its services and, in the event that it should become necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor, and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided, that if extraordinary services or extraordinary expenses are occasioned by the willful neglect or default of the Trustee, it shall not be entitled to compensation or reimbursement therefor.

In the event the Trustee incurs expenses or renders services in any proceedings under the Bankruptcy Code relating to the City, the expenses so incurred and compensation for services so rendered are intended to constitute expenses of administration under the Bankruptcy Code.

As security for the performance of the obligations of the City under this Section 7.03, the Trustee shall have a lien, which it may exercise through a right of set off, prior to the Bonds upon all property or funds held or collected by the Trustee pursuant to this Ordinance for the payment of principal of, redemption premium, if any, and interest on the Bonds. The obligations of the City to make the payments described in this Section 7.03 shall survive discharge of this Ordinance and payment in full of the Bonds. The Trustee's rights under this Ordinance shall survive its resignation or removal.

Section 7.04 Notice to Bondholders if Default Occurs. If a Default occurs of which the Trustee is by Section 7.02(g) hereof required to take notice or if notice of Default be given as in Section 7.02(g) provided, then the Trustee shall give such notice to the City and the Trustee may give written notice thereof by first-class mail to the last known Holders of all Bonds then Outstanding shown on the Books of Registry.

Section 7.05 Intervention by Trustee. In any judicial proceeding to which the City is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of the Bondholders, the Trustee may intervene on behalf of the Bondholders and shall do so if requested in writing by the Holders of at least twenty-five percent (25%) in aggregate principal amount of all Bonds then Outstanding. The rights and obligations of the Trustee under this Section 7.05 are subject to the approval of a court of competent jurisdiction.

Section 7.06 Merger or Consolidation of Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any conversion, sale, merger,
consolidation, or transfer to which it is a party, *ipso facto*, subject to the approval of the City, shall be and become successor Trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges, and all other matters as was its predecessor, without the execution or filing of any instruments or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

**Section 7.07 Resignation by the Trustee.** The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving sixty (60) days written notice to the City, and by first-class mail to each Holder of Bonds then Outstanding shown on the Books of Registry, and the resignation shall take effect upon the appointment of a successor Trustee or successor temporary Trustee by the Bondholders or by the City. The notice to the City may be served personally or sent by registered or certified mail.

**Section 7.08 Removal of the Trustee.** The Trustee may be removed at any time after thirty (30) days’ notice either (a) by an instrument or concurrent instruments in writing delivered to the Trustee and to the City and signed by the Holders of a majority in aggregate principal amount of all Bonds then Outstanding, or (b) unless a Default has occurred and is continuing, by written direction of an Authorized Representative of the City delivered to the Trustee.

**Section 7.09 Appointment of Successor Trustee by the City or the Bondholders.** In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed (a) by the City so long as the Bonds are not in Default, or (b) by the Holders of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by the Holders, or by their attorneys in fact, duly authorized. If the Trustee resigns and a successor has not signified its acceptance within sixty days, the resigning Trustee may apply to a court of competent jurisdiction for a successor to be named. Every Trustee appointed pursuant to the provisions of this Section 7.09 must meet all the requirements of Section 7.01 hereof.

**Section 7.10 Concerning Any Successor Trustee.**

(a) Upon acceptance of appointment by the successor Trustee as provided in this Section 7.10, the City shall give notice of the succession of the Trustee to the Trustee hereunder by first-class mail to the Holders at the addresses shown on the Books of Registry. Each Trustee appointed hereunder shall signify its acceptance of the duties and obligations imposed upon it by the Ordinance as Trustee by executing and delivering to the City a written acceptance of its duties and obligations.

(b) Every successor Trustee appointed hereunder shall execute, acknowledge, and deliver to its predecessor and also to the City an instrument in writing accepting appointment hereunder, and thereupon the successor, 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; but the predecessor shall, nevertheless, on the written request of the City, or of its successor, and upon payment of all amounts due the predecessor pursuant to Section 7.03 hereof, execute and deliver an instrument transferring to the successor Trustee all the estates, properties, rights, powers, and trusts of the predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the City be required by any successor Trustee for more fully and
certainly vesting in the successor the estate, rights, powers, and duties hereby vested or intended to be vested in the predecessor, any instruments in writing, shall, on request, be executed, acknowledged, and delivered by the City. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article VII, shall be filed or recorded by the successor Trustee in each recording office where the Ordinance shall have been filed or recorded.

Section 7.11 Trustee Protected in Relying upon Ordinances, Etc. The ordinances, resolutions, opinions, certificates, and other instruments provided for in the Ordinance may be accepted by the Trustee as conclusive evidence of the acts and conclusions stated therein and shall be full warrant, protection, and authority to the Trustee for the release of property, the withdrawal of cash, and the taking or refusing to take any other action hereunder.

Section 7.12 Successor Trustee as Trustee of Funds, Paying Agent, and Bond Registrar. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or has been removed shall cease to be trustee of the fund of which it is trustee, and paying agent for principal of and interest and premium, if any, on the Bonds and bond registrar, and the successor Trustee shall become such trustee, paying agent, and registrar, as the case may be.

Section 7.13 Trust Estate May Be Vested in Separate or Co-Trustee.

(a) It is the purpose of the Ordinance that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in those jurisdictions. It is recognized that in case of litigation under the Ordinance, and, in particular, in case of the enforcement of either on Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights, or remedies herein granted to the Trustee, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional institution which warrants all of the requirements of Section 7.01 hereof as a co-trustee. The following provisions of this Section 7.13 are adopted to these ends.

(b) In the event that the Trustee appoints an additional institution as a co-trustee (and the Trustee is hereby expressly granted that power), each and every remedy, power, right, claim, demand, cause of action, immunity, and estate expressed or intended by the Ordinance to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in the co-trustee but only to the extent necessary to enable the co-trustee to exercise the powers, rights, and remedies, and every covenant and obligation necessary to the exercise thereof by the co-trustee shall run to and be enforceable by either of them.

(c) Should any instrument in writing from the City be required by the co-trustee appointed by the Trustee for more fully and certainly vesting in and confirming to it the properties, rights, powers, trusts, duties, and obligations, any instruments in writing shall, on request, be executed, acknowledged, and delivered by the City. In case any co-trustee, or a successor to any, shall dissolve, become incapable of acting, resign, or be removed, all the estates, properties, rights, powers, trusts, duties, and obligations of the co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment as herein set forth of a new trustee or successor to the co-trustee.
Section 7.14 Appointment of Custodians. The Council may appoint a bank, trust company, national banking association, or national association as Custodian, if any, of the Pledged Fee Revenue Fund, and the Custodian shall signify its acceptance of the powers, duties, and obligations conferred and imposed upon it by the Ordinance by executing and delivering to the City a written acceptance thereof.

Section 7.15 Duties and Obligations of Custodians. The recitals of fact made in the Ordinance and in the Bonds shall be taken as statements of the City, and no Custodian shall be deemed to have made any representation as to their correctness, nor shall any Custodian be deemed to have made any representation whatsoever as to the validity or sufficiency of the Ordinance or of the Bonds issued hereunder, nor shall any Custodian be under any responsibility or duty with respect to the issuance of the Bonds or the application of the proceeds thereof, except to the extent provided for herein, nor shall any Custodian be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in response to the Ordinance, or the Bonds issued hereunder, or to advance any of its own moneys, unless properly indemnified to its satisfaction, nor shall any Custodian be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

Section 7.16 Custodians Protected in Relying Upon Ordinances, Etc. All Custodians shall at all times be protected in acting upon any action, ordinance, request, consent, order, certificate, statement, opinion, bond, or other paper or document believed to be genuine and to have been signed by the proper party or parties.

Section 7.17 Resignation of Custodians. Any Custodian may at any time resign and be discharged of its duties and obligations hereunder by giving to the City written notice of such resignation, specifying a date (not less than ninety (90) days after the notice) when the resignation shall take effect, and by written notice thereof to the Trustee. The resignation shall take effect upon the date specified in the notice unless previously a successor shall have been appointed, as hereinafter provided, in which event, the resignation shall take effect immediately upon the appointment and qualification of the successor.

Section 7.18 Removal of Custodians. Any Custodian may be removed at any time by the City or by the Holders of not less than fifty percent (50%) of the principal amount of the Bonds at that time Outstanding. In the event any Custodian is removed pursuant to the provisions of this Section 7.18, notice thereof shall be given by the City to the Trustee.

Section 7.19 Appointment of Successor Custodians.

(a) In case any Custodian shall resign or be removed or become incapable of acting, or be adjudged bankrupt or insolvent, or a receiver of its property shall be appointed, or any public officer shall take charge or control of its property or affairs, a successor thereto shall be promptly appointed by the City. The successor shall, in all instances, be a bank, trust company, national banking association, or a national association, and shall have a combined capital and surplus of not less than $100,000,000.

(b) Immediately following the appointment, the City shall give written notice of the appointment to the Trustee.

(c) If, in a proper case, no appointment of a successor Custodian shall be promptly made pursuant to paragraph (a) above, any Bondholder may make application to any court of
competent jurisdiction for the appointment of a successor and the court may thereupon, after any notice as the court may prescribe, appoint a successor.

Section 7.20 Concerning Any Successor Custodians. Any successor Custodian appointed as provided hereunder shall execute and deliver to its predecessor, the Trustee and the City, a written acceptance of appointment and, thereupon, the successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties, and obligations of its predecessor hereunder, with the same effect as if originally named as Custodian, and its predecessor shall be obligated to pay over, transfer, assign, and deliver all moneys, securities, or other property held by it to its successor, and, on the written request of the City, the Trustee, or the successor, shall execute, acknowledge, and deliver all instruments of conveyance and further assurance and do all other things as may be reasonably required for the vesting and confirming in the successor all the right, title, and interest of the predecessor in and to any property held by it.

Section 7.21 Merger of Custodians. Any bank or trust company into which any Custodian may be merged or with which it may be consolidated, or any bank or trust company resulting from any merger or consolidation to which it shall be a party, or any bank or trust company to which any Custodian may sell or transfer all or substantially all of its business, if the City approves, shall become the successor without the execution or filing of any paper or the performance of any other act.

[End of Article VII]
ARTICLE VIII

COVENANTS

Section 8.01 Condition of City's Obligation; Payment of Principal and Interest.

(a) Each and every covenant herein made, including all covenants made in the various sections of this Article VIII, is predicated upon the condition that any obligation for the payment of money incurred by the City shall not create a pecuniary liability of the City or a charge upon its general credit, but shall be payable solely from the Pledged Fee Revenues which are required to be set apart and transferred to the Debt Service Fund and the Debt Service Reserve Fund, which Pledged Fee Revenues are hereby specifically pledged to the payment thereof in the manner and to the extent in the Ordinance specified and nothing in the Bonds or in the Ordinance shall be considered as pledging any other funds or assets of the City other than the Trust Estate.

(b) The Bonds, together with interest thereon, shall be limited obligations of the City payable solely from the Trust Estate which includes the Pledged Fee Revenues required to be set apart and transferred to the Pledged Fee Revenue Fund for deposit to the Debt Service Fund and the Debt Service Reserve Fund, if any, and shall be a valid claim of the respective Holders thereof only against the Trust Estate to the extent provided in paragraph (a) of this Section 8.01. The Trust Estate is hereby pledged and assigned for the equal and ratable payment of the Bonds and shall be used for no other purposes than to pay the principal of, premium, if any, and interest on the Bonds, except as may be otherwise expressly authorized in the Ordinance. The Bonds do not now and shall never constitute an indebtedness of the City within the meaning of any State constitutional provision or statutory limitation (other than Article X, Section 14, Paragraph 10 of the Constitution authorizing obligations of political subdivisions payable solely from special sources not involving revenue from any tax or license), and shall never constitute nor give rise to a pecuniary liability of the City or a charge against the general credit or taxing powers of the City, the State or any of its agencies or political subdivisions. No recourse shall be had for the payment of the Bonds, or interest thereon, or any part thereof, against the several funds of the City, except from the Trust Estate in the manner and to the extent provided in the Ordinance. The Bonds, and interest thereon, shall not be a charge, lien, or encumbrance, legal or equitable, upon any property of the City or upon any income, receipts, or revenues of the City other than the Trust Estate that has been pledged to the payment thereof.

Section 8.02 Performance of Covenants; Authority of the City. The City covenants that it will faithfully perform at all times all covenants, undertakings, stipulations and provisions contained in the Enabling Act, in the Ordinance, in the Bonds executed, authenticated, and delivered hereunder, and in all proceedings pertaining thereto. The City covenants that it is duly authorized under the Constitution and laws of the State to issue the Bonds authorized hereby, to enact the Ordinance, and to pledge the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the enactment of the Ordinance has been duly and effectively taken; and that the Bonds in the hands of the Holders thereof are and will be valid and enforceable obligations of the City according to the import thereof.

Section 8.03 Instruments of Further Assurance. The City covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, all Ordinances supplemental hereto and all further acts, instruments, and transfers as the Trustee may reasonably require for the better assuring, transferring, conveying, pledging, assigning, and confirming unto the Trustee all and singular the Trust Estate pledged hereby to the payment of the principal of and interest and premium, if any, on the Bonds.
Section 8.04  Inspection of Pledged Fee Revenues and Projects. The City covenants and agrees that all books and documents in its possession relating to the Trust Estate and Projects shall at all times be open to inspection during normal business hours by any accountants or other agents as the Trustee may from time to time designate.

Section 8.05  Fiscal Year. Until changed to a different twelve-month period by the Council or by law, the City shall be operated on the basis of a Fiscal Year, which commences on the first day of January of each year and ends on the 31st day of December of the same calendar year.

Section 8.06  Annual Audited Financial Statements and Certificates. The City shall provide the Trustee within two hundred ten (210) days after the close of the Fiscal Year a copy of its audited financial statements during the Fiscal Year. The audited financial statements shall be accompanied by a certificate of an Authorized Representative stating that the City is not in Default hereunder or describing the nature of any Default.

The City shall provide on an annual basis with the audited financial statements required above a certificate as to an Authorized Representative of the City. The Trustee may rely conclusively on any opinions and certificates delivered pursuant to this Section 8.06 and shall have no duty to examine such financial statements and shall not be deemed to have knowledge of any Default that may be reflected thereby.

[End of Article VIII]
ARTICLE IX

DEFEASANCE OF BONDS

Section 9.01   Defeasance of Bonds.

(a) If all of the Bonds issued pursuant to the Ordinance shall have been paid and discharged, then the obligations of the City under the Ordinance, the pledge of the Trust Estate made hereby, and all other rights granted hereby shall cease and determine. Bonds shall be deemed to have been paid and discharged within the meaning of this Article IX under each of the following circumstances:

(i) If the Trustee shall hold, at the stated maturities of the Bonds, in trust and irrevocably appropriated thereto, moneys for the full payment thereof; or

(ii) If Default in the payment of the principal of the Bonds or the interest thereon shall have occurred, and thereafter tender of payment shall have been made, and the Trustee shall hold, in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of the payment; or

(iii) If the City shall elect to redeem Bonds prior to their stated maturities, and shall have irrevocably bound and obligated itself to give notice of redemption thereof in the manner provided by Section 5.03 hereof, and shall have deposited with an escrow agent, in an irrevocable trust, either moneys in an amount which shall be sufficient, or direct general obligations of the United States of America or other Investment Obligations, which, are not subject to redemption by the issuer thereof prior to the date of redemption of the Bonds to be defeased, the principal of and interest on which, when due, as determined in a verification report provided by an independent nationally recognized certified public accountant affirming the amount of the deposit with the escrow agent, will provide moneys, which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay, when due, the principal, interest, and redemption premium or premiums, if any, due and to become due on and prior to the redemption date or dates, as the case may be; or

(iv) If there shall have been deposited with an escrow agent, either moneys in an amount which shall be sufficient, or direct general obligations of the United States of America, the principal of and interest on which, when due, as determined in a verification report provided by an independent nationally recognized certified public accountant affirming the amount of the deposit with the escrow agent, will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay, when due, the principal and interest due and to become due on the Bonds on the maturity thereof.

(b) In addition to the above requirements of paragraphs (i), (ii), (iii), or (iv) of subsection (a), in order for this Ordinance to be discharged, all other fees, expenses, and charges of the Trustee shall have been paid in full at that time.

Section 9.02   Deposit of Moneys. Any moneys which at any time shall be deposited with the Trustee or escrow agent by or on behalf of the City for the purpose of paying and discharging any Bonds shall be and are hereby assigned, transferred, and set over to the Trustee or the escrow agent in trust for the respective Holders of the Bonds, and the moneys shall be and
are hereby irrevocably appropriated to the payment and discharge thereof. If, through lapse of time or otherwise, the Holders of the Bonds shall no longer be entitled to enforce payment of their obligations, then, in that event, it shall be the duty of the Trustee or escrow agent to deposit the funds in the Pledged Fee Revenue Fund.

Section 9.03  Election to Redeem Bonds. The City covenants and agrees that any moneys which it shall deposit with the Trustee or escrow agent shall be deemed to be deposited in accordance with, and subject to, the applicable provisions of this Article IX, and whenever it shall have elected to redeem Bonds, it will irrevocably bind and obligate itself to give notice of redemption thereof, and will further authorize and empower the Trustee to cause notice of redemption to be given in its name and on its behalf.

[End of Article IX]
ARTICLE X

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 10.01 Events of Default. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an “Event of Default” or “Default”:

(a) Failure to pay when due any interest on any Bond; or

(b) Failure to pay when due the principal of any Bond (or premium, if any), whether at the stated maturity thereof, or upon proceedings for redemption thereof, or upon any mandatory redemption date; or

(c) Subject to the provisions of Section 10.10 hereof, failure in the performance or observance of any other of the covenants, agreements, or conditions on the part of the City in the Ordinance or in the Bonds contained; or

(d) If a court having jurisdiction over the premises shall enter a decree or order for relief in respect of the City in an involuntary case under any applicable bankruptcy, insolvency, reorganization, or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator, or similar official of the City or for any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the decree or order shall remain unstayed and in effect for a period of ninety (90) consecutive days; or

(e) If the City shall commence a voluntary case under any applicable bankruptcy, insolvency, reorganization, or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator, or similar official of the City or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, shall admit in writing its inability to pay its debts that become due, or shall take any action in furtherance of any of the foregoing.

Section 10.02 Acceleration. Except as otherwise provided with respect to any Series of Bonds in the Supplemental Ordinance authorizing their issuance, upon the occurrence of an Event of Default, the Trustee may, and upon the written request of the Holders of not less than fifty-one percent (51%) in aggregate principal amount of Bonds then Outstanding shall, by notice in writing delivered to the City, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and the principal and interest shall thereupon become and be immediately due and payable.

Section 10.03 Additional Remedies.

(a) Upon the happening and continuance of any Event of Default, the Trustee may, and upon the written request to the Trustee of the Holders of not less than fifty-one percent (51%) in aggregate principal amount of Bonds then Outstanding, shall take one or more of the following actions as it may deem advisable:

(i) By mandamus or other suit, action, or proceedings at law or in equity, enforce the rights of the Bondholders against the City, and any of its officers, agents, and employees, and require and compel the City, or any officer, agent, or employee to
perform and carry out its or his duties and obligations under the Enabling Act and the Ordinance and its or his covenants or agreements with the Bondholders;

(ii) By action or suit in equity, require the City and the Council to account as if they were the trustee of an express trust;

(iii) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders; and

(iv) Bring suit upon the Bonds.

(b) Upon the occurrence of an Event of Default, the Trustee shall have the power to proceed with any right or remedy granted by the Constitution and laws of the State, as it may deem best, including any suit, action, or special proceeding in equity or at law for the specific performance of any covenant or agreement contained herein or for the enforcement of any proper legal or equitable remedy as the Trustee shall deem most effectual to protect the rights aforesaid, insofar as such may be authorized by law. The rights herein specified are to be cumulative to all other available rights, remedies, or powers and shall not exclude any such rights, remedies, or powers.

Section 10.04 Rights of Bondholders.

(a) If an Event of Default shall have occurred, and if requested to do so by the Holders of not less than fifty-one percent (51%) in aggregate principal amount of Bonds then Outstanding, and if indemnified as provided in Section 7.02(j) hereof, the Trustee shall be obliged to exercise one or more of the rights and powers conferred by this Article X as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Bondholders.

(b) No remedy by the terms of the Ordinance conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other remedy, but each and every remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute.

(c) No delay or omission in exercising any right or power accruing upon any Default or Event of Default shall impair any right or power or shall be construed to be a waiver of any Default or Event of Default or acquiescence therein and every right and power may be exercised from time to time and as often as may be deemed expedient.

(d) No waiver of any Default or Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent Default or Event of Default or shall impair any rights or remedies consequent thereon.

Section 10.05 Application of Moneys.

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article X shall, after payment of the costs and expenses of the proceedings resulting in the collection of the moneys and of the expenses, liabilities, and advances incurred or made by the Trustee, be deposited in the Debt Service Fund and all moneys in the Debt Service Fund shall be applied as follows:
First — To the payment of the persons entitled thereto of all installments of interest then due on the Bonds exclusive of Junior Bonds, in the order of the maturity of the 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 that installment, to the persons entitled thereto, without any discrimination or privilege; and

Second — To the payment of the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Bonds exclusive of Junior Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of the Ordinance), in the order of their due dates, and, if the amount available shall not be sufficient to pay in full the principal of and premium, if any, on the Bonds due on any particular date, then to the payment ratably, according to the amount of the principal and premium, if any, due on such date, to the persons entitled thereto without any discrimination or privilege; and

Third — To the payment to the persons entitled thereto of interest at the rate of interest borne by the Bonds on all past due installments of principal and interest from their respective due dates and, if the amount available shall not be sufficient to pay in full the whole amount of interest so due, then to the payment ratably, according to the amount of interest then due, to the persons entitled thereto without any discrimination or privilege and without any distinction between interest on past due interest and interest on past due principal.

After payment of all amounts provided above, any amounts in the Junior Bond Debt Service Fund shall be applied in the same manner as above but only to the Holders of Junior Bonds.

(b) Whenever moneys are to be applied pursuant to the provisions of this Section 10.05, the moneys shall be applied at the times, and from time to time, as the Trustee shall determine, having due regard to the amount of moneys available for application in the future. Whenever the Trustee shall apply funds, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which application is to be made and upon that date interest on the amounts of principal to be paid on that date shall cease to accrue. The Trustee shall give notice as it may deem appropriate of the deposit with it of any moneys and the fixing of any date, and shall not be required to make payment to the Holder of any Bond until it shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

(c) Whenever all principal of, premium, if any, and interest on all Bonds have been paid under the provisions of this Section 10.05 and all expenses and charges of the Trustee shall have been paid, any balance remaining in the Debt Service Fund shall be paid to the City.

Section 10.06 Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) under the Ordinance or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto and any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Holders of the Bonds, and any recovery of judgment shall be for the equal benefit of the Holders of the Bonds then Outstanding.
Section 10.07 Rights and Remedies of Bondholders. No Bondholder shall have the right to institute any suit, action, or proceeding in equity or at law for the enforcement of this Ordinance or for the execution of any trust hereof or for the appointment of a receiver or for any other remedy hereunder, unless all of the following conditions have first been satisfied: (i) a Default has occurred of which the Trustee has been notified as provided in Section 7.02(g) hereof, or of which by that subsection it is deemed to have notice, (ii) the Default or Event of Default shall occur and the Holders of at least fifty-one percent (51%) in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinafter granted or to institute action, suit, or proceeding in its own name, (iii) the Trustee has been offered indemnity as provided in Section 7.02(j) hereof, and (iv) the Trustee shall thereafter fail or refuse to exercise the powers hereinafter granted, or to institute such action, suit, or proceeding in its, his, or their own name or names; and the notification, request, and offer of indemnity are hereby declared in every case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Ordinance, and to any action or cause of action for the enforcement of this Ordinance, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Holders of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien of the Ordinance by its, his, or their action or to enforce any right hereunder, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had, and maintained in the manner herein provided and for the equal benefit of the Holders of all Bonds then Outstanding. Nothing in the Ordinance contained shall, however, affect or impair the right of any Bondholder to enforce the payment of the principal of, premium, if any, and interest on any Bond at and after the maturity thereof, or the obligation of the City to pay, but only from the Trust Estate, the principal of, premium, if any, and interest on each of the Bonds issued hereunder to the respective Holders thereof at the time, place, from the source, and in the manner provided in the Bonds.

Section 10.08 Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under the Ordinance by the appointment of a receiver, by entry, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then the City and the Trustee shall be restored to their former positions and rights hereunder, and all rights and remedies and powers of the Trustee shall continue as if no proceedings had been taken.

Section 10.09 Waivers of Events of Default. The Trustee may and shall waive any Event of Default hereunder and its consequences upon the written request of the Holders of a majority in aggregate principal amount of all Bonds then Outstanding; provided, however, that there shall not be waived any Default in the payment of (i) the principal of or premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof, or (ii) any interest when due on any Bond, unless prior to the waiver, all arrears of interest, with interest at the rate of interest borne by the Bonds on overdue installments of interest, and all arrears of payments of principal then due (whether at the stated maturity thereof or upon proceedings for redemption) with interest as aforesaid on the arrears, and all expenses of the Trustee in connection with the Default shall have been paid or provided for, and in case of any waiver, or in case any proceeding taken by the Trustee on account of any Default shall have been discontinued or abandoned or determined adversely, then the City, the Trustee, and the Bondholders shall be restored to their former positions and rights hereunder respectively, but no waiver shall extend to any subsequent or other Default, or impair any right consequent thereon.

Section 10.10 Notice of Defaults; Opportunity of the City to Cure Defaults. No event under Section 10.01(c) hereof shall constitute an Event of Default until actual notice of the
Default by registered or certified mail shall be given by the Trustee or by the Holders of not less than fifty-one percent (51%) of the aggregate principal amount of Bonds then Outstanding to the City, and the City shall have had thirty (30) days after receipt of the notice to correct the Default or cause it to be corrected, and shall not have corrected it or caused it to be corrected within the applicable period; provided, however, if the Default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted by the City as the case may be, within the applicable period, is diligently pursued, and the Default is corrected within ninety (90) days after the notice hereinabove specified has been received.

Section 10.11 Bond Insurer Acts in Lieu of Holders. If a bond insurer insures a particular Series of Bonds, then such bond insurer will act in lieu of the bondholders of such Series of Bonds for all purposes hereunder, so long as the bond insurance policy insuring such Series of Bonds is in full force and effect and such bond insurer is not in payment default thereunder.

[End of Article X]
ARTICLE XI

AMENDING AND SUPPLEMENTING OF ORDINANCE

Section 11.01 Amending and Supplementing of Ordinance Without Consent of Holders of Bonds.

(a) The Council, from time to time and at any time and without the consent or concurrence of any Holder of any Bond, may enact an ordinance amendatory hereof or supplemental thereto (i) for the purpose of providing for the issuance of Bonds or Junior Bonds pursuant to the provisions of Article III hereof, or (ii) if the provisions of the Supplemental Ordinance shall not materially adversely affect the rights of the Holders of the Bonds then Outstanding, for any one or more of the following purposes:

(1) To make any changes or corrections in the Ordinance as to which the City and the Trustee shall have been advised by counsel are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provision or omission or mistake or manifest error contained in the Ordinance, or to insert in the Ordinance provisions clarifying matters or questions arising under the Ordinance as are necessary or desirable;

(2) To add additional covenants and agreements of the City for the purpose of further securing the payment of the Bonds;

(3) To surrender any right, power, or privilege reserved to or conferred upon the City by the terms of the Ordinance;

(4) To confirm as further assurance any lien, pledge, or charge or the subjection of the Trust Estate to any lien, pledge, or charge, created or to be created by the provisions of the Ordinance;

(5) To grant or confer upon the Bondholders any additional right, remedies, powers, authority, or security that lawfully may be granted to or conferred upon them, or to grant to or to confer upon the Trustee for the benefit of the Holders of the Bonds any additional rights, duties, remedies, powers, authority, or security;

(6) To modify any of the provisions of the Ordinance in any other respects provided that the modification shall not be effective until after the Bonds Outstanding at the time the Supplemental Ordinance is enacted shall cease to be Outstanding, or until the Holders thereof consent thereto pursuant to Section 11.02 hereof, and any Bonds issued subsequent to any modification shall contain a specific reference to the modifications contained in the Supplemental Ordinance; and

(7) To make such additions, deletions or modifications as may be necessary to assure compliance with Section 148(f) of the Code relating to required rebate to the United States of America or otherwise as may be necessary to assure exemption from federal income taxation of interest on the Bonds.

(b) Except for Supplemental Ordinances providing for the issuance of Bonds or Junior Bonds pursuant hereto, the City shall not enact any Supplemental Ordinance authorized by the foregoing provisions of this Section 11.01 unless in the opinion of counsel addressed to the
Trustee and the City (which opinion may be combined with the opinion required by Section 11.04 hereof) the enactment of the Supplemental Ordinance is permitted by the foregoing provisions of this Section 11.01 and the provisions of the Supplemental Ordinance do not adversely affect the rights of the Holders of the Bonds then Outstanding and will not affect any Bonds then Outstanding, the interest on which is not subject to federal or State income taxation.

Section 11.02 Amending and Supplementing of Ordinance With Consent of Holders of Bonds.

(a) With the consent of the Holders of not less than a majority in principal amount of the Bonds then Outstanding, the Council from time to time and at any time may enact an Ordinance amendatory hereto or supplemental hereto for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, the Ordinance, or modifying or amending the rights and obligations of the City under the Ordinance, or modifying or amending in any manner the rights of the Holders of the Bonds then Outstanding; provided, however, that, without the specific consent of the Holder of each Bond which would be affected thereby, no Supplemental Ordinance amending or supplementing the provisions hereof or thereof shall: (i) change the fixed maturity date of any Bond or the dates for the payment of interest thereon or the terms of the redemption thereof, or reduce the principal amount of any Bond or the rate of interest thereon or the redemption price (or the redemption premium) payable upon the redemption or prepayment thereof; (ii) reduce the aforesaid percentage of Bonds, the Holders of which are required to consent to any Supplemental Ordinance amending or supplementing the provisions of the Ordinance; (iii) give to any Bond or Bonds any preference over any other Bond or Bonds secured hereby other than authorized Series with respect to Junior Bonds; (iv) authorize the creation of any pledge of the Trust Estate, prior, superior, or equal to the pledge of and lien and charge thereon created herein for the payment of the Bonds; or (v) deprive any Holder of the Bonds of the lien on the Trust Estate afforded by the Ordinance. Nothing in this paragraph contained, however, shall be construed as making necessary the approval of the Holders of the Bonds of the enactment of any Supplemental Ordinance authorized by the provisions of Section 11.01 hereof.

(b) It shall not be necessary that the consents of the Holders of the Bonds approve the particular form of wording of the proposed amendment or supplement or of the Supplemental Ordinance effecting the amending or supplementing hereof pursuant to this Section 11.02. The City shall mail a notice at least once, not more than thirty (30) days after the effective date of any amendment or supplement, of the amendment or supplement, postage prepaid, to each Holder of Bonds then Outstanding at the address appearing upon the Books of Registry and to the Trustee, but failure to mail copies of the notice to any of the Holders shall not affect the validity of the Supplemental Ordinance effecting the amendments or supplements or the consents thereto. Nothing in this paragraph contained, however, shall be construed as requiring the giving of notice of any amendment or supplement of the Ordinance authorized by Section 11.01 hereof. No action or proceeding to set aside or invalidate any Supplemental Ordinance or any of the proceedings for its enactment shall be instituted or maintained unless the action or proceeding is commenced within sixty (60) days after the mailing of the notice required by this paragraph.

(c) The City shall not enact any Supplemental Ordinance authorized by the foregoing provisions of this Section 11.02 unless in the opinion of counsel addressed to the Trustee, if any, and the City (which opinion may be combined with the opinion required by Section 11.04 hereof) the enactment of the Supplemental Ordinance is permitted by the foregoing provisions of this Section 11.02 and the provisions of the Supplemental Ordinance do not
adversely affect the rights of the Holders of the Bonds then Outstanding and will not affect the Bonds then Outstanding, the interest on which is not subject to federal or State income taxation.

Section 11.03 Notation Upon Bonds: New Bonds Issued Upon Amendments. Bonds delivered after the effective date of any action taken as provided in this Article XI may bear a notation as to the action, by endorsement or otherwise and in form approved by the City. In that case, upon demand of the Holder of any Bond Outstanding after the effective date and upon the presentation of the Bond for that purpose at the office of the Trustee, a suitable notation shall be made on the Bond. If the City shall determine, new Bonds, modified as in the opinion of the City upon the advice of counsel to conform to the amendments or supplements made pursuant to this Article XI, shall be prepared, executed, and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged without cost to the Holder for Bonds then Outstanding, upon surrender of the Outstanding Bonds.

Section 11.04 Effectiveness of Supplemental Ordinance. Upon the enactment (pursuant to this Article XI and applicable law) by the Council of any Supplemental Ordinance amending or supplementing the provisions of the Ordinance and the delivery to the Trustee of an opinion of Bond Counsel that the Supplemental Ordinance is in due form and has been duly enacted in accordance with the provisions hereof and applicable law and that the provisions thereof are valid and binding upon the City, or upon any later date as may be specified in the Supplemental Ordinance, (a) the Ordinance and the Bonds shall be modified and amended in accordance with the Supplemental Ordinance, (b) the respective rights, limitations of rights, obligations, duties, and immunities under the Ordinance of the City, the Trustee, and the Holders of the Bonds shall thereafter be determined, exercised, and enforced under the Ordinance subject in all respects to the modifications and amendments, and (c) all of the terms and conditions of any Supplemental Ordinance shall be a part of the terms and conditions of the Bonds and of the Ordinance for all purposes.

Section 11.05 Supplemental Ordinance Affecting Trustees or Custodians. No Supplemental Ordinance changing, amending, or modifying any of the rights, duties, and obligations of any Trustee or Custodian appointed by or pursuant to the provisions of the Ordinance may be enacted by the Council or be consented to by the Holders of the Bonds without written consent of the Trustee or Custodian affected thereby.

[End of Article XI]
ARTICLE XII
MISCELLANEOUS

Section 12.01 Benefits of Ordinance Limited to the City, the Trustee, and Holders of the Bonds. With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from the Ordinance or the Bonds is intended or should be construed to confer upon or give to any person other than the City, the Trustee, and the Holders of the Bonds, any legal or equitable right, remedy, or claim under or by reason of or in respect to the Ordinance or any covenant, condition, stipulation, promise, agreement, or provision herein contained. The Ordinance and all of the covenants, conditions, stipulations, promises, agreements, and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City, the Trustee, and the Holders from time to time of the Bonds as herein and therein provided.

Section 12.02 Ordinance Binding Upon Successors or Assigns of the City. All the terms, provisions, conditions, covenants, warranties, and agreements contained in the Ordinance shall be binding upon the successors and assigns of the City and shall inure to the benefit of the Trustee, its successors or substitutes in trust and assigns, and the Holders of the Bonds.

Section 12.03 No Personal Liability. No recourse shall be had for the enforcement of any obligation, covenant, promise, or agreement of the City contained in the Ordinance or the Bonds, against any member of the Council, any officer or employee, in his or her individual capacity, past, present, or future, of the City, either directly or through the City, whether by virtue of any constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that this Ordinance and the Bonds are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer, or employee, past, present, or future, of the City, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into between the City and the Trustee or the Bondholder or to be implied therefrom as being supplemental hereto or thereto; and that all personal liability of that character against every member, officer, and employee is, by the enactment of the Ordinance and the execution of the Bonds, and as a condition of, and as a part of the consideration for, the enactment of the Ordinance and the execution of the Bonds, expressly waived and released. The immunity of members, officers, and employees of the City under the provisions contained in this Section 12.03 shall survive the completion of any Project and the termination of any Ordinance.

Section 12.04 Effect of Saturdays, Sundays and Legal Holidays. Whenever the Ordinance requires any action to be taken on a Saturday, Sunday, or legal holiday or bank holiday in the State or in any state where the corporate trust office of the Trustee is located, the action shall be taken on the first business day occurring thereafter. Whenever in the Ordinance the time within which any action is required to be taken or within which any right will lapse or expire shall terminate on a Saturday, Sunday, or legal holiday or bank holiday in the State or in any state where the corporate trust office of the Trustee is located, the time shall continue to run until midnight on the next succeeding business day.

Section 12.05 Notice; Electronic Signatures.

(a) The City may send notices by electronic mail. The City agrees that the Trustee cannot determine the identity of the actual sender of such instructions and that the Trustee shall conclusively presume that instructions that purport to have been sent by an Authorized
Representative have been sent by such Authorized Representative. The City shall be responsible for ensuring that only Authorized Representatives transmit such instructions to the Trustee, and the City and the Authorized Representative are responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and authentication keys provided by the Trustee. The Trustee shall not be liable for any losses, costs, or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees (i) to assume all risks arising out of the use of electronic mail to submit instructions and direction to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions and the risk or interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting instructions to the Trustee and that there may be more secure methods of transmitting instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) that it will notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(b) All notices, approvals, consents, requests and any communications hereunder must be in writing (provided that any communication sent to Trustee hereunder must be in the form of a document that is signed manually or by way of a digital signature provider as specified in writing to Trustee by the Authorized Representative), in English. The City agrees to assume all risks arising out of the use of using digital signatures and electronic methods to submit communications to Trustee, including without limitation the risk of Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 12.05 Partial Invalidity.

(a) If any one or more of the covenants or agreements or portions thereof provided in the Ordinance on the part of the City, the Trustee, the Custodian or any paying agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, then the covenant or covenants, or the agreement or agreements, or the portions thereof, shall be deemed severable from the remaining covenants and agreements or portions thereof provided in the Ordinance and the invalidity thereof shall in no way affect the validity of the other provisions of the Ordinance or of the Bonds, but the Holders of the Bonds shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

(b) If any provisions of the Ordinance shall be held or deemed to be or shall, in fact, be inoperative or unenforceable or invalid as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any constitution or statute or rule of public policy, or for any other reason, those circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable or invalid in any other case or circumstance, or of rendering any other provision or provisions herein contained inoperative or unenforceable or invalid to any extent whatever.

Section 12.06 Law and Place of Enforcement of the Ordinance. The Ordinance shall be construed and interpreted in accordance with the laws of the State and all suits and actions arising out of the Ordinance shall be instituted in a court of competent jurisdiction in the State.

Section 12.07 Effect of Article and Section Headings and Table of Contents. The heading or titles of the several Articles and Sections hereof, and any table of contents appended
Section 12.08 Repeal of Inconsistent Ordinances and Resolutions. All ordinances and resolutions of the City, and any part of any ordinance or resolution inconsistent with the Ordinance are hereby repealed to the extent of the inconsistency.

Section 12.09 Effectiveness of this Ordinance. This Ordinance shall become effective upon its enactment provided, however, that it shall not be necessary for the City to establish the funds and accounts created in Article VI hereof prior to the issuance of any Bonds.

[End of Article XII]
Done in meeting duly assembled this 12th day of April, 2022.

CITY OF CHARLESTON, SOUTH CAROLINA

Mayor

Attest:

City Clerk

First Reading: March 22, 2022
Second and Third Readings: April 12, 2022
STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

CERTIFICATE OF ORDINANCE

I, the undersigned, City Clerk of the City of Charleston, South Carolina, DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance which was given three readings, with an interval of at least six days between first and second readings. The original of this Ordinance is duly entered in the permanent records of minutes of meetings of the City Council, in my custody as City Clerk.

That each of said meetings was duly called, and all members of the City Council were notified of the same; that at least a quorum of the membership remained throughout the proceedings incident to the enactment of this Ordinance.

IN WITNESS WHEREOF, I have hereunto set my Hand this 12th day of April, 2022.

______________________________
City Clerk
City of Charleston, South Carolina

First Reading: March 22, 2022
Second and Third Readings: April 12, 2022
FIRST SUPPLEMENTAL ORDINANCE

PROVIDING FOR THE ISSUANCE AND SALE BY THE CITY OF CHARLESTON, SOUTH CAROLINA OF NOT EXCEEDING $38,000,000 HOSPITALITY TAX REVENUE BONDS, SERIES 2022, AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED by the City Council of the City of Charleston (the "Council"), the governing body of the City of Charleston, South Carolina (the "City"):  

Section 1. Findings of Fact.  

As an incident to the enactment of this ordinance (the "First Supplemental Ordinance"), and the issuance of the bonds provided for herein, the Council finds that the facts set forth in this Section 1 exist and the following statements are in all respects true and correct: 

(a) On April 12, 2022, the Council enacted a General Bond Ordinance (the "General Bond Ordinance") providing for the issuance of Hospitality Tax Revenue Bonds.  

(b) The Council has determined that it is in the best interest of the City to issue one or more Series of Bonds for the purposes of financing the costs of constructing, renovating and repairing (i) the Low Battery Seawall in the City and (ii) various other tourism-related infrastructure projects in the City (collectively, the "Project") and paying Costs of Issuance related thereto.  

Section 2. Definitions. The terms defined above and in this Section 2 and all words and terms defined in the General Bond Ordinance (the General Bond Ordinance, as from time to time amended or supplemented by Supplemental Ordinances, being defined as the "Ordinance") (except as herein otherwise expressly provided or unless the context otherwise requires), shall for all purposes of this First Supplemental Ordinance have the respective meanings given to them in the Ordinance and in this Section 2.  

"2022 Construction Fund" shall mean the Construction Fund established pursuant to Section 9 hereof.  

"2022 Debt Service Reserve Fund Account" shall mean the account, if any, established in the Debt Service Reserve Fund and maintained in the amount of the 2022 Debt Service Reserve Fund Requirement, if any, to provide funds to ensure the timely payment of the Principal and Interest Requirements with respect to the Series 2022 Bonds.
“2022 Debt Service Reserve Fund Requirement” shall mean an amount equal to the least of (i) 10% of the original proceeds of the Series 2022 Bonds, (ii) maximum annual Principal and Interest Requirements on the Series 2022 Bonds then outstanding for any Fiscal Year, or (iii) 125% of the average annual Principal and Interest Requirements of the Series 2022 Bonds then outstanding.

“Completion Date” shall be that date established pursuant to Section 10 hereof.

“Continuing Disclosure Undertaking” means that certain Continuing Disclosure Undertaking relating to the Series 2022 Bonds, hereby authorized to be executed by the Mayor on behalf of the City and dated the date of issuance and delivery of the Series 2022 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Interest Payment Date” shall mean, with respect to the Series 2022 Bonds, September 1, 2022, and any March 1 or September 1 thereafter until the principal of the Series 2022 Bonds has been paid in full.

“Municipal Advisor” shall mean First Tryon Advisors, its successors and assigns.

“Project” shall mean financing the costs of constructing, renovating and repairing (i) the Low Battery Seawall in the City and (ii) various other tourism-related infrastructure projects in the City.

“Purchase Contract” shall mean the purchase contract or bond purchase agreement between the City and the Underwriter relating to the purchase by the Underwriter of the Series 2022 Bonds.

“Series 2022 Bonds” shall mean the City’s not exceeding $38,000,000 Hospitality Tax Revenue Bonds, Series 2022 authorized to be issued hereunder in one or more Series.

“Trustee” shall mean U.S. Bank Trust Company, National Association, its successors and assigns.

“Underwriter” shall mean, collectively, Wells Fargo Bank, National Association, BofA Securities and Rice Financial Products Company, their respective successors and assigns.


(a) There is hereby authorized to be issued one or more Series of Bonds designated “Hospitality Tax Revenue Bonds, Series 2022” (the “Series 2022 Bonds”) in the total principal amount of not exceeding Thirty-Eight Million Dollars ($38,000,000) for the purpose of financing the Project, and paying the Costs of Issuance of the Series 2022 Bonds.

(b) The Series 2022 Bonds shall be issued as fully registered Bonds in the denominations of $5,000 and integral multiples of $5,000. The Series 2022 Bonds shall be dated as of their date of delivery, shall mature on September 1 in the years and in the principal amounts, and shall be subject to mandatory sinking fund redemption on such dates and in such amounts as approved by the Mayor, upon advice of the Municipal Advisor, provided that the aggregate principal amount may not exceed $38,000,000 and the final maturity date shall not be later than September 1, 2042. The Series 2022 Bonds shall bear interest at such rates as named by the Underwriter at the sale thereof; provided that the aggregate net interest rate shall not exceed 5.0% per annum. The Series 2022 Bonds shall be numbered R-1 and upward.
(d) Principal of and premium, if any, on the Series 2022 Bonds when due, shall be payable at the designated corporate trust office of the Trustee. Interest on the Series 2022 Bonds shall be payable from the date of initial issuance of the Series 2022 Bonds. No accrued interest shall be due. Interest on the Series 2022 Bonds (calculated on the basis of a 360-day year of twelve 30-day months) shall be payable on each Interest Payment Date, in each case to the Holders as of the immediately preceding Record Date, interest to be paid by the Trustee by check or draft mailed to each Holder at his address as it appears on the Books of Registry maintained at the designated corporate trust office of the Trustee; provided that payment to a Holder of $1,000,000 or more may be made by wire transfer to an account within the continental United States in accordance with written instructions filed with the Trustee no later than the Record Date. In connection with the issuance of the Series 2022 Bonds, Council directs the Chief Financial Officer to make the September 1, 2022 debt service payment on the Series 2022 Bonds to the Trustee from the City’s Hospitality Fee Fund within approximately 15 days of the issuance of the Series 2022 Bonds.

(e) The Series 2022 Bonds shall be in substantially the form attached hereto as Exhibit A, with any necessary or appropriate variations, omissions, and insertions as are incidental to the series, numbers, denominations, maturities, interest rate or rates, redemption provisions, the purpose of issuance, and other details thereof or as are otherwise permitted or required by law or by the Ordinance, including this First Supplemental Ordinance.

Section 4. Optional and Mandatory Redemption of Series 2022 Bonds.

(a) The Series 2022 Bonds shall be subject to redemption upon the terms directed by the Mayor, upon advice of the Municipal Advisor, and such terms shall be included in the Purchase Contract.

(b) A portion of the Series 2022 Bonds (the “Term Bonds”) may be subject to mandatory sinking fund redemption as set forth in the Purchase Contract. Such Term Bonds shall be payable from amounts accumulated in the Bond Redemption Account in the Debt Service Fund in amounts sufficient to redeem such Term Bonds in the years specified in the Purchase Contract.

At its option, to be exercised on or before the sixtieth (60th) day next preceding any mandatory redemption date, the Council may (i) deliver to the Trustee for cancellation Series 2022 Bonds of a maturity subject to mandatory redemption in part on such redemption date, in any aggregate principal amount desired or (ii) receive a credit in respect of its mandatory redemption obligation for any Series 2022 Bonds of a maturity subject to mandatory redemption in part on such redemption date, which, prior to such date, have been purchased or redeemed (otherwise than through the operation of the mandatory redemption requirement) by the Council and cancelled by the Trustee and not theretofore applied as a credit against any mandatory redemption obligation. Each such Series 2022 Bond so delivered or previously purchased or redeemed shall be credited by the Trustee at 100% of the principal amount thereof on the obligation of the City on such respective mandatory redemption obligations in chronological order, and the principal amount of such Series 2022 Bonds to be redeemed by operation of the mandatory redemption requirement shall be accordingly reduced.

Section 5. Appointment of Trustee, Paying Agent and Registrar; Maintenance of Offices for Payment, Transfer, and Exchange of Bonds. U.S. Bank Trust Company, National Association is hereby appointed to act as Trustee, Registrar and Paying Agent under the General Bond Ordinance and this First Supplemental Ordinance. The Trustee shall signify its acceptance of the duties of the Trustee, the Registrar and the Paying Agent hereunder upon delivery of the Series 2022 Bonds. As long as any Series 2022 Bonds remain Outstanding, the City shall maintain a Paying Agent and a Registrar therefor. The Trustee is hereby appointed, and shall initially act, as Registrar and Paying Agent. Series 2022 Bonds shall be presented for payment and for registration of transfers and exchanges, and
notices and demands to or upon the Trustee, and the City in respect of the Series 2022 Bonds may be served at the corporate trust office of the Registrar.

Section 6. Book-Entry System; Recording and Transfer of Ownership of Series 2022 Bonds. Unless and until the book-entry-only system described in this Section 6 has been discontinued, the Series 2022 Bonds will be available only in book-entry form in principal amounts of $5,000 or any integral multiple thereof. The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Series 2022 Bonds, and the ownership of one fully registered Series 2022 Bond for each maturity, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC.

So long as Cede & Co., as nominee of DTC, is the registered owner of the Series 2022 Bonds, references in this First Supplemental Ordinance to the Bondholders or registered owners of the Series 2022 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners. The City, the Trustee, the Registrar and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Series 2022 Bonds registered in its name for the purpose of payment of the principal of or interest or premium, if any, on the Series 2022 Bonds, giving any notice permitted or required to be given to Bondholders under the Ordinance, registering the transfer of Series 2022 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by any notice to the contrary. The City, the Trustee, the Registrar and the Paying Agent shall not have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the Series 2022 Bonds under or through DTC or any DTC Participant, or any other person which is not shown on the registration books kept by the Registrar as being a Bondholder, with respect to the accuracy of any records maintained by DTC or any DTC Participant; the payment by DTC or any DTC Participant of any amount in respect of the principal of or interest or premium, if any, on the Series 2022 Bonds; any notice which is permitted or required to be given to Bondholders thereunder or under the conditions to transfers or exchanges adopted by the City or the Trustee; or any consent given or other action taken by DTC as a Bondholder.

While the book-entry-only system is used for the Series 2022 Bonds, the Trustee will give any notice of redemption or any other notice required to be given to holders of the Series 2022 Bonds only to DTC.

Neither the City, the Trustee, the Registrar nor the Paying Agent will have any responsibility or obligation to such DTC Participants, or the persons for whom they act as nominees, with respect to payments actually made to DTC or its nominee, Cede & Co., as registered owner of the Series 2022 Bonds in book-entry form, or with respect to the providing of notice for the DTC Participants, the Indirect Participants, or the Beneficial Owners of the Series 2022 Bonds in book-entry form.

For every transfer and exchange of a beneficial ownership interest in the Series 2022 Bonds, a Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. If for any such reason the system of book-entry-only transfers through DTC is discontinued, Series 2022 Bond certificates will be delivered as described in the Ordinance in fully registered form in denominations of $5,000 or any integral multiple thereof in the names of Beneficial Owners or DTC Participants; provided, however, that in the case of any such discontinuance the City may within 90 days thereafter appoint a substitute securities depository which, in the City's opinion, is willing and able to undertake the functions of DTC upon reasonable and customary terms.

In the event the book-entry-only system is discontinued, the persons to whom Series 2022 Bond certificates are delivered will be treated as "Bondholders" for all purposes of the Ordinance, including the giving to the City or the Trustee of any notice, consent, request or demand pursuant to the Ordinance for
any purpose whatsoever. In such event, the Series 2022 Bonds will be transferable to such Bondholders, and interest on the Series 2022 Bonds will be payable as provided in Section 3(c) hereof.

Section 7. Use and Disposition of Series 2022 Bonds Proceeds.

Upon the delivery of the Series 2022 Bonds and receipt of the proceeds thereof, such proceeds (less Underwriter’s discount) shall be disposed of as described in a certificate of the City and as follows:

(a) such proceeds of the Series 2022 Bonds shall be deposited into the 2022 Construction Fund maintained by the Trustee to be utilized to pay Project Costs and Costs of Issuance of the Series 2022 Bonds.

Section 8. 2022 Debt Service Reserve Fund Account; 2022 Debt Service Reserve Fund Requirement. If as of the date of the initial delivery of the Series 2022 Bonds, the Mayor, upon advice of the Municipal Advisor, determines that the 2022 Debt Service Reserve Fund needs to be established for the issuance of the Series 2022 Bonds, then the Mayor shall provide the Trustee with a written direction to establish with the Trustee the 2022 Debt Service Reserve Fund on the date of original delivery of the Series 2022 Bonds for the benefit of the Holders of the Series 2022 Bonds pursuant to Section 6.04 of the General Bond Ordinance. The 2022 Debt Service Reserve Fund, if established, shall be held by the Trustee and maintained at the 2022 Debt Service Reserve Fund Requirement in accordance with the provisions of Section 6.04 of the General Bond Ordinance. The Trustee shall be entitled to rely upon any investment direction provided to it by an Authorized Representative as a certification to the Trustee that such investments constitute Investment Obligations permitted under the General Bond Ordinance. In the absence of written investment directions from an Authorized Representative, the Trustee shall hold the amounts in the 2022 Debt Service Reserve Fund uninvested in cash, without liability for interest.

Section 9. 2022 Construction Fund.

(a) There is hereby created and established the 2022 Construction Fund to be held by the Trustee, as the Custodian of the 2022 Construction Fund.

(b) Withdrawals from the 2022 Construction Fund shall be made only upon written certificate of an Authorized Representative. Except as set forth in paragraph (c) below, the City hereby authorizes the Trustee to disburse the moneys in the 2022 Construction Fund to the persons entitled thereto in accordance with instructions of an Authorized Representative in the form referred to below, only for the purpose of paying Project Costs and Costs of Issuance of the Series 2022 Bonds.

(c) Payments made from the 2022 Construction Fund shall be made by the Trustee only upon receipt of the certificate below described:

(1) A requisition signed by an Authorized Representative stating, with respect to each payment:

(i) the amount to be paid;

(ii) the nature and purpose of the obligation for which the payment is requested;

(iii) the person to whom the obligation is owed or to whom a reimbursable advance has been made;
(iv) that the obligation has been properly incurred and is a proper charge against the 2022 Construction Fund and has not been the basis of any previous withdrawal;

(v) that it has not received notice of any mechanic's, materialmen's or other liens or right to liens or other obligations (other than those being contested in good faith) which should be satisfied or discharged before payment of the obligation is made; and

(vi) that the payment does not include any amount which is then entitled to be retained under any holdbacks or retainages provided for in any agreement.

(2) With respect to any requisition for payment for work, materials, or supplies, a certificate signed by an Authorized Representative certifying that, insofar as the obligation was incurred for work, materials, or supplies in connection with the acquisition, construction, installation of the Project, the work was actually performed in a satisfactory manner, and the materials or supplies were actually used in or for the acquisition, construction, or installation of or delivered to the Project for that purpose in accordance with the approved plans and specifications; and

(3) Copies of all bills, invoices, or statements for all expenses for which the disbursement is requested.

(d) In making any payment from the 2022 Construction Fund, the Trustee may rely on directions, requisitions, and certifications delivered to it pursuant to this Section 9, and the Trustee shall not have any liability with respect to making payments in accordance with directions, requisitions, and certifications or any liability with respect to the proper application hereof by the City. The Trustee shall be liable only for its own negligent and willful misconduct. Any requisition made from the 2022 Construction Fund shall be in substantially the form attached hereto as Exhibit B.

(e) Promptly after the Completion Date, the Trustee shall transfer any moneys held in the 2022 Construction Fund and not needed to pay Project Costs as set forth in a certificate of an Authorized Representative to the Debt Service Fund, and such funds shall be used only to (i) pay the principal of, premium, if any, and interest on the Series 2022 Bonds; (ii) acquire outstanding Series 2022 Bonds at a price (exclusive of accrued interest) not exceeding the face amount thereof; or (iii) apply to other lawful purposes as permitted under the Enabling Act, provided an opinion of Bond Counsel is provided to the Trustee that such disposition will not jeopardize the tax-exemption of interest on the Series 2022 Bonds.

Section 10. Establishment of Completion Date. The Completion Date shall be evidenced to the Trustee by a certificate signed by an Authorized Representative stating that except for amounts retained for Project Costs incurred but not then due and payable, the Project has been completed in accordance with the approved plans and specifications therefor and all labor, services, materials, and supplies used in construction and improvement have been paid for, all other facilities necessary in connection with the Project have been constructed, acquired, and installed in accordance with the specifications therefor, and all costs and expenses incurred in connection therewith have been paid, and any other approvals or permits required by any government authority, for the use of the Project for its intended purposes have been obtained, including but not limited to, certificates that the construction and intended use of the Project are in compliance with all applicable zoning and building codes. Notwithstanding the foregoing, the certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of the certificate or which may subsequently come into being. It is the duty of the City to cause the certificate contemplated by this Section 10 to be furnished as soon as the Project shall have been completed.
Section 11. Certain Findings and Determinations. The City finds and determines:

(a) This Supplemental Ordinance supplements the Ordinance, constitutes and is a "Supplemental Ordinance" within the meaning of the quoted term as defined and used in the General Bond Ordinance, and is enacted under and pursuant to the Ordinance.

(b) The Series 2022 Bonds constitute and are "Bonds" within the meaning of the quoted word as defined and used in the Ordinance.

(c) The Pledged Fee Revenues pledged under the Ordinance are not encumbered by any lien or charge thereon or pledge thereof, other than the lien and charge thereon and pledge thereof created by the General Bond Ordinance, as amended and supplemented, providing for payment and security of the Bonds.

(d) There does not exist an Event of Default, nor does there exist any condition which, after the passage of time or the giving of notice, or both, would constitute an Event of Default under the Ordinance.

(e) The Series 2022 Bonds are being issued to finance the Project Costs and to pay Costs of Issuance related thereto.

(f) The estimated Project Costs is approximately $38,000,000.

Section 12. Continuing Disclosure.

(a) Pursuant to Section 11-1-85 of the Code of Laws of South Carolina, 1976, as amended, the City has covenanted to file with a central repository for availability in the secondary bond market, when requested, an annual independent audit, within 30 days of its receipt of the audit; and event specific information within 30 days of an event adversely affecting more than five (5%) percent of its revenue or tax base. The only remedy for failure by the City to comply with the covenant in this Section 12(a) shall be an action for specific performance of this covenant. The City specifically reserves the right to amend this covenant to reflect any change in or repeal of Section 11-1-85, without the consent of any Bondholder.

(b) In addition, the City hereby covenants and agrees for the benefit of the Holders of the Series 2022 Bonds that it will execute and deliver the Continuing Disclosure Undertaking to the Underwriter on the date of delivery of the Series 2022 Bonds in form similar to the one attached hereto as Exhibit C, and that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Supplemental Ordinance, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an Event of Default under the Ordinance; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this paragraph.

Failure to comply with either paragraph (a) or (b) of this Section 12 shall not constitute an Event of Default hereunder or under the Series 2022 Bonds.
Section 13. Award of Series 2022 Bonds; Official Statement.

(a) The Series 2022 Bonds are authorized to be sold to the Underwriter pursuant to the Purchase Contract, the form of which is to be approved by the Mayor. The Mayor is authorized to execute the Purchase Contract on behalf of the City provided the terms thereof are consistent with the terms hereof.

(b) The Council hereby authorizes one or more Preliminary Official Statements of the City relating to the Series 2022 Bonds, with any modification as the Mayor approves; the Council hereby authorizes the distribution of such Preliminary Official Statements, in printed and/or electronic format, in connection with the sale of the Series 2022 Bonds, and hereby authorizes the Mayor to deem it or them, as the case may be, final within the meaning of Securities and Exchange Commission Rule 15(c)(2)-12; the Council further authorizes the preparation and distribution of one or more final Official Statements, in printed and/or electronic format, following the sale of the Series 2022 Bonds; the Mayor is hereby authorized and directed to deliver such Official Statements to the Underwriter; and the Council hereby authorizes the use of the Official Statements and the information contained therein in connection with the public offering and sale of the Series 2022 Bonds by the Underwriter.

(c) A copy of this First Supplemental Ordinance shall be filed with the minutes of this meeting.

(d) The Council hereby authorizes and directs all of the officers and employees of the City to carry out or cause to be carried out all obligations of the City under the Ordinance and to perform all other actions as they shall consider necessary or advisable in connection with the issuance, sale, and delivery of the Series 2022 Bonds.


(a) The Series 2022 Bonds and the interest thereon shall be exempt from all State, county, municipal, school district, and all other taxes or assessments in the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, or transfer taxes.

(b) The City shall not take any action or permit or suffer any action to be taken if the result would be to cause the Series 2022 Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(c) The City shall not take, or permit or suffer to be taken, any action with respect to the gross proceeds of the Series 2022 Bonds which would cause the Series 2022 Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

Section 15. Interested Parties. To the extent that the Ordinance confers upon or gives or grants to any Person any right, remedy or claim under or by reason of the Ordinance, such Person is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Nothing in the Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the City and the Registered Holders of the Series 2022 Bonds, any right, remedy or claim under or by reason of the Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in the Ordinance contained
by and on behalf of the City shall be for the sole and exclusive benefit of the City and the Registered Holders of the Series 2022 Bonds.

**Section 16. Additional Provisions.** As supplemented herein, the General Bond Ordinance remains in full force and effect and shall govern the issuance of the Series 2022 Bonds.

**Section 17. Additional Documents.** The Mayor, the Chief Financial Officer and the Clerk are fully authorized and empowered to take any further action and to execute and deliver any closing documents or agreements as may be necessary and proper to effect the financing of the Project and the issuance and delivery of the Series 2022 Bonds in accordance with the terms and conditions hereinabove set forth, and the action of the officers or any one or more of them in executing and delivering any documents or agreements, in the form as he, she, or they shall approve, is hereby fully authorized.

**Section 18. Section Headings: Table of Contents.** The headings and titles of the several sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation, or effect of this First Supplemental Ordinance.

**Section 19. Notices.**

(a) All notices, certificates, or other communications hereunder or under the Ordinance shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed as follows:

If to the City:

City of Charleston  
116 Meeting Street  
Charleston, South Carolina 29401  
Attention: Chief Financial Officer

If to the Trustee:

U.S. Bank Trust Company, National Association  
1441 Main Street, Suite 775  
Mail Code: EX-SC-WMSC  
Columbia, South Carolina 29201  
Attention: Corporate Trust Department

(b) The City, the Trustee and any Custodian may, by written notice given to the other parties, designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent.

**Section 20. Bond Insurance.** Upon the recommendation of the Underwriter and the Municipal Advisor, the Mayor is authorized to accept a premium for a municipal bond insurance policy with respect to the Series 2022 Bonds and a surety bond to satisfy the 2022 Debt Service Reserve Fund Requirement, if any. Proceeds of the Series 2022 Bonds may be used to pay the premiums for the municipal bond insurance policy and the surety bond. The Mayor is authorized to execute and deliver on behalf of the City one or more insurance agreements between the City and the bond insurer (the "Insurance Agreement") setting forth certain covenants of the City; providing for the procedure for
payment of principal and interest when due under the municipal bond insurance policy; providing for all matters related to the surety bond; and granting certain rights to the bond insurer and the Trustee with respect thereto. An event of default under the Insurance Agreement shall constitute an event of default under this First Supplemental Ordinance. In the event of any conflict between the General Bond Ordinance, this First Supplemental Ordinance and the Insurance Agreement, the Insurance Agreement shall control. The Insurance Agreement, if entered into, will be fully effective as if stated herein.

Section 21. Effective Date. This First Supplemental Ordinance shall become effective immediately upon its enactment.

Done in meeting duly assembled this 12th day of April, 2022.

CITY OF CHARLESTON, SOUTH CAROLINA

________________________________________________________________________
Mayor

Attest:

________________________________________________________________________
City Clerk

First Reading: March 22, 2022
Second and Third Readings: April 12, 2022
FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF CHARLESTON
HOSPITALITY TAX REVENUE BONDS
SERIES 2022

NO. R-__ $___________

<table>
<thead>
<tr>
<th>INTEREST RATE</th>
<th>MATURITY DATE</th>
<th>ORIGINAL DATE</th>
<th>CUSIP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

REGISTERED HOLDER: CEDE & CO.

PRINCIPAL SUM: ___________________________ and NO/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the City of Charleston, South Carolina (hereinafter called the “City”), a body politic and corporate and a municipal corporation organized and existing under the laws of the State of South Carolina (the “State”), is justly indebted, and, for value received, hereby promises to pay, but only from the Pledged Fee Revenues (as hereinafter defined) pledged to the payment hereof, to the Registered Holder, or registered assigns, hereof on the Maturity Date set forth above, the Principal Sum set forth above (unless this bond be subject to redemption and shall have been duly called for previous redemption and payment of the redemption price made or provided for), and to pay interest on the Principal Sum from the date hereof or from the March 1 or September 1 next preceding the date of authentication to which interest shall have been paid, unless the date of authentication is a March 1 or September 1 to which interest shall have been paid, in which case from that date, interest being payable to the maturity hereof on March 1 and September 1 of each year (those dates being hereinafter referred to as the “Interest Payment Dates”), commencing September 1, 2022, at the Interest Rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months), until payment of the Principal Sum.

The interest so payable and to be punctually paid or duly provided for on any Interest Payment Date will be paid to the person in whose name this bond is registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding the Interest Payment Date (the “Regular Record Date”), mailed to the Registered Holder hereof by U.S. Bank Trust Company, National Association (the “Trustee”) at the address as it appears on the registration books (the “Books of Registry”) of the Trustee or at any other address as is furnished in writing by the Registered Holder to the Trustee; provided that payment to any Registered Holder of $1,000,000 or more of the Series 2022 Bonds (as hereinafter defined) may be made by wire transfer to an account in the continental United States in accordance with written instructions filed thereto no later than the Record Date. The principal of and premium, if any, of this bond, when due, shall be payable upon presentation and surrender of this bond at
the designated corporate trust office of the Trustee. Both the principal of and interest on this bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.


This bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments of the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except estate, transfer or certain franchise taxes.

It is hereby certified and recited that all acts, conditions, and things required by the Constitution and laws of the State to exist, to happen, and to be performed precedent to or in the issuance of this bond exist, have happened, and have been done and performed in regular and due time, form, and manner, and that the amount of this bond, and the issue of which this bond is one, does not exceed any constitutional or statutory limitation thereon.

This bond shall not be entitled to any benefit under the Ordinance (as hereinafter defined) or become valid or obligatory for any purpose until it shall have been authenticated by the execution of the Certificate of Authentication which appears hereon by an authorized officer of the Trustee as Bond Registrar.

This bond is one of a series of bonds (the “Series 2022 Bonds”) of like tenor and effect, except as to number, denomination, date of maturity, rate of interest, date of authentication, registered owner, and redemption provisions, aggregating ________________ Dollars ($_______) issued pursuant to a General Bond Ordinance enacted by the City Council of the City on April 12, 2022 and a First Supplemental Ordinance enacted by the City Council of the City on April 12, 2022 (collectively, the “Ordinance”), and under and in full compliance with the Constitution and statutes of the State, including particularly Section 14, Paragraph 10 of Article X of the Constitution, and the Enabling Statute, to obtain funds to defray Project Costs and pay Costs of Issuance related thereto (all as defined in the Ordinance).

The Series 2022 Bonds which mature subsequent to September 1, 20__, shall be subject to redemption prior to maturity, at the option of the Council, on and after September 1, 20__, as a whole or in part at any time, and, if in part, in the maturities as designated by the Council (but only in integral multiples of $5,000 denominations) and by lot within a maturity, at the redemption price of par, together, in each case, with the interest accrued on the principal amount to the date fixed for redemption.
The Series 2022 Bonds maturing on September 1, ____, are also subject to mandatory sinking fund redemption, prior to maturity, at par plus accrued interest to the redemption date on September 1, ____, and each September 1 thereafter, to and including September, ____, in the following principal amounts on the dates specified below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Principal Amount</th>
</tr>
</thead>
</table>

*Final maturity.*

The Series 2022 Bonds to be redeemed in compliance with the mandatory redemption requirements shall be selected by lot by the Trustee.

In the event any of the Series 2022 Bonds shall be called for redemption, notice of redemption shall be given by first-class mail, not less than thirty (30) days and not more than sixty (60) days prior to the redemption date, to the Registered Holder of each Series 2022 Bond to be redeemed in whole or in part at the address shown on the Books of Registry. Failure to give notice by mail, or any defect in any notice so mailed, to the Registered Holder of any Series 2022 Bond shall not affect the validity of the proceedings for redemption of any other Series 2022 Bonds. Interest on the Series 2022 Bonds or portion thereof to be redeemed shall cease to accrue from and after the redemption date specified in the notice, unless the City defaults in making due provisions for the payment of the redemption price thereof.

All principal, interest, or other amounts due hereunder shall be payable only to the Registered Holder hereof. The City designates the Trustee as the Bond Registrar and directs the Trustee as Bond Registrar to maintain the Books of Registry for the registration or transfer of this bond. This bond may not be transferred except by the Registered Holder hereof in person or by his duly-authorized attorney in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee as Bond Registrar duly executed by the Registered Holder of this bond or his duly-authorized attorney. Any purported assignment in contravention of the foregoing requirements shall be, as to the City, absolutely null and void. The person in whose name this bond shall be registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of the principal of and interest on this bond shall be made only to or upon the order of the Registered Holder or his duly-authorized attorney. All payments made in this manner shall be valid and effective to satisfy and discharge the liability of the City upon this bond to the extent of the sum or sums paid. No person other than the Registered Holder shall have any right to receive payments, pursue remedies, enforce obligations, or exercise or enjoy any other rights under this bond against the City. Notwithstanding the foregoing, nothing herein shall limit the rights of a person having a beneficial interest in this bond as against a person (including the Registered Holder) other than the City, as in the case where the Registered Holder is a trustee or nominee for two or more beneficial owners of an interest in this bond.

Neither the City nor the Trustee, as Bond Registrar, shall be required (a) to exchange or transfer the Series 2022 Bonds (i) from the Regular Record Date to the next succeeding Interest Payment Date or
(ii) for a period of fifteen (15) days following any selection of Series 2022 Bonds to be redeemed or thereafter until after the first publication or mailing of any notice of redemption or (b) to transfer any Series 2022 Bonds called for redemption.

The principal of, premium, if any, and interest on the Series 2022 Bonds are payable solely from the Pledged Fee Revenues (as defined in the Ordinance). The pledge of and lien on the Pledged Fee Revenues made to secure the payment of the Series 2022 Bonds has priority over all other pledges of and liens on the Pledged Fee Revenues except the pledge and lien in favor of bonds issued or to be issued under the Ordinance on a parity with the Series 2022 Bonds.

No recourse shall be had for the payment of the principal of, premium, if any, and interest on the Series 2022 Bonds against the several funds of the City, except in the manner and to the extent provided in the Ordinance, nor shall the credit or taxing power of the City be deemed to be pledged to the payment of the Series 2022 Bonds. The Series 2022 Bonds shall not be a charge, lien, or encumbrance, legal or equitable, upon any property of the City or upon any income, receipts, or revenues of the City, other than the Pledged Fee Revenues that have been pledged to the payment thereof, and this bond is payable solely from the Pledged Fee Revenues pledged to the payment thereof, and the City is not obligated to pay the same except from the Pledged Fee Revenues.

Whenever the terms of this bond require any action be taken on a Saturday, Sunday, or legal holiday or bank holiday in the State or in any state where the corporate trust office of the Trustee is located, the action shall be taken on the first business day occurring thereafter.

The Ordinance contains provisions defining terms; sets forth the terms and conditions upon which the covenants, agreements, and other obligations of the City made therein may be discharged at or prior to the maturity of this bond with provisions for the payment thereof in the manner set forth in the Ordinance; and sets forth the terms and conditions under which the Ordinance may be amended or modified with or without the consent of the Registered Holder of this bond. Reference is hereby made to the Ordinance, to all the provisions of which any Registered Holder of this bond by the acceptance hereof thereby assents.
IN WITNESS WHEREOF, THE CITY OF CHARLESTON, SOUTH CAROLINA, has caused this bond to be signed in its name by the Mayor and attested by the City Clerk.

CITY OF CHARLESTON, SOUTH CAROLINA

__________________________________
Mayor

Attest:

__________________________________
City Clerk
CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue designated herein and issued under the provisions of the within-mentioned Ordinance.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as Bond Registrar

________________________________________
Authorized Agent

Date of Authentication:____________________
The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants in entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - _____________________________________________
                        (Cust)

Custodian _______________________________________________________
                        (Minor)

under Uniform Gifts to Minors Act _________________________________
                        (State)

Additional abbreviations may also be used, though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto ____________________________________________ (Social Security No. or other Identifying Number of Assignee ____________________________________) the within Bond of the CITY OF CHARLESTON, SOUTH CAROLINA, and does hereby irrevocably constitute and appoint __________________________________ 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 who is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.
FORM OF REQUISITION

S
City of Charleston, South Carolina
Hospitality Tax Revenue Bonds
Series 2022

Requisition No.: __________________

Total Requisition Amount: $______________

With regard to the General Bond Ordinance enacted on April 12, 2022 and the First Supplemental Ordinance enacted on April 12, 2022, (collectively, the “Bond Ordinance”) by the City Council of the City of Charleston, South Carolina (the “City”), authorizing the issuance of $__________ Hospitality Tax Revenue Bonds, Series 2022, of the City, the following information is submitted with respect to the Project Costs or the Costs of Issuance (as defined in the Bond Ordinance):

(a) The amount to be paid: $__________________________.

(b) The nature or purpose of the obligation for which this payment is requested is:

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________.

(c) The name and address of the person, firm or corporation to whom such obligation is owed or to whom a reimbursable advance has been made and the manner of payment of such obligation or reimbursable advance:

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________.

(d) This obligation has been properly incurred and is a proper charge against the 2022 Construction Fund and has not been the basis of any previous withdrawal.

(e) With respect to Project Costs, the City has not received notice of any mechanic’s, materialmen’s or other liens or right to liens or other obligations (other than those being contested in good faith) which should be satisfied or discharged before payment of such obligation is made.

(f) With respect to Project Costs, this payment does not include any amount which is currently entitled to be retained under any holdbacks or retainages provided for in any agreement.

With respect to a Project Cost, this obligation was incurred for work, material or supplies in connection with the acquisition, construction or installation of the Project (as defined in the Bond
Ordinance); and such work was actually performed in a satisfactory manner and such materials or supplies were actually used in or for such acquisition, construction or installation or delivered to the Project for that purpose in accordance with the approved plans and specifications.

Attached is the written bill, invoice or statement for all expenses for which the disbursement is requested from the party providing the items or services for which payment is to be made.

CITY OF CHARLESTON, SOUTH CAROLINA

By:______________________________

Authorized Representative

Dated:___________________________
DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (this “Disclosure Agreement”), dated as of __________, 2022, is executed and delivered by the City of Charleston, South Carolina (the “City”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) in order to assist the City in processing certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the City through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the City or anyone on the City’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary. DAC is not a “Municipal Advisor” as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended, and related rules.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Audited Financial Statements” means the annual financial statements of the City for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i)(B) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the obligations as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Event Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the City and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the City pursuant to Section 9 hereof.

C-1
"Disclosure Representative" means the Chief Financial Officer of the City or his or her designee, or such other person as the City shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Failure to File Event" means the City's failure to file an Annual Report on or before the Annual Filing Date.

"Financial Obligation" as used in this Disclosure Agreement is defined in the Rule, as may be amended, as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). 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.

"Force Majeure Event" means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"Holder" means any person (a) having 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, depositaries or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

"Information" means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor thereto, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Notice Event" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

"Obligated Person" means any person, including the City, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities) as shown on Exhibit A.

"Official Statement" means that Official Statement prepared by the City in connection with the Bonds, as listed on Exhibit A.

"Trustee" means the institution identified as such in the document under which the Bonds were issued.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(10) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

"Voluntary Financial Disclosure" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.
SECTION 2. Provision of Annual Reports.

(a) The City shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than seven months after the end of each fiscal year of the City, commencing with the fiscal year ending December 31, 2022. Such date and each anniversary thereof is the Annual Filing Date. 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.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the City of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the City will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 10:00 a.m. Eastern time on an Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the City irrevocably directs the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B, without reference to the anticipated filing date for the Annual Report, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the City are prepared but not available prior to the Annual Filing Date, the City shall, when the Audited Financial Statements are available, provide at such time an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) hereof with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) hereof with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) hereof with the MSRB, identifying the Notice Event as instructed by the City pursuant to Section 4(a) or 4(b)(ii) hereof (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies";

2. "Non-Payment related defaults, if material";

3. "Unscheduled draws on debt service reserves reflecting financial difficulties";

4. "Unscheduled draws on credit enhancements reflecting financial difficulties";
5. "Substitution of credit or liquidity providers, or their failure to perform";

6. "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 status of the Bonds;

7. "Modifications to rights of securities holders, if material";

8. "Bond calls, if material, and tender offers";

9. "Defeasances";

10. "Release, substitution, or sale of property securing repayment of the securities, if material";

11. "Rating changes";

12. "Bankruptcy, insolvency, receivership or similar event of the Obligated Person";

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, 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;

14. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material";

15. "Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material," and

16. "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) hereof with the MSRB, identifying the Voluntary Event Disclosure as instructed by the City pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. "amendment to continuing disclosure undertaking";

2. "change in obligated person";
3. "notice to investors pursuant to bond documents";
4. "certain communications from the Internal Revenue Service" other than those communications included in the Rule;
5. "secondary market purchases";
6. "bid for auction rate or other securities";
7. "capital or other financing plan";
8. "litigation/enforcement action";
9. "change of tender agent, remarketing agent, or other on-going party"; and
10. "other event-based disclosures".

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) hereof with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the City pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:
1. "quarterly/monthly financial information";
2. "change in fiscal year/timing of annual disclosure";
3. "change in accounting standard";
4. "interim/additional financial information/operating data";
5. "budget";
6. "investment/debt/financial policy";
7. "information provided to rating agency, credit/liquidity provider or other third party";
8. "consultant reports"; and
9. "other financial/operating data."

(viii) provide the City evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The City may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Anything in this Disclosure Agreement to the contrary notwithstanding, any Information received by the Disclosure Dissemination Agent before 10:00 a.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided,
however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3.  Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the City for the prior fiscal year, including the information provided in the tables in the Official Statement under the following headings:

(a) [Hospitality Tax Receipts]; and
(b) [Historical Debt Service Coverage].

(b) Audited Financial Statements as described in the Official Statement will be included in the Annual Report. If audited financial statements are not available, then unaudited financial statements, prepared in accordance with Generally Accepted Accounting Principles as described in the Official Statement will be included in the Annual Report. In such event, Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an Obligated Person (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or are available on the MSRB Internet Website. 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.

If the Annual Financial Information contains modified operating data or financial information different from the Annual Financial Information agreed to in the continuing disclosure undertaking related to the Bonds, the City is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4.  Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. 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 status of the Bonds;
7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person 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 Obligated Person, 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 Obligated Person;

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, 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;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

15. Incurrence of a Financial Obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligated Person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties.

The City shall, in a timely manner not later than nine (9) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the City desires to make, contain the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information, and identify the date the City desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the City or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the City determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that either (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the City desires to make, contain the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information, and identify the date the City desires for the Disclosure Dissemination Agent to disseminate the
information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the City as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with the MSRB in accordance with Section 2(e)(iv) of this Disclosure Agreement. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. The City will provide the Dissemination Agent with the CUSIP numbers for (i) new bonds at such time as they are issued or become subject to the Rule and (ii) any Bonds to which new CUSIP numbers are assigned in substitution for the CUSIP numbers previously assigned to such Bonds.

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 duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. 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.

SECTION 7. Voluntary Filing.

(a) The City may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the City desires to make, contain the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information, and identify the date the City desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the City as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The City may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the City desires to make, contain the written authorization of the City for the Disclosure Dissemination Agent to disseminate such information, and identify the date the City desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the City as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the City is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) 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, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the City chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any

SECTION 8. Termination of Reporting Obligation. The obligations of the City and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the City is no longer an Obligated Person, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The City has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The City may, upon thirty days’ written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC’s services as Disclosure Dissemination Agent, whether by notice of the City or DAC, the City agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to 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, the City shall remain liable to the Disclosure Dissemination Agent, until payment in full, for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days’ prior written notice to the City.

SECTION 10. Remedies in Event of Default. In the event of a failure of the City or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Disclosure Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' 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, Immunities and Liabilities of 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 information at the times and with the contents described herein shall be limited to the extent the City has provided such 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 any Information or any other information, disclosures or notices provided to it by the City and shall not be deemed to be acting in any fiduciary capacity for the City, the Holders of the Bonds or any other party. 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. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the City at all times.

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 its 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 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.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.
SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the City and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the City and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the City nor the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days' prior written notice of the intent to do so together with a copy of the proposed amendment to the City. No such amendment shall become effective if the City shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the City, the Trustee, if any, of the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of South Carolina (other than with respect to conflicts of laws).

SECTION 15. 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.

The Disclosure Dissemination Agent and the City have caused this Disclosure Dissemination Agent Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By: ____________________________
Name: __________________________
Title: ____________________________

CITY OF CHARLESTON, SOUTH CAROLINA

By: ____________________________
Name: __________________________
Title: ____________________________
EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer: City of Charleston, South Carolina
Obligated Person: City of Charleston, South Carolina
Name of Issue: $__________ Hospitality Tax Revenue Bonds, Series 2022
Date of Issuance: ____________, 2022
Date of Official Statement: ____________, 2022

CUSIP Numbers:

<table>
<thead>
<tr>
<th>September 1</th>
<th>CUSIP</th>
<th>September 1</th>
<th>CUSIP</th>
</tr>
</thead>
</table>

C-11
EXHIBIT B
NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Obligated Person: City of Charleston, South Carolina
Name of Issue: $__________ Hospitality Tax Revenue Bonds, Series 2022
Date of Issuance: _____________, 2022

CUSIP Numbers:

| September 1 | CUSIP | September 1 | CUSIP |

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Dissemination Agent Agreement, dated as of _____________, 2022, between the City and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The City has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____________.

Dated: __________________________

Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent, on behalf of the Obligated Person

cc: Obligated Person

C-12
EXHIBIT C-1
EVENT NOTICE COVER SHEET

This cover sheet and accompanying “event notice” may be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer’s and/or Other Obligated Person’s Name:

Issuer’s Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

Number of pages attached: ______

____ Description of Notice Events (Check One):

1.____ “Principal and interest payment delinquencies;”
2.____ “Non-Payment related defaults, if material;”
3.____ “Unscheduled draws on debt service reserves reflecting financial difficulties;”
4.____ “Unscheduled draws on credit enhancements reflecting financial difficulties;”
5.____ “Substitution of credit or liquidity providers, or their failure to perform;”
6.____ “Adverse tax opinions, IRS notices or events affecting the tax status of the security;”
7.____ “Modifications to rights of securities holders, if material;”
8.____ “Bond calls, if material, and tender offers;”
9.____ “Defeasances;”
10.____ “Release, substitution, or sale of property securing repayment of the securities, if material;”
11.____ “Rating changes;”
12.____ “Bankruptcy, insolvency, receivership or similar event of the obligated person;”
13.____ “Merger, consolidation, or acquisition of the obligated person, if material;”
14.____ “Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”
15.____ “Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material;” and
16.____ “Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.”

____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

______________________________

Name: ______________________________

______________________________

Title:

Digital Assurance Certification, L.L.C.
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date:
EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" may be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of ____________, 2022 between the Obligated Person and DAC.

Issuer’s and/or Other Obligated Person’s Name: ______________________________

Issuer’s Six-Digit CUSIP Number: ______________________________

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

___ Description of Voluntary Event Disclosure (Check One):

1. _____“amendment to continuing disclosure undertaking;”
2. _____“change in obligated person;”
3. _____“notice to investors pursuant to bond documents;”
4. _____“certain communications from the Internal Revenue Service;”
5. _____“secondary market purchases;”
6. _____“bid for auction rate or other securities;”
7. _____“capital or other financing plan;”
8. _____“litigation/enforcement action;”
9. _____“change of tender agent, remarketing agent, or other on-going party; and”
10. _____“other event-based disclosures.”

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: ______________________________

Name: ______________________________ Title: ______________________________

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100
EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying “voluntary financial disclosure” will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of ____________, 2022 between the Obligated Person and DAC.

Issuer's and/or Other Obligated Person's Name:

________________________________________________________________________

Issuer's Six-Digit CUSIP Number:

________________________________________________________________________

or Nine-Digit CUSIP Number(s) of the obligations to which this notice relates:

________________________________________________________________________

Number of pages attached: _____

___ Description of Voluntary Financial Disclosure (Check One):

1. ___“quarterly/monthly financial information;”
2. ___“change in fiscal year/timing of annual disclosure;”
3. ___“change in accounting standard;”
4. ___“interim/additional financial information/operating data;”
5. ___“budget;”
6. ___“investment/debt/financial policy;”
7. ___“information provided to rating agency, credit/liquidity provider or other third party;”
8. ___“consultant reports;” and
9. ___“other financial/operating data.”

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

________________________________________________________________________

Name: ________________________________ Title: _______________________________

Digital Assurance Certification, L.L.C.
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date:
STATE OF SOUTH CAROLINA   )
COUNTY OF CHARLESTON  )

CERTIFICATE OF ORDINANCE

I, the undersigned, City Clerk of the City of Charleston, South Carolina, DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance which was given three readings, with an interval of at least six days between first and second readings. The original of this Ordinance is duly entered in the permanent records of minutes of meetings of the City Council, in my custody as City Clerk.

That each of said meetings was duly called, and all members of the City Council were notified of the same; that at least a quorum of the membership remained throughout the proceedings incident to the enactment of this Ordinance.

IN WITNESS WHEREOF, I have hereunto set my Hand this 12th day of April, 2022.

______________________________
City Clerk
City of Charleston, South Carolina

First reading: March 22, 2022
Second and Third Readings: April 12, 2022
COMMITTEE / COUNCIL AGENDA

TO: John J. Tecklenburg, Mayor
FROM: Jason Koonsberg
DEPT.: Parks Department
SUBJECT: Deposit of PalmettoPride’s 2022 Keep South Carolina Beautiful Grant Award of $9,350
REQUEST: To approve the deposit of PalmettoPride’s 2022 Keep South Carolina Beautiful Grant Award in the amount of $9,350, for Keep Charleston Beautiful to utilize for litter reduction events, litter education & awareness programming, and beautification efforts within the City of Charleston.

COMMITTEE OF COUNCIL: W&M
DATE: March 22, 2022

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

Corporate Counsel: Yes
Cap. Proj. Cmte. Chair: Yes
Director of Parks: Yes
Grants Manager: Yes
Signature of Individual Contacted: [Signature]
Attachment: 

FUNDING: Was funding previously approved? Yes [X] No [ ] N/A [ ]
If yes, provide the following:
Dept/Div.: 
Account #: 
Balance in Account: 
Amount needed for this item: 

Does this document need to be recorded at the RMC’s Office? Yes [ ] No [X]

NEED: Identify any critical time constraint(s).

Due to time constraint this grant was accepted on February 15, 2022

CFO’s Signature: [Signature]

FISCAL IMPACT:

No City Match Required.

Mayor’s Signature: [Signature] John J. Tecklenburg, Mayor

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor’s Signature) PACKAGE IS DUE IN THE CLERK OF COUNCIL’S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK’S AGENDA MEETING.
February 9, 2022

Jamie Gillette
Keep Charleston Beautiful
823 Meeting Street
Charleston, SC, SC 29403

Dear Mrs. Gillette:

We are pleased to announce that Keep Charleston Beautiful has been selected to receive a Keep South Carolina Beautiful Support Grant in the amount of $9,350.00.

Listed below are the items that have been approved for funding:

- $350.00  KAB Affiliate Fee
- $1,500.00  Volunteer Tshirts
- $600.00  KSCB Conference
- $2,000.00  Education Coordinator
- $1,000.00  ArcMate Grabbers
- $500.00  Branded Volunteer Vests
- $500.00  Recycling Bin Decal/Signage
- $100.00  Sanitizer & Bug Spray
- $100.00  Yard bags
- $200.00  Small hand tools
- $500.00  Compost hauling services
- $400.00  Paint
- $750.00  Native Pollinator Plants/Seeds

Please find enclosed the Keep SC Beautiful Grant Guidelines. You will need to fill out the attached Guidelines Acknowledgement page. Please send the signed document via fax at (803) 758-6032 or e-mail at sjenkins@palmettopride.org. Maintain original documents in your files. You will not receive your grant check until I receive this signed page.

Also, if you have an outstanding grant and/or are not in good standing with national KAB, you will not receive your 2022 grant award check until you have retained good standing status and submitted all necessary reports for your previous grant.

Again, congratulations on your award. We applaud your organization and look forward to working with you through this grant.

Sincerely,

Sherryl Jenkins
Grants Coordinator

Enclosure
KEEP SOUTH CAROLINA BEAUTIFUL GRANT
GUIDELINES ACKNOWLEDGEMENT

The Keep South Carolina Beautiful grants will be awarded for one year. The grant period will begin on December 1 and end on November 30. This grant is provided with the understanding that the program will be operated as projected and the funds will be spent as budgeted.

1. Any changes to your budget must be requested in writing and approved by PalmettoPride.
2. Must maintain good standing status with the national Keep America Beautiful office.
3. Each grantee must submit the following online reports:
   a. Midyear report detailing the progress of the grant project by June 30.
   b. Final summary report is due no later than November 30.
      Include supporting documents such as:
      i. All photographs and photocopies of all newspaper articles.
      ii. All letters of commendation and other related documents.
   c. Expenditures report, including all receipt copies, must be completed by November 30.
4. Grant funds may not be used for any horticultural purposes unless a long-term maintenance agreement has been reached between the recipient and a local governmental entity or established business. Recipients must submit a letter of commitment from the entity providing long-term maintenance.
5. The PalmettoPride logo must appear on all printed and promotional items associated with the grant project (e.g., t-shirts, signs, invitations, promo items, etc.). PalmettoPride must have final approval on all printed materials prior to publication. To get a copy of the logo, contact Sherryl Jenkins via email at sjenkins@palmettopride.org.
6. Recipients shall ensure that all slogans, logos and messages associated with the grant project are consistent with the PalmettoPride mission. Use of the PalmettoPride logo must be pre-approved by PalmettoPride. Bumper stickers created by the recipient using grant funds shall only contain local messages. Local initiatives shall not duplicate on-going PalmettoPride programs, such as Litter Busters Hotline. Local campaigns should enhance and support statewide initiatives.

If you fail to comply with these guidelines or to fulfill your proposed grant obligations, PalmettoPride reserves the right to request items and/or financial reimbursement of the amount granted. Failure to submit required reports shall disqualify the recipient for future grants.

Please sign this page and return it to our office via mail or fax (803) 758-6032. Maintain original in your files. If you have any questions or concerns regarding the above guidelines, please contact Sherryl Jenkins, Grants Coordinator, at (803) 758-6034 or via email at sjenkins@palmettopride.org.

Keep Charleston Beautiful

Organizer

Signature of Project Coordinator for Grant (Contact Person)  Date

Please note: The contact person identified above will receive the grant check and all grant-related correspondence.
CPR COMMITTEE and/or COUNCIL AGENDA

TO: John J. Tecklenburg, Mayor
FROM: Chase Anderson / Andrew Jones DEPT. Parks – Capital Projects
SUBJECT: MUNICIPAL OPERATIONS COMPLEX PROFESSIONAL SERVICES CONTRACT
REQUEST: Approval of a Professional Services contract with Stubbs, Muldrow, Herrin Architects in the amount of $255,178.00 for services including a complete inventory of existing facilities, equipment and vehicles, a needs assessment survey and interview with staff, a site analysis of 1820 Harmon St. (W.R. Grace site) and adjoining properties and a conceptual master plan including the programming of space and building interiors for the replacement of the current City operational facilities located at Milford St.

COMMITTEE OF COUNCIL: Ways & Means DATE: March 22, 2022

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

CPR Committee Chair Yes N/A Signature of Individual Contacted Attachment
Corporate Counsel X
Capital Projects Director
MBE Manager

FUNDING: Was funding previously approved? Yes ☑ No ☐ N/A ☐
If yes, provide the following: Dept/Div Parks-Capital Projects Acct # 051630-58238
Balance in Account $255,178.00 Amount needed for this item $255,178.00 Project Number CP2109

NEED: Identify any critical time constraint(s).

CFO’s Signature: Amy Wharton

FISCAL IMPACT: Approval of the professional services contract will obligate $255,178.00 of the $600,000.00 project budget. Funding sources for this project are 2019 General Fund Reserves ($600,000.00).

Mayor’s Signature: John J. Tecklenburg, Mayor

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor’s Signature) PACKAGE IS DUE IN THE CLERK OF COUNCIL’S OFFICE NO LATER THAN 10:00 A.M. THE DAY OF THE CLERK’S AGENDA MEETING.
AGREEMENT made as of the ______ day of February in the year 2022
(In words, indicate day, month and year.)

BETWEEN the Architect's client identified as the Owner:
(Name, legal status, address, and other information)

City of Charleston
Department of Parks
823 Meeting Street
Charleston, SC 29403

and the Architect:
(Name, legal status, address, and other information)

SMHa, Inc.
400 Hibben Street, Suite 100
Mt. Pleasant, SC 29464

for the following Project:
(Name, location, and detailed description)

CP 2109 City Operations Facilities Complex

The Construction Manager (if known):
(Name, legal status, address, and other information)

Edifice General Contractors
716 Meeting Street
Charleston, SC 29403

The Owner and Architect agree as follows.

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An Additions and Deletions Report that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A201–2017™, General Conditions of the Contract for Construction; A133–2019™ Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price; and A134–2019™ Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee without a Guaranteed Maximum Price. AIA Document A201™-2017 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.
TABLE OF ARTICLES

1 INITIAL INFORMATION
2 ARCHITECT’S RESPONSIBILITIES
3 SCOPE OF ARCHITECT’S BASIC SERVICES
4 SUPPLEMENTAL AND ADDITIONAL SERVICES
5 OWNER’S RESPONSIBILITIES
6 COST OF THE WORK
7 COPYRIGHTS AND LICENSES
8 CLAIMS AND DISPUTES
9 TERMINATION OR SUSPENSION
10 MISCELLANEOUS PROVISIONS
11 COMPENSATION
12 SPECIAL TERMS AND CONDITIONS
13 SCOPE OF THE AGREEMENT

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.
(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")

§ 1.1.1 The Owner’s program for the Project:
(Insert the Owner’s program, identify documentation that establishes the Owner’s program, or state the manner in which the program will be developed.)

Scope of Work is divided into two (2) phases.

Phase I design is to include those services required to inventory existing conditions at the Milford Street site, inventory existing spaces and equipment, assess the City’s programmatic needs, and determine appropriateness of one or more sites to provide for those programmatic needs. Through drawings and narratives, the Architect will provide a level of conceptual design, to include site plans, floor plans, building massing, materiality, and systems, to convey design intent to the Construction Manager. The Construction Manager will develop a Preliminary Guaranteed Maximum Price (pGMP), consulting with the Architect as required. The professional fees for Phase I design are incorporated into this Agreement.

Phase II design will be contingent upon the City’s approval of the Preliminary Guaranteed Maximum Price (pGMP) and the acquisition of the viable site(s) identified, developed in Phase I. Phase II design will be comprised of the Basic Services included in this Agreement, Civil Engineering and Landscape Architecture, and any Additional Services negotiated at that time. Due to the uncertainty of funding and site acquisition schedules, the pGMP will be adjusted and professional fees for Phase II will be negotiated at that future date to be established.
§ 1.1.2 The Project’s physical characteristics:
(Identify or describe pertinent information about the Project’s physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site, etc.)

Phase I services will include site analysis and design of the City-owned property (PID 4640200051). Additional sites may be added for analysis and design through the 6.3 Changes in the Work subsection of this contract.

§ 1.1.3 The Owner’s budget for the Cost of the Work, as defined in Section 6.1:
(Provide total and, if known, a line item breakdown.)

The development of the pGMP in Phase I will inform the owner’s budgeting process for Phase II of the project.

§ 1.1.4 The Owner’s anticipated design and construction milestone dates:

.1 Completion of Phase I services for the Construction Manager to develop a pGMP:
   Six (6) months from Notice to Proceed

.31 Design phase milestone dates, if any:
   TBD at commencement of Phase II

.3 Construction commencement date:
   TBD at commencement of Phase II

.4 Substantial Completion date or dates:
   (Paragraphs deleted)
   TBD at commencement of Phase II

§ 1.1.5 The Owner intends to retain a Construction Manager pursuant to the following agreement:
(Indicate agreement type.)

[ X ] AIA Document A133–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price.

[ ] AIA Document A134–2019, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee without a Guaranteed Maximum Price.

§ 1.1.6 The Owner’s requirements for accelerated or fast-track design and construction, or phased construction are set forth below:
(List number and type of bid procurement packages.)

Any requirements to accelerate the schedule will be negotiated for Phase II.

§ 1.1.7 The Owner’s anticipated Sustainable Objective for the Project:
(Identify and describe the Owner’s Sustainable Objective for the Project, if any.)
The Architect will convey sustainable objectives as determined during programming of Phase I, and the Construction Manager will consider the implications of those objectives in the development of the pGMP. More formalized Sustainable Objectives and any required certifications will be identified prior to the negotiation of design services for Phase II.

(Paragraph deleted)

§ 1.1.8 The Owner identifies the following representative in accordance with Section 5.4:
(List name, address, and other contact information.)

Chase Anderson, Sr. Construction Project Manager, 823 Meeting Street, Charleston, SC 29403
Edmund Most, Deputy Director Capital Projects, 823 Meeting Street, Charleston, SC 29403

§ 1.1.9 The persons or entities, in addition to the Owner’s representative, who are required to review the Architect’s submittals to the Owner are as follows:
(List name, address, and other contact information.)

None

§ 1.1.10 The Owner shall retain the following consultants and contractors:
(List name, legal status, address, and other contact information.)

.1 Construction Manager:
(The Construction Manager is identified on the cover page. If a Construction Manager has not been retained as of the date of this Agreement, state the anticipated date of retention. If the Architect is to assist the Owner in selecting the Construction Manager, complete Section 4.1.1.1)

Josh Spencer
Edifice, LLC
Senior Preconstruction Manager
716 Meeting Street, Charleston, SC 29403
843-428-1900 and jsprcner@edificeinc.com
Michael A. Carlito
Edifice, LLC
Vice President – Project Executive 4111 South Boulevard, Charlotte, NC 28209
704-332-0900 and mcarlito@edificeinc.com

.2 Land Surveyor:
Joe McIntyre
GEL Engineering
2040 Savage Road
Charleston, SC 29407
Office: 843.300.4251

.3 Geotechnical Engineer:
TBD

.4 Wetland Consultant
Derrick Myers
Newkirk Environmental
1887 Clements Ferry Road
Charleston, SC
Office: 843.388-6585
.5 Other consultants and contractors:

(List any other consultants and contractors retained by the Owner.)

Other consultants may be determined at the beginning of Phase II, including but not limited to Roofing Consultant, Building Envelope Consultant, Readiness Check Consultant

§ 1.1.11 The Architect identifies the following representative in accordance with Section 2.4:

(List name, address, and other contact information.)

SMHa Architecture Planning Interiors
400 Hibern Street, Suite 100
Mt. Pleasant, SC 29464
Office: 843.881.7642
Email: b.connell@smha.com

§ 1.1.12 The Architect shall retain the consultants identified in Sections 1.1.12.1 and 1.1.12.2:

(List name, legal status, address, and other contact information.)

§ 1.1.12.1 Consultants retained under Basic Services:

.1 Structural Engineer:
ADC Engineering
1226 Yeamans Hall Road
Hanahan, SC 29410
843.566.0161

.2 Civil Engineer / Land Planner:
ADC Engineering
1226 Yeamans Hall Road
Hanahan, SC 29410
843.566.0161

.3 Mechanical / Electrical Engineer:
DWG Engineering
1009 Anna Knapp Blvd., Suite 202
Mt Pleasant, SC 29464
843.849.1141

§ 1.1.12.2 Consultants retained under Supplemental Services:

Sustainability Consultant:
Whole Building Systems, LLC;
P.O. Box 1845
Mt. Pleasant, SC 29465
843.437.3647

§ 1.1.13 Other Initial Information on which the Agreement is based:
§ 1.2 The Owner and Architect may rely on the Initial Information. Both parties, however, recognize that the Initial Information may materially change and, in that event, the Owner and the Architect shall appropriately adjust the Architect’s services, schedule for the Architect’s services, and the Architect’s compensation.

§ 1.3 The parties shall agree upon protocols governing the transmission and use of Instruments of Service or any other information or documentation in digital form.

§ 1.3.1 Any use of, or reliance on, all or a portion of a building information model without agreement to protocols governing the use of, and reliance on, the information contained in the model and without having those protocols set forth shall be at the using or relying party’s sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

ARTICLE 2 ARCHITECT’S RESPONSIBILITIES

§ 2.1 The Architect shall provide professional services as set forth in this Agreement. The Architect represents that it is properly licensed in the jurisdiction where the Project is located to provide the services required by this Agreement, or shall cause such services to be performed by appropriately licensed design professionals.

§ 2.2 The Architect shall perform its services consistent with the schedule and the professional skill and care ordinarily provided by architects practicing in the same locality under the same or similar circumstances. Time is of the essence in this Agreement. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

§ 2.3 The Architect shall provide its services in conjunction with the services of a Construction Manager as described in the agreement identified in Section 1.1.5. The Architect shall not be responsible for actions taken by the Construction Manager.

§ 2.4 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project. The designated representative shall not be changed without Owner’s written consent.

§ 2.5 Except with the Owner’s knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect’s professional judgment with respect to this Project.

§ 2.6 Insurance. The Architect shall maintain the following insurance for the duration of this Agreement. Changes to the insurance, including the procurement of additional insurance, may be required at the commencement of Phase II and will be negotiated at that time. If any of the requirements set forth below exceed the types and limits the Architect normally maintains, the Owner shall pay the Architect as set forth in Section 11.9.

§ 2.6.1 Commercial General Liability with policy limits of not less than one million dollars ($1.0 million) for each occurrence and two million dollars ($2.0 million) in the aggregate for bodily injury and property damage.

§ 2.6.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Architect with policy limits of not less than five hundred thousand ($500,000) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 2.6.3 Umbrella coverage of not less than $1 million. The umbrella policy shall be a “follow form” and shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 2.6.4 Workers’ Compensation at statutory limits and Employers’ Liability Insurance at limits of not less than one million dollars ($1.0 million) each employee and one million dollars ($1.0 million) policy limits.

(Paragraph deleted)
§ 2.6.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than one million dollars ($1.0 million) per claim and two million dollars ($2.0 million) in the aggregate. This coverage must be maintained for a minimum of eight (8) years after Substantial Completion.

§ 2.6.7 Additional Insured Obligations. To the fullest extent permitted by law, the Architect shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Architect’s negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner’s insurance policies and shall apply to both ongoing and completed operations.

§ 2.6.8 The Architect shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 2.6. The Architect shall maintain all forms of insurance required by the State of South Carolina. All Consultants engaged or employed by the Architect shall be contractually obligated to carry and maintain similar insurance. The Architect and his Consultant shall submit proof of such insurance to Owner at time of Contract Award and at any time when a change in amount of coverage or carriers occurs. The maintenance of such coverage shall be a condition precedent to Owner’s obligation to pay under this Agreement. The Architect shall provide to Owner a certificate(s) of insurance demonstrating that its policy(s) is properly endorsed so that written notice will be provided by Architect’s insurer(s) to Owner in the event of a cancellation, non-renewal, or change in policy limits at least thirty (30) days prior to any cancellation, or non-renewal, of coverage of the policies.

§ 2.6.9 The Architect agrees to indemnify and hold the Owner, its Board, officers, and employees free and harmless from and against any and all damages, losses, penalties, settlements, costs, charges, professional fees or other expenses or liabilities and judgments of any kind and character arising out of or relating to any and all claims, liens, demands obligations, actions, proceedings or causes of action of every kind in connection with or arising out of this Agreement and/or the performance hereto including claims by third parties, reasonable attorneys’ fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Architect, its employees and its consultants in the performance of professional services under this Agreement. The Architect will reimburse Owner for any and all damages, losses, penalties, settlements, costs, charges, professional fees or other expenses upon written demand, including but not limited to, reasonable attorneys’ fees and related costs, as well as the cost of collection of these items, to the extent caused by the negligence of the Architect, its officers, employees or agents.

§ 2.8 The Architect shall provide a list of Key Project Team members assigned to Project by Name, Discipline, and Firm.

§ 2.9 Neither Consultants nor Key Project Team members shall be changed without Owner’s written consent. Key Project Team member list is to be updated at the commencement of Phase II.

ARTICLE 3 SCOPE OF ARCHITECT’S BASIC SERVICES

§ 3.1 The Architect’s Basic Services consist of those described in this Article 3 and include usual and customary architectural, civil, plumbing, structural, mechanical, fire protection and electrical engineering services. For the purposes of Phase II of this Agreement, “usual and customary” shall be those services reasonably required to provide complete design and construction administration services. The following services are also considered to be part of the Architect’s Basic Services for Phase II, and where applicable to Phase I scope of work.

§ 3.1.1 The Architect shall manage the Architect’s services, research applicable design criteria, attend Project meetings, communicate with members of the Project team, and report progress to the Owner.

§ 3.1.2 The Architect shall coordinate its services with those services provided by the Owner, the Construction Manager, and the Owner’s consultants. The Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of, services and information furnished by the Owner, the Construction Manager, and the Owner’s consultants. The Architect shall provide prompt written notice to the Owner if the Architect becomes aware of any error, omission, or inconsistency in such services or information.
§ 3.1.3 Prior to submitting an invoice for services, the Architect shall submit, for the Construction Manager’s review and the Owner’s approval, a schedule for the performance of the Architect’s services. The schedule shall include design phase milestone dates, dates for coordination and completion of pre-construction services, as well as the anticipated dates for the commencement of construction and for Substantial Completion of the Work as set forth in the Initial Information. The schedule shall include allowances for periods of time required for the Owner’s review, for performance of pre-construction services by the Contractor, for the Construction Manager’s review, for the performance of the Construction Manager’s Preconstruction Phase services, for the performance of the Owner’s consultants, and for approval of submissions by authorities having jurisdiction over the Project. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect or Owner. With the Owner’s approval, the Architect shall adjust the schedule, if necessary, as the Project proceeds until the commencement of construction.

§ 3.1.4 The Architect shall submit information to the Construction Manager and participate in developing and revising the Project schedule at least monthly as it relates to the Architect’s services. The Architect shall review and approve, or take other appropriate action upon, the portion of the Project schedule relating to the performance of the Architect’s services.

§ 3.1.5 The Architect shall not be responsible for an Owner’s directive or substitution, or for the Owner’s acceptance of non-conforming work, made or given without the Architect’s written approval.

§ 3.1.6 The Architect shall, in coordination with the Construction Manager, contact governmental authorities required to approve the Construction Documents and entities providing utility services to the Project. In designing the Project, the Architect shall respond to applicable design requirements imposed by such governmental authorities and by such entities providing utility services. The Architect represents that it is familiar with and experienced in the interpretation and implementation of, laws, codes and regulations applicable to the Architect’s services and the Project in general. The Architect shall respond in the design of the Project to requirements imposed by governmental authorities having jurisdiction over the Project and shall comply with all directives of such authorities. Where necessary for the successful completion of the Project, the Architect shall meet with all appropriate governmental officials in the various design stages hereunder to apprise such officials of the specifics of the Project in order to avoid any deviations from such laws, codes and regulations and in order to expedite all permitting procedures. The Architect acknowledges that Owner is relying on the Architect’s expertise in laws, codes, and regulations concerning projects of this type. The Architect’s work shall comply with such laws, codes and regulations.

§ 3.1.7 The Architect shall assist the Owner and Construction Manager in connection with the Owner’s responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

§ 3.1.8 Prior to the Owner’s acceptance of the Construction Manager’s Guaranteed Maximum Price proposal, or the Owner’s approval of the Construction Manager’s Control Estimate, as applicable, the Architect shall consider the Construction Manager’s requests for substitutions and, upon written request of the Construction Manager, provide clarification or interpretations pertaining to the Drawings, Specifications, and other documents submitted by the Architect. The Architect and Construction Manager shall include the Owner in communications related to substitution requests, clarifications, and interpretations.

§ 3.2 Review of the Construction Manager’s Guaranteed Maximum Price Proposal or Control Estimate

§ 3.2.1 At a time to be mutually agreed upon by the Owner and the Construction Manager, the Construction Manager shall prepare, for review by the Owner and Architect, and for the Owner’s acceptance or approval, a Guaranteed Maximum Price proposal or Control Estimate. The Architect shall assist the Owner in reviewing the Construction Manager’s proposal or estimate. The Architect’s review is not for the purpose of discovering errors, omissions, or inconsistencies; for the assumption of any responsibility for the Construction Manager’s proposed means, methods, sequences, techniques, or procedures; or for the verification of any estimates of cost or estimated cost proposals. In the event that the Architect discovers any inconsistencies or inaccuracies in the information presented, the Architect shall promptly notify the Owner and Construction Manager in writing.

§ 3.2.2 Upon authorization by the Owner, and subject to Section 4.2.1.14, the Architect shall update the Drawings, Specifications, and other documents to incorporate the agreed upon assumptions and clarifications contained in the Guaranteed Maximum Price Amendment or Control Estimate.
§ 3.3 Schematic Design Phase Services: Phase II

§ 3.3.1 The Architect shall review the program, and other information furnished by the Owner and Construction Manager, and shall review laws, codes, and regulations applicable to the Architect’s services. The Architect shall report to the Owner the results of this review, specifying the scope thereof. The Architect’s performance and design, and those of his Consultants, shall conform to all applicable requirements imposed by governmental authorities having jurisdiction over the Project.

§ 3.3.2 The Architect shall prepare a preliminary evaluation of the Owner’s program, schedule, budget for the Cost of the Work, Project site, and other Initial Information, each in terms of the other, to ascertain the requirements of the Project. The Architect shall notify the Owner of (1) any inconsistencies discovered in the information, and (2) other information or consulting services that may be reasonably needed for the Project.

§ 3.3.3 The Architect shall present its preliminary evaluation to the Owner and Construction Manager and shall discuss with the Owner and Construction Manager alternative approaches to design and construction of the Project. The Architect shall reach an understanding with the Owner regarding the requirements of the Project.

§ 3.3.4 Based on the Project requirements agreed upon with the Owner, the Architect shall prepare and present, to the Owner and Construction Manager, for the Owner’s approval, a preliminary design illustrating the scale and relationship of the Project components. The Architect shall report in writing to the Owner any deviations between Owner-provided information or programs and the design presented.

§ 3.3.5 Based on the Owner’s approval of the preliminary design, the Architect shall prepare Schematic Design Documents for Construction Manager’s review and the Owner’s approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary building plans, sections and elevations; and may include some combination of study models, perspective sketches, or digital representations. Preliminary selections of major building systems and construction materials shall be noted on the drawings or described in writing.

§ 3.3.5.1 The Architect shall consider sustainable design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the Owner’s program, schedule and budget for the Cost of the Work. The Owner may obtain more advanced sustainable design services as a Supplemental Service under Section 4.1.

§ 3.3.5.2 The Architect shall consider with the Owner and the Construction Manager the value of alternative materials, building systems and equipment, together with other considerations based on program and aesthetics, in developing a design for the Project that is consistent with the Owner’s program, schedule, and budget for the Cost of the Work.

§ 3.3.6 The Architect shall submit the Schematic Design Documents to the Owner and the Construction Manager. The Architect shall meet with the Construction Manager to review the Schematic Design Documents. The Architect shall report in writing to the Owner any deviations between Owner-provided information or programs and the design presented.

§ 3.3.7 Upon receipt of the Construction Manager’s review comments and cost estimate at the conclusion of the Schematic Design Phase, the Architect shall take action as required under Section 6.4, and request the Owner’s approval of the Schematic Design Documents. If revisions to the Schematic Design Documents are required to comply with the Owner’s budget for the Cost of the Work at the conclusion of the Schematic Design Phase, the Architect shall incorporate the required revisions in the Design Development Phase.

§ 3.3.8 In the further development of the Drawings and Specifications during this and subsequent phases of design, the Architect shall be entitled to rely on the accuracy of the estimates of the Cost of the Work, which are to be provided by the Construction Manager under the Construction Manager’s agreement with the Owner.

§ 3.4 Design Development Phase Services: Phase II

§ 3.4.1 Based on the Owner’s approval of the Schematic Design Documents, and on the Owner’s authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Construction Manager’s review and the Owner’s approval. The Design Development Documents shall be based upon information provided, and estimates prepared by, the Construction Manager and shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and...
other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and other appropriate elements. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish in general their quality levels.

§ 3.4.2 Prior to the conclusion of the Design Development Phase, the Architect shall submit the Design Development Documents to the Owner and the Construction Manager. The Architect shall meet with the Construction Manager to review the Design Development Documents. The Architect shall report in writing to the Owner any deviations between Owner-provided information or programs and the design presented.

§ 3.4.3 Upon receipt of the Construction Manager’s information and estimate at the conclusion of the Design Development Phase, the Architect shall take action as required under Sections 6.5 and 6.6 and request the Owner’s approval of the Design Development Documents.

§ 3.5 Construction Documents Phase Services: Phase II
§ 3.5.1 Based on the Owner’s approval of the Design Development Documents, and on the Owner’s authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Construction Documents for the Construction Manager’s review and the Owner’s approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels and performance criteria of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that, in order to perform the Work, the Construction Manager will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

§ 3.5.2 The Architect shall incorporate the design requirements of governmental authorities having jurisdiction over the Project into the Construction Documents.

§ 3.5.3 During the development of the Construction Documents, the Architect shall assist the Owner and Construction Manager in the development and preparation of (1) the Conditions of the Contract for Construction (General, Supplementary and other Conditions) and (2) a project manual that includes the Conditions of the Contract for Construction and Specifications, and may include sample forms.

§ 3.5.4 Prior to the conclusion of the Construction Documents Phase, the Architect shall submit the Construction Documents to the Owner and the Construction Manager. The Architect shall meet with the Construction Manager to review the Construction Documents. The Architect shall report in writing to the Owner any deviations between Owner-provided information or programs and the documents presented.

§ 3.5.5 Upon receipt of the Construction Manager’s information and estimate at the conclusion of the Construction Documents Phase, the Architect shall take action as required under Section 6.7, and request the Owner’s approval of the Construction Documents.

§ 3.4.6 The Architect shall be responsible for the coordination of all drawings and design documents relating to the Architect’s design and used on the Project, regardless of whether such drawings and documents are prepared or performed by the Architect or Architect’s consultants. The Architect shall be responsible for the completeness and accuracy of all drawings and specifications submitted by or through the Architect and for their compliance with current applicable codes, ordinances, regulations, laws and statutes. The Architect shall be responsible for coordination and internal checking of all such documents and for the accuracy of all dimensional and layout information contained therein, as fully as if each drawing were prepared by the Architect.

§ 3.6 Construction Phase Services: Phase II
§ 3.6.1 General
§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Construction Manager as set forth below and in AIA Document A201™–2017, as modified, General Conditions of the Contract for Construction. The term "Contractor" as used in A201-2017 shall mean the Construction Manager.

§ 3.6.1.2 Subject to Section 4.2, the Architect’s responsibility to provide Construction Phase Services commences upon the Owner’s acceptance of the Contractor’s Guaranteed Maximum Price proposal, the Owner’s approval of
the Construction Manager’s Control Estimate, or by a written agreement between the Owner and Construction Manager which sets forth a description of the Work to be performed by the Construction Manager prior to such acceptance or approval. Subject to Section 4.2, and except as provided in Section 3.6.6.5, the Architect’s responsibility to provide Construction Phase Services terminates on the date the Architect issues the final report for the one (1) year warranty period.

§ 3.8.1.3 The Architect shall advise and consult with the Owner and Construction Manager during the Construction Phase Services. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Architect shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Architect be responsible for the Construction Manager’s failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect’s negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the Construction Manager or of any other persons or entities performing portions of the Work, except to the extent required in Section 2.6 and Article 8 of this Agreement.

§ 3.8.2 Evaluations of the Work: Phase II

§ 3.8.2.1 The Architect shall visit the site at intervals appropriate to the stage of construction, or as otherwise required in Section 4.2.3., to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. On the basis of the site visits, the Architect shall keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and promptly report to the Owner (1) deviations from the Contract Documents, (2) deviations from the most recent construction schedule submitted by the Construction Manager, and (3) defects and deficiencies in the Work.

§ 3.8.2.2 The Architect has the authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect shall have the authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Construction Manager, Subcontractors, suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 3.8.2.3 The Architect shall interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Construction Manager. The Architect’s response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 3.8.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of, and reasonably inferable from, the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and decisions, the Architect shall endeavor to secure faithful performance by both Owner and Construction Manager, shall not show partiality to either, and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect’s decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents.

§ 3.8.2.5 Unless the Owner and Construction Manager designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document A201–2017, as modified, the Architect shall render initial decisions on Claims between the Owner and Construction Manager as provided in the Contract Documents.

§ 3.8.3 Certificates for Payment to Construction Manager: Phase II

§ 3.8.3.1 The Architect shall review and certify the amounts due the Construction Manager and shall issue certificates in such amounts. The Architect’s certification for payment shall constitute a representation to the Owner, based on the Architect’s evaluation of the Work as provided in Section 3.6.2 and on the data comprising the Construction Manager’s Application for Payment, that, to the best of the Architect’s knowledge, information and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Construction Manager is entitled to payment in the amount certified. The foregoing representations are subject to (1) an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) results of subsequent tests and
inspections, (3) correction of minor deviations from the Contract Documents prior to completion, and (4) specific qualifications expressed by the Architect.

§ 3.6.3.2 The issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate the Construction Manager’s right to payment, or (4) ascertained how or for what purpose the Construction Manager has used money previously paid on account of the Contract Sum.

§ 3.6.3.3 The Architect shall maintain a record of the Applications and Certificates for Payment.

§ 3.6.4 Submittals: Phase II
§ 3.6.4.1 The Architect shall review the Construction Manager’s submittal schedule and shall not unreasonably delay or withhold approval of the schedule. The Architect’s action in reviewing submittals shall be taken in accordance with the approved submittal schedule or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time, in the Architect’s professional judgment, to permit adequate review.

§ 3.6.4.2 In accordance with the Architect-approved submittal schedule, the Architect shall review and approve, or take other appropriate action upon, the Construction Manager’s submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Construction Manager’s responsibility. The Architect’s review shall not constitute approval of safety precautions or construction means, methods, techniques, sequences or procedures. The Architect’s approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 3.6.4.3 If the Contract Documents specifically require the Construction Manager to provide professional design services or certifications by a design professional related to systems, materials, or equipment, the Architect shall specify the appropriate performance and design criteria that such services must satisfy. The Architect shall review and take appropriate action on Shop Drawings and other submittals related to the Work designed or certified by the Construction Manager’s design professional, provided the submittals bear such professional’s seal and signature when submitted to the Architect. The Architect’s review shall be for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect shall be entitled to rely upon, and shall not be responsible for, the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals.

§ 3.6.4.4 Subject to Section 4.2, the Architect shall review and respond to requests for information about the Contract Documents. The Architect shall set forth, in the Contract Documents, the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect’s response to such requests shall be made in writing within any time limits agreed upon, or otherwise with reasonable promptness. If appropriate, the Architect shall prepare and issue supplemental Drawings and Specifications in response to the requests for information.

§ 3.6.4.5 The Architect shall maintain a record of submittals and copies of submittals supplied by the Construction Manager in accordance with the requirements of the Contract Documents.

§ 3.6.5 Changes in the Work: Phase II
§ 3.6.5.1 The Architect may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. The Architect shall prepare Change Orders and Construction Change Directives for the Owner’s approval and execution in accordance with the Contract Documents.

§ 3.6.5.2 The Architect shall maintain records relative to changes in the Work.

§ 3.6.6 Project Completion: Phase II
§ 3.6.6.1 The Architect shall:
.1 conduct inspections to determine the date or dates of Substantial Completion and the date of final completion;
.2 issue Certificates of Substantial Completion;
.3 forward to the Owner, for the Owner’s review and records, written warranties and related documents required by the Contract Documents and received from the Construction Manager; and
.4 issue a final Certificate for Payment based upon a final inspection indicating that, to the best of the Architect’s knowledge, information, and belief, the Work complies with the requirements of the Contract Documents.

§ 3.5.6.2 The Architect’s inspections shall be conducted with the Owner to (1) check conformance of the Work with the requirements of the Contract Documents and (2) verify the accuracy and completeness of the list submitted by the Construction Manager of Work to be completed or corrected.

§ 3.5.6.3 When Substantial Completion has been achieved, the Architect shall inform the Owner about the balance of the Contract Sum remaining to be paid the Construction Manager, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work.

§ 3.5.6.4 The Architect shall forward to the Owner the following information received from the Construction Manager: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens, or bonds indemnifying the Owner against liens; and (3) any other documentation required of the Construction Manager under the Contract Documents.

§ 3.5.6.5 Upon request of the Owner, and prior to the expiration of one year from the date of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner to review the facility operations and performance.

§ 3.5.6.6 The Architect shall prepare, from Contractor supplied-information, and provide to Owner a set of reproducible Record Plans showing all significant changes in the work made during construction as required by the Manual. Plans shall be stamped as "Record Plans". This set of reproducible documents shall be in addition to electronic documents that are required by the Agreement.

§ 3.5.6.7 As part of the Architect’s Basic Services during the tenth (10th) month after the Date(s) of Substantial Completion, the Architect shall visit the Project to review the Work and shall prepare a report to be issued to Owner and, at Owner’s direction, to the Contractor, indicating outstanding work to be corrected and warranty issues to be addressed by the Contractor.

ARTICLE 4 SUPPLEMENTAL AND ADDITIONAL SERVICES
§ 4.1 Supplemental Services
§ 4.1.1 Additional Services listed below are not included in Basic Services unless specifically designated as such. The Architect shall provide the listed Additional Services only if specifically requested in writing by the Owner.
<table>
<thead>
<tr>
<th>Supplemental Services</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>§ 4.1.1.1 Assistance with Selection of Construction Manager</td>
<td>na</td>
</tr>
<tr>
<td>§ 4.1.1.2 Programming</td>
<td>Architect</td>
</tr>
<tr>
<td>§ 4.1.1.3 Multiple Preliminary Designs</td>
<td>Architect</td>
</tr>
<tr>
<td>§ 4.1.1.4 Measured drawings (limited as per proposal)</td>
<td>Architect</td>
</tr>
<tr>
<td>§ 4.1.1.5 Existing facilities surveys. (limited as per proposal)</td>
<td>Architect</td>
</tr>
<tr>
<td>§ 4.1.1.6 Site evaluation and planning</td>
<td>Architect</td>
</tr>
<tr>
<td>§ 4.1.1.7 Building Information Model management responsibilities</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.8 Development of Building Information Models for post construction use</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.9 Civil engineering</td>
<td>Architect</td>
</tr>
<tr>
<td>§ 4.1.1.10 Landscape design</td>
<td>Architect</td>
</tr>
<tr>
<td>§ 4.1.1.11 Architectural interior design</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.12 Value analysis</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.13 Cost estimating</td>
<td>Construction Manager</td>
</tr>
<tr>
<td>§ 4.1.1.14 On-site project representation</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.15 Conformed documents for construction</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.16 As-designed record drawings</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.17 As-constructed record drawings</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.18 Post-occupancy evaluation</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.19 Facility support services</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.20 Tenant-related services</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.21 Architect’s coordination of the Owner’s consultants</td>
<td>Architect</td>
</tr>
<tr>
<td>§ 4.1.1.22 Telecommunications/data design</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.23 Security evaluation and planning</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.24 Commissioning</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.25 Sustainable Project Services pursuant to Section 4.1.3</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.26 Historic preservation</td>
<td>na</td>
</tr>
<tr>
<td>§ 4.1.1.27 Furniture, furnishings, and equipment design</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.28 Other services provided by specialty Consultants</td>
<td>Not Provided in Phase I</td>
</tr>
<tr>
<td>§ 4.1.1.29 Other Supplemental Services</td>
<td>Not Provided in Phase I</td>
</tr>
</tbody>
</table>

(Paragraphs deleted)

§ 4.2 Architect’s Additional Services

The Architect may provide Additional Services after execution of this Agreement without invalidating the Agreement. Written approval from the Owner of additional services is a condition precedent to Architect’s right to be paid for any additional service.

§ 4.2.1 Upon recognizing the need to perform the following Additional Services, the Architect shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Architect shall not proceed to provide any Additional Services until the Architect receives the Owner’s written authorization.

AIA Document B133® – 2019. Copyright © 2014, and 2019 by The American Institute of Architects. All rights reserved. The "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are registered trademarks and may not be used without permission. This document was produced by AIA software at 14:17:29 ET on 02/24/2022 under Order No 51191108705 which expires on 09/23/2022, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail copyright@aia.org.

User Notes:

(1748463521)
ARTICLE 5 OWNER’S RESPONSIBILITIES
§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner’s objectives; schedule; constraints and criteria.

§ 5.2 The Owner shall retain a Construction Manager to provide services, duties, and responsibilities as described in the agreement selected in Section 1.1.5.

§ 5.3 The Owner shall establish the Owner’s budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner’s other costs; and, (3) reasonable contingencies related to all of these costs. The Owner shall update the Owner’s budget for the Project as necessary throughout the duration of the Project until final completion. If the Owner significantly increases or decreases the Owner’s budget for the Cost of the Work, the Owner shall notify the Architect and Construction Manager. The Owner and the Architect, in consultation with the Construction Manager, shall thereafter agree to a corresponding change in the Project’s scope and quality.

§ 5.3.1 The Owner acknowledges that accelerated, phased or fast-track scheduling provides a benefit, but also carries with it associated risks. Such risks include the Owner incurring costs for the Architect to coordinate and redesign portions of the Project affected by procuring or installing elements of the Project prior to the completion of all relevant Construction Documents, and costs for the Construction Manager to remove and replace previously installed Work. If the Owner selects accelerated, phased or fast-track scheduling, the Owner agrees to include in the budget for the Project sufficient contingencies to cover such costs.

§ 5.4 The Owner shall identify a representative authorized to act on the Owner’s behalf with respect to the Project.

§ 5.5 The Owner shall furnish surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions, and other necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 5.6 The Owner shall pay for services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests and seasonal water table levels, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations. The Architect shall determine what tests are necessary and obtain proposals for the Owner’s approval if requested.

§ 5.9 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. Upon the Architect’s request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner’s consultants. The Owner shall furnish the services of consultants other than those designated as the responsibility of the Architect in this Agreement, or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants and contractors maintain insurance, including professional liability insurance, as appropriate to the services or work provided.

§ 5.10 The Owner shall pay for tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials. The Architect shall determine what tests are necessary and obtain proposals for the Owner’s approval if requested.

§ 5.11 The Owner shall furnish all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner’s needs and interests.
§ 5.12 The parties agree that the Owner has no duty of observation, inspection or investigation and nothing contained herein shall establish such a duty; however, Owner shall provide prompt written notice to the Architect and Construction Manager if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect’s Instruments of Service, but the Owner’s failure to do so shall not relieve the Architect of its responsibilities.

§ 5.13 No later than upon completion of the Construction Documents the Architect shall provide to the Owner for the Owner’s approval a list of all Special Inspections that are required by the Contract Documents, including but not limited to those provided by the Architect as a Basic Service. The Architect shall solicit competitive proposals for Special Inspections from reputable and licensed providers for Owner approval and contract. (Special Inspectors are required to be contracted directly with the Owner).

(Paragraph deleted)

§ 5.15 The Owner shall provide the Architect access to the Project site prior to commencement of the Work and shall obligate the Construction Manager to provide the Architect access to the Work wherever it is in preparation or progress.

(Paragraph deleted)

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include the Construction Manager’s general conditions costs, overhead, and profit. The Cost of the Work also includes the reasonable value of labor, materials, and equipment, donated to, or otherwise furnished by, the Owner. The Cost of the Work does not include the compensation of the Architect; the compensation of the Construction Manager for Preconstruction Phase services; the costs of the land, rights-of-way, financing, or contingencies for changes in the Work; or other costs that are the responsibility of the Owner.

§ 6.2 The Owner’s budget for the Cost of the Work is provided in the Initial Information, and shall be adjusted throughout the Project as required under Sections 5.3 and 6.4. Evaluations of the Owner’s budget for the Cost of the Work represent the Architect’s judgment as a design professional.

§ 6.3 The Owner shall require the Construction Manager to include appropriate contingencies for design, bidding or negotiating, price escalation, and market conditions in estimates of the Cost of the Work. The Architect shall be entitled to rely on the accuracy and completeness of estimates of the Cost of the Work the Construction Manager prepares as the Architect progresses with its Basic Services. The Architect shall prepare, as an Additional Service, revisions to the Drawings, Specifications or other documents required due to the Construction Manager’s inaccuracies or incompleteness in preparing cost estimates, or due to market conditions the Architect could not reasonably anticipate. The Architect may review the Construction Manager’s estimates solely for the Architect’s guidance in completion of its services, however, the Architect shall report to the Owner any material inaccuracies and inconsistencies noted during any such review.

§ 6.3.1 If the Architect is providing cost estimating services as a Supplemental Service, and a discrepancy exists between the Construction Manager’s cost estimates and the Architect’s cost estimates, the Architect and the Construction Manager shall work together to reconcile the cost estimates.

§ 6.4 If, prior to the conclusion of the Design Development Phase, the Construction Manager’s estimate of the Cost of the Work exceeds the Owner’s budget for the Cost of the Work, the Architect, in consultation with the Construction Manager, shall make appropriate recommendations to the Owner to adjust the Project’s size, quality or budget for the Cost of the Work, and the Owner shall cooperate with the Architect in making such adjustments.

§ 6.5 If the Construction Manager’s estimate of the Cost of the Work at the conclusion of the Design Development Phase exceeds the Owner’s budget for the Cost of the Work, the Owner shall

1. give written approval of an increase in the budget for the Cost of the Work;
2. terminate in accordance with Section 9.5;
3. in consultation with the Architect and Construction Manager, revise the Project program, scope, or quality as required to reduce the Cost of the Work; or
4. implement any other mutually acceptable alternative.

§ 6.6 If the Owner chooses to proceed under Section 6.5.3, the Architect, without additional compensation, shall incorporate the revisions in the Construction Documents Phase as necessary to comply with the Owner’s budget for the
Cost of the Work at the conclusion of the Design Development Phase Services, or the budget as adjusted under Section 6.5.1. The Architect’s revisions in the Construction Documents Phase shall be the limit of the Architect’s responsibility under this Article 6.

§ 6.7 After incorporation of modifications under Section 6.6, the Architect shall, as an Additional Service, make any required revisions to the Drawings, Specifications or other documents necessitated by the Construction Manager’s subsequent cost estimates, the Guaranteed Maximum Price proposal, or Control Estimate that exceed the Owner’s budget for the Cost of the Work, except when the excess is due to changes initiated by the Architect in scope, basic systems, or the kinds and quality of materials, finishes or equipment.

ARTICLE 7 COPYRIGHTS AND LICENSES

§ 7.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

§ 7.2 The Architect and the Architect’s consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect’s consultants.

§ 7.3 The Architect grants to the Owner a nonexclusive license to use the Architect’s Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations under this Agreement, including prompt payment of all sums due, pursuant to Article 9 and Article 11. The Architect shall obtain similar nonexclusive licenses from the Architect’s consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Construction Manager, Subcontractors, Sub-subcontractors, and suppliers, as well as the Owner’s consultants and separate contractors, to reproduce applicable portions of the Instruments of Service, subject to any protocols established pursuant to Section 1.3, solely and exclusively for use in performing services or construction for the Project. If the Architect rightfully terminates this Agreement for cause as provided in Section 9.4, the license granted in this Section 7.3 shall terminate.

§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Architect and Architect’s consultant(s) from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Architect and its consultants from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner’s use of the Instruments of Service under this Section 7.3.1. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.

§ 7.4 Except for the licenses granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner’s sole risk and without liability to the Architect and the Architect’s consultants.

§ 7.5 Except as otherwise stated in Section 7.3, the provisions of this Article 7 shall survive the termination of this Agreement.

ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 General

§ 8.1.1 The Owner and Architect shall commence all claims and causes of action against the other and arising out of or related to this Agreement, whether in contract, tort, or otherwise, in accordance with the requirements of the binding dispute resolution method selected in this Agreement and within the period specified by applicable law.. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.2 To the extent damages are covered by property insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201—2017, as modified, General Conditions of

Init.

AIA Document B133® – 2019, Copyright © 2014, and 2019 by The American Institute of Architects. All rights reserved. The "American Institute of Architects," "AIA," the AIA Logo, and "AIA Contract Documents" are registered trademarks and may not be used without permission. This document was produced by AIA software at 14:17:29 ET on 02/24/2022 under Order No.9139105706 which expires on 08/23/2022, is not for resale, is licensed for one-time use only, and may only be used in accordance with the AIA Contract Documents® Terms of Service. To report copyright violations, e-mail copyright@aia.org.

User Notes:
the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the Construction Manager, contractors, consultants, agents and employees of any of them, similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 The Architect shall indemnify and hold the Owner and the Owner’s officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys’ fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Architect, its employees and its consultants in the performance of professional services under this Agreement. The Architect’s obligation to indemnify and hold the Owner and the Owner’s officers and employees harmless does not include a duty to defend. The Architect’s duty to indemnify the Owner under this Section 8.1.3 shall be limited to the available proceeds of the insurance coverage required by this Agreement.

§ 8.1.4 The Architect and Owner waive consequential damages for claims, disputes, or other matters in question arising out of or relating to late completion of the Project. This mutual waiver is applicable to all consequential damages due to either party’s termination of this Agreement, except as specifically provided in Section 9.7.

§ 8.2 Mediation
§ 8.2.1 The Owner and Architect may endeavor to resolve claims, disputes and other matters in question between them by mediation prior to commencing a binding dispute resolution proceeding. If such matter relates to or is the subject of a lien arising out of the Architect’s services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution. A request for mediation shall be made in writing, delivered to the other party to this Agreement, and submitted to the person or entity administering the mediation.

(Paragraph deleted)

§ 8.2.3 The parties shall share the mediator’s fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:
(Check the appropriate box.)

[ ] Arbitration pursuant to Section 8.3 of this Agreement

[ X ] Litigation in the Court of Common Pleas for Charleston County, SC

[ ] Other: (Specify)

If the Owner and Architect do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.

(Paragraphs deleted)

§ 8.3.4 Consolidation or Joinder
§ 8.3.4.1 Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 8.3.4.2 Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party
sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

§ 8.3.4.3 The Owner and Architect grant to any person or entity made a party to an arbitration conducted under this Section 8.3, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Architect under this Agreement.

§ 8.4 The provisions of this Article 8 shall survive the termination of this Agreement.

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 If the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect’s option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give fourteen (14) days’ written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of suspension of services. Before resuming services, the Owner shall pay the Architect all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect’s services. The Architect’s fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project for any reason for more than thirty (30) consecutive days, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect’s services. The Architect’s fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than fourteen (14) days’ written notice.

§ 9.4 Either party may terminate this Agreement upon not less than fourteen (14) days’ written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 9.5 The Owner may terminate this Agreement upon not less than fourteen (14) days’ written notice to the Architect for the Owner’s convenience and without cause.

§ 9.6 If the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or the Architect terminates this Agreement pursuant to Section 9.3, the Owner shall compensate the Architect for services performed prior to termination, Reimbursable Expenses incurred, and costs attributable to termination, including the costs attributable to the Architect’s termination of consultant agreements.

(Art Paragraphs deleted)

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the place where the Project is located, excluding that jurisdiction’s choice of law rules.

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201-2017, as modified, General Conditions of the Contract for Construction, except as modified in this Agreement. The term “Contractor” as used in A201–2017 shall mean the Construction Manager.

§ 10.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns, and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner’s rights and obligations under this Agreement, including any payments due to the Architect by the Owner prior to the assignment.

§ 10.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. If the Owner requests the

Init.
Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least 14 days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services, or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Owner or Architect.

§ 10.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.7 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect’s promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect’s materials shall not include the Owner’s confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner’s promotional materials for the Project. This Section 10.7 shall survive the termination of this Agreement unless the Owner terminates this Agreement for cause pursuant to Section 9.4.

§ 10.8 If the Architect or Owner receives information specifically designated as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except as set forth in Section 10.8.1. This Section 10.8 shall survive the termination of this Agreement.

§ 10.8.1 The receiving party may disclose "confidential" or "business proprietary" information after 7 days’ notice to the other party, when required by law, arbitrator’s order, or court order, including a subpoena or other form of compulsory legal process issued by a court or governmental entity, or to the extent such information is reasonably necessary for the receiving party to defend itself in any dispute. The receiving party may also disclose such information to its employees, consultants, or contractors in order to perform services or work solely and exclusively for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of such information as set forth in this Section 10.8.

§ 10.9 The invalidity of any provision of the Agreement shall not invalidate the Agreement or its remaining provisions. If it is determined that any provision of the Agreement violates any law, or is otherwise invalid or unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case the Agreement shall be construed, to the fullest extent permitted by law, to give effect to the parties' intentions and purposes in executing the Agreement.

ARTICLE 11 COMPENSATION

§ 11.1 For the Architect’s Basic Services described under Article 3, the Owner shall compensate the Architect as follows:

  .1 Phase I
    (Paragraph deleted)
    See Attachment No.1

  .2 Phase II
    (Paragraphs deleted)
    To be negotiated at a future date, dependent upon funding

§ 11.2 For the Architect’s Supplemental Services designated in Section 4.1.1 and for any Sustainability Services required pursuant to Section 4.1.3, the Owner shall compensate the Architect as follows:

  (Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)

See Attachments
§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.2, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation.)

See Attachments

§ 11.4 Compensation for Supplemental and Additional Services of the Architect’s consultants when not included in Sections 11.2 or 11.3, shall be the amount invoiced to the Architect plus Ten percent (10%), or as follows:

(Insert amount of, or basis for computing, Architect’s consultants’ compensation for Supplemental or Additional Services.)

§ 11.5 When compensation for Basic Services is based on a stipulated sum or a percentage basis, the proportion of compensation for each phase of services shall be as follows: To be included in Phase II

<table>
<thead>
<tr>
<th>Schematic Design Phase</th>
<th>percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design Development Phase</td>
<td>percent (%)</td>
</tr>
<tr>
<td>Construction Documents Phase</td>
<td>percent (%)</td>
</tr>
<tr>
<td>Construction Phase</td>
<td>percent (%)</td>
</tr>
</tbody>
</table>

Total Basic Compensation: one hundred percent (100%)

The Owner acknowledges that with an accelerated Project delivery, multiple bid package process, or Construction Manager as constructor project delivery method, the Architect may be providing its services in multiple Phases simultaneously. Therefore, the Architect shall be permitted to invoice monthly in proportion to services performed in each Phase of Services, as appropriate.

§ 11.6 When compensation identified in Section 11.1 is on a percentage basis, progress payments for each phase of Basic Services shall be calculated by multiplying the percentages identified in this Article by the Owner’s most recent budget for the Cost of the Work. Compensation paid in previous progress payments shall not be adjusted based on subsequent updates to the Owner’s budget for the Cost of the Work.

§ 11.6.1 When compensation is on a percentage basis and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.

§ 11.7 The hourly billing rates for services of the Architect and the Architect’s consultants are set forth below. The rates shall be adjusted in accordance with the Architect’s and Architect’s consultants’ normal review practices.

(If applicable, attach an exhibit of hourly billing rates or insert them below.)

See Attachment

| Employee or Category | Rate ($0.00) |

§ 11.8 Compensation for Reimbursable Expenses

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic, Supplemental, and Additional Services and include expenses incurred by the Architect and the Architect’s consultants directly related to the Project, as follows:

.1 Transportation and authorized out-of-town travel and subsistence;
.2 Long distance services, dedicated data and communication services, teleconferences, Project web sites, and extranets;
.3 Permitting and other fees required by authorities having jurisdiction over the Project;
.4 Printing, reproductions, plots, and standard form documents;
.5 Postage, handling, and delivery;
.6 Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;
§ 11.8.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Architect and the Architect’s consultants plus Ten percent (10%) of the expenses incurred.

§ 11.9 Architect’s Insurance. If the types and limits of coverage required in Section 2.6 are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect for the additional costs incurred by the Architect for the additional coverages as set forth below:
(Inset the additional coverages the Architect is required to obtain in order to satisfy the requirements set forth in Section 2.6, and for which the Owner shall reimburse the Architect.)

To be negotiated at Phase II

§ 11.10 Payments to the Architect
§ 11.10.1 Initial Payments
§ 11.10.1.1 An initial payment of Zero ($0) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner’s account in the final invoice.

§ 11.10.1.2 If a Sustainability Certification is part of the Sustainable Objective, an initial payment to the Architect of ($ ) shall be made upon execution of this Agreement for registration fees and other fees payable to the Certifying Authority and necessary to achieve the Sustainability Certification. The Architect’s payments to the Certifying Authority shall be credited to the Owner’s account at the time the expense is incurred.

§ 11.10.2 Progress Payments
§ 11.10.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed.
Payments are due and payable within thirty (30) days upon receipt of the Architect’s invoice by the Owner.
(Insert rate of monthly or annual interest agreed upon)

None.

§ 11.10.2.2 The Owner shall not withhold amounts from the Architect’s compensation to impose a penalty or liquidated damages on the Architect, or to offset sums requested by or paid to contractors for the cost of changes in the Work, unless the Architect may be liable for the amounts withheld.

§ 11.10.2.3 Records of Reimbursable Expenses, expenses pertaining to Supplemental and Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS
Special terms and conditions that modify this Agreement are as follows:
(Include other terms and conditions applicable to this Agreement.)

ARTICLE 13 SCOPE OF THE AGREEMENT
§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Owner and Architect.
§ 13.2 This Agreement is comprised of the following documents identified below:


(Paragraphs deleted)

2. Other documents:

(List other documents, if any, forming part of the Agreement.)

Attachment No. 1 - Phase I Scope of Work and Fee Proposal
Hourly Rates – SMHa
Hourly Rate – DWG
Hourly Rates ADC

This Agreement entered into as of the day and year first written above.

OWNER (Signature)

(Printed name and title)

ARCHITECT (Signature)

William Connell, AIA, Vice President
(Printed name, title, and license number, if required)
Attachment No. 1
Scope of Work and Fee Proposal
Attachment to AIA Document B133 – Agreement Between Owner and Architect, Construction Manager as Constructor Edition

February 3, 2022

Chase Anderson, PLA, AICP
Senior Construction Project Manager
City of Charleston | Department of Parks
823 Meeting Street
Charleston, SC 29403

Re: Scope of Work and Professional Fees – Phase I
CP 2109 City Operations Facilities Complex
City of Charleston, SC

Dear Mr. Anderson:

SMHa Inc. (the Architect) would propose the following scope of work and fee for Phase 1 of the proposed City Operations Facilities Complex. Scope of work for Phase 1 is to include primarily Architectural and Civil Engineering | Land Planning, with limited involvement of Mechanical | Plumbing | Electrical Engineering and Structural Engineering, plus a Vehicle Maintenance Consultant and a Sustainability Consultant as required.

Project Description / Understanding:

The Project is to complete tasks necessary to Inventory, Assess, Program, and Conceptually Design a solution to relocate those City of Charleston functions currently located at the Milford Street site to a new site or sites. One City-owned site on Herbert Street is to be considered initially, with the potential to include adjacent parcels, and/or study completely different sites for the entire Program or portions of the Program.

The Milford Street site is currently occupied by 1) Police Department: Radio Shop; 2) Fire Department: Technical Services, Training Division; 3) Traffic and Transportation: Sign Shop, Signs and Markings; and 4) Public Services: Environmental Services, Fleet Management, Storm Water Management Maintenance. Other City Departments also use portions of the site for material lay-down.

SMHa and our consultants will collaborate with the Construction Manager at Risk (CMaR), Edifice General Contractors, who has been selected by the City of Charleston, through this process to articulate a Scope of Work that will guide them in a pricing exercise to develop a Project Budget.
Scope of Services:

Phase 1 Scope of Services are as follows:

Field Trips | Case Studies

To facilitate an understanding of current industry practices and operating procedures, the City PMs and selected design and construction team members will visit representative Public Works facilities, and or review such facilities by video or other digital means. For purposes of defining this Scope of Work, it is proposed that the physical field trips include North Charleston Public Works, Greenville Public Works, and one Public Works facility constructed by Edifice in the Charlotte, NC area.

Participants: City PMs, SMHa, ADC, and Edifice. Include DWG to Police maintenance.

Inventory.

An inventory of City-owned property must be completed to ascertain both site and building-related spatial requirements. Responsibility for inventory of assets is assigned as thus:

- City-owned passenger vehicles: Listing and quantities provided by City Public Service.
- City-owned Public Works vehicles: Listing and quantities provided by City Public Service to include all wheeled or tracked vehicles and trailers, and any equipment stored outside on the Milford Street Site. This list to be inventoried and photo documented by ADC. Inventory is to notate those vehicles where covered parking is required.
- Existing Occupied Buildings: For comparative purposes, existing buildings that have occupied space will be measured and floor plans drawn to allow for the design team to establish existing programmatic areas. The exception is the Environmental Services | Fleet Maintenance building, which has architectural drawings available for the design team to verify the floor plan and complete area take-offs only. To be completed and photo documented by SMHa.
- Existing Un-occupied Buildings: For comparative purposes, existing buildings that are only used for storage will be identified on a site plan, their purpose and contents noted where containing equipment that will be relocated. To be completed and photo documented by SMHa.
- Existing Equipment: The intent is to identify and document furniture and equipment that will be relocated, or repurchased in-kind when the physical condition of a subject item is at the end of its practical life. This process will require some judgement on the part of the design team. To be completed and photo documented by SMHa.
- Existing Storage: Some elements will be too numerous and varied to inventory specifically. The design team will inventory some elements as square feet of storage or linear feet of shelf storage. This process will require some judgement on the part of the design team. To be completed and photo documented by SMHa.
City Operations Facilities Complex: Phase I
February 3, 2022
Page 3 of 7

- Exterior Lay-Down Area: The design team will seek to identify and quantify the lay-down areas on the site, and provide documentation of existing and recommended replacement area relative to replacement (or deficiency) on any new site. To be completed and photo documented by ADC.

  Participants: City PW, SMHa, and ADC as defined above.

Property Assessment:
The proposed Herbert Street property will be evaluated to determine the suitability of the parcel for the intended development. Utility assessments will be performed in the areas of potable water, sanitary sewer, power, and gas. Local utility companies will be contacted to provide grid maps, as-builts, and valve cards. The general intent of the development will be discussed and the ability of the utility provider to serve the property will be determined.

An assessment will be made considering the property flood zone, topography and the existing stormwater infrastructure in place. Existing drainage basin maps will be reviewed and the site topography will be checked. City staff will be interviewed to determine any known flooding issues and to learn if there are any future capital improvement projects for the area. A general idea of the space required for the new development to meet stormwater management requirements will be determined.

Existing, available environmental reports will be reviewed and the environmental consultant will be interviewed to determine what (if any) restriction or limitations there may be for the property in regards to soil or groundwater contamination, monitoring wells, etc.

  Participants: City PMs, ADC.

Needs Assessment & Programming:
Needs assessment will be a process by which the design team and the City Project Managers will come to understand the operations of each entity or division on site and the specific needs to operate at a future facility. SMHa will craft an initial survey to be disseminated to personnel as selected by the City PMs. Thereafter there will be a review of those responses by the design team, a “first pass” at a quantitative space program and some initial sketches. The design team will then conduct needs assessment and programming meetings with the represented entities. The design team will refine the space program, complete additional sketches to capture concepts discussed, and have a second meeting with each of the entities. A “final” space program will then be presented for review and approval. It should be noted that a quantitative space program is a framework, and as conceptual design develops there will be additional refinement and changes that likely modify the approved space program.

Considering the diversity of purposes, we currently anticipate five interview groups based on the entities | departments | divisions identified on the Milford Street site. We propose that the interviews be organized as follows:
1) Public Services >> Environmental Services >> Storm Water Management Maintenance >> Streets and Sidewalks
   Participants: City PMs, SMHa, ADC Civil, and Edifice with Matt Alltop, and Kendrick Swinton. Optional participants: Maurice Heyward and/or Tom O’Brien

2) Vehicle Repair and Modification >> Fleet Management >> Fire Department Technical Services >> Police Radio Shop
   Participants: City PMs, SMHa, ADC, DWG, Vehicle Repair Consultant and Edifice with Matt Alltop, Ben Dellucci, Robbie Barrineau, David Grudzien. Optional participants: Scott Newsome, Robert Baldwin, and/or Tom O’Brien

3) Fire Department >> Training Division
   Participants: City PMs, SMHa, ADC, and Edifice with Matt Alltop and Karl Morris. Optional participants: Robert Baldwin, and/or Daniel Curia

4) Traffic and Transportation >> Sign Shop >> Signs and Markings
   Participants: City PMs, SMHa, and Edifice with Matt Alltop and James Wallace. Optional participant: Robbie Summerville

5) Leadership: In association with this effort, an additional questionnaire will be developed, and interviews conducted with the City PMs and other City leadership as deemed appropriate to address overall vision for the project, expectations, and sustainability goals.
   Participants: City PMs, SMHa, ADC, DWG, Whole Building Solutions and Edifice. Optional participant: TBD by City PMs

Conceptual Plans and Master Plan:

As the space program is developed, SMHa will conceive initial footprints that captures reasonable proportions and areas of buildings for the purpose of initiating site master plans with the civil and land planning team. These initial plans are not to be considered as proposed solutions.

Coinciding with the work taking place as outlined above, ADC Engineering will assemble base drawings for the proposed Herbert Street site and all potential adjoining sites that may weigh into our design considerations. This effort will include a documentation of zoning considerations, relative topography and other factors deemed important.

To facilitate speed and discourse among the various participants, we propose to have a two-day design charrette to study master plan options and floor plan options for the Herbert Street site. During this design charrette it is anticipated that multiple options will be considered relative to the viability of this preferred site, along with any adjoining sites that need to be considered to make the site viable. Simultaneously, the design team will refine the conceptual floor plans to meet the needs of the users as well as the specific requirements of the site master plan as it is developed.
If the Herbert Street site proves to not be viable for the relocation of all of the Milford Street divisions and services, the design team will undertake a similar master plan study of any potential sites identified by the City as an additional service.

**Deliverables:**

At the completion of the design charrette, the design team will continue to refine the building floor plans, site plan, and basic building massing. The goal is to provide the City with a Conceptual Design that defines the size of the buildings and relative circulation and adjacencies, defines the site plan locating those buildings on site with associated parking (for personal and City-owned vehicles), equipment, and lay-down areas as identified, a storm water strategy, basic building massing(s), materiality and conceptual 3-D sketches. In addition, a pricing Narrative will be developed from all consultants to provide guidance to Edifice (CMaR) in the formulation of a Conceptual Cost Estimate.

The quantitative space Program, Proposed Property Assessment, conceptual Master Plan, conceptual Floor Plans and 3-D sketches, and pricing Narrative will be appropriately packaged in a final document.

The final deliverable is not to be considered a full Schematic Design.

**Compensation:**

Compensation shall be computed on an hourly basis or a stipulated sum as indicated below, and invoiced on a monthly basis. Hourly figures presented as NTE (not to exceed) will not be exceeded without prior Owner approval.

**Architectural**

<table>
<thead>
<tr>
<th>Task</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Trips</td>
<td>Case Studies – Hourly NTE</td>
</tr>
<tr>
<td>Based on 2 people, for trips indicated</td>
<td></td>
</tr>
<tr>
<td>Inventory – Hourly NTE</td>
<td>$12,000.00</td>
</tr>
<tr>
<td>Based on 2 people, one week effort</td>
<td></td>
</tr>
<tr>
<td>Needs Assessment / Programming – Stipulated Sum</td>
<td>$45,500.00</td>
</tr>
<tr>
<td>Conceptual Plans, Master Plan, Pricing Narrative – Stipulated Sum</td>
<td>$65,000.00</td>
</tr>
<tr>
<td>OPTIONAL: Additional Master Plans, each site</td>
<td>$8,000.00</td>
</tr>
<tr>
<td>Deliverables / Presentation Package – Stipulated Sum</td>
<td>$6,000.00</td>
</tr>
<tr>
<td></td>
<td><strong>$137,500.00</strong></td>
</tr>
</tbody>
</table>

**Civil Engineering / Land Planning**

<table>
<thead>
<tr>
<th>Task</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Field Trips</td>
<td>Case Studies – Hourly NTE</td>
</tr>
<tr>
<td>Based on 1 person, for trips indicated</td>
<td></td>
</tr>
</tbody>
</table>

architecture • planning • interiors
400 Hibben Street, Mount Pleasant, SC 29464  | 843.881.7642  | smha.com
### City Operations Facilities Complex: Phase I

**February 3, 2022**

**Page 6 of 7**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory – Hourly NTE Based on 1 person</td>
<td>$2,780.00</td>
</tr>
<tr>
<td>Property Assessment – Herbert Street – Stipulated Sum</td>
<td>$9,240.00</td>
</tr>
<tr>
<td><strong>OPTIONAL: Additional Property Assessments, each site</strong></td>
<td>$9,240.00</td>
</tr>
<tr>
<td>Needs Assessment / Programming – Stipulated Sum</td>
<td>$3,240.00</td>
</tr>
<tr>
<td>Conceptual Plans, Master Plan, Pricing Narrative – Stipulated Sum</td>
<td>$16,020.00</td>
</tr>
<tr>
<td><strong>OPTIONAL: Additional Master Plans, each site</strong></td>
<td>$16,020.00</td>
</tr>
<tr>
<td>Deliverables / Presentation Package – Stipulated Sum</td>
<td>$2,020.00</td>
</tr>
<tr>
<td><strong>Subtotal (excludes Optional Sites)</strong></td>
<td>$35,940.00</td>
</tr>
<tr>
<td>SMHa Mark-up at 10%</td>
<td>$3,594.00</td>
</tr>
<tr>
<td><strong>Civil Engineering / Land Planning</strong></td>
<td>$39,534.00</td>
</tr>
</tbody>
</table>

**Structural Engineering**

- Structural consultation, Pricing Narrative – Stipulated Sum               | $5,300.00|
- SMHa Mark-up at 10%                                                        | $530.00|
- **Structural Engineering**                                                 | **$5,830.00**|

**MEP/FP Engineering**

- Field Trips | Case Studies – Hourly NTE Based on 2 people, for trips indicated | $1,880.00|
- Needs Assessment / Programming – Stipulated Sum                           | $6,640.00|
- Conceptual Plan Meetings, Pricing Narrative – Stipulated Sum               | $16,960.00|
- **Subtotal**                                                              | $25,480.00|
- SMHa Mark-up at 10%                                                        | $2,548.00|
- **MEP/FP Engineering**                                                    | **$28,028.00**|

**Sustainability Consultant** - Not included in Phase I

**Basic Services Total**                                                   **$210,892.00**
Additional Services

Additional Site Studies: If the Herbert Street site prove not to be viable, or other site(s) are required to be considered and studied, the Optional Studies outlined above would be an Additional Service.

Option Site Studies – Per Site

<table>
<thead>
<tr>
<th>Role</th>
<th>Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architect</td>
<td>$8,000.00</td>
</tr>
<tr>
<td>Civil Engineer</td>
<td>$27,786.00</td>
</tr>
<tr>
<td>$25,260 x 1.1 mark-up</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$35,786.00</strong></td>
</tr>
</tbody>
</table>

Vehicle Repair Equipment Consultant: Undetermined at this time if the Vehicle Repair Equipment Consultant is a consultant to the Architect or a subcontractor to the Construction Manager. Proposed to be included as Allowance at this time.

<table>
<thead>
<tr>
<th>Role</th>
<th>Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicle Repair Equipment Consultant.</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>SMHA 1.1 mark-up</td>
<td>$500.00</td>
</tr>
<tr>
<td>Allowance</td>
<td>$5,500.00</td>
</tr>
</tbody>
</table>

Reimbursable Expenses

Estimated reimbursable expenses shall be as follows (all expenses to be marked up 10%) and will be debited against an Allowance of: $3,000.00

Printing Expenses
Mileage (IRS rate), Hotels (if required) and Meals for out-of-town field trips.
Government Submission Fees if applicable

Consultants:

<table>
<thead>
<tr>
<th>Role</th>
<th>Company</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil Engineer</td>
<td>ADC Engineering</td>
<td>Hanahan, SC</td>
</tr>
<tr>
<td>Land Planner</td>
<td>ADC Engineering</td>
<td>Hanahan, SC</td>
</tr>
<tr>
<td>Structural Engineer</td>
<td>ADC Engineering</td>
<td>Hanahan, SC</td>
</tr>
<tr>
<td>MPE/FP Engineer</td>
<td>DWG Engineering</td>
<td>Mount Pleasant SC</td>
</tr>
<tr>
<td>Sustainability Consultant</td>
<td>Whole Building Solutions</td>
<td>Charleston, SC</td>
</tr>
<tr>
<td>Vehicle Repair Equipment Consultant</td>
<td>Jones and Frank</td>
<td>Columbia, SC</td>
</tr>
</tbody>
</table>

This Attachment is herein made part of the AIA B133 Standard Form of Agreement between Owner and Architect, Construction Manager as Constructor, 2019 edition as executed.

Agreed,

SMHa, Inc.  
City of Charleston

William Connell, AIA  
Vice President
January 1, 2022

STANDARD HOURLY RATES AND EXPENSE SCHEDULE

SMHa Inc will provide professional services on a time and expense basis as follows:

1. For services provided compensation shall be at the following rates:

   - Principal III: Muldrow, Graudin — $190
   - Principal II: Longshore, Connell, Altman, Johnston — $175
   - Architect / Project Manager III: Schutte, Meinders, Herin — $145
   - Architect / Project Manager II: Cooke, Lyness, Clark, Dreisbach — $125
   - Architect / Project Manager I: Corte — $110
   - Intern Architect I: Miller — $95
   - Intern: Clemson Intern — $35
   - Clerical, Administrative Support: Branham — $45

2. For services of consultants under contract with the Architect (i.e.: structural, mechanical and electrical engineering services) a multiple of 1.10 times the amount billed to the Architect.

3. For Reimbursable Expenses (i.e. reproduction, postage, telephone, renderings, etc.), a multiple of 1.10 times the amount expended by the Architect. For limited quantities the following rates will apply:

   - Full Size B&W Reproduction Copies — $3.00/sheet
   - Half Size B&W Reproduction Copies — $1.50/sheet
   - Full Size Color Reproduction Copies — $9.00/sheet
   - Half Size Color Reproduction Copies — $4.50/sheet
   - Document Copies (B/W) — $0.10/copy
   - Document Copies (Color) — $0.80/copy
   - Automobile mileage (out of town) — $0.585/mile

4. Services will be invoiced on a monthly basis. Payment is due upon receipt. A late fee of 1.5% per month will be applied after 30 days.

5. This schedule is subject to change every six months.
February 3, 2022

Mr. Charles Muldrow, AIA
SMHa, Inc.
400 Hibben Street
Mt. Pleasant, SC 29464

Re: Hourly Rates

Dear Charles:

Please find our current hourly rates below.

**HOURLY RATES**

Our current hourly rates are:

- Principal: $250.00
- Team Leader: $200.00
- Project Manager: $185.00
- Commissioning Agent (CxA): $195.00
- Communications Designer (RCDD): $195.00
- Engineer (Registered): $180.00
- Engineer (Non-Registered): $150.00
- BIM: $125.00
- Administrative: $110.00

If you have any questions, please contact me.

Thanks,

Mark Uyak
fee schedule

Hourly Rates
A number of activities are difficult to clearly define as to complexity and probable time of involvement, therefore the fee structure in such situations shall be:

<table>
<thead>
<tr>
<th>Discipline</th>
<th>2022 Rate ($) / Hour*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>195</td>
</tr>
<tr>
<td>Project Manager / Senior Structural Engineer</td>
<td>180</td>
</tr>
<tr>
<td>Structural Engineer / Designer</td>
<td>165</td>
</tr>
<tr>
<td>Structural Construction Administration</td>
<td>165</td>
</tr>
<tr>
<td>Project Manager / Senior Civil Engineer</td>
<td>180</td>
</tr>
<tr>
<td>Project Engineer / Designer</td>
<td>165</td>
</tr>
<tr>
<td>Civil Construction Administration</td>
<td>165</td>
</tr>
<tr>
<td>Civil Technician</td>
<td>120</td>
</tr>
<tr>
<td>Senior Landscape Architect</td>
<td>180</td>
</tr>
<tr>
<td>Junior Landscape Architect</td>
<td>150</td>
</tr>
<tr>
<td>Administration</td>
<td>100</td>
</tr>
</tbody>
</table>

*Plus expenses
Construction Administration
Construction Administration services are typically defined for the specific project requirements. However, when these services are not clearly defined as to complexity and probable time of involvement, the fee structure in such situations shall be:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Rate ($) / activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct Construction Conferences / Meetings</td>
<td>1,035</td>
</tr>
<tr>
<td>Milestone Site Visits</td>
<td>800</td>
</tr>
<tr>
<td>Progress Site Visits</td>
<td>685</td>
</tr>
<tr>
<td>*Plus expenses</td>
<td></td>
</tr>
</tbody>
</table>

Litigation Activities
Services associated with potential litigation activities such as preparation, research, advice, or for professional witness activities when related to arbitration, mediation, deposition and testimony, the fee structure in such situations shall be: (Any request, emanating either directly or indirectly from an Attorney, shall be considered to lie within the framework.)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Rate ($) / activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Services</td>
<td>210</td>
</tr>
<tr>
<td>*Plus expenses</td>
<td></td>
</tr>
</tbody>
</table>

Expenses
In addition to the noted hourly rates, expenses will be billed at cost plus ten percent. Expenses may include renderings, reproduction, photography, delivery charges, permit/approval fees, travel, and subconsultant invoices:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Rate ($) / activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mileage</td>
<td>$0.585 / Mile</td>
</tr>
</tbody>
</table>
December 16, 2021

Re: City Operation Facilities Complex Professional Services Selection Process & Final Ranking CP2109

To Whom It May Concern:

The Selection Committee for the City Operation Facilities Complex Professional Services interviewed the finalist teams on Wednesday, December 15, 2021. After evaluating the teams based on the criteria outlined in the Request for Qualifications, the Committee has determined the final ranking of the Applicants as follows:

1. Stubbs, Muldrow, Herin Architects
2. DP3 Architects
3. Glick Boehm Architecture

In accordance with the City of Charleston Procurement Policy, negotiations shall first be conducted with the highest ranked Applicant. If the City is unable to reach acceptable contract terms with this team, negotiations shall be terminated and re-instituted with the next highest-ranked Applicant. The procedure shall continue until an acceptable contract agreement is reached.

We thank all Applicants for the time and effort in pursuing this solicitation.

Regards,

Chase Anderson, Senior Construction Project Manager, Capital Projects Division

cc: file;
    Edmund V. Most, Chair of the Selection Committee
    Deputy Director, Capital Projects Division
## Operations Facilities Complex RFQ for PS

**Selection Committee Meeting December 15, 2021**

### CP 2109

(Project Number)

### Operations Facilities Complex

(Project Name)

<table>
<thead>
<tr>
<th>Submittal</th>
<th>SC1</th>
<th>SC2</th>
<th>SC3</th>
<th>SC4</th>
<th>SC5</th>
<th>SC6</th>
<th>SC7</th>
<th>SC8</th>
<th>Total Score</th>
<th>Final Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>DP3</td>
<td>89</td>
<td>95</td>
<td>79</td>
<td>91</td>
<td>85</td>
<td>95</td>
<td>78</td>
<td>81</td>
<td>693</td>
<td>2</td>
</tr>
<tr>
<td>Glick-Boehm</td>
<td>83</td>
<td>65</td>
<td>67</td>
<td>84</td>
<td>62</td>
<td>73</td>
<td>58</td>
<td>59</td>
<td>551</td>
<td>3</td>
</tr>
<tr>
<td>SMHs</td>
<td>92</td>
<td>87</td>
<td>89</td>
<td>97</td>
<td>97</td>
<td>100</td>
<td>95</td>
<td>92</td>
<td>749</td>
<td>1</td>
</tr>
</tbody>
</table>

Certified by: 

Edmund V. Most, Selection Committee Chair

Date: [12/15/21]
TO: John J. Tecklenburg, Mayor  
FROM: Dale Morris  
DEPT. Resiliency & Sustainability  
SUBJECT: SC DHEC SOLID WASTE REDUCTION & RECYCLING GRANT: CATEGORY 1  
REQUEST: To approve submission of the 2023 SC DHEC Solid Waste Reduction & Recycling grant application ($15,000) to support a pilot food scrap composting program at farmers markets.

COMMITTEE OF COUNCIL: W&M  
DATE: 3/22/22

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

Corporate Counsel:  
Resiliency Div.  
Grants Manager  
Signature of Individual Contacted: Dale T. Morris

FUNDING: Was funding previously approved? Yes [X] No [ ] N/A [ ]

If yes, provide the following:
Dept./Div.:  
Account #:  
Balance in Account:  
Amount needed for this item:  

Does this document need to be recorded at the RMC's Office? [X] Yes  

NEED: Identify any critical time constraint(s).  
The grant application is due on April 1, 2022.

CFO's Signature: Mattie  
FISCAL IMPACT:  
No city match required.

Mayor's Signature: John J. Tecklenburg, Mayor

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor's Signature) PACKAGE IS DUE IN THE CLERK OF COUNCIL'S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK'S AGENDA MEETING.
DHEC's Office of Solid Waste Reduction and Recycling (Office) is accepting proposals from South Carolina local governments and regions for the implementation or expansion of waste reduction and/or recycling projects.

A local government is a county, municipality, or any other political subdivision located wholly or partly within the county when such political subdivision provides solid waste management services. A region is a group of counties that has submitted a regional solid waste management plan to the department.

<table>
<thead>
<tr>
<th>Submittal Instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requests should be submitted electronically. If electronic submission presents a problem, please contact the Office for other submission options.</td>
</tr>
<tr>
<td>Requests will be accepted starting Monday, February 7, 2022 through 5:00 p.m. (EDT) on Friday, April 1, 2022.</td>
</tr>
<tr>
<td>Requests should be submitted in PDF or Microsoft Word format (.doc or .docx).</td>
</tr>
<tr>
<td>Requests received after the deadline will not be considered.</td>
</tr>
<tr>
<td>Incomplete submissions will not be considered. All questions must be thoroughly answered.</td>
</tr>
<tr>
<td>Faxed copies will not be considered.</td>
</tr>
<tr>
<td>Use this application only. Applications from previous years will not be accepted.</td>
</tr>
<tr>
<td>Electronic submissions should be emailed to <a href="mailto:swgrants@dhec.sc.gov">swgrants@dhec.sc.gov</a></td>
</tr>
<tr>
<td>Please refer to the enclosed Grant Guidelines for eligibility requirements.</td>
</tr>
<tr>
<td>For additional information, please contact Alex Miller at 803-898-1324 or Richard Chesley at 803-898-1327 or email <a href="mailto:swgrants@dhec.sc.gov">swgrants@dhec.sc.gov</a></td>
</tr>
</tbody>
</table>

**NOTE:** This offering does not commit DHEC to award a grant, to pay any cost incurred in the preparation of the proposal, or to procure or contract for articles of goods or services. DHEC reserves the right to accept or reject any or all proposals received as a result of this offering, or to cancel in part or in its entirety this offering if it is in the best interest of the State to do so.
Grant Purpose:
The purpose of the Solid Waste Reduction and Recycling Grant program is to assist local governments and regions in their efforts to achieve the recommended state municipal solid waste (MSW) recycling goal of 40 percent and achieve the recommended MSW disposal goal of 3.25 lbs. or less per person per day. Grant awards are anticipated in two grant programs. Local governments may apply for one or both grant awards:

1. General Recycling Solid Waste Grant.
A general recycling and outreach/education grant is offered for residential or commercial projects that support recycling; efforts directed at decreasing contamination of residential recyclables; and/or, residential and backyard composting. The general recycling grant will have maximum awards up to $15,000 per local government, where funds allocated for outreach/education of this total will not exceed $5,000.

2. Organics Recovery and Recycling Grant.
A very competitive and innovative organics recovery and recycling grant will be offered. The Department will award up to two organics recovery and recycling grants based on the quality of the application. The organics recovery and recycling grant will have a maximum award of up to $110,000 total. A maximum of two proposals may be awarded.

Grant Conditions:
- All outreach/education materials must make use of the Recycle Right SC or Don’t Waste Food SC educational campaigns.
- The evaluation of general recycling grant proposals will give special consideration to new programs, new or innovative projects, or projects that expand existing programs.
- Organics recovery and recycling funds will be awarded on a competitive basis to applicants that demonstrate a plan consistent with the grant goal. The evaluation of organics recovery and recycling grant proposals will give special consideration to new or innovative projects.
- Recurring expenses, indirect costs, professional development, and prizes or giveaways will not be considered.

Review and Award Process:
- Grant proposals will be reviewed and assigned points based on responses to the questions in the proposal instructions.
- Grant requests will be ranked, and funding recommendations made to the State Solid Waste Advisory Council (SWAC) for final approval.
- Grant offers will be made in writing to the applicants.
- All grant awards will have an ending date of June 30, 2023.

Reminders:
- The DHEC grant instrument will specify an award amount for education materials, but approval for individual items will not be made until after the grant has been awarded.
- Specific items and materials must be requested in writing, using the DHEC 2082 approval form.
- Publication, distribution, and production of educational materials may not be initiated until specifically approved by DHEC.
Guidelines
FY2023 Solid Waste Reduction and Recycling Grant Program

1. The Office will accept electronic requests starting Monday, February 7, 2022 through 5:00 p.m. (EDT) on Friday, April 1, 2022. Proposals received after the deadline will not be considered. Faxed or incomplete grant proposals will not be considered. If electronic submission presents a problem, please contact the Office for other available options.

2. Solid Waste Reduction and Recycling Grants are made available to any local government in the State of South Carolina that provides solid waste services; any region that has submitted to DHEC, a regional solid waste management plan; or any eligible local government that applies on behalf of an informal region comprised of eligible local governments, provided they include a signed Memorandum of Agreement between the local governments designating them to administer funds.

3. Grants shall not be provided to any local government or region that has not demonstrated a good faith effort to meet the requirements of the S.C. Solid Waste Policy and Management Act of 1991.

4. Local governments must have submitted the appropriate reports as required by the S.C. Solid Waste Policy and Management Act of 1991, to include a complete solid waste management plan, an annual solid waste management progress report, and full-cost disclosure documentation.

5. Grants will not be provided for projects that are not consistent with the state or local county solid waste management plan.

6. Grant proposals will be reviewed and assigned points based on responses to the questions in the proposal instructions. Grant requests will be ranked, and funding recommendations made to the SWAC for final approval. Grant offers will be made in writing to the applicants.

7. Within thirty (30) days of notification by the SWAC as to the disposition of a party’s grant proposal, the party may submit a written request to the SWAC for a review of the original grant decision. Within forty-five (45) days of the original grant decision, the Office will inform the appealing party of the hearing date, place, and time. Within sixty (60) days of the original grant decision, the SWAC shall render a final decision.

8. All grant awards will have an ending date of June 30, 2023.

9. The applicant must be able to provide documentation of ownership or present a signed lease agreement for any land that may be used in conjunction with the project proposed.

10. Activities undertaken to fulfill the requirements of the grant must be performed in compliance with federal, state, and local regulations.

11. The Grantee shall not provide any DHEC grant funds to private sector recycling programs unless specifically contracting for goods or services.

12. All grants shall be construed and enforced in accordance with the laws of the State of South Carolina.

13. No person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination in relation to, activities carried out under this grant program on the grounds of race, age, health status, handicap, color, sex, religion, or national origin.

14. DHEC reserves the right to offer funding in the grant instrument for goods or services that differ from the description provided in the grant request.

1. General Recycling Grant Proposal Instructions
Project Goal: To assist local governments and regions in their efforts to achieve the recommended state municipal solid waste (MSW) recycling goal of 40% and achieve the recommended MSW disposal goal of 3.25 lbs. or less per person per day.

Anticipated Awards: Not to exceed $15,000 per local government, where funds allocated for outreach/education of this total will not exceed $5,000.

Expenses Considered: The purchase of equipment, educational materials, and items necessary to support the project or activity; performance of site preparation; and development and/or implementation of promotional/educational programs to support recycling, waste reduction, and composting in schools, homes, and businesses.

Expenses Not Considered Include: Recurring expenses, such as permanent personnel costs and indirect costs; professional development; and prizes or giveaways.

Responses to the items below will be used to assign point values to all proposals. Grant recommendations will be made based on a ranking by point value. Responses must be numbered 1 through 17 and addressed in numerical order. Incomplete proposals will not be considered.

1. Provide local government name.

   City of Charleston

2. Provide names, addresses, phone numbers, and email addresses for the project manager, finance director, and authorized representative (i.e. city/county manager or administrator).

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Address</th>
<th>Phone</th>
<th>Fax</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Sustainability/</td>
<td>Katie McKain</td>
<td>2 George Street, Ste 3610</td>
<td>(843) 724-3789</td>
<td>(843) 720-4268</td>
<td><a href="mailto:mckaink@charleston-sc.gov">mckaink@charleston-sc.gov</a></td>
</tr>
<tr>
<td>Project Manager</td>
<td></td>
<td>Charleston, SC 29401</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance Director</td>
<td>Amy Wharton</td>
<td>116 Meeting St.</td>
<td>(843) 724-3710</td>
<td>(843) 720-3901</td>
<td><a href="mailto:wharton@charleston-sc.gov">wharton@charleston-sc.gov</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Charleston, SC 29401</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorized Representative</td>
<td>Mayor John Tecklenburg</td>
<td>80 Broad St.</td>
<td>(843) 724-3737</td>
<td>(843) 720-3827</td>
<td><a href="mailto:tecklenburgj@charleston-sc.gov">tecklenburgj@charleston-sc.gov</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Charleston, SC 29401</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Describe the overall project for which grant funds are requested.

In partnership with SCDHEC, the City of Charleston would pilot a new campaign to reduce food waste and increase composting at City Farmers Markets. The City has a dedicated Farmers Market Manager who manages two weekly City farmers markets. The Wednesday evening West Ashley Farmers Market typically has 500-1,000 people attend and the Saturday downtown Charleston Farmers Market generally has +/- 5,000 attendees. The new program would be independent of the residential drop site program started earlier this year with separate operational processes, infrastructure needs, different staff and a different departmental budget.

Market composting will divert food scraps from the landfill, teach market attendees and vendors the benefits of composting, and demonstrate a community solution to a pressing need. The City is fortunate to have various City departments interested in creating their own composting program relative to their particular programming needs. This pilot will create awareness about composting and promote its uptake across the City and community.

This grant request is for $15,000 and would include the purchase of educational materials and advertising, startup infrastructure -- waste stations with composting and recycling containers/twin the bin, compost bins for vendors and signage, and compost hauling for the first year of this new program.

This project supports two goals of the Solid Waste Grant Program: waste reduction and composting. The project will divert food waste from landfills and reduce methane emissions. It supports SC DHEC’s Don’t Waste Food campaign. It pairs well with an existing end-of-market food donation program and will likely increase farmer “leftover” donations.

The Farmers Market Manager and team are eager to improve waste collection at the markets, divert food scraps from the landfill, and set a positive example for the region. We will initially focus upon our two City farmers markets and consider supporting additional markets if possible. Other farmers markets in the region will benefit from startup infrastructure, e.g., waste stations, from this project, if funding allows.
4. Identify the targeted commodity/commodities (e.g., glass, cardboard, electronics, etc.)

The target commodity is food waste. Source reduction, avoiding food waste and composting are key steps in the DHEC’s Don’t Waste Food Campaign. Adding these to our Farmers Markets will encourage vendors to donate deformed food items and those nearing expiration and compost expired items. It will also increase recyclables collected.

5. Describe the targeted source(s) of the materials (e.g., residences, schools, businesses, multi-family housing, commercial, institutions, government offices/agencies, etc.)

The targeted source of materials are farmer market vendor food scraps and food scraps from people attending the farmers market who consume, but may not finish, prepared food at the market. Preventing those scraps and leftovers from entering the waste stream is a key pilot goal.

The City requires all vendors to serve food in compostable or recyclable disposable containers. At present, there are limited recycling containers and no composting at the markets and thus much of the recyclable and compostable containers are entering the waste stream / not being diverted from the landfill.

6. Is this project in the planning, implementation, or assessment stage?

The project is in the planning phase. Ideas for pilot activities are being vetted with partners, the farmer’s market manager and the City Cultural Affairs Office. The proposed project would start on or around July 1, 2022 and be successfully completed within the 12-month grant period.

Both markets have a short winter offseason. Presently, we would initiate the pilot to commence in early 2023; if we are able to initiate the pilot towards the end of 2022 we will do so. The below schedule assumes a pilot start in early 2023.

**Planning Phase:**
- In progress
- Funds to execute project are awarded
- Partner and SCDHEC discussions refining pilot activities and infrastructure needs
- A new logo and advertising campaign will be designed in collaboration with SCDHEC
- A competitive selection process to choose the vendor to haul food waste will be made
- Outreach will occur to educate vendors and attendees about DHEC’s existing Don’t Waste Food SC campaign and the new composting pilot program being tested at the markets
- Infrastructure purchased, such as signage, compost bins for vendors and waste stations to twin the bin.

**Implementation Phase:**
- The collection of food scraps to begin when the markets open in spring
- Host a tent at the markets to educate foot traffic and ensure vendors have what they need to succeed
- Ongoing vendor, market and public outreach

**Assessment Phase:**
- Collect data and assess metrics (ongoing as loads of food waste are hauled away)
- Gather vendor feedback about their experience, what works and what should be adjusted, and their willingness to help offset hauling fees after the grant period.

7. Describe how the materials identified are currently being collected, transported, stored, and marketed.

Currently, no food waste generated at the Markets is being composted, despite the large quantity of food scraps being thrown away. Vendors are required to dispose of their own garbage. Public garbage cans are being emptied by the City in a dumpster for temporary storage and then moved to the landfill. The City does have some recycling bins at the markets too and items are collected and sent to the recycling facility. The City does not currently publicize its waste efforts at the markets.
There is strong support within City departments to compost and recycle more if we can secure the pilot program funding.

8. Describe any changes to how the materials identified will be collected, transported, stored, and marketed upon full implementation of the grant project.

The pilot will enable the City to create and implement a program to (a) collect compostables, (b) improve the collection of recycling at the farmers market, (c) ensure the compostables are transported to the Bees Ferry Compost Facility and (d) recycling is sent to the recycling center. Storage of compostables or recyclables would be minimal, depending upon hauling schedules. The City would market the program to vendors, on the City website, social media and other media as appropriate and promote a zero waste vision for the Farmers Markets.

9. Detail the potential vendors to whom recyclables will be marketed.

Charleston County government owns the Bees Ferry Compost Facility but does not collect or haul food waste directly. The County has collection partners, such as Carolina Waste Services, Republic Services, Smart Recycling of South Carolina, and Compost Now. The City will competitively bid for a compost hauler in the pilot’s early stages.

10. Describe all outreach/educational activities that will be undertaken to promote the project.

The City requests DHEC assistance to create a logo for the new farmer’s market composting program and graphic assistance with creating the marketing materials needed. We will utilize the Don’t Waste Food SC logo and related campaign materials.

The City will perform outreach and education about food waste and composting to vendors, post signage and host a tent at farmers markets, as available, to educate participants and support vendors. This may include educational stickers, signage, flyers, billboards, print and digital ads. The City will recognize and support vendors by recognizing their participation in a manner that meets their approval.

The City will aim to collaborate with McGill Compost, the operator of Charleston County’s compost facility, to return composted product to the farmers for their use on new crops. The City is excited about closing this circular-economy loop.

11. Describe the amount of targeted material currently being collected from the targeted source.

Farmer Market food waste and disposable food service-ware is not being collected for composting; instead, vendors dispose of it themselves or it ends up in garbage receptacles and the landfill. The City currently has no data or metrics on food waste generated at the Markets. The pilot will help the City establish baseline food waste metrics.

12. Describe the estimated increase or improvement expected as a result of the grant.

The impact will be significant, both in terms on waste diverted from the landfill and in interest in and awareness of composting benefits, given the +/- 6,000 weekly Market attendees.

Vendors with the highest amount of food scraps will be farmers (40%) and prepared food vendors (60%). Approximately 15 vendors at the West Ashley Farmers Market and 35 vendors at the downtown Charleston Farmers Market produce heavy food scraps. The City does not presently track data on how much waste each vendor produces. We conservatively estimate that each vendor will produce 50 lbs of compostables per week. This is over 2,500 lbs of compostables diverted from the landfill every week or approximately 5 tons a month just from these two weekly events.
Over a 4-month pilot project, we might divert over 18 tons of food scraps from our landfill. Market foot traffic and education will encourage some subset of market attendees to try composting at home and/or other ways to reduce food waste and divert food scraps from the landfill.

13. Explain how you arrived at this estimate.

The downtown market starts in March; the West Ashley market starts in April.

**March**: 35 vendors x 50 lbs estimated compostables per week = 1,750 lbs/week x 4 weeks = 7,000 lbs (or 3.5 tons)/month

**April-June**: 50 vendors x 50 lbs estimated compostables per week = 2,500 lbs/week x 4 weeks = 10,000 lbs (or 5 tons)/month

**Total** = 3.5 tons (March) + 3 months x 5 tons/month = **18.5 tons** from March-June 30 (end of grant period)

14. If this is a regional application, please describe all parties and explain the activities for which each party will be responsible.

Charleston County Environmental Management supports this project and will expand project outreach and education, including helping to volunteer at farmers markets to support the program. The Markets attract vendors from across the region and thus the benefits are regional too. We hope to return compost to the farmers, which yields another regional impact.

15. If this is a regional application, provide a breakdown by local government of the estimates provided in numbers 11 and 12 above.

This is a City application. Some benefits and reach will be regional, while the increase in composting will be related to food waste associated with generated by the City markets.
16. Provide a detailed budget for the project, including cost estimates for each item for which funding is being requested. Include photos or descriptive literature as available.

The below table outlines our proposed grant fund expenditures.

<table>
<thead>
<tr>
<th>EXPECTED EXPENDITURES</th>
<th>GRANT FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Infrastructure - estimated</strong></td>
<td>$7,000</td>
</tr>
<tr>
<td>Anticipating to include:</td>
<td></td>
</tr>
<tr>
<td>- Waste stations with co-located recycling bins and twin the bin for public access</td>
<td></td>
</tr>
<tr>
<td>- Compost bins for vendors to have at their tents.</td>
<td></td>
</tr>
<tr>
<td>- BPI certified compostable bag liners</td>
<td></td>
</tr>
<tr>
<td><strong>Hauling Contract - estimated</strong></td>
<td>$3,000</td>
</tr>
<tr>
<td>Anticipating to include: (sized for 50 lbs per vendor)</td>
<td></td>
</tr>
<tr>
<td>$192/month x 3 months (April-June) West Ashley Market</td>
<td></td>
</tr>
<tr>
<td>= $576 (4-64 gal carts full a week)</td>
<td></td>
</tr>
<tr>
<td>$432/month x 4 months Downtown Market (March- June)</td>
<td></td>
</tr>
<tr>
<td>= $1,728 (9-64 gal carts full a week)</td>
<td></td>
</tr>
<tr>
<td><strong>Outreach, Educational Media, Advertising - estimated</strong></td>
<td>$5,000</td>
</tr>
<tr>
<td>Outreach and education, including:</td>
<td></td>
</tr>
<tr>
<td>- Professional signage</td>
<td></td>
</tr>
<tr>
<td>- Educational flyers, stickers, magnets, vendor recognition items</td>
<td></td>
</tr>
<tr>
<td>- Advertising- could also include digital, print, billboard, radio, social media ads, web ads as needed.</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$15,000</td>
</tr>
</tbody>
</table>

17. Describe any shortfalls for which grant funding will not be adequate and explain how any additional funding will be secured. Include matching funds, in-kind contributions, and sponsored contributions/grants from other sources.

While no shortfalls are anticipated at this time, the City will seek in-kind donations from the selected hauler to help leverage grant funds and program expansion, as possible.
2. Organics Recovery and Recycling Grant Proposal Instructions

**Project Goal:** To increase the recovery of organic material (e.g., food waste, yard trimmings, cooking oil) through implementation of a new program or enhancement of an existing program designed to divert organics to the landfill. Any education/outreach materials associated with the project must be approved by the Office prior to production.

**Expenses Considered:** Construction, renovation, or expansion of facilities, equipment, and/or supplies to increase recovery organic material; education/outreach material to promote and communicate the project to the community; first year of contractor costs.

**Expenses Not Considered Include:** Recurring expenses (e.g., permanent personnel costs and indirect costs, professional development, and prizes or giveaways.

**Anticipated Awards:** The Office anticipates awards not to exceed $110,000 total for awarded proposals with a maximum of two proposals may be awarded.

*Responses to the items below will be used to assign point values to all proposals. Grant recommendations will be made based on a ranking by point value. Responses must be numbered 1 through 14 and addressed in numerical order. Incomplete proposals will not be considered.*

1. Provide local government name.

   City of Charleston

2. Provide names, addresses, phone numbers, and email addresses for the project manager, finance director, and authorized representative (i.e. county manager or administrator).

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Address 1</th>
<th>Phone</th>
<th>Fax</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Sustainability/</td>
<td>Katie McKain</td>
<td>2 George Street, Ste 3610</td>
<td>(843) 724-3789</td>
<td>(843) 720-4268</td>
<td><a href="mailto:mckaink@charleston-sc.gov">mckaink@charleston-sc.gov</a></td>
</tr>
<tr>
<td>Project Manager</td>
<td></td>
<td>Charleston, SC 29401</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance Director</td>
<td>Amy Wharton</td>
<td>116 Meeting St.</td>
<td>(843) 724-3710</td>
<td>(843) 720-3901</td>
<td><a href="mailto:wharton@charleston-sc.gov">wharton@charleston-sc.gov</a></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Charleston, SC 29401</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorized Representative</td>
<td>Mayor John</td>
<td>80 Broad St.</td>
<td>(843) 724-3737</td>
<td>(843) 720-3827</td>
<td><a href="mailto:tecklenburg@charleston-sc.gov">tecklenburg@charleston-sc.gov</a></td>
</tr>
<tr>
<td></td>
<td>Tecklenburg</td>
<td>Charleston, SC 29401</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Provide a detailed description of the project for which grant funding is requested.

   This grant proposal request is for $110,000 to support infrastructure and equipment needs (a) for a new compost program in public buildings, and (b) to innovate, improve and expand existing composting in the Charleston region. This project supports two goals of the Solid Waste Grant Program: waste reduction and initiating composting activities. The project will divert food waste from landfills, reduce methane emissions, and will increase recyclables diverted from the landfill. It will build from the Don’t Waste Food campaign as reducing food waste and food donation are priorities before composting.

   There are three main programmatic funding requests in this application:

   1. **Residential Drop Site Program:** The City of Charleston’s residential drop site pilot program has been very successful with over 700 participants signed up despite being limited to only three drop sites. Residents would like more drop sites to be added. Because the leased collection carts are not green in color (the official indicator of composting) they are mistaken for garbage carts which increases contamination and defeats the program’s goal.

      To address the contamination challenge, the City has added key code locks to the carts and restricted access to only those residents who have registered for the program and are trained on acceptable compost materials. Contamination is a major challenge as the compost facility will not accept contaminated carts. This results in either the City having to prevent contamination or landfill the contaminated carts. Neither outcome is efficient. The locks have helped but remain difficult for a subset of compost program registrants.
Below is an image of a current drop site. The carts are dark blue and it is difficult to appropriately label them. The carts should be either green or more aesthetically pleasing and identifiable, as they are in prominent locations in City parks. More permanent, larger signage is being installed soon, after we ensure the pilot locations are appropriate.

The City would like to innovate and improve the drop site infrastructure and expand / double the number of drop sites. This funding request is to purchase innovative smart compost carts that use RFID technology. Residents will be able to unlock the carts with a web-app and/or a digital key card, rather than fumbling with a manual lock code and chain. This will improve ease of cart use and provide data on usage, volumes and servicing needs. Such technology is being piloted in New York City; further research on the smart carts, and their uses and costs is necessary.

If RFID carts are not usable in the City program or are cost prohibitive, we would purchase green compost carts with accurate “food scraps only” labels. We could also commission targeted graphic design to clearly distinguish their appearance and intended use. The City also would like to build or purchase a corral to hold the carts in place. One corral per drop site would be needed. Each drop site will need “twin the bin” infrastructure to enhance recycling and reduce contamination. This proposal requests funding to purchase additional kitchen compost bins to support residents wanting to join our compost program. 200 residents enthusiastically and quickly took such bins in January, 2022.

2. **Equipment**: This application requests research for and purchase of a hydraulic lift trailer to (a) enable the City to haul food scraps to the compost facility (and potentially reduce hauling fees) and (b) return compost to be utilized in our parks and community gardens.

3. **Broader Compost Support**: This request is also to explore and, if possible, deploy, (a) new waste stations (including twin the bin) in public buildings to support visitors, public events and City staff to compost, and (b) deploy backyard composters for residents, depending upon funding. This latter is the most efficient and effective method of composting as it minimizes contamination, transportation, emissions, and enables reuse of compost on site.

A small portion of this request is for educational signage, materials and advertising; the bulk is focused on infrastructure. No portion of this request is for contractor hauling.

All requests work in tandem with Charleston County Environmental Management’s composting efforts and visions, and in particular the drop site program where Charleston County is proposing to add residential drop sites to their convenient centers. Together, we hope to promote all drop sites in the region as one program for anyone to utilize, not solely City residents, making it a true regional collaboration. Behind the scenes, we would each manage and be responsible for drop site care and maintenance.
4. Describe the specific items for which grant funding is being requested.

For Drop Site Program expansion, we are researching Smart RFID carts or green carts, corrals to hold carts, twin the bin infrastructure, kitchen compost bins, and BPI compostable bag liners.

The innovative Smart Carts are solar powered with RFID card access and web-app access; they also have online monitoring to better track data. Two companies, Orvak and Big Belly, are pioneering these smart carts, with shells that contain 64-gallon carts. Below are images of non-compacting smart carts, and a 64 gal green compost cart.

Below are bin options we will consider: slim jim compost bins, a potential waste station for indoor use, clear stream compost bins and kitchen compost caddies.

Below are examples of corrals to hold the carts in place.
5. Identify the target audience and describe how the project will be communicated to the target audience (e.g., education/outreach).

The audience varies by program: our goal is to reach as many people as possible using different approaches. The Drop Site program and backyard composting efforts target residents, which has existing education and outreach processes and marketing materials already being utilized, including a dedicated website.

The new program in public buildings targets anyone in the buildings: City residents, visitors, businesses seeking information or attending an event, and City staff.

6. Provide a projected implementation timeline of the project.

**Planning Phase:**
Approx. month 0-4
- New drop sites will be researched and considered, including budgetary considerations
- Drop Site Infrastructure and equipment will be researched
- Outreach will occur to educate residents

**Implementation Part 1:**
Approx. month 4-8
- Purchase equipment and infrastructure and add to the drop sites
- Education and outreach will continue and materials will be purchased after SCDHEC’s review
- Purchase kitchen compost bins and expand advertising to encourage new participants

**Implementation Part 2:**
Approx. month 8-12
- Research and purchase infrastructure to support waste stations in public buildings
- Backyard compost bin giveaway, collect data

**Assessment Phase:**
Approx. month 1-12
- Assess metrics (ongoing as loads of food waste are hauled away)
- Gather user feedback about their experiences to improve the programs

7. List community partners, if any, which will be involved.

Charleston has many community partners that support our composting efforts. The Coastal Conservation League is a primary partner and has been an integral partner in our drop site pilot program. The Charleston Parks Conservancy has also been an integral partner as they manage the community gardens at some of our drop sites. Charleston County, McGill Compost, local colleges and others will partner in this effort.

8. Explain how the project will benefit the community, increase the quantity of recovered organics, and/or otherwise impact the efficiencies of your program.

The project will allow us to deploy and efficiently manage key drop site infrastructure and add more drop sites so more residents can participate in the program close to home. This will drastically increase the number of people composting and the amount of food scraps diverted from our landfill. During the month of February 2022, the three drop sites collected over 4 tons of food scraps and diverted them from the landfill. The requested infrastructure will increase the reach and potential to add more users and divert more food waste and recyclables from the landfill.

9. Describe how the proposed project makes use of existing infrastructure and complements or improves existing programs.

The project complements the existing Don’t Waste Food / composting drop sites campaign and existing infrastructure, i.e. the signage at our drop sites will remain intact. It adds new infrastructure to support efficiency and expansion and will expand composting the Charleston region.

10. Describe how the project will continue beyond the grant.

There is strong support from residents to grow our composting efforts. The pilot will build-out robust composting infrastructure and processes in the City; the City will maintain that infrastructure and composting focus after the grant period ends. This grant will fund City startup costs and enable us to research and optimize current challenges with hauling.
11. If this is a regional application, please describe all parties and explain the activities for which each party will be responsible.

The City will be responsible for all the requests in this application. The City’s requests work in tandem with Charleston County’s efforts, giving it a regional impact. Charleston County is also looking to add food scrap drop sites, so our two programs will work together despite being separately managed.

12. If this is a regional application, please explain how efficiencies will be achieved through a regional approach.

The City will share and leverage resources with Charleston County as possible, such as advertising, marketing materials and staff outreach to communities. The City’s drop site program is not limited to the City but extends to the region. This scale will facilitate regional City-County collaboration on messaging, awareness and jointly growing our composting programs. We hope this coordination will also yield an economy-of-scale / reduced hauling rate for both the City and County.

13. Provide a detailed budget for the project, including cost estimates for each item for which funding is being requested. Include photos or descriptive literature as available.

Below is a budget estimate:

<table>
<thead>
<tr>
<th>EXPECTED EXPENDITURES</th>
<th>GRANT FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Infrastructure - estimated</strong></td>
<td>$90,000</td>
</tr>
<tr>
<td>Anticipating to include:</td>
<td></td>
</tr>
<tr>
<td>- Corrals to hold carts at drop sites (approx.: $2,000/each, qty 6) $12,000</td>
<td></td>
</tr>
<tr>
<td>- Waste stations, twin the bin, compost bins, compost dumpsters, Clear Stream compost receptacles (approx.: $15,000)</td>
<td></td>
</tr>
<tr>
<td>- BPI certified compostable bag liners (approx. $5,000)</td>
<td></td>
</tr>
<tr>
<td>- Innovative Smart Composting Carts web-app enabled (approx.: $4,225/each, qty 12) $50,700 (if we purchase smart cart we may not need corrals, this is TBD)</td>
<td></td>
</tr>
<tr>
<td>or green compost carts with improved locking mechanisms and clear compost messaging and/or artwork (approx. $800/each, qty 12) $9,600</td>
<td></td>
</tr>
<tr>
<td>- First year subscription fees for smart carts</td>
<td></td>
</tr>
<tr>
<td>- Kitchen compost bins to help more residents get started at home (approx. $5/each, qty 1,000) $5,000</td>
<td></td>
</tr>
<tr>
<td>- Backyard compost bins to continue encouraging residents with yards their best option is to compost at home (approx. $55/each, qty 200) $11,000</td>
<td></td>
</tr>
<tr>
<td><strong>Equipment - estimated</strong></td>
<td>$12,000</td>
</tr>
<tr>
<td>Anticipating to include:</td>
<td></td>
</tr>
<tr>
<td>- Trailer with hydraulic lift for City staff to transport compostables to the compost facility (potentially avoiding contractor hauling fees), and to transport finished compost product back to parks and community gardens.</td>
<td></td>
</tr>
<tr>
<td><strong>Outreach, Educational Media, Advertising - estimated</strong></td>
<td>$8,000</td>
</tr>
<tr>
<td>Outreach and education, including:</td>
<td></td>
</tr>
<tr>
<td>- Professional signage</td>
<td></td>
</tr>
<tr>
<td>- Educational flyers, stickers, magnets, vendor recognition items</td>
<td></td>
</tr>
<tr>
<td>- Advertising- could also include digital, print, billboard, radio, social media ads, web ads as needed.</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$110,000</td>
</tr>
</tbody>
</table>

14. Describe any shortfalls for which grant funding will not be adequate and explain how any additional funding will be secured. Include matching funds, in-kind contributions, and sponsored contributions/grants from other sources.

We anticipate this grant will provide sufficient funding. If we are short funding, we will likely need to remove the more-costly smart cart option, which also have a recurring technology expense, and procure standard green compost carts with new locking mechanisms and corrals to hold them. If we receive part of the funding request, we would like to prioritize expanding and improving our drop site program first and welcome input from SCDHEC on prioritizing the most impactful solutions.
3/10/22
S.C. Department of Health and Environmental Control
2600 Bull Street, Columbia, SC 29201
Attn: Alex Miller, Solid Waste Grants
Re: FY2023 Solid Waste Reduction & Recycling Grant

Dear Ms. Miller,

The South Carolina Coastal Conservation League is an environmental non-profit advocacy organization based in Charleston, South Carolina. We appreciate the opportunity to express our support for the City of Charleston and Charleston County in their respective applications for the FY2023 Solid Waste Reduction & Recycling Grants. We also want to express our gratitude to DHEC for the generous offering of this funding to assist local governments in their efforts to achieve regional waste reduction goals. The timing of this DHEC funding opportunity is perfectly aligned to support budding programs that are being developed to target waste reduction and recycling initiatives in Charleston.

The new City of Charleston Community Composting Pilot Program which is supported by DHEC grant funding was launched in January 2022, following the unanimous passage of the Climate Action Plan by City Council in the fall of 2021. In just two months of the program’s existence, Charleston residents have come out of the woodwork to get involved. Sign-ups for the compost program and associated trainings exceeded expectations, and participants are eagerly inquiring about what can be done to increase composting efforts in our community. Clearly, the residents of Charleston are passionate and driven to support the environment, the local economy, and climate action goals through waste reduction and diversion efforts.

As Charleston County continues to grow, the social, economic, and environmental impacts of excessive wastefulness are becoming increasingly evident. In the face of rising seas and a changing climate, we should be making every possible effort to reduce our carbon emissions and increase our resilience. One strategy that helps to achieve both is to increase traditional recycling and incorporate food waste composting into local waste management operations. A key ingredient that is needed to make this happen is funding. By helping to fund our local governments’ efforts to increase access to composting, a broader geographic and socio-economic scope of residents will be reached. More food waste will be diverted from the landfill, methane emissions will be reduced, and people will be educated and inspired through the process.

The existing Community Composting Pilot Program supported by DHEC for the City of Charleston is currently limited to three drop sites where residents can bring their food waste to be collected and transported to the County facility at Bees Ferry. If awarded, FY2023 DHEC grant funding would be used to support an entirely new campaign in the city aimed at reducing food waste by making composting available at city farmers markets. Funding would go to cover the cost of waste stations, educational materials, & compost hauling from the city markets to the Bees Ferry Compost Facility. Increasing composting at city farmers markets presents an enormous opportunity to support DHEC’s Don’t Waste Food S.C. campaign by increasing awareness & education, diverting food waste from landfills, reducing methane emissions and setting a positive example for residents and visitors around the importance of waste awareness. This new city program targeting farmers markets has the potential to reach thousands of
attendees each week ranging from local residents to tourists, farmers, vendors, and small business owners.

Funding the City of Charleston and County with the FY2023 grant money will substantially leverage progress that is heating up around waste reduction and composting in Charleston. Charleston County is poised to mirror the efforts initiated by the City of Charleston by providing food waste composting drop sites at the existing Charleston County convenience centers. If funded, Charleston County residents will be able bring their food scraps directly to the convenience center to be transported to the Bees Ferry composting facility. This program would help make composting easy, accessible, and free residents who are unable to participate in private compost hauling services either due to either financial constraints or proximity.

These city and county composting initiatives will breathe new life and purpose to the award-winning Bees Ferry Compost facility that has been underutilized for over a decade due to lack of consistent food waste being brought in through regional composting programs. Charleston County compost is certified for use in organic farming by Clemson University, and many local farmers rely on the superior finished product to grow their crops. Unfortunately, the demand for this compost far outweighs the supply. The County has the existing infrastructure in place to expand the composting program, but there has been very little traction to do so since the initial success of the facility getting underway. Now with the expertise and oversight of McGill Environmental managing composting operations at the County Facility through a public/private partnership started last year, the time is now to support these programs.

The concept of community composting can be successfully proven through these pilot programs thanks to funding by DHEC. Groups like the Conservation League along with our environmental and nonprofit partners, stakeholders & passionate residents, will work diligently at the grassroots level to do all we can through advocacy efforts to ensure these pilot programs become permanent for our community.

Thank you for your thoughtful consideration of these comments and hopeful support of the City of Charleston and Charleston County governments for the FY2023 grant funding.

Sincerely,

[Signature]

Betsy La Force
Senior Project Manager
Communities & Transportation
843.725.2067, betsyl@scccl.org
TO: John J. Tecklenburg, Mayor
FROM: Dale Morris, Resiliency & Sustainability
SUBJECT: SC DHEC SOLID WASTE REDUCTION & RECYCLING GRANT: CATEGORY 2
REQUEST: To approve submission of the 2023 SC DHEC Solid Waste Reduction & Recycling grant application ($110,000) to support food scrap composting and associated infrastructure.

COMMITTEE OF COUNCIL: W&M DATE: 8/22/22

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

<table>
<thead>
<tr>
<th>Corporate Counsel</th>
<th>Yes</th>
<th>N/A</th>
<th>Signature of Individual Contacted</th>
<th>Attachment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resiliency Div.</td>
<td></td>
<td></td>
<td>Dale T. Morris</td>
<td></td>
</tr>
<tr>
<td>Grants Manager</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FUNDING: Was funding previously approved? Yes □ No □ N/A □
If yes, provide the following:
Dept./Div.: ________ Account #: ________
Balance in Account ________ Amount needed for this item ________

Does this document need to be recorded at the RMC's Office? Yes □ No □

NEED: Identify any critical time constraint(s).
The grant application is due on April 1, 2022.

CFO's Signature: ______________________
FISCAL IMPACT: ______________________
No city match required.

Mayor's Signature: ______________________

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor's Signature) PACKAGE IS DUE IN THE CLERK OF COUNCIL'S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK'S AGENDA MEETING.
Office of Solid Waste Reduction and Recycling
FY2023 Solid Waste Reduction & Recycling Grant
Grant Proposal Instructions

DHEC’s Office of Solid Waste Reduction and Recycling (Office) is accepting proposals from South Carolina local governments and regions for the implementation or expansion of waste reduction and/or recycling projects.

A local government is a county, municipality, or any other political subdivision located wholly or partly within the county when such political subdivision provides solid waste management services. A region is a group of counties that has submitted a regional solid waste management plan to the department.

Submittal Instructions

Requests should be submitted electronically. If electronic submission presents a problem, please contact the Office for other submission options.

Requests will be accepted starting Monday, February 7, 2022 through 5:00 p.m. (EDT) on Friday, April 1, 2022.

Requests should be submitted in PDF or Microsoft Word format (.doc or .docx).

Requests received after the deadline will not be considered.

Incomplete submissions will not be considered. All questions must be thoroughly answered.

Faxed copies will not be considered.

Use this application only. Applications from previous years will not be accepted.

Electronic submissions should be emailed to swgrants@dhec.sc.gov

Please refer to the enclosed Grant Guidelines for eligibility requirements.

For additional information, please contact Alex Miller at 803-898-1324 or Richard Chesley at 803-898-1327 or email swgrants@dhec.sc.gov

NOTE: This offering does not commit DHEC to award a grant, to pay any cost incurred in the preparation of the proposal, or to procure or contract for articles of goods or services. DHEC reserves the right to accept or reject any or all proposals received as a result of this offering, or to cancel in part or in its entirety this offering if it is in the best interest of the State to do so.
Grant Purpose:
The purpose of the Solid Waste Reduction and Recycling Grant program is to assist local governments and regions in their efforts to achieve the recommended state municipal solid waste (MSW) recycling goal of 40 percent and achieve the recommended MSW disposal goal of 3.25 lbs. or less per person per day. Grant awards are anticipated in two grant programs. Local governments may apply for one or both grant awards:

1. General Recycling Solid Waste Grant.
A general recycling and outreach/education grant is offered for residential or commercial projects that support recycling; efforts directed at decreasing contamination of residential recyclables; and/or, residential and backyard composting. The general recycling grant will have maximum awards up to $15,000 per local government, where funds allocated for outreach/education of this total will not exceed $5,000.

2. Organics Recovery and Recycling Grant.
A very competitive and innovative organics recovery and recycling grant will be offered. The Department will award up to two organics recovery and recycling grants based on the quality of the application. The organics recovery and recycling grant will have a maximum award of up to $110,000 total. A maximum of two proposals may be awarded.

Grant Conditions:
- All outreach/education materials must make use of the Recycle Right SC or Don't Waste Food SC educational campaigns.
- The evaluation of general recycling grant proposals will give special consideration to new programs, new or innovative projects, or projects that expand existing programs.
- Organics recovery and recycling funds will be awarded on a competitive basis to applicants that demonstrate a plan consistent with the grant goal. The evaluation of organics recovery and recycling grant proposals will give special consideration to new or innovative projects.
- Recurring expenses, indirect costs, professional development, and prizes or giveaways will not be considered.

Review and Award Process:
- Grant proposals will be reviewed and assigned points based on responses to the questions in the proposal instructions.
- Grant requests will be ranked, and funding recommendations made to the State Solid Waste Advisory Council (SWAC) for final approval.
- Grant offers will be made in writing to the applicants.
- All grant awards will have an ending date of June 30, 2023.

Reminders:
- The DHEC grant instrument will specify an award amount for education materials, but approval for individual items will not be made until after the grant has been awarded.
- Specific items and materials must be requested in writing, using the DHEC 2082 approval form.
- Publication, distribution, and production of educational materials may not be initiated until specifically approved by DHEC.
Guidelines
FY2023 Solid Waste Reduction and Recycling Grant Program

1. The Office will accept electronic requests starting Monday, February 7, 2022 through 5:00 p.m. (EDT) on Friday, April 1, 2022. Proposals received after the deadline will not be considered. Faxed or incomplete grant proposals will not be considered. If electronic submission presents a problem, please contact the Office for other available options.

2. Solid Waste Reduction and Recycling Grants are made available to any local government in the State of South Carolina that provides solid waste services; any region that has submitted to DHEC, a regional solid waste management plan; or any eligible local government that applies on behalf of an informal region comprised of eligible local governments, provided they include a signed Memorandum of Agreement between the local governments designating them to administer funds.

3. Grants shall not be provided to any local government or region that has not demonstrated a good faith effort to meet the requirements of the S.C. Solid Waste Policy and Management Act of 1991.

4. Local governments must have submitted the appropriate reports as required by the S.C. Solid Waste Policy and Management Act of 1991, to include a complete solid waste management plan, an annual solid waste management progress report, and full-cost disclosure documentation.

5. Grants will not be provided for projects that are not consistent with the state or local county solid waste management plan.

6. Grant proposals will be reviewed and assigned points based on responses to the questions in the proposal instructions. Grant requests will be ranked, and funding recommendations made to the SWAC for final approval. Grant offers will be made in writing to the applicants.

7. Within thirty (30) days of notification by the SWAC as to the disposition of a party’s grant proposal, the party may submit a written request to the SWAC for a review of the original grant decision. Within forty-five (45) days of the original grant decision, the Office will inform the appealing party of the hearing date, place, and time. Within sixty (60) days of the original grant decision, the SWAC shall render a final decision.

8. All grant awards will have an ending date of June 30, 2023.

9. The applicant must be able to provide documentation of ownership or present a signed lease agreement for any land that may be used in conjunction with the project proposed.

10. Activities undertaken to fulfill the requirements of the grant must be performed in compliance with federal, state, and local regulations.

11. The Grantee shall not provide any DHEC grant funds to private sector recycling programs unless specifically contracting for goods or services.

12. All grants shall be construed and enforced in accordance with the laws of the State of South Carolina.

13. No person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination in relation to, activities carried out under this grant program on the grounds of race, age, health status, handicap, color, sex, religion, or national origin.

14. DHEC reserves the right to offer funding in the grant instrument for goods or services that differ from the description provided in the grant request.

1. General Recycling Grant Proposal Instructions
**Project Goal:** To assist local governments and regions in their efforts to achieve the recommended state municipal solid waste (MSW) recycling goal of 40% and achieve the recommended MSW disposal goal of 3.25 lbs. or less per person per day.

**Anticipated Awards:** Not to exceed $15,000 per local government, where funds allocated for outreach/education of this total will not exceed $5,000.

**Expenses Considered:** The purchase of equipment, educational materials, and items necessary to support the project or activity; performance of site preparation; and development and/or implementation of promotional/educational programs to support recycling, waste reduction, and composting in schools, homes, and businesses.

**Expenses Not Considered Include:** Recurring expenses, such as permanent personnel costs and indirect costs; professional development; and prizes or giveaways.

**Responses to the items below will be used to assign point values to all proposals. Grant recommendations will be made based on a ranking by point value. Responses must be numbered 1 through 17 and addressed in numerical order. Incomplete proposals will not be considered.**

1. Provide local government name.

   City of Charleston

2. Provide names, addresses, phone numbers, and email addresses for the project manager, finance director, and authorized representative (i.e. city/county manager or administrator).

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Address</th>
<th>Phone</th>
<th>Fax</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Sustainability/</td>
<td>Katie McKain</td>
<td>2 George Street, Ste 3610</td>
<td>(843) 724-3789</td>
<td>(843) 720-4268</td>
<td><a href="mailto:mkaink@charleston-sc.gov">mkaink@charleston-sc.gov</a></td>
</tr>
<tr>
<td>Project Manager</td>
<td></td>
<td>Charleston, SC 29401</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance Director</td>
<td>Amy Wharton</td>
<td>116 Meeting St.</td>
<td>(843) 724-3710</td>
<td>(843) 720-3901</td>
<td><a href="mailto:whartona@charleston-sc.gov">whartona@charleston-sc.gov</a></td>
</tr>
<tr>
<td>Charleston, SC 29401</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authorized Representative</td>
<td>Mayor John Tecklenburg</td>
<td>80 Broad St.</td>
<td>(843) 724-3737</td>
<td>(843) 720-3827</td>
<td><a href="mailto:tecklenburgj@charleston-sc.gov">tecklenburgj@charleston-sc.gov</a></td>
</tr>
<tr>
<td>Charleston, SC 29401</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Describe the overall project for which grant funds are requested.

   In partnership with SCDHEC, the City of Charleston would pilot a new campaign to reduce food waste and increase composting at City Farmers Markets. The City has a dedicated Farmers Market Manager who manages two weekly City farmers markets. The Wednesday evening West Ashley Farmers Market typically has 500-1,000 people attend and the Saturday downtown Charleston Farmers Market generally has +/- 5,000 attendees. The new program would be independent of the residential drop site program started earlier this year with separate operational processes, infrastructure needs, different staff and a different departmental budget.

   Market composting will divert food scraps from the landfill, teach market attendees and vendors the benefits of composting, and demonstrate a community solution to a pressing need. The City is fortunate to have various City departments interested in creating their own composting program relative to their particular programming needs. This pilot will create awareness about composting and promote its uptake across the City and community.

   This grant request is for $15,000 and would include the purchase of educational materials and advertising, startup infrastructure -- waste stations with composting and recycling containers/twin the bin, compost bins for vendors and signage, and compost hauling for the first year of this new program.

   This project supports two goals of the Solid Waste Grant Program: waste reduction and composting. The project will divert food waste from landfills and reduce methane emissions. It supports SC DHEC’s Don’t Waste Food campaign. It pairs well with an existing end-of-market food donation program and will likely increase farmer “leftover” donations.

   The Farmers Market Manager and team are eager to improve waste collection at the markets, divert food scraps from the landfill, and set a positive example for the region. We will initially focus on our two City farmers markets and consider supporting additional markets if possible. Other farmers markets in the region will benefit from startup infrastructure, e.g., waste stations, from this project, if funding allows.
4. Identify the targeted commodity/commodities (e.g., glass, cardboard, electronics, etc.)

The targeted commodity is food waste. Source reduction, avoiding food waste and composting are key steps in the DHEC’s Don’t Waste Food Campaign. Adding these to our Farmers Markets will encourage vendors to donate deformed food items and those nearing expiration and compost expired items. It will also increase recyclables collected.

5. Describe the targeted source(s) of the materials (e.g., residences, schools, businesses, multi-family housing, commercial, institutions, government offices/agencies, etc.)

The targeted source of materials are farmer market vendor food scraps and food scraps from people attending the farmers market who consume, but may not finish, prepared food at the market. Preventing those scraps and leftovers from entering the waste stream is a key pilot goal.

The City requires all vendors to serve food in compostable or recyclable disposable containers. At present, there are limited recycling containers and no composting at the markets and thus much of the recyclable and compostable containers are entering the waste stream/not being diverted from the landfill.

6. Is this project in the planning, implementation, or assessment stage?

The project is in the planning phase. Ideas for pilot activities are being vetted with partners, the farmer’s market manager and the City Cultural Affairs Office. The proposed project would start on or around July 1, 2022 and be successfully completed within the 12-month grant period.

Both markets have a short winter offseason. Presently, we would initiate the pilot to commence in early 2023; if we are able to initiate the pilot towards the end of 2022 we will do so. The below schedule assumes a pilot start in early 2023.

**Planning Phase:**
Approx. month 0-6
- In progress
- Funds to execute project are awarded
- Partner and SCDHEC discussions refining pilot activities and infrastructure needs
- A new logo and advertising campaign will be designed in collaboration with SCDHEC
- A competitive selection process to choose the vendor to haul food waste will be made
- Outreach will occur to educate vendors and attendees about DHEC’s existing Don’t Waste Food SC campaign and the new composting pilot program being tested at the markets
- Infrastructure purchased, such as signage, compost bins for vendors and waste stations to twin the bin.

**Implementation Phase:**
Approx. month 7-12
- The collection of food scraps to begin when the markets open in spring
- Host a tent at the markets to educate foot traffic and ensure vendors have what they need to succeed
- Ongoing vendor, market and public outreach

**Assessment Phase:**
Approx. month 7-12
- Collect data and assess metrics (ongoing as loads of food waste are hauled away)
- Gather vendor feedback about their experience, what works and what should be adjusted, and their willingness to help offset hauling fees after the grant period.

7. Describe how the materials identified are currently being collected, transported, stored, and marketed.

Currently, no food waste generated at the Markets is being composted, despite the large quantity of food scraps being thrown away. Vendors are required to dispose of their own garbage. Public garbage cans are being emptied by the City in a dumpster for temporary storage and then moved to the landfill. The City does have some recycling bins at the markets too and items are collected and sent to the recycling facility. The City does not currently publicize its waste efforts at the markets.
There is strong support within City departments to compost and recycle more if we can secure the pilot program funding.

8. Describe any changes to how the materials identified will be collected, transported, stored, and marketed upon full implementation of the grant project.

The pilot will enable the City to create and implement a program to (a) collect compostables, (b) improve the collection of recycling at the farmers market, (c) ensure the compostables are transported to the Bees Ferry Compost Facility and (d) recycling is sent to the recycling center. Storage of compostables or recyclables would be minimal, depending upon hauling schedules. The City would market the program to vendors, on the City website, social media and other media as appropriate and promote a zero waste vision for the Farmers Markets.

9. Detail the potential vendors to whom recyclables will be marketed.

Charleston County government owns the Bees Ferry Compost Facility but does not collect or haul food waste directly. The County has collection partners, such as Carolina Waste Services, Republic Services, Smart Recycling of South Carolina, and Compost Now. The City will competitively bid for a compost hauler in the pilot’s early stages.

10. Describe all outreach/educational activities that will be undertaken to promote the project.

The City requests DHEC assistance to create a logo for the new farmer’s market composting program and graphic assistance with creating the marketing materials needed. We will utilize the Don’t Waste Food SC logo and related campaign materials.

The City will perform outreach and education about food waste and composting to vendors, post signage and host a tent at farmers markets, as available, to educate participants and support vendors. This may include educational stickers, signage, flyers, billboards, print and digital ads. The City will recognize and support vendors by recognizing their participation in a manner that meets their approval.

The City will aim to collaborate with McGill Compost, the operator of Charleston County’s compost facility, to return composted product to the farmers for their use on new crops. The City is excited about closing this circular-economy loop.

11. Describe the amount of targeted material currently being collected from the targeted source.

Farmer Market food waste and disposable food service-ware is not being collected for composting; instead, vendors dispose of it themselves or it ends up in garbage receptacles and the landfill. The City currently has no data or metrics on food waste generated at the Markets. The pilot will help the City establish baseline food waste metrics.

12. Describe the estimated increase or improvement expected as a result of the grant.

The impact will be significant, both in terms on waste diverted from the landfill and in interest in and awareness of composting benefits, given the +/- 6,000 weekly Market attendees.

Vendors with the highest amount of food scraps will be farmers (40%) and prepared food vendors (60%). Approximately 15 vendors at the West Ashley Farmers Market and 35 vendors at the downtown Charleston Farmers Market produce heavy food scraps. The City does not presently track data on how much waste each vendor produces. We conservatively estimate that each vendor will produce 50 lbs of compostables per week. This is over 2,500 lbs of compostables diverted from the landfill every week or approximately 5 tons a month just from these two weekly events.
Over a 4-month pilot project, we might divert over 18 tons of food scraps from our landfill. Market foot traffic and education will encourage some subset of market attendees to try composting at home and/or other ways to reduce food waste and divert food scraps from the landfill.

13. Explain how you arrived at this estimate.

The downtown market starts in March; the West Ashley market starts in April.

March: 35 vendors x 50 lbs estimated compostables per week = 1,750 lbs/week x 4 weeks = 7,000 lbs (or 3.5 tons)/month
April-June: 50 vendors x 50 lbs estimated compostables per week = 2,500 lbs/week x 4 weeks = 10,000 lbs (or 5 tons)/month

Total = 3.5 tons (March) + 3 months x 5 tons/month = 18.5 tons from March-June 30 (end of grant period)

Regionalization
Point Value: 0 to 10

14. If this is a regional application, please describe all parties and explain the activities for which each party will be responsible.

Charleston County Environmental Management supports this project and will expand project outreach and education, including helping to volunteer at farmers markets to support the program. The Markets attract vendors from across the region and thus the benefits are regional too. We hope to return compost to the farmers, which yields another regional impact.

15. If this is a regional application, provide a breakdown by local government of the estimates provided in numbers 11 and 12 above.

This is a City application. Some benefits and reach will be regional, while the increase in composting will be related to food waste associated with/generated by the City markets.
16. Provide a detailed budget for the project, including cost estimates for each item for which funding is being requested. Include photos or descriptive literature as available.

The below table outlines our proposed grant fund expenditures.

<table>
<thead>
<tr>
<th>EXPECTED EXPENDITURES</th>
<th>GRANT FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Infrastructure - estimated</strong></td>
<td>$7,000</td>
</tr>
<tr>
<td>Anticipating to include:</td>
<td></td>
</tr>
<tr>
<td>- Waste stations with co-located recycling bins and twin the bin for public access</td>
<td></td>
</tr>
<tr>
<td>- Compost bins for vendors to have at their tents.</td>
<td></td>
</tr>
<tr>
<td>- BPI certified compostable bag liners</td>
<td></td>
</tr>
<tr>
<td><strong>Hauling Contract - estimated</strong></td>
<td>$3,000</td>
</tr>
<tr>
<td>Anticipating to include: (sized for 50 lbs per vendor)</td>
<td></td>
</tr>
<tr>
<td>$192/month x 3 months (April-June) West Ashley Market</td>
<td></td>
</tr>
<tr>
<td>= $576 (4-64 gal carts full a week)</td>
<td></td>
</tr>
<tr>
<td>$432/month x 4 months Downtown Market (March- June)</td>
<td></td>
</tr>
<tr>
<td>= $1,728 (9-64 gal carts full a week)</td>
<td></td>
</tr>
<tr>
<td><strong>Outreach, Educational Media, Advertising - estimated</strong></td>
<td>$5,000</td>
</tr>
<tr>
<td>Outreach and education, including:</td>
<td></td>
</tr>
<tr>
<td>- Professional signage</td>
<td></td>
</tr>
<tr>
<td>- Educational flyers, stickers, magnets, vendor recognition items</td>
<td></td>
</tr>
<tr>
<td>- Advertising - could also include digital, print, billboard, radio, social media ads, web ads as needed.</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$15,000</td>
</tr>
</tbody>
</table>

17. Describe any shortfalls for which grant funding will not be adequate and explain how any additional funding will be secured. Include matching funds, in-kind contributions, and sponsored contributions/grants from other sources.

While no shortfalls are anticipated at this time, the City will seek in-kind donations from the selected hauler to help leverage grant funds and program expansion, as possible.
2. Organics Recovery and Recycling Grant Proposal Instructions

**Project Goal:** To increase the recovery of organic material (e.g., food waste, yard trimmings, cooking oil) through implementation of a new program or enhancement of an existing program designed to divert organics to the landfill. Any education/outreach materials associated with the project must be approved by the Office prior to production.

**Expenses Considered:** Construction, renovation, or expansion of facilities, equipment, and/or supplies to increase recovery organic material; education/outreach material to promote and communicate the project to the community; first year of contractor costs.

**Expenses Not Considered Include:** Recurring expenses (e.g., permanent personnel costs and indirect costs, professional development, and prizes or giveaways.

**Anticipated Awards:** The Office anticipates awards not to exceed $110,000 total for awarded proposals with a maximum of two proposals may be awarded.

*Responses to the items below will be used to assign point values to all proposals. Grant recommendations will be made based on a ranking by point value. Responses must be numbered 1 through 14 and addressed in numerical order. Incomplete proposals will not be considered.*

1. Provide local government name.
   
   City of Charleston

2. Provide names, addresses, phone numbers, and email addresses for the project manager, finance director, and authorized representative (i.e. county manager or administrator).

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
<th>Address</th>
<th>Phone</th>
<th>Fax</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Sustainability/</td>
<td>Katie McKain</td>
<td>2 George Street, Ste 3610</td>
<td>(843) 724-3789</td>
<td>(843) 720-4268</td>
<td><a href="mailto:mekaink@charleston-sc.gov">mekaink@charleston-sc.gov</a></td>
</tr>
<tr>
<td>Project Manager</td>
<td></td>
<td>Charleston, SC 29401</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance Director</td>
<td>Amy Wharton</td>
<td>116 Meeting St.</td>
<td>(843) 724-3710</td>
<td>(843) 720-3901</td>
<td><a href="mailto:wharton@charleston-sc.gov">wharton@charleston-sc.gov</a></td>
</tr>
<tr>
<td>Authorized Representative</td>
<td>Mayor John Tecklenburg</td>
<td>80 Broad St. Charleston, SC 29401</td>
<td>(843) 724-3737</td>
<td>(843) 720-3827</td>
<td><a href="mailto:tecklenburgj@charleston-sc.gov">tecklenburgj@charleston-sc.gov</a></td>
</tr>
</tbody>
</table>

3. Provide a detailed description of the project for which grant funding is requested.

   This grant proposal request is for $110,000 to support infrastructure and equipment needs (a) for a new compost program in public buildings, and (b) to innovate, improve and expand existing composting in the Charleston region. This project supports two goals of the Solid Waste Grant Program: waste reduction and initiating composting activities. The project will divert food waste from landfills, reduce methane emissions, and will increase recyclables diverted from the landfill. It will build from the Don’t Waste Food campaign as reducing food waste and food donation are priorities before composting.

   There are three main programmatic funding requests in this application:

   1. **Residential Drop Site Program:** The City of Charleston’s residential drop site pilot program has been very successful with over 700 participants signed up despite being limited to only three drop sites. Residents would like more drop sites to be added. Because the leased collection carts are not green in color (the official indicator of composting) they are mistaken for garbage carts which increases contamination and defeats the program’s goal.

     To address the contamination challenge, the City has added key code locks to the carts and restricted access to only those residents who have registered for the program and are trained on acceptable compost materials. Contamination is a major challenge as the compost facility will not accept contaminated carts. This results in either the City having to prevent contamination or landfill the contaminated carts. Neither outcome is efficient. The locks have helped but remain difficult for a subset of compost program registrants.
Below is an image of a current drop site. The carts are dark blue and it is difficult to appropriately label them. The carts should be either green or more aesthetically pleasing and identifiable, as they are in prominent locations in City parks. More permanent, larger signage is being installed soon, after we ensure the pilot locations are appropriate.

The City would like to innovate and improve the drop site infrastructure and expand / double the number of drop sites. This funding request is to purchase innovative smart compost carts that use RFID technology. Residents will be able to unlock the carts with a web-app and/or a digital key card, rather than fumbling with a manual lock code and chain. This will improve ease of cart use and provide data on usage, volumes and servicing needs. Such technology is being piloted in New York City; further research on the smart carts, and their uses and costs is necessary.

If RFID carts are not usable in the City program or are cost prohibitive, we would purchase green compost carts with accurate “food scraps only” labels. We could also commission targeted graphic design to clearly distinguish their appearance and intended use. The City also would like to build or purchase a corral to hold the carts in place. One corral per drop site would be needed. Each drop site will need “twin the bin” infrastructure to enhance recycling and reduce contamination. This proposal requests funding to purchase additional kitchen compost bins to support residents wanting to join our compost program. 200 residents enthusiastically and quickly took such bins in January, 2022.

2. **Equipment:** This application requests research for and purchase of a hydraulic lift trailer to (a) enable the City to haul food scraps to the compost facility (and potentially reduce hauling fees) and (b) return compost to be utilized in our parks and community gardens.

3. **Broader Compost Support:** This request is also to explore and, if possible, deploy, (a) new waste stations (including twin the bin) in public buildings to support visitors, public events and City staff to compost, and (b) deploy backyard composters for residents, depending upon funding. This latter is the most efficient and effective method of composting as it minimizes contamination, transportation, emissions, and enables reuse of compost on site.

A small portion of this request is for educational signage, materials and advertising; the bulk is focused on infrastructure. No portion of this request is for contractor hauling.

All requests work in tandem with Charleston County Environmental Management’s composting efforts and visions, and in particular the drop site program where Charleston County is proposing to add residential drop sites to their convenient centers. Together, we hope to promote all drop sites in the region as one program for anyone to utilize, not solely City residents, making it a true regional collaboration. Behind the scenes, we would each manage and be responsible for drop site care and maintenance.
4. Describe the specific items for which grant funding is being requested.

For Drop Site Program expansion, we are researching Smart RFID carts or green carts, corrals to hold carts, twin the bin infrastructure, kitchen compost bins, and BPI compostable bag liners.

The innovative Smart Carts are solar powered with RFID card access and web-app access; they also have online monitoring to better track data. Two companies, Orwak and Big Belly, are pioneering these smart carts, with shells that contain 64-gallon carts. Below are images of non-compacting smart carts, and a 64 gal green compost cart.

Below are bin options we will consider: slim jim compost bins, a potential waste station for indoor use, clear stream compost bins and kitchen compost caddies.

Below are examples of corrals to hold the carts in place.
5. Identify the target audience and describe how the project will be communicated to the target audience (e.g., education/outreach).

The audience varies by program: our goal is to reach as many people as possible using different approaches. The Drop Site program and backyard composting efforts target residents, which has existing education and outreach processes and marketing materials already being utilized, including a dedicated website.

The new program in public buildings targets anyone in the buildings: City residents, visitors, businesses seeking information or attending an event, and City staff.

6. Provide a projected implementation timeline of the project.

| Planning Phase: | - New drop sites will be researched and considered, including budgetary considerations
| Approx. month 0-4 | - Drop Site Infrastructure and equipment will be researched
| | - Outreach will occur to educate residents

| Implementation Part 1: | - Purchase equipment and infrastructure and add to the drop sites
| Approx. month 4-8 | - Education and outreach will continue and materials will be purchased after SCDHEC's review
| | - Purchase kitchen compost bins and expand advertising to encourage new participants

| Implementation Part 2: | - Research and purchase infrastructure to support waste stations in public buildings
| Approx. month 8-12 | - Backyard compost bin giveaway, collect data

| Assessment Phase: | - Assess metrics (ongoing as loads of food waste are hauled away)
| Approx. month 1-12 | - Gather user feedback about their experiences to improve the programs

7. List community partners, if any, which will be involved.

Charleston has many community partners that support our composting efforts. The Coastal Conservation League is a primary partner and has been an integral partner in our drop site pilot program. The Charleston Parks Conservancy has also been an integral partner as they manage the community gardens at some of our drop sites. Charleston County, McGill Compost, local colleges and others will partner in this effort.

8. Explain how the project will benefit the community, increase the quantity of recovered organics, and/or otherwise impact the efficiencies of your program.

The project will allow us to deploy and efficiently manage key drop site infrastructure and add more drop sites so more residents can participate in the program close to home. This will drastically increase the number of people composting and the amount of food scraps diverted from our landfill. During the month of February 2022, the three drop sites collected over 4 tons of food scraps and diverted them from the landfill. The requested infrastructure will increase the reach and potential to add more users and divert more food waste and recyclables from the landfill.

9. Describe how the proposed project makes use of existing infrastructure and complements or improves existing programs.

The project complements the existing Don’t Waste Food / composting drop sites campaign and existing infrastructure, i.e. the signage at our drop sites will remain intact. It adds new infrastructure to support efficiency and expansion and will expand composting the Charleston region.

10. Describe how the project will continue beyond the grant.

There is strong support from residents to grow our composting efforts. The pilot will build-out robust composting infrastructure and processes in the City; the City will maintain that infrastructure and composting focus after the grant period ends. This grant will fund City startup costs and enable us to research and optimize current challenges with hauling.
11. If this is a regional application, please describe all parties and explain the activities for which each party will be responsible.

The City will be responsible for all the requests in this application. The City’s requests work in tandem with Charleston County’s efforts, giving it a regional impact. Charleston County is also looking to add food scrap drop sites, so our two programs will work together despite being separately managed.

12. If this is a regional application, please explain how efficiencies will be achieved through a regional approach.

The City will share and leverage resources with Charleston County as possible, such as advertising, marketing materials and staff outreach to communities. The City’s drop site program is not limited to the City but extends to the region. This scale will facilitate regional City-County collaboration on messaging, awareness and jointly growing our composting programs. We hope this coordination will also yield an economy-of-scale / reduced hauling rate for both the City and County.

13. Provide a detailed budget for the project, including cost estimates for each item for which funding is being requested. Include photos or descriptive literature as available.

Below is a budget estimate:

<table>
<thead>
<tr>
<th>EXPECTED EXPENDITURES</th>
<th>GRANT FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure- estimated</td>
<td>$90,000</td>
</tr>
<tr>
<td>Anticipating to include:</td>
<td></td>
</tr>
<tr>
<td>- Corrals to hold carts at drop sites (approx.: $2,000/each, qty 6) $12,000</td>
<td></td>
</tr>
<tr>
<td>- Waste stations, twin the bin, compost bins, compost dumpsters, Clear Stream compost receptacle (approx.: $15,000)</td>
<td></td>
</tr>
<tr>
<td>- BPI certified compostable bag liners (approx. $5,000)</td>
<td></td>
</tr>
<tr>
<td>- Innovative Smart Composting Carts web-app enabled (approx.: $4,225/each, qty 12) $50,700</td>
<td></td>
</tr>
<tr>
<td>- First year subscription fees for smart carts</td>
<td></td>
</tr>
<tr>
<td>- Kitchen compost bins to help more residents get started at home (approx. $5/each, qty 1,000) $5,000</td>
<td></td>
</tr>
<tr>
<td>- Backyard compost bins to continue encouraging residents with yards their best option is to compost at home (approx. $55/each, qty 200) $11,000</td>
<td></td>
</tr>
<tr>
<td>Equipment - estimated</td>
<td>$12,000</td>
</tr>
<tr>
<td>Anticipating to include:</td>
<td></td>
</tr>
<tr>
<td>- Trailer with hydraulic lift for City staff to transport compostables to the compost facility (potentially avoiding contractor hauling fees), and to transport finished compost product back to parks and community gardens</td>
<td></td>
</tr>
<tr>
<td>Outreach, Educational Media, Advertising - estimated</td>
<td>$8,000</td>
</tr>
<tr>
<td>Outreach and education, including:</td>
<td></td>
</tr>
<tr>
<td>- Professional signage</td>
<td></td>
</tr>
<tr>
<td>- Educational flyers, stickers, magnets, vendor recognition items</td>
<td></td>
</tr>
<tr>
<td>- Advertising- could also include digital, print, billboard, radio, social media ads, web ads as needed</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>$110,000</td>
</tr>
</tbody>
</table>

14. Describe any shortfalls for which grant funding will not be adequate and explain how any additional funding will be secured. Include matching funds, in-kind contributions, and sponsored contributions/grants from other sources.

We anticipate this grant will provide sufficient funding. If we are short funding, we will likely need to remove the more-costly smart cart option, which also have a recurring technology expense, and procure standard green compost carts with new locking mechanisms and corrals to hold them. If we receive part of the funding request, we would like to prioritize expanding and improving our drop site program first and welcome input from SCDHEC on prioritizing the most impactful solutions.
3/10/22
S.C. Department of Health and Environmental Control
2600 Bull Street, Columbia, SC 29201
Attn: Alex Miller, Solid Waste Grants
Re: FY2023 Solid Waste Reduction & Recycling Grant

Dear Ms. Miller,

The South Carolina Coastal Conservation League is an environmental non-profit advocacy organization based in Charleston, South Carolina. We appreciate the opportunity to express our support for the City of Charleston and Charleston County in their respective applications for the FY2023 Solid Waste Reduction & Recycling Grants. We also want to express our gratitude to DHEC for the generous offering of this funding to assist local governments in their efforts to achieve regional waste reduction goals. The timing of this DHEC funding opportunity is perfectly aligned to support budding programs that are being developed to target waste reduction and recycling initiatives in Charleston.

The new City of Charleston Community Composting Pilot Program which is supported by DHEC grant funding was launched in January 2022, following the unanimous passage of the Climate Action Plan by City Council in the fall of 2021. In just two months of the program’s existence, Charleston residents have come out of the woodwork to get involved. Sign-ups for the compost program and associated trainings exceeded expectations, and participants are eagerly inquiring about what can be done to increase composting efforts in our community. Clearly, the residents of Charleston are passionate and driven to support the environment, the local economy, and climate action goals through waste reduction and diversion efforts.

As Charleston County continues to grow, the social, economic, and environmental impacts of excessive wastefulness are becoming increasingly evident. In the face of rising seas and a changing climate, we should be making every possible effort to reduce our carbon emissions and increase our resilience. One strategy that helps to achieve both is to increase traditional recycling and incorporate food waste composting into local waste management operations. A key ingredient that is needed to make this happen is funding. By helping to fund our local governments’ efforts to increase access to composting, a broader geographic and socio-economic scope of residents will be reached. More food waste will be diverted from the landfill, methane emissions will be reduced, and people will be educated and inspired through the process.

The existing Community Composting Pilot Program supported by DHEC for the City of Charleston is currently limited to three drop sites where residents can bring their food waste to be collected and transported to the County facility at Bees Ferry. If awarded, FY2023 DHEC grant funding would be used to support an entirely new campaign in the city aimed at reducing food waste by making composting available at city farmers markets. Funding would go to cover the cost of waste stations, educational materials, & compost hauling from the city markets to the Bees Ferry Compost Facility. Increasing composting at city farmers markets presents an enormous opportunity to support DHEC’s Don’t Waste Food S.C. campaign by increasing awareness & education, diverting food waste from landfills, reducing methane emissions and setting a positive example for residents and visitors around the importance of waste awareness. This new city program targeting farmers markets has the potential to reach thousands of...
attendees each week ranging from local residents to tourists, farmers, vendors, and small business owners.

Funding the City of Charleston and County with the FY2023 grant money will substantially leverage progress that is heating up around waste reduction and composting in Charleston. Charleston County is poised to mirror the efforts initiated by the City of Charleston by providing food waste composting drop sites at the existing Charleston County convenience centers. If funded, Charleston County residents will be able bring their food scraps directly to the convenience center to be transported to the Bees Ferry composting facility. This program would help make composting easy, accessible, and free residents who are unable to participate in private compost hauling services either due to either financial constraints or proximity.

These city and county composting initiatives will breathe new life and purpose to the award-winning Bees Ferry Compost facility that has been underutilized for over a decade due to lack of consistent food waste being brought in through regional composting programs. Charleston County compost is certified for use in organic farming by Clemson University, and many local farmers rely on the superior finished product to grow their crops. Unfortunately, the demand for this compost far outweighs the supply. The County has the existing infrastructure in place to expand the composting program, but there has been very little traction to do so since the initial success of the facility getting underway. Now with the expertise and oversight of McGill Environmental managing composting operations at the County Facility through a public private partnership started last year, the time is now to support these programs.

The concept of community composting can be successfully proven through these pilot programs thanks to funding by DHEC. Groups like the Conservation League along with our environmental and nonprofit partners, stakeholders & passionate residents, will work diligently at the grassroots level to do all we can through advocacy efforts to ensure these pilot programs become permanent for our community.

Thank you for your thoughtful consideration of these comments and hopeful support of the City of Charleston and Charleston County governments for the FY2023 grant funding.

Sincerely,

Betsy La Force
Senior Project Manager
Communities & Transportation
843.725.2067, betsyl@scccl.org
COMMITTEE / COUNCIL AGENDA

TO: John J. Tecklenburg, Mayor
FROM: Meg Thompson DEPT. PP&S - BNS
SUBJECT: NLC CITY INCLUSIVE ENTREPRENEURSHIP RESOURCE MAPPING
REQUEST: Approval to apply to the National League of Cities for the City Inclusive Entrepreneurship (CIE) Resource Mapping grant opportunity in the amount of $15,000. Funding would go towards an asset mapping of entrepreneurial resources and a report of recommendations for improving the ecosystem of entrepreneurial support - no City match required.

COMMITTEE OF COUNCIL: W&M DATE: March 22, 2022

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

Corporate Counsel Yes N/A Signature of Individual Contacted Attachment
Cap. Proj. Cmte. Chair
PP&S Dept Head
Grants Compliance Manager

FUNDING: Was funding previously approved? Yes ☐ No ☐ N/A ☒ X
If yes, provide the following: Dept./Div.: Account #: Balance in Account Amount needed for this Item

Does this document need to be recorded at the RMC's Office? Yes ☐ No ☐ X

NEED: Identify any critical time constraint(s).

CFO's Signature: ________________________ FISCAL IMPACT:

No match is required.

Mayor's Signature: ________________________ John J. Tecklenburg, Mayor
To: Mayor Tecklenburg, Charleston City Councilmembers
From: Meg Thompson, Director, Business & Neighborhood Services
Date: March 22nd, 2022
Subject: NLC CIE Resource Mapping Grant Submission

The National League of Cities (NLC) City Inclusive Entrepreneurship Resource Mapping grant opportunity would provide the City with $15,000 for an entrepreneurial resource mapping assessment and a report of recommendations for our entrepreneurial support ecosystem.

The City of Charleston would partner with SourceLink to use a proven, step-by-step process to inventory the Charleston area’s nonprofit, higher education, and governmental support resources as well as lending and equity sources. This research and the data collected will be used to produce a print representation of regional resources that serve local entrepreneurs and provide a report of recommendations for improving the ecosystem of entrepreneurial support.

This is a quick implementation grant opportunity with the grant period concluding on August 31st, 2022. With the completion of the asset mapping and report, the Business Services Division will engage with other City Departments, such as the Office of Innovation and GIS to develop an online platform to host entrepreneurial support resources that will be easily accessible by both resource partners and entrepreneurs.

No City match of funding is required.
CIE Commitment Project Budget Template

<table>
<thead>
<tr>
<th>Organization's Name:</th>
<th>City of Charleston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment:</td>
<td>City Innovation Ecosystems - Resource Mapping</td>
</tr>
<tr>
<td>Grant Performance Period:</td>
<td>February 2022 - August 31, 2022</td>
</tr>
</tbody>
</table>

### Section A

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Description</th>
<th>NLC Breakdown</th>
<th>Other Sources Breakdown</th>
<th>Total Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>SourceLink Asset Mapping</td>
<td>SourceLink asset mapping workshop, design of the SourceFinder poster and report.</td>
<td>$15,000.00</td>
<td>$0.00</td>
<td>$15,000.00</td>
</tr>
</tbody>
</table>

Total Revenues: $15,000.00

Available Lines: Add lines as necessary to Other sources and expenses.

### Section B

<table>
<thead>
<tr>
<th>Funder's Name</th>
<th>Funding Status</th>
<th>Amount Projected</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Non-NLC Funding

Total amount in Section B must equal the total amount budgeted for other sources breakdown.

Complete the project budget using these step-by-step instructions:

1. Expenses: List all the types of expenses your commitment project will incur over the course of the grant performance period (February 2022 - August 2022).
2. Description: Provide detail about what each project expense includes.
3. NLC Breakdown: List portion of each of expense that will be covered by NLC/Kauffman funding. The total number must match the amount of the total grant ($15,000).
4. Other Sources Breakdown: If applicable, list portion of each expense that will be covered by funding from other sources.
Overview

Research by the Kauffman Foundation shows that it is the companies younger than five years that are creating the net new jobs in the U.S. To build better economies, communities across the country are designating entrepreneurship as a key economic development strategy.

A critical first step in moving any community forward in entrepreneurship is to develop a better understanding of its entrepreneurial support resources and make these assets clearly visible and readily accessible to the entrepreneur. We have found that every community has resources that can help people start and grow businesses. The problem is that they are not well known to the entrepreneur and frequently operate in isolation. SourceLink’s asset mapping process is an excellent means for identifying and organizing a community’s entrepreneurial support resources and making them visible to entrepreneurs.

Recommendation

As part of the National League of Cities City Innovation Ecosystems initiative, SourceLink will work with City of Charleston using a well proven, step-by-step process to inventory the region’s nonprofit, higher education, and governmental support resources as well as lending and equity sources. Information related to the service provider target clients (industries served, business stage, etc.) and the services offered will be collected and organized in a print graphic format.

Step 1: Research to identify key resources

SourceLink personnel will conduct data gathering to identify resources available in the region. This research will enhance any lists already produced by City of Charleston and will identify additional key resources and contact information. Research will be based on our experience in other regions of the country and is expected to identify additional local and regional resources available in the community.

Step 2: Data collection

We find that entrepreneurial resources cluster and work together within regions to support their target business owners. Generally, there are formal and informal networks between organizations. SourceLink will begin with any lists of resources that have been developed by City of Charleston staff. SourceLink will work with staff to enhance lists based on our experience and research outlined in Step 1, develop the resource services taxonomy, develop

an electronic survey, and provide recommendations for distributing the survey to resource partners.

City of Charleston staff will follow-up with resource partners to encourage submission of the surveys. These surveys will be used to design the SourceFinder\textsuperscript{SM} poster graphic so SourceLink and City of Charleston staff will review submissions for accuracy.

**Step 3: SourceFinder\textsuperscript{SM}**

SourceLink will design the SourceFinder poster, a unique print representation of available, regional resources that serve local entrepreneurs. Through an innovative infographic design, aspiring and existing business owners can readily navigate the resource maze to find the one they need, along with key contact information to complete that valuable business connection. SourceLink will provide the print ready design files.

**Step 4: Report**

Upon completion of the asset mapping, SourceLink will generate an eight-page report outlining components of a healthy ecosystem and provide recommendations for improving the infrastructure of entrepreneurial support.

---

**Our Story**

**SourceLink: America's Largest Resource Network for Entrepreneurs**

The SourceLink network was built from a single mission: make entrepreneurship easier. From Alaska to Florida, in rural regions and urban centers, SourceLink has helped communities transform
fragmented economic development organizations into vibrant and vital ecosystems of on-the-ground, just-in-time small business resources.

Developed through support from the Ewing Marion Kauffman Foundation, the U.S. Small Business Administration, and the University of Missouri-Kansas City, SourceLink connects business development resources to each other and to a national network of best practices—all to help communities create jobs, accelerate business, and strengthen local economies.

**Goals**

At SourceLink, our goals are to:

1. Help regions across the United States create ecosystems that spark, support, and sustain entrepreneurship.
2. Provide valuable tools and ongoing consulting services to help those networks increase their visibility and value.
3. Connect those regional, entrepreneurial ecosystems to a national network of best practices.

**Getting Started**

SourceLink will host a virtual kick-off call and work with you to develop the implementation schedule. Past projects have varied from three to four months and will depend on the time commitment from City of Charleston staff. Implementation can begin within 21 days of an executed agreement.

**Investment**

The asset mapping workshop, design of the SourceFinder poster and report $15,000 (may be available through the NLC CIE grant)

**Additional Options**

**Option 1: The Resource Navigator®**

$7,500 annually (asset mapping quoted above required)

Includes set-up, hosting, training, software enhancements, on-line help documentation and email support.

Build upon the asset mapping process identified above by activating The Resource Navigator, an excellent tool for organizing a region's entrepreneurial support resources and making them available online to entrepreneurs.
The Resource Navigator provides a systematic way to organize your community resources into an easy-to-use database. It simplifies the process of linking clients to the right resource at the right time. Users can enter a few pieces of information about the nature of their business and receive a refined list of providers whose offerings meet their client's specific need. SourceLink will assist with placement on a third-party website of your choice.

Administrators like:

- The easy-to-use database that efficiently captures information about entrepreneurship resources in the community
- Simple reports that track system usage by zip code, industry, business stage, assistance requested and more
- Customizable search categories that can be changed to meet the needs of a community

Entrepreneurs like:

- The easy-to-use point and click interface available 24/7 that gets them directly to the resources they need to succeed

Option 2: Asset Mapping + The Resource Navigator + SourceLink Pro + SiteConnex Website Platform

Year 1 - $65,000  Years 2 & beyond - $16,250/annually
Includes set-up, hosting, training and consulting hours, software enhancements, on-line help documentation and email support.

SourceLink Pro - Being able to track impact and identify opportunities for improvement is essential. SourceLink Pro, SourceLink's comprehensive client management system, lets you monitor, survey, and showcase your ecosystem successes, so you can make fact-based program decisions, identify opportunities for improvement, and share your importance and impact with stakeholders. For
administrative efficiency, this software integrates easily with The Resource Navigator. This is an excellent tool to support direct client assistance through hot-line services and web forms.

SiteConnex - Increase your visibility with SiteConnex, an enterprise level website technology that lets you build community, foster collaboration, and engage stakeholders. Template website features (ex: NWIBizHub) include a robust blog engine, sophisticated calendar, and easy-to-edit content management system, all of which will be customized to fit your brand and colors. Also includes valuable starter content that can be updated to fit your local market. When coupled with the Resource Navigator, partners can be provided user accounts to update their profiles and add events to the calendar.

Note: Pricing for Option 2 is based on a minimum 3-year agreement. A SourceLink representative can travel to your community for the asset mapping workshop or launch of the platform, however travel is not included and may be quoted separately.

Note: Staffing Recommendations (not included in this proposal)

Network Builder/Program Manager - promotes the vision of an integrated network of services and oversees all areas of implementing the network.

Network Navigator – provides a direct link between services within the network and entrepreneurs.

Network Communicator – markets the initiative to the community including resource providers, entrepreneurs, public sector officials, and other important stakeholders.

Meet our affiliate network.

Questions: Contact Dara Macan, dmacan@joinsourcelink.com or 816.235.6145
TO: John J. Tecklenburg, Mayor
FROM: Geona Shaw Johnson DEPT. Housing & Community Dev
SUBJECT: SECOND AMENDMENT CITY OF CHARLESTON & CHARLESTON HABITAT FOR HUMANITY CONTRACT FOR REHABILITATION SERVICES $53,825.75

REQUEST: Request the Mayor and City Council approve a contract amendment in the amount of $50,000. The amendment increases the amount of the award to $53,825.75. Previously, the City of Charleston awarded $50k and $10k respectively to address the needs of low and moderate income residents in the City of Charleston. From the previous award allocation $3,825.75 remains. The amendment would allow Charleston Habitat for Humanity (CHFH) to continue providing assistance to residents who own their homes and have been identified in partnership with the Department of Housing & Community Development (HCD). The funding for this contract is derived from prior-year Community Development Block Grant funds.

COMMITTEE OF COUNCIL: Ways and Means DATE: March 22, 2022

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

<table>
<thead>
<tr>
<th>Housing &amp; Cmty Dev</th>
<th>Yes</th>
<th>N/A</th>
<th>Signature of Individual Contacted</th>
<th>Attachment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporation Counsel</td>
<td>x</td>
<td></td>
<td>Geona Shaw Johnson</td>
<td>x</td>
</tr>
</tbody>
</table>

FUNDING: Was funding previously approved? Yes [ ] No [X] N/A [ ]

If yes, provide the following: Dept./Div.: 457005 Account #: 57040

Balance in Account $99,000 Amount needed for this item $53,825.75

Does this document need to be recorded at the RMC's Office? Yes [ ] No [X]

NEED: Identify any critical time constraint(s).

CFO's Signature: ____________________________

FISCAL IMPACT:

Mayor's Signature: ____________________________

John J. Tecklenburg, Mayor

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor’s Signature) PACKAGE IS
STATE OF SOUTH CAROLINA  )  SECOND AMENDMENT TO
COUNTY OF CHARLESTON  )  CONTRACT FOR

COMMUNITY DEVELOPMENT )  BLOCK GRANT

THIS AMENDMENT to Contract for Community Development Block Grant (the "Amendment") is made and entered into as of the day of March 2022, by and between the City of Charleston, South Carolina (the "City") and Charleston Habitat for Humanity, Inc., a South Carolina nonprofit corporation (the "Subrecipient").

WHEREAS, the parties entered into a Contract for Community Development Block Grant on January 28, 2020 (the "Contract"), which sets forth the parties' respective rights and obligations governing the utilization of $50,000.00 of Community Development Block Grant funds for minor renovation expenses in connection with the primary residences of low- or moderate-income persons or households earning eighty percent (80%) or below the Area Median Income residing in the City of Charleston, South Carolina; and

WHEREAS, the parties executed an Amendment to Agreement dated September 8, 2021 to increase the contract amount by $10,000 for a total of $60,000, as approved by City Council on September 14, 2021; and

WHEREAS, there exists a remaining balance of $3,825.75 to be utilized for the outlined activities; and

WHEREAS, pursuant to Section V(G) of the Contract, the parties desire to amend the Contract to increase the amount of funding for the project by Fifty Thousand ($50,000.00) Dollars.

NOW, THEREFORE, for and in consideration of the sum of One Dollar and 00/100 ($1.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Paragraph A of Section I, "Scope of Services," is hereby deleted in its entirety and replaced with the following new paragraph A:

   "A. Subrecipient shall utilize Funds for minor renovation expenses in connection with the primary residences of a minimum of seven (7) low or moderate income persons or households earning eighty (80%) percent or below the Area Median Income residing in the City of Charleston, South Carolina. The previous allocation allowed for services to six (6) households. The Subrecipient shall utilize the funds for the purpose outlined in the narrative attached thereof as Addendum A."

1
EXHIBIT A
(Attach Revised Addendum B)

REVISED ADDENDUM B
City of Charleston
Department of Housing and Community Development
Budget for Program Year Beginning June 1, 2021

Name of Project/ Program: Owner Occupied Rehabilitation
Organization: Charleston Habitat for Humanity, Inc.

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDBG</td>
<td>$53,825.75</td>
</tr>
<tr>
<td>Total</td>
<td>$53,825.75</td>
</tr>
</tbody>
</table>
COMMITTEE / COUNCIL AGENDA

TO: John J. Tecklenburg, Mayor
FROM: Deputy Chief Chito Walker DEPT. CPD
SUBJECT: CONTRACT BETWEEN CITY AND TURNING LEAF
REQUEST: Approve contract between City and Turn 90 (formerly Turning Leaf). Turn 90 provides a post release reentry program for recently released inmates. Amount to be paid by City is $85,000.

COMMITTEE OF COUNCIL: DATE:

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

<table>
<thead>
<tr>
<th>Deputy Chief of Police</th>
<th>Yes</th>
<th>N/A</th>
<th>Signature of Individual Contacted</th>
<th>Attachment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporation Counsel</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FUNDING: Was funding previously approved? Yes [X] No [ ] N/A [ ]

If yes, provide the following:
Dept./Div. 200000 Account #: 52206
Balance in Account $85,000 Amount needed for this item $85,000

NEED: Identify any critical time constraint(s).

CFO's Signature: [Signature]
FISCAL IMPACT:

Mayor's Signature: [Signature] John J. Tecklenburg, Mayor

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor's Signature) PACKAGE IS DUE IN THE CLERK OF COUNCIL’S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK’S AGENDA MEETING.
Turn90 Contract
THIS AGREEMENT is executed by and between Turn90 (hereinafter referred to as "Provider") and the City of Charleston (hereinafter referred to as the "City") for the purpose of offering reentry and rehabilitation services to men returning to the City of Charleston who are likely to reoffend (hereinafter referred to as the "Program"). "Provider" includes any staff or contract employees of Turn90.

WHEREAS, it is the intention of the Parties to offer the Program for the purpose of building a healthier and safer community, to reduce crime and violence and rates of re-incarceration, to save tax dollars and to increase the chances of individuals becoming contributing members of society upon release from incarceration.

SCOPE OF AGREEMENT

I. This Agreement forms the basis of mutual understanding and respective responsibilities between Provider and the City for implementation and support of the Program.

II. This Agreement will be from January 1, 2022, to December 31, 2022, with review for continuation of the Program at yearly intervals thereafter. Renewal of this Agreement and continuation of the Program will be subject to each Party signing a renewal agreement.

III. Provider and the City will formally review the progress made towards benchmarks outlined in this agreement on a quarterly basis, by the 15th day of each quarter (March, June, September and December).

RESPONSIBILITIES UNDER THIS CONTRACT

Operate the Turn90 Center

- Provider will recruit students for the program from state and federal probation, local detention centers, state prisons and community agencies that work with the formerly incarcerated population.
- Provider will coordinate services at the Charleston center for men recently released from incarceration scoring medium to very high on a risk assessment.
- Provider will facilitate daily cognitive behavioral classes weekly to participants.
- Provider will provide case management to all participants to address stabilization needs such as identification, medical, mental health, vision, dental and legal.
- Provider will hire all participants to work in the Turn90 Print Shop for the duration of their program involvement.
- Provider will coordinate the hiring of every student by either a government agency or private company with livable wages and opportunity for benefits and advancement.
- Provider will offer aftercare support to graduates, including case management, financial assistance, peer-to-peer support, and future job placements.
- Provider will administer random drug testing for all participants for the duration of the program.
- Provider will conduct outreach to build a base of support for board development, employment opportunities, and funding.
- Provider will recruit, supervise and train the needed staff to carry out operations of the Turn90 Center.
- Provider will manage a cloud-based computer database system to capture program data and measure outputs and outcomes.

Compensation

During the term of this Agreement, the Provider will be compensated in the amount of $10,000 per quarter for the services of the Executive Director and in the amount $9,500 per quarter for the services of the Classroom Facilitator. The total yearly compensation for both the Executive Director and Classroom Facilitator shall not exceed $78,000.

In addition, the Provider will be reimbursed reasonable expenses not to exceed $1,750 per quarter. Reasonable expenses include: office supplies, classroom supplies, travel and parking, building supplies and maintenance for van and reentry center, internet and phone. The total yearly expenses shall not exceed $7,000.

Payroll expenses for the 1st quarter will be paid in advance. Payroll expenses will be invoiced at the beginning of the quarter and paid no later than eight weeks into the 1st quarter.

Payroll expenses for the 2nd quarter will be paid in advance. Payroll expenses will be invoiced at the start of the quarter and paid no later than two weeks into the 2nd quarter.
Payroll expenses for the 3rd quarter will be paid in advance. Payroll expenses will be invoiced at the start of the quarter and paid no later than two weeks into the 3rd quarter.

Payroll expenses for the 4th quarter will be paid in advance. Payroll expenses will be invoiced at the start of the quarter and paid no later than two weeks into the 4th quarter.

PROGRAM BENCHMARKS FOR 2022 CY

I. Enrollment
   ○ Target: Enroll 80 men in our target population

II. Graduation Rates
   ○ Target: 55% of all enrolled students graduate the program

III. Employment retention
   ○ Target: 75% of graduates remain employed at their initial job placement site for six months or longer

IV. Recidivism
   ○ Target: Less than 25% of graduates will be re-arrested

INDEPENDENT PROVIDER

This Agreement is considered a contract for the provision of services only between the City of Charleston and the Provider as an independent Provider. The Provider agrees to provide services as an Independent Provider using individual sound professional judgment and to comply with all applicable professional standards established by any applicable certifying agencies or organizations, and laws and regulations.

INSURANCE/INDEMNIFICATION

The Provider acknowledges that the City does not provide any liability insurance for the benefit of the Provider. Thus, if someone is injured because of the acts or omissions of the Provider, neither the City nor the City’s insurers shall provide any insurance benefits for the benefit of the Provider or its employees or agents. The Provider shall maintain general liability insurance coverage to the limits of $600,000. Except for expenses or liabilities incurred by the Provider arising from the negligence of the City, the Provider hereby expressly agrees to indemnify and hold the City harmless against all expenses and liabilities arising out of the performance or default of this Agreement. This promise by the Provider to indemnify the City shall include bodily injuries or death occurring to the City’s officers, officials, employees and any person directly or indirectly employed by the City.
the City's employees. When the City submits notice, Provider shall promptly defend any
disputes or claims against the City. This obligation shall survive the suspension or
termination of this Agreement. The limits of insurance coverage required herein shall not serve to limit this
indemnity obligation. The recovery of costs and fees shall extend to those incurred in the
enforcement of this indemnity.

TERMINATION

The City, by advance written notice, may terminate this Agreement when it is in the best
interest of the City of Charleston. Including but not limited to the Provider’s refusal or
failure to perform the services outlined herein in a timely and professional manner in
accordance with this Agreement. If this Agreement is so terminated, the Provider shall not
be compensated for any costs in connection with a termination for convenience. The
Provider shall not be entitled to recover any damages in connection with a termination for
convenience.

WRITTEN AGREEMENT BETWEEN THE CITY AND PROVIDER

This Agreement contains the entire agreement between the parties hereto and all
previous negotiations leading thereto. This Agreement may be modified only by a written
agreement signed by the City and the Provider.

NOTICE

Any notice, authorization, request or demand required or permitted under this Agreement
shall be in writing and shall be deemed to have been given on: (a) the date of service of
served personally or (b) the third day after mailing by first-class mail, registered or
certified, postage prepaid, to the party to whom notice is given if properly addressed as
follows:

For the City: Mayor John Tecklenburg
80 Broad Street
Charleston, SC 29401
With copies to:

Chief Luther Reynolds
Charleston Police
Department
50 Lockwood Blvd.
Charleston, SC 29403

Legal Department
50 Broad Street
Charleston, SC 29401

For the Provider:

Amy Barch
Turn90
3765 Leeds Ave.
N. Charleston, SC 29408

CONTROLLING LAW

The laws of South Carolina shall govern this Agreement.

IN WITNESS WHEREOF, the parties hereto, by their authorized representative, have signed

Amy Barch
Turn90, Executive Director

Chief Luther Reynolds
City of Charleston Police Department

Mayor John Tecklenburg
Mayor, City of Charleston

02/23/2022

Date

Date

Date
COMMITTEE / COUNCIL AGENDA

TO: John J. Tecklenburg, Mayor
FROM: Deputy Chief Chito Walker
DEPT. Police Department
SUBJECT: 2023 SC JAG OHSJP GRANT
REQUEST: Approval to submit an Application for the 2023 JAG OHSJP Grant for $24,454 for Two Multispectral Cameras, a 360° Camera, software, a tripod, and rain kit.

COMMITTEE OF COUNCIL: Ways & Means DATE: March 22, 2022

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

<table>
<thead>
<tr>
<th>Corporate Counsel</th>
<th>Yes</th>
<th>N/A</th>
<th>Signature of Individual Contacted</th>
<th>Attachment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cap. Proj. Cmte. Chair</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief of Police</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants Coordinator</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FUNDING: Was funding previously approved? Yes ☒ No ☐ N/A ☐
If yes, provide the following:
Dept./Div.: ___________ Account #: ___________
Balance in Account ___________ Amount needed for this item ___________

Does this document need to be recorded at the RMC's Office? Yes ☐ No ☒

NEED: Identify any critical time constraint(s).
The Application is due March 25, 2022

CFO's Signature: ____________________________
FISCAL IMPACT: There is a 10% match required for this grant ($2,446)

Mayor's Signature: ____________________________
John J. Tecklenburg, Mayor

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor's Signature) PACKAGE IS DUE IN THE CLERK OF COUNCIL'S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK'S AGENDA MEETING.
MEMORANDUM

To: Mayor John J. Tecklenburg  
City Councilmembers

From: Chito Walker, Deputy Chief of Police

Subject: FY23 DOJ Justice Assistance Grant Submission

Date: 22 March 2022

The purpose of this memorandum is to request approval to submit an Application for the 2023 JAG Grant. The Program is designed to fund state and local governments in carrying out programs that improve the criminal justice system. The SCDPS, Office of Highway Safety and Justice Programs (OHSJP) has been designated as the fiscal agent to administer these funds in SC.

The Grant Application seeks $24,454 for two Multispectral Cameras, one 360° Camera, software and license, one tripod, and one rain kit.

A Multispectral Camera captures image data within specific wavelength ranges across the electromagnetic spectrum and includes thermal imaging.

The 360° Camera captures two images from dual lenses with a 180° field of view and automatically “stitches” them together in-camera, offering a full view of the photographed scene. There is a 10% match required for this grant ($2,446). The Application is due March 25, 2022.

Should you have any questions regarding this project, please contact Ofc. David Plesich, Grants Coordinator at plesichd@charleston-sc.gov.
FY 2023 Justice Assistance Grant (JAG)

Budget Narrative

Multispectral Cameras: Cameras capable of contactless detection of fingerprints after processing with powder, so that they can be recovered photographically in addition to lifting. This technology is also able to locate and document the presence of body fluids (sperma, saliva, urine) without the application of chemicals.

360 Degree Camera: Camera capable of capturing 360 degree spherical photos with associated GPS coordinates and cardinal directions. Applications include crime scene investigation, crash reconstruction, fire investigation and active shooter planning and response.

Presentation Software w/ License: Software compatible with 360 Degree Camera that stitches together the 360 photos to document the scene, provide a virtual walkthrough for first responders and create court room presentations. Also capable of creating a case project by integrating other digital evidence files including body-worn camera footage, scene photographs, evidence list, police and laboratory reports, etc.

Tripod: A portable device used to support, stabilize and elevate the 360 camera for optimal operation.

Rain Kit: Weather protective kit to enable safe operation of the 360 Degree Camera in inclement weather.
## FY2023 Justice Assistance Grant (JAG)
Critical Incident/Crime Scene Photography Enhancement Initiative

### EQUIPMENT

<table>
<thead>
<tr>
<th>UNITS</th>
<th>DESCRIPTION</th>
<th>UNIT COST</th>
<th>TAX</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Multispectral Cameras</td>
<td>$6,980.00</td>
<td>$628.00</td>
<td>$7,608.00</td>
</tr>
<tr>
<td>1</td>
<td>360 Degree Camera</td>
<td>$6,500.00</td>
<td>$585.00</td>
<td>$7,085.00</td>
</tr>
<tr>
<td>1</td>
<td>Presentation Software w/License</td>
<td>$8,180.00</td>
<td>$736.00</td>
<td>$8,916.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$23,609.00</strong></td>
</tr>
</tbody>
</table>

### SUPPLIES

<table>
<thead>
<tr>
<th>UNITS</th>
<th>DESCRIPTION</th>
<th>UNIT COST</th>
<th>TAX</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tripod</td>
<td>$225.00</td>
<td>$21.00</td>
<td>$246.00</td>
</tr>
<tr>
<td>1</td>
<td>Rain Kit</td>
<td>$550.00</td>
<td>$49.00</td>
<td>$599.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$845.00</strong></td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td></td>
<td></td>
<td><strong>$24,454.00</strong></td>
</tr>
</tbody>
</table>
COMMITTEE / COUNCIL AGENDA

TO: John J. Tecklenburg, Mayor
FROM: Deputy Chief Chito Walker DEPT. Police Department
SUBJECT: 2023 SCDPS SAFE NEIGHBORHOODS GRANT
REQUEST: Approval to submit an Application for the 2023 SCDPS Safe Neighborhoods Grant for $163,240 for Two Portable Mass Spectrometers and Supplies (Sampling Devices)

COMMITTEE OF COUNCIL: Ways & Means DATE: March 22, 2022

COORDINATION: This request has been coordinated with: (attach all recommendations/reviews)

<table>
<thead>
<tr>
<th>Corporate Counsel</th>
<th>Yes</th>
<th>N/A</th>
<th>Signature of Individual Contacted</th>
<th>Attachment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cap. Proj. Cmte. Chair</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chief of Police</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants Coordinator</td>
<td>x</td>
<td></td>
<td></td>
<td>x</td>
</tr>
</tbody>
</table>

FUNDING: Was funding previously approved? Yes [ ] No [ ] N/A [x] [ ]

If yes, provide the following: Dept./Div.: [ ] Account #: [ ]

Balance in Account [ ] Amount needed for this item [ ]

Does this document need to be recorded at the RMC's Office? Yes [ ] No [ ] N/A [x] [ ]

NEED: Identify any critical time constraint(s).
The Application is due April 15, 2022

CFO's Signature: [Signature]

FISCAL IMPACT: There is no match required for this grant

Mayor's Signature: [Signature] John J. Tecklenburg, Mayor

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED (except Mayor's Signature) PACKAGE IS DUE IN THE CLERK OF COUNCIL'S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK'S AGENDA MEETING.
MEMORANDUM

To: Mayor John J. Tecklenburg  
   City Councilmembers  
From: Chito Walker, Deputy Chief of Police  
Subject: FY23 DOJ Justice Assistance Grant Submission  
Date: 22 March 2022

The purpose of this memorandum is to request approval to submit an Application for the 2023 SCDPS Safe Neighborhoods Grant. The Program is designed to fund innovative projects to reduce gun and gang-related violence. The SCDPS, Office of Highway Safety and Justice Programs (OHSJP) has been designated as the fiscal agent to administer these funds in SC.

The Grant Application seeks $163,240 for two Portable Mass Spectrometers and Supplies (Sampling Devices). A Portable Mass Spectrometer is an analytical field device used to detect compounds at trace levels, allowing officers to field-test suspected illegal narcotics in a timely and accurate manner. The grant would also cover the operating software and license, training, a two-year warranty, and 100 Sampling Devices.

There is no match required for this grant. The Application is due April 15, 2022.

Should you have any questions regarding this project, please contact Ofc. David Plesich, Grants Coordinator at plesichd@charleston-sc.gov.
FY 2023 Project Safe Neighborhoods (PSN) Grant

Budget Narrative

Portable Mass Spectrometer: Analytical field device used to detect compounds at trace levels with a high level of sensitivity and unparalleled selectivity, giving officers actionable intelligence concerning the absence or presence of controlled substances rapidly and safely. Includes the mass spectrometer, operating software, operator training and two-year warranty.

Sampling Devices: Disposable sampling cards used to swab samples of interest for introduction into the mass spectrometer. Each pack contains 100 sampling devices.
### FY2023 Project Safe Neighborhoods (PSN) Grant
Drug Interdiction Technology

#### EQUIPMENT

<table>
<thead>
<tr>
<th>UNITS</th>
<th>DESCRIPTION</th>
<th>UNIT COST</th>
<th>TAX</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 each</td>
<td>Portable Mass Spectrometer</td>
<td>$79,200.00</td>
<td>$7,128.00</td>
<td>$158,400.00</td>
</tr>
</tbody>
</table>

#### SUPPLIES

<table>
<thead>
<tr>
<th>UNITS</th>
<th>DESCRIPTION</th>
<th>UNIT COST</th>
<th>TAX</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 packs</td>
<td>Sampling Devices</td>
<td>$222.00</td>
<td>$20.00</td>
<td>$4,840.00</td>
</tr>
</tbody>
</table>

**TOTAL** $163,240.00
**REVISED BID FORM 10/28/2021**

Lot A

GLENN MCONNELL PARKWAY

*NOTE: THE QUANTITIES LISTED HEREIN ARE ESTIMATES ONLY AND DO NOT CONSTITUTE ANY WARRANTY OR GUARANTEE BY THE COUNTY, AND SHOULD NOT BE RELIED UPON BY BIDDERS. ALL QUANTITIES MAY VARY. THE TOTALS REQUIRED ON THE BID FORM HEREIN ARE FOR INFORMAL COMPARISON ONLY.*

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>PAY ITEM</th>
<th>UNIT</th>
<th>QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1031000</td>
<td>MOBILIZATION</td>
<td>LS</td>
<td>NEC</td>
<td>$700,000.00</td>
<td>$700,000.00</td>
</tr>
<tr>
<td>1032010</td>
<td>BONDS AND INSURANCE</td>
<td>LS</td>
<td>1.000</td>
<td>$250,000.00</td>
<td>$250,000.00</td>
</tr>
<tr>
<td>1050000</td>
<td>CONSTRUCTION STAKES, LINES &amp; GRADES</td>
<td>EA</td>
<td>1.000</td>
<td>$700,000.00</td>
<td>$700,000.00</td>
</tr>
<tr>
<td>1071000</td>
<td>TRAFFIC CONTROL</td>
<td>LS</td>
<td>NEC</td>
<td>$850,000.00</td>
<td>$850,000.00</td>
</tr>
<tr>
<td>1080000</td>
<td>CPM PROGRESS SCHEDULE</td>
<td>LS</td>
<td>1.000</td>
<td>$39,861.15</td>
<td>$39,861.15</td>
</tr>
<tr>
<td>1090200</td>
<td>AS-BUILT CONSTRUCTION PLANS</td>
<td>LS</td>
<td>1.000</td>
<td>$50,000.00</td>
<td>$50,000.00</td>
</tr>
<tr>
<td>2012000</td>
<td>CLEARING &amp; GRUBBING WITHIN ROADWAY</td>
<td>LS</td>
<td>NEC</td>
<td>$250,000.00</td>
<td>$250,000.00</td>
</tr>
<tr>
<td>2023000</td>
<td>REMOVAL &amp; DISPOSAL OF EXISTING PAVEMENT</td>
<td>SY</td>
<td>2,928</td>
<td>$12,883.20</td>
<td>$12,883.20</td>
</tr>
<tr>
<td>2027000</td>
<td>REMOVAL OF EXIST. GUARDRAIL</td>
<td>LF</td>
<td>2,700.000</td>
<td>$1.05</td>
<td>$2,835.00</td>
</tr>
<tr>
<td>2031000</td>
<td>UNCLASSIFIED EXCAVATION</td>
<td>CY</td>
<td>20,791.000</td>
<td>$11.00</td>
<td>$228,701.00</td>
</tr>
<tr>
<td>2033000</td>
<td>BORROW EXCAVATION</td>
<td>CY</td>
<td>61,308.000</td>
<td>$18.00</td>
<td>$1,103,544.00</td>
</tr>
<tr>
<td>2034000</td>
<td>MUCK EXCAVATION</td>
<td>CY</td>
<td>5,810.000</td>
<td>$11.85</td>
<td>$68,848.50</td>
</tr>
<tr>
<td>2036000</td>
<td>GEOTEXTILE, SEPARATION</td>
<td>SY</td>
<td>9,573.000</td>
<td>$1.60</td>
<td>$15,316.80</td>
</tr>
<tr>
<td>2037000</td>
<td>GEOGRID STABILIZATION</td>
<td>SY</td>
<td>9,573.000</td>
<td>$2.40</td>
<td>$22,975.20</td>
</tr>
<tr>
<td>2052010</td>
<td>STONE BRIDGE LIFT MATERIAL</td>
<td>TON</td>
<td>3,530.000</td>
<td>$59.40</td>
<td>$209,682.00</td>
</tr>
<tr>
<td>2052020</td>
<td>NO. 57 STONE FOR BACKFILL</td>
<td>TON</td>
<td>150.000</td>
<td>$65.15</td>
<td>$9,772.50</td>
</tr>
<tr>
<td>2058000</td>
<td>FINE GRADING</td>
<td>SY</td>
<td>58,040.000</td>
<td>$2.50</td>
<td>$145,100.00</td>
</tr>
<tr>
<td>2060000</td>
<td>FLOWABLE FILL</td>
<td>CY</td>
<td>50.000</td>
<td>$172.72</td>
<td>$8,636.00</td>
</tr>
<tr>
<td>3021000</td>
<td>SOIL-AGGREGATE SUBBASE CR.-AGGR. NO. CR-14</td>
<td>TON</td>
<td>725.000</td>
<td>$51.06</td>
<td>$37,018.50</td>
</tr>
<tr>
<td>3050010</td>
<td>GRADED AGGREGATE BASE COURSE (6&quot; UNIFORM)</td>
<td>SY</td>
<td>14,821.000</td>
<td>$19.10</td>
<td>$283,081.10</td>
</tr>
<tr>
<td>3063312</td>
<td>CEMENT MODIFIED RECYCLED BASE (12&quot; UNIFORM)</td>
<td>SY</td>
<td>10,584.000</td>
<td>$5.60</td>
<td>$59,270.40</td>
</tr>
<tr>
<td>3065000</td>
<td>PORTLAND CEMENT FOR CEMENT MODIFIED RECYCLED BASE COURSE</td>
<td>TON</td>
<td>424.000</td>
<td>$67,840.00</td>
<td></td>
</tr>
<tr>
<td>3069000</td>
<td>MAINTENANCE STONE</td>
<td>TON</td>
<td>380.000</td>
<td>$79.85</td>
<td>$30,343.00</td>
</tr>
<tr>
<td>3100310</td>
<td>HOT MIX ASPHALT BASE COURSE - TYPE A</td>
<td>TON</td>
<td>11,064.000</td>
<td>$829,800.00</td>
<td></td>
</tr>
<tr>
<td>4010005</td>
<td>PRIME COAT</td>
<td>GAL</td>
<td>4,001.670</td>
<td>$4.50</td>
<td>$18,007.52</td>
</tr>
<tr>
<td>4011003</td>
<td>LIQUID ASPHALT BINDER PG64-22</td>
<td>TON</td>
<td>965.000</td>
<td>$550.00</td>
<td>$530,750.00</td>
</tr>
<tr>
<td>4011008</td>
<td>LIQUID ASPHALT BINDER PG76-22</td>
<td>TON</td>
<td>1,032.000</td>
<td>$750.00</td>
<td>$774,000.00</td>
</tr>
<tr>
<td>4012080</td>
<td>FULL DEP. ASPH. PAV. PATCH-8&quot;UNIF</td>
<td>SY</td>
<td>1400.000</td>
<td>$52.00</td>
<td>$72,800.00</td>
</tr>
<tr>
<td>4013010</td>
<td>SURFACE PLANE ASPHALT PAVEMENT 1.0&quot;</td>
<td>SY</td>
<td>112,100.000</td>
<td>$1.25</td>
<td>$140,125.00</td>
</tr>
<tr>
<td>4013099</td>
<td>SURFACE PLANE ASPHALT PAVEMENT - VARIABLE</td>
<td>SY</td>
<td>5,605.000</td>
<td>$1.50</td>
<td>$8,407.50</td>
</tr>
<tr>
<td>Bidder: Banks Construction</td>
<td>IFB No. 5632-22C</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------------------</td>
<td>-----------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>401300</strong> MILLING EXISTING ASPHALT PAVEMENT 3.0&quot;</td>
<td>$7,843.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4019000</strong> MILLED-IN RUMBLE STRIP</td>
<td>$10,474.47</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4020320</strong> HOT MIX ASPHALT INTERMEDIATE COURSE TYPE B</td>
<td>$556,560.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4030310</strong> HOT MIX ASPHALT SURFACE COURSE TYPE A</td>
<td>$1,387,648.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4030320</strong> HOT MIX ASPHALT SURFACE COURSE TYPE B</td>
<td>$126,055.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4030360</strong> HOT MIX ASPHALT SURFACE COURSE TYPE E</td>
<td>$19,320.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4037000</strong> HOT MIX ASPH. CONC. SURF. CR. FOR DITCH PAVING</td>
<td>$17,510.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>602120</strong> PERMANENT CONSTRUCTION SIGNS (GROUND MOUNTED)</td>
<td>$3,696.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6052120</strong> PORTABLE TERMINAL IMPACT ATTENUATOR-TEST LEVEL 3(60 MPH)</td>
<td>$21,525.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>605212B</strong> ANCHOR KIT - PORT.</td>
<td>$5,985.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6053110</strong> TEMPORARY CONCRETE BARRIER</td>
<td>$115,640.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6062000</strong> CONSTRUCTION ZONE ELECTRIC CHANGEABLE MESSAGE SIGN</td>
<td>$16,000.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250007</strong> 6&quot; WHITE BROKEN LINES -(GAPS EXCLUDED)-FAST DRY PAINT</td>
<td>$6,120.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250012</strong> 6&quot; WHITE SOLID LINES (PVT. EDGE LINES)-FAST DRY PAINT</td>
<td>$14,932.80</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250015</strong> 8&quot;WHITE SOLID</td>
<td>$4,710.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250020</strong> 12&quot; WHITE SOLID LINES - FAST DRY PAINT</td>
<td>$315.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250025</strong> 24&quot; WHITE SOLID LINES (STOP/DIAGONAL LINES)-FAST DRY PAINT</td>
<td>$16,537.50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250030</strong> WHITE SINGLE ARROW (LEFT, STRAIGHT, RIGHT)-FAST DRY PAINT</td>
<td>$2,882.25</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250035</strong> WHITE WORD MESSAGE &quot;ONLY&quot;-FAST DRY PAINT</td>
<td>$2,551.50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250040</strong> WHITE COMBINATION ARROW (STR.&amp; RT.OR STR.&amp; LT.)FAST DRY PAINT</td>
<td>$236.25</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250107</strong> 6&quot; YELLOW BROKEN LINES(GAPS EXC) -FAST DRY PAINT</td>
<td>$19.20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250111</strong> 6&quot;YELLOW SOLID LINE(PVT.EDGE&amp;NO PASSING ZONE)-FAST DRY PAINT</td>
<td>$12,475.20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6250115</strong> 24&quot; YELLOW DIAGONAL LINES - FAST DRY PAINT</td>
<td>$409.50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6262007</strong> 6&quot; WHITE BROKEN LINES -(GAPS EXCLUDED) EPOXY PAINT</td>
<td>$837.20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6262012</strong> 6&quot; WHITE SOLID LINES (PVT. EDGE LINES) EPOXY PAINT</td>
<td>$1,674.40</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item Number</td>
<td>Description</td>
<td>Unit</td>
<td>Quantity</td>
<td>Unit Price</td>
<td>Total Price</td>
</tr>
<tr>
<td>-------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-------</td>
<td>----------</td>
<td>------------</td>
<td>-------------</td>
</tr>
<tr>
<td>6262112</td>
<td>6&quot; YELLOW SOLID LINES-PVT.EDGE&amp;NO PASS. ZONE - EPOXY PAINT</td>
<td>LF</td>
<td>644.000</td>
<td>$1,674.40</td>
<td></td>
</tr>
<tr>
<td>6271007</td>
<td>6&quot; WHITE BROKEN LINES(GAPS EXCL.) THERMOPLASTIC- 90 MIL.</td>
<td>LF</td>
<td>12,428.00</td>
<td>$11,185.20</td>
<td></td>
</tr>
<tr>
<td>6271012</td>
<td>6&quot; WHITE SOLID LINES (PVT. EDGE LINES) THERMO- 90 MIL.</td>
<td>LF</td>
<td>30,466.00</td>
<td>$27,419.40</td>
<td></td>
</tr>
<tr>
<td>6271015</td>
<td>8&quot; WHITE SOLID LINES THERMOPLASTIC - 125 MIL.</td>
<td>LF</td>
<td>3,140.00</td>
<td>$9,106.00</td>
<td></td>
</tr>
<tr>
<td>6271020</td>
<td>12&quot; WHITE SOLID LINES - THERMO. - 125 MIL.</td>
<td>LF</td>
<td>100.000</td>
<td>$370.00</td>
<td></td>
</tr>
<tr>
<td>6271024</td>
<td>24IN X 36IN WHITE TRIANG. YIELD BAR (GAPS EXC) THERMO-125MIL.</td>
<td>LF</td>
<td>20.000</td>
<td>$315.00</td>
<td></td>
</tr>
<tr>
<td>6271025</td>
<td>24&quot; WHITE SOLID LINES (STOP/DIAG LINES)-THERMO-125 MIL.</td>
<td>LF</td>
<td>5,250.00</td>
<td>$44,100.00</td>
<td></td>
</tr>
<tr>
<td>6271030</td>
<td>WHITE SINGLE ARROWS (L.T. STRIGHT, RT) THERMO.-125 MIL.</td>
<td>EA</td>
<td>61.000</td>
<td>$5,444.25</td>
<td></td>
</tr>
<tr>
<td>6271035</td>
<td>WHITE WORD MESSAGE &quot;ONLY&quot; - THERMOPLASTIC - 125 MIL.</td>
<td>EA</td>
<td>54.000</td>
<td>$5,670.00</td>
<td></td>
</tr>
<tr>
<td>6271040</td>
<td>WHITE COMBINATION ARROWS(STR&amp;RT. OR STR&amp;LT) THERMO-125MIL.</td>
<td>EA</td>
<td>5.000</td>
<td>$787.50</td>
<td></td>
</tr>
<tr>
<td>6271066</td>
<td>6&quot; YELLOW BROKEN LINES(GAPS EXC) THERMOPLASTIC- 90 MIL.</td>
<td>LF</td>
<td>40.000</td>
<td>$36.00</td>
<td></td>
</tr>
<tr>
<td>6271076</td>
<td>6&quot; YELLOW SOLID LINES(PVT.EDGE LINES) THERMO-90 MIL.</td>
<td>LF</td>
<td>25,346.00</td>
<td>$22,811.40</td>
<td></td>
</tr>
<tr>
<td>6271080</td>
<td>24&quot; YELLOW SOLID LINES - THERMOPLASTIC - 125 MIL.</td>
<td>LF</td>
<td>130.000</td>
<td>$1,092.00</td>
<td></td>
</tr>
<tr>
<td>6300005</td>
<td>PERMANENT CLEAR PAVEMENT MARKERS- MONO-DIR. - 4&quot;X4&quot;</td>
<td>EA</td>
<td>700.000</td>
<td>$5,530.00</td>
<td></td>
</tr>
<tr>
<td>6301100</td>
<td>PERMANENT YELLOW PAVEMENT MARKERS BI-DIR. - 4&quot;X4&quot;</td>
<td>EA</td>
<td>170.000</td>
<td>$1,343.00</td>
<td></td>
</tr>
<tr>
<td>6510105</td>
<td>FLAT SHEET, TYPE III, FIXED SZ. &amp; MSG. SIGN</td>
<td>SF</td>
<td>226.000</td>
<td>$4,384.40</td>
<td></td>
</tr>
<tr>
<td>6510108</td>
<td>Flat Sheet, Type XI, Size Determined by MSG, Overhead</td>
<td>SF</td>
<td>220.000</td>
<td>$6,620.00</td>
<td></td>
</tr>
<tr>
<td>6513020</td>
<td>F&amp;I MOUNTING ASSEMBLY FOR F.S. SIGN ERECTD ON MAST ARM</td>
<td>EA</td>
<td>30.000</td>
<td>$11,604.00</td>
<td></td>
</tr>
<tr>
<td>6531210</td>
<td>U-SECTION POST FOR SIGN SUPPORTS - 3P</td>
<td>LF</td>
<td>500.000</td>
<td>$4,450.00</td>
<td></td>
</tr>
<tr>
<td>675027C</td>
<td>FURNISH &amp; INSTALL 3.0&quot; SCHEDULE 80 PVC CONDUIT</td>
<td>LF</td>
<td>400.000</td>
<td>$8,000.00</td>
<td></td>
</tr>
<tr>
<td>675027S</td>
<td>FURNISH &amp; INSTALL 2.0&quot; SCHD 80 PVC CONDUIT (DIRECTION.BORED)</td>
<td>LF</td>
<td>1,350.000</td>
<td>$26,325.00</td>
<td></td>
</tr>
<tr>
<td>675027Z</td>
<td>FURNISH ADDITIONAL CONDUIT WITHIN DIRECTIONAL BORE</td>
<td>LF</td>
<td>1,350.000</td>
<td>$9,315.00</td>
<td></td>
</tr>
<tr>
<td>675027S</td>
<td>FURNISH &amp; INSTALL 1.0&quot; SCHD 80 PVC CONDUIT</td>
<td>LF</td>
<td>1,300.000</td>
<td>$11,700.00</td>
<td></td>
</tr>
<tr>
<td>675027S</td>
<td>FURNISH &amp; INSTALL 2.0&quot; SCHEDULE 80 PVC CONDUIT</td>
<td>LF</td>
<td>10,900.00</td>
<td>$118,810.00</td>
<td></td>
</tr>
<tr>
<td>Bidder: Banks Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6770388</strong></td>
<td>FURNISH &amp; INSTALL NO. 14 COPPER WIRE, 4 CONDUCTOR - BLACK</td>
<td>LF</td>
<td>9,000,000</td>
<td>$27,000.00</td>
<td></td>
</tr>
<tr>
<td><strong>6770389</strong></td>
<td>FURNISH &amp; INSTALL NO. 14 COPPER WIRE, 4 CONDUCTOR - GRAY</td>
<td>LF</td>
<td>11,000,000</td>
<td>$34,650.00</td>
<td></td>
</tr>
<tr>
<td><strong>6770393</strong></td>
<td>FURNISH &amp; INSTALL NO. 14 COPPER WIRE, 8 CONDUCTOR (BLACK)</td>
<td>LF</td>
<td>7,000,000</td>
<td>$23,800.00</td>
<td></td>
</tr>
<tr>
<td><strong>6770394</strong></td>
<td>FURNISH &amp; INSTALL NO. 14 COPPER WIRE, 8 CONDUCTOR (GRAY)</td>
<td>LF</td>
<td>5,000,000</td>
<td>$17,500.00</td>
<td></td>
</tr>
<tr>
<td><strong>6770413</strong></td>
<td>FURNISH &amp; INSTL NO. 14 COPPER WIRE, 1-CONDUCTOR FOR LOOP WIRE</td>
<td>LF</td>
<td>11,900,000</td>
<td>$8,330.00</td>
<td></td>
</tr>
<tr>
<td><strong>6770506</strong></td>
<td>F&amp;I WIRELESS DETECTION SYSTEM</td>
<td>EA</td>
<td>3.000</td>
<td>$41,221.35</td>
<td></td>
</tr>
<tr>
<td><strong>6780495</strong></td>
<td>SAWCUT FOR LOOP DETECTOR</td>
<td>LF</td>
<td>6,650,000</td>
<td>$123,664.05</td>
<td></td>
</tr>
<tr>
<td><strong>6800499</strong></td>
<td>FURNISH &amp; INSTALL ELECTRICAL SERVICE FOR TRAFFIC SIGNAL</td>
<td>EA</td>
<td>3.000</td>
<td>$51,205.00</td>
<td></td>
</tr>
<tr>
<td><strong>6800518</strong></td>
<td>F&amp;I-13&quot;X24&quot;X18&quot;D.ELEC.FLUSH UNGRD.ENCLOS-(STR.POLY.CONC.)HD</td>
<td>EA</td>
<td>60.000</td>
<td>$3,553.20</td>
<td></td>
</tr>
<tr>
<td><strong>6800522</strong></td>
<td>F&amp;I-17&quot;X30&quot;X26&quot;D.ELEC.FLUSH UNGRD.ENCLOS-(STR.POLY.CONC.)HD</td>
<td>EA</td>
<td>15.000</td>
<td>$28,035.00</td>
<td></td>
</tr>
<tr>
<td><strong>6825020</strong></td>
<td>FURNISH &amp; INSTALL - 35' WOOD POLE-CLASS II-CCA TR(0.60)</td>
<td>EA</td>
<td>30.000</td>
<td>$467.25</td>
<td></td>
</tr>
<tr>
<td><strong>6825045</strong></td>
<td>FURNISH &amp; INSTALL 3/8&quot; BACK GUY FOR WOOD POLE</td>
<td>EA</td>
<td>30.000</td>
<td>$8,111.25</td>
<td></td>
</tr>
<tr>
<td><strong>6825092</strong></td>
<td>FURNISH &amp; INSTALL 3/8&quot; GALVANIZED STEEL CABLE</td>
<td>LF</td>
<td>9,300.000</td>
<td>$362.25</td>
<td></td>
</tr>
<tr>
<td><strong>6825484</strong></td>
<td>FURNISH &amp; INSTALL 10' BREAK-AWAY ALUM PEDESTAL POLE AND BASE</td>
<td>EA</td>
<td>8.000</td>
<td>$24,027.00</td>
<td></td>
</tr>
<tr>
<td><strong>6845511</strong></td>
<td>F&amp;I - CONTR 332/336 CABINET ASSEMBLY - BASE MOUNTED</td>
<td>EA</td>
<td>3.000</td>
<td>$10,867.50</td>
<td></td>
</tr>
<tr>
<td><strong>6845518</strong></td>
<td>FURNISH AND INSTALL BATTERY BACK-UP INCLUDING FOUNDATION</td>
<td>EA</td>
<td>3.000</td>
<td>$60,915.00</td>
<td></td>
</tr>
<tr>
<td><strong>6845520</strong></td>
<td>FURNISH &amp; INSTALL 2070L CONTROLLER UNIT IN EXISTING CABINET</td>
<td>EA</td>
<td>3.000</td>
<td>$6.55</td>
<td></td>
</tr>
<tr>
<td><strong>6845691</strong></td>
<td>CLOSED CIRCUIT TV CAMERA-HIGHWAY USE</td>
<td>EA</td>
<td>3.000</td>
<td>$40,558.80</td>
<td></td>
</tr>
<tr>
<td><strong>6865710</strong></td>
<td>FURNISH &amp; INSTALL - 12&quot; 5 SECTION SIGNAL HEAD</td>
<td>EA</td>
<td>3.000</td>
<td>$5,069.85</td>
<td></td>
</tr>
<tr>
<td><strong>6865720</strong></td>
<td>FURNISH &amp; INSTALL -12&quot; 4 SECTION SIGNAL HEAD</td>
<td>EA</td>
<td>7.000</td>
<td>$47,086.80</td>
<td></td>
</tr>
<tr>
<td><strong>6865723</strong></td>
<td>FURNISH &amp; INSTALL - 12&quot; 3 SECTION SIGNAL HEAD</td>
<td>EA</td>
<td>40.000</td>
<td>$15,695.60</td>
<td></td>
</tr>
<tr>
<td><strong>6865782</strong></td>
<td>F&amp;I - 1-WAY-1SECT.HAND/MAN COUNTDOWN PEDESTRIAN SIGNAL HEAD</td>
<td>EA</td>
<td>22.000</td>
<td>$28,301.85</td>
<td></td>
</tr>
<tr>
<td><strong>6865782</strong></td>
<td><strong>Total</strong></td>
<td><strong>$572.05</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bidder: <strong>Banks Construction</strong></td>
<td>IFB No. 5632-22C</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------</td>
<td>------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6865797</strong> 6865797  F&amp;I-PED PUSH BUT, SOLID STATE W/ LIGHT &amp; TONE ASSEM 9&quot;X15&quot; &amp; SIGN R-10-3E or R10-4A</td>
<td>EA 22.000</td>
<td>$8,831.90</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6865831</strong> 6865831  F&amp;I VEHICLE TRAFFIC SINGAL HEAD MOUNTING ASSEMBLY FOR MAST ARM</td>
<td>EA 50.000</td>
<td>$20,205.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6865834</strong> 6865834  BACKPLATE W/ RETROREF. BORDERS FOR TRAFF. SIG.</td>
<td>EA 50.000</td>
<td>$9,910.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6885982</strong> 6885982  REMOVE FOUNDATION OF STEEL STRAIN POLE - 18&quot; BELOW GRADE</td>
<td>LS 9.000</td>
<td>$23,625.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6885990</strong> 6885990  REMOVAL, SALVAGE, &amp; DISP. OF EXISTING TRAFF. SIGNAL EQUIPMENT</td>
<td>LS 1.000</td>
<td>$9,870.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6885992</strong> 6885992  TEMPORARY ADJUSTMENT OF TRAFFIC SIGNAL EQUIPMENT</td>
<td>LS 1.000</td>
<td>$28,980.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6886040</strong> 6886040  F&amp;I - VIDEO DETECTION SYSTEM W/ ONE CAMERA, HARDWARE &amp; LEAD-IN</td>
<td>EA 23.000</td>
<td>$140,569.10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6886072</strong> 6886072  INSTALL SPREADSPECTRUM RADIO ASSEM WITH OMNI DIRECT, ANTENNA</td>
<td>EA 3.000</td>
<td>$22,386.45</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6887951</strong> 6887951  FURNISH &amp; INSTALL CONCRETE CABINET FOUNDATION</td>
<td>EA 4.000</td>
<td>$6,006.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6888163</strong> 6888163  DESIGN MAST ARM FOUNDATION</td>
<td>EA 13.000</td>
<td>$16,380.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6888167</strong> 6888167  POWDERCOATING PER MAST ARM OVER GALVANIZED</td>
<td>EA 18.000</td>
<td>$34,020.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6888168</strong> 6888168  DECORATIVE OPTION PER MAST ARM</td>
<td>EA 18.000</td>
<td>$50,652.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6888172</strong> 6888172  DESIGN, FURNISH, INSTALL STEEL POLE W/ MAST ARM W/O FOUNDATION</td>
<td>EA 8.000</td>
<td>$338,589.20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6888173</strong> 6888173  SOIL BORING - UTILITY REVIEW FOR MAST ARM DESIGN PER QUADRANT</td>
<td>EA 11.000</td>
<td>$24,809.40</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6888174</strong> 6888174  INSTALL FOUNDATION FOR MAST ARM INCLUDING CONCRETE AND REBAR</td>
<td>CY 130.000</td>
<td>$141,771.50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6888178</strong> 6888178  DESIGN, FURNISH &amp; INSTALL STEEL POLE WITH TWIN MAST ARMS WITHOUT FOUNDATION</td>
<td>EA 5.000</td>
<td>$258,772.50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6888194</strong> 6888194  POWDERCOATING OPTION FOR 10' ALUMINUM PEDESTAL POLE</td>
<td>EA 8.000</td>
<td>$2,721.60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7031200</strong> 7031200  REINF. STEEL FOR STRUCTURES (BRIDGE)</td>
<td>LB 6,224.00</td>
<td>$13,070.40</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7051100</strong> 7051100  CONCRETE BRIDGE MEDIAN BARRIER</td>
<td>LF 322.000</td>
<td>$59,167.50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7052010</strong> 7052010  ALUMINUM 1-TUBE BRIDGE RAILING</td>
<td>LF 294.400</td>
<td>$63,001.60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7055020</strong> 7055020  ALUMINUM PIPE HANDRAILING</td>
<td>LF 13.000</td>
<td>$982.80</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Item No.</td>
<td>Description</td>
<td>Unit</td>
<td>Quantity</td>
<td>Unit Price</td>
<td>Amount</td>
</tr>
<tr>
<td>----------</td>
<td>--------------------------------------------------</td>
<td>------</td>
<td>----------</td>
<td>------------</td>
<td>----------</td>
</tr>
<tr>
<td>7141142</td>
<td>19&quot;X 30&quot; HORIZONTAL ELLIPTICAL(HE) RC PIPE CUL.-CLASS HE-III</td>
<td>LF</td>
<td>56.000</td>
<td>$56.00</td>
<td>$3,137.24</td>
</tr>
<tr>
<td>7141146</td>
<td>29&quot;X 45&quot; HORIZONTAL ELLIPTICAL(HE) RC PIPE CUL.-CLASS HE-III</td>
<td>LF</td>
<td>192.000</td>
<td>$192.00</td>
<td>$37,432.48</td>
</tr>
<tr>
<td>7143615</td>
<td>15&quot; SMOOTH WALL PIPE</td>
<td>LF</td>
<td>120.000</td>
<td>$120.00</td>
<td>$14,400.00</td>
</tr>
<tr>
<td>7143618</td>
<td>18&quot; SMOOTH WALL PIPE</td>
<td>LF</td>
<td>666.000</td>
<td>$666.00</td>
<td>$442,500.00</td>
</tr>
<tr>
<td>7143624</td>
<td>24&quot; SMOOTH WALL PIPE</td>
<td>LF</td>
<td>504.000</td>
<td>$504.00</td>
<td>$254,496.00</td>
</tr>
<tr>
<td>7143630</td>
<td>30&quot; SMOOTH WALL PIPE</td>
<td>LF</td>
<td>856.000</td>
<td>$856.00</td>
<td>$732,896.00</td>
</tr>
<tr>
<td>7143636</td>
<td>36&quot; SMOOTH WALL PIPE</td>
<td>LF</td>
<td>798.000</td>
<td>$798.00</td>
<td>$618,522.00</td>
</tr>
<tr>
<td>7191005</td>
<td>CATCH BASIN -TYPE 1 CB - TYPE 1</td>
<td>EA</td>
<td>1.000</td>
<td>$3,788.58</td>
<td>$3,788.58</td>
</tr>
<tr>
<td>7191205</td>
<td>CATCH BASIN -TYPE 9</td>
<td>EA</td>
<td>7.000</td>
<td>$3,284.58</td>
<td>$22,992.06</td>
</tr>
<tr>
<td>7191515</td>
<td>CATCH BASIN -TYPE 25 - SINGLE 5' BOX</td>
<td>EA</td>
<td>4.000</td>
<td>$5,113.30</td>
<td>$20,453.20</td>
</tr>
<tr>
<td>7191605</td>
<td>CATCH BASIN -TYPE 16</td>
<td>EA</td>
<td>1.000</td>
<td>$4,503.06</td>
<td>$4,503.06</td>
</tr>
<tr>
<td>7192020</td>
<td>DROP INLET (24' X 36&quot;)</td>
<td>EA</td>
<td>11.000</td>
<td>$3,259.28</td>
<td>$35,852.08</td>
</tr>
<tr>
<td>7192040</td>
<td>DROP INLET TYPE 112</td>
<td>EA</td>
<td>7.000</td>
<td>$5,051.11</td>
<td>$35,357.77</td>
</tr>
<tr>
<td>7192105</td>
<td>MANHOLE</td>
<td>EA</td>
<td>10.000</td>
<td>$3,738.84</td>
<td>$37,388.40</td>
</tr>
<tr>
<td>7192282</td>
<td>JUNCTION BOX (SPECIAL) 36&quot;X90&quot;</td>
<td>EA</td>
<td>2.000</td>
<td>$5,978.69</td>
<td>$11,957.38</td>
</tr>
<tr>
<td>7195500</td>
<td>WATER QUALITY STRUCTURE (48&quot;X48&quot;)</td>
<td>EA</td>
<td>3.000</td>
<td>$6,426.54</td>
<td>$19,279.62</td>
</tr>
<tr>
<td>719550A</td>
<td>WATER QUALITY STRUCTURE (36&quot;X90&quot;)</td>
<td>EA</td>
<td>2.000</td>
<td>$7,958.22</td>
<td>$15,916.44</td>
</tr>
<tr>
<td>7197052</td>
<td>CONCRETE COLLAR FOR UP TO 24&quot; PIPE</td>
<td>EA</td>
<td>14.000</td>
<td>$2,711.52</td>
<td>$37,961.28</td>
</tr>
<tr>
<td>7197053</td>
<td>CONCRETE COLLAR FOR UP TO 36&quot; PIPE</td>
<td>EA</td>
<td>10.000</td>
<td>$2,802.04</td>
<td>$28,020.40</td>
</tr>
<tr>
<td>7198420</td>
<td>MANHOLE-CONVERT D.I. 24&quot;X36&quot;</td>
<td>EA</td>
<td>1.000</td>
<td>$3,187.78</td>
<td>$3,187.78</td>
</tr>
<tr>
<td>7199100</td>
<td>BEVELING OF PIPE END</td>
<td>EA</td>
<td>46.000</td>
<td>$207.06</td>
<td>$9,524.76</td>
</tr>
<tr>
<td>7199200</td>
<td>4&quot; SLOPE FLUME (6&quot; CURB STYLE WITH CUTOFFS)</td>
<td>LF</td>
<td>14.000</td>
<td>$525.00</td>
<td>$7,350.00</td>
</tr>
<tr>
<td>7203130</td>
<td>CONCRETE CURB AND GUTTER (1'-6&quot;) Ogee</td>
<td>LF</td>
<td>20.000</td>
<td>$36.75</td>
<td>$735.00</td>
</tr>
<tr>
<td>7203210</td>
<td>CONCRETE CURB AND GUTTER (2'-0&quot;) VERTICAL FACE</td>
<td>LF</td>
<td>980.000</td>
<td>$37.80</td>
<td>$37,044.00</td>
</tr>
<tr>
<td>7204100</td>
<td>CONCRETE SIDEWALK (4&quot; UNIFORM)</td>
<td>SY</td>
<td>1,470.00</td>
<td>$68.25</td>
<td>$100,327.50</td>
</tr>
<tr>
<td>7204900</td>
<td>DETECTABLE WARNING MATERIAL</td>
<td>SF</td>
<td>37.500</td>
<td>$68.25</td>
<td>$2,559.38</td>
</tr>
<tr>
<td>7206000</td>
<td>CONCRETE MEDIAN</td>
<td>SY</td>
<td>805.000</td>
<td>$99.75</td>
<td>$80,298.75</td>
</tr>
<tr>
<td>7206110</td>
<td>CONCRETE MEDIAN OVERLAY</td>
<td>SY</td>
<td>43.000</td>
<td>$105.00</td>
<td>$4,515.00</td>
</tr>
<tr>
<td>7209000</td>
<td>PEDESTRIAN RAMP CONSTRUCTION</td>
<td>SY</td>
<td>75.000</td>
<td>$236.25</td>
<td>$17,718.75</td>
</tr>
<tr>
<td>7209100</td>
<td>SURFACE APPLIED DETECTABLE WARNING</td>
<td>SF</td>
<td>360.000</td>
<td>$78.75</td>
<td>$28,350.00</td>
</tr>
<tr>
<td>8034120</td>
<td>12&quot; PIPE SLOPE DRAIN</td>
<td>LF</td>
<td>212.000</td>
<td>$39.72</td>
<td>$8,420.64</td>
</tr>
<tr>
<td>8041020</td>
<td>RIP-RAP (CLASS B)</td>
<td>TON</td>
<td>888.000</td>
<td>$120.00</td>
<td>$106,560.00</td>
</tr>
<tr>
<td>8048210</td>
<td>GEOTEXTILE FOR EROSION CONTROL UNDER RIPRAPP(CLASS 2) TYPE C</td>
<td>SY</td>
<td>1,241.000</td>
<td>$2.35</td>
<td>$2,916.35</td>
</tr>
<tr>
<td>Item Number</td>
<td>Description</td>
<td>Quantity</td>
<td>Unit</td>
<td>Rate</td>
<td>Amount</td>
</tr>
<tr>
<td>-------------</td>
<td>--------------------------------------------------</td>
<td>----------</td>
<td>------</td>
<td>---------</td>
<td>----------</td>
</tr>
<tr>
<td>8051050</td>
<td>STEEL BEAM GUARDRAIL W-BEAM SYSTEM</td>
<td></td>
<td>LF</td>
<td>887.500</td>
<td>$27.30</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$2,620.00</td>
<td>$24,228.75</td>
</tr>
<tr>
<td>8051710</td>
<td>MB TRAILING END TREATMENT</td>
<td></td>
<td>EA</td>
<td>2,000</td>
<td>$1,995.00</td>
</tr>
<tr>
<td>8052100</td>
<td>MG53 GR STANDARD SHOULDER</td>
<td></td>
<td>LF</td>
<td>2,575,000</td>
<td>$28.35</td>
</tr>
<tr>
<td>8053250</td>
<td>PREMASH THRIEBEAM BRIDGE CONN TBBCC</td>
<td></td>
<td>EA</td>
<td>1,000</td>
<td>$2,520.00</td>
</tr>
<tr>
<td>8057100</td>
<td>PREMASH TYPE T TL3 LEADING 50'</td>
<td></td>
<td>EA</td>
<td>2,000</td>
<td>$2,992.50</td>
</tr>
<tr>
<td>8057350</td>
<td>2' CRASH CUSHION 3A</td>
<td></td>
<td>EA</td>
<td>1,000</td>
<td>$27,825.00</td>
</tr>
<tr>
<td>8058053</td>
<td>36SS REINFORCED BARRIER WALL</td>
<td></td>
<td>LF</td>
<td>1,725,000</td>
<td>$152.25</td>
</tr>
<tr>
<td>8058054</td>
<td>46SS REINFORCED BARRIER WALL</td>
<td></td>
<td>LF</td>
<td>20,000</td>
<td>$420.00</td>
</tr>
<tr>
<td>8100100</td>
<td>PERMANENT COVER</td>
<td></td>
<td>ACRE</td>
<td>32,100</td>
<td>$1,417.50</td>
</tr>
<tr>
<td>8100200</td>
<td>TEMPORARY COVER</td>
<td></td>
<td>ACRE</td>
<td>16,100</td>
<td>$945.00</td>
</tr>
<tr>
<td>8104005</td>
<td>FERTILIZER (NITROGEN)</td>
<td></td>
<td>LB</td>
<td>3,209,000</td>
<td>$3.25</td>
</tr>
<tr>
<td>8104010</td>
<td>FERTILIZER (PHOSPHORIC ACID)</td>
<td></td>
<td>LB</td>
<td>3,209,000</td>
<td>$3.25</td>
</tr>
<tr>
<td>8104015</td>
<td>FERTILIZER (POTASH)</td>
<td></td>
<td>LB</td>
<td>3,209,000</td>
<td>$3.25</td>
</tr>
<tr>
<td>8104100</td>
<td>FERTILIZER(10-10-10)</td>
<td></td>
<td>TON</td>
<td>0.230</td>
<td>$892.50</td>
</tr>
<tr>
<td>8105005</td>
<td>AGRICULTURAL GRANULAR LIME</td>
<td></td>
<td>LB</td>
<td>64,173,000</td>
<td>$0.50</td>
</tr>
<tr>
<td>8109050</td>
<td>SELECTIVE WATERING</td>
<td></td>
<td>GAL</td>
<td>871,138,000</td>
<td>$0.10</td>
</tr>
<tr>
<td>8109901</td>
<td>MOWING</td>
<td></td>
<td>ACRE</td>
<td>97,000</td>
<td>$315.00</td>
</tr>
<tr>
<td>811114G</td>
<td>LAGERSTROEMIA INDICA &quot;NATCHEZ&quot; 6'</td>
<td></td>
<td>EA</td>
<td>5,000</td>
<td>$183.75</td>
</tr>
<tr>
<td>8111185</td>
<td>SABAL PALMETTO 12 - 15</td>
<td></td>
<td>EA</td>
<td>70,000</td>
<td>$262.50</td>
</tr>
<tr>
<td>8151110</td>
<td>TEMPORARY EROSION CONTROL BLANKET (ECB)</td>
<td></td>
<td>MSY</td>
<td>23,871</td>
<td>$1,785.00</td>
</tr>
<tr>
<td>8151203</td>
<td>HYDRAULIC EROSION CONTROL PRODUCT (HECP) - TYPE 3</td>
<td></td>
<td>ACRE</td>
<td>64.172</td>
<td>$2,887.50</td>
</tr>
<tr>
<td>8152004</td>
<td>INLET STRUCTURE FILTER - TYPE F (WEIGHTED)</td>
<td></td>
<td>LF</td>
<td>30,000</td>
<td>$22.00</td>
</tr>
<tr>
<td>8152006</td>
<td>INLET STRUCTURE FILTER - TYPE F (NON-WEIGHTED)</td>
<td></td>
<td>LF</td>
<td>1,105,000</td>
<td>$15.50</td>
</tr>
<tr>
<td>8152007</td>
<td>SEDIMENT TUBES FOR DITCH CHECKS</td>
<td></td>
<td>LF</td>
<td>2,848,000</td>
<td>$14.90</td>
</tr>
<tr>
<td>8153000</td>
<td>SILT FENCE</td>
<td></td>
<td>LF</td>
<td>33,210,000</td>
<td>$2.40</td>
</tr>
<tr>
<td>8153090</td>
<td>REPLACE/REPAIR SILT FENCE</td>
<td></td>
<td>LF</td>
<td>3,321,000</td>
<td>$2.90</td>
</tr>
<tr>
<td>8154010</td>
<td>CLEANING SILT BASINS</td>
<td></td>
<td>CY</td>
<td>8,384,000</td>
<td>$7.80</td>
</tr>
<tr>
<td>8154050</td>
<td>REMOVAL OF SILT RETAINED BY SILT FENCE</td>
<td></td>
<td>LF</td>
<td>8,303,000</td>
<td>$2.89</td>
</tr>
<tr>
<td>8156205</td>
<td>INLET STRUCTURE FILTER - TYPE D1</td>
<td></td>
<td>EA</td>
<td>19,000</td>
<td>$612.80</td>
</tr>
<tr>
<td>8156210</td>
<td>INLET STRUCTURE FILTER - TYPE B</td>
<td></td>
<td>EA</td>
<td>6,000</td>
<td>$233.00</td>
</tr>
<tr>
<td>8156410</td>
<td>AGGREGATE NO.5 OR 57 FOR EROSION CONTROL</td>
<td></td>
<td>TON</td>
<td>9,000</td>
<td>$917.10</td>
</tr>
<tr>
<td>8156490</td>
<td>STABILIZED CONSTRUCTION ENTRANCE</td>
<td></td>
<td>SY</td>
<td>1,650,000</td>
<td>$20.65</td>
</tr>
<tr>
<td>S0000001</td>
<td>BRASCO SUNLINE SERIES BUS SHIELD MATERIALS AND LABOR - EQUIVALENT OR BETTER</td>
<td></td>
<td>EA</td>
<td>7,000</td>
<td>$32,088.20</td>
</tr>
<tr>
<td>S0000002</td>
<td>2-BIKE INVERTED &quot;U&quot; BIKE RACK 36&quot;H X 25-5/8&quot;W</td>
<td></td>
<td>EA</td>
<td>14,000</td>
<td>$1,053.80</td>
</tr>
<tr>
<td>S0000003</td>
<td>42&quot; SAFETY RAIL</td>
<td></td>
<td>LF</td>
<td>8,842,000</td>
<td>$75.60</td>
</tr>
<tr>
<td>S0000004</td>
<td>MAGNOLIA VIRGINIANIA</td>
<td></td>
<td>EA</td>
<td>36,000</td>
<td>$252.00</td>
</tr>
<tr>
<td>Bidder: Banks Construction</td>
<td>IFB No. 5632-22C</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------------------</td>
<td>------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>S0000005</strong></td>
<td><strong>S0000006</strong></td>
<td><strong>S0000007</strong></td>
<td><strong>S0000008</strong></td>
<td><strong>S0000009</strong></td>
<td><strong>S0000014</strong></td>
</tr>
<tr>
<td>CIONANTHUS VIRGINICUS</td>
<td>Dianella Tasmanica 'Variegata' (1&quot; CAL.)</td>
<td>Liriope Muscari 'Emerald Goddess' (3&quot; CAL.)</td>
<td>Lomandra Longifolla 'Breeze' TM (3&quot; CAL.)</td>
<td>Muhlenbergia Filipes (3 GAL.)</td>
<td>Plumbago Auriculata</td>
</tr>
<tr>
<td>EA</td>
<td>SF</td>
<td>EA</td>
<td>EA</td>
<td>EA</td>
<td>EA</td>
</tr>
<tr>
<td>16,000</td>
<td>341.000</td>
<td>774.000</td>
<td>243.000</td>
<td>421.000</td>
<td>51.000</td>
</tr>
<tr>
<td>$220.50</td>
<td>$10.50</td>
<td>$8.90</td>
<td>$2,296.35</td>
<td>$9.45</td>
<td>$21.00</td>
</tr>
<tr>
<td>$3,528.00</td>
<td>$3,580.50</td>
<td>$6,888.60</td>
<td>$2,296.35</td>
<td>$9.45</td>
<td>$8,841.00</td>
</tr>
</tbody>
</table>

Total | $15,415,027.37 |
### Lot B

**CITY OF CHARLESTON**  
**LAKE DOTTERER ALTERNATIVE OUTFALL PROJECT**

<table>
<thead>
<tr>
<th>Description of Item</th>
<th>Q.T.</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Extended Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds, Insurance, &amp; Mobilization (3%)</td>
<td>1</td>
<td>LS</td>
<td>$51,500.00</td>
<td>$51,500.00</td>
</tr>
<tr>
<td>Silt Fence</td>
<td>700</td>
<td>LF</td>
<td>$2.90</td>
<td>$2,030.00</td>
</tr>
<tr>
<td>Removing Vegetation</td>
<td>0.25</td>
<td>AC</td>
<td>$42,000.00</td>
<td>$10,500.00</td>
</tr>
<tr>
<td>Install Temporary Mats</td>
<td>800</td>
<td>LF</td>
<td>$77.25</td>
<td>$61,800.00</td>
</tr>
<tr>
<td>Construction Entrance</td>
<td>232</td>
<td>SY</td>
<td>$19.76</td>
<td>$4,584.32</td>
</tr>
<tr>
<td>Temporary Fill</td>
<td>500</td>
<td>CV</td>
<td>$20.74</td>
<td>$10,370.00</td>
</tr>
<tr>
<td>Boom &amp; Turbidity Curtain</td>
<td>150</td>
<td>LF</td>
<td>$31.50</td>
<td>$4,725.00</td>
</tr>
<tr>
<td>Articulated Mat</td>
<td>1,400</td>
<td>SF</td>
<td>$31.50</td>
<td>$44,100.00</td>
</tr>
<tr>
<td>Sheet Piling w/ Wales (U/S &amp; D/S)</td>
<td>7,650</td>
<td>SF</td>
<td>$56.80</td>
<td>$434,520.00</td>
</tr>
<tr>
<td>Dewatering (U/S &amp; D/S)</td>
<td>21</td>
<td>Day</td>
<td>$1,128.10</td>
<td>$23,690.10</td>
</tr>
<tr>
<td>Construction Survey &amp; Staking</td>
<td>1</td>
<td>LS</td>
<td>$4,716.90</td>
<td>$4,716.90</td>
</tr>
<tr>
<td>Traffic Control</td>
<td>1</td>
<td>LS</td>
<td>$9,775.59</td>
<td>$9,775.59</td>
</tr>
<tr>
<td>Portable Terminal Impact Attenuator 3 Bay 2.5 ft Wide</td>
<td>2</td>
<td>EA</td>
<td>$10,762.50</td>
<td>$21,525.00</td>
</tr>
<tr>
<td>Concrete Barriers</td>
<td>1,060</td>
<td>LF</td>
<td>$39.20</td>
<td>$41,552.00</td>
</tr>
<tr>
<td>Remove and Replace Guard Rail</td>
<td>200</td>
<td>LF</td>
<td>$31.50</td>
<td>$6,300.00</td>
</tr>
<tr>
<td>Removal of Abandoned DIP Water Main</td>
<td>68</td>
<td>LF</td>
<td>$682.50</td>
<td>$46,410.00</td>
</tr>
<tr>
<td>Relocation of active 12&quot; DIP Water Main</td>
<td>68</td>
<td>LF</td>
<td>$2,332.00</td>
<td>$158,576.00</td>
</tr>
<tr>
<td>Relocation of Electrical Utility (Allowance)</td>
<td>1</td>
<td>LS</td>
<td>$75,000.00</td>
<td>$75,000.00</td>
</tr>
<tr>
<td>Prepare Jacking Pit</td>
<td>420</td>
<td>CY</td>
<td>$153.00</td>
<td>$64,260.00</td>
</tr>
<tr>
<td>Jack &amp; Bore (3) 54&quot; Steel Casing</td>
<td>600</td>
<td>LF</td>
<td>$2,080.75</td>
<td>$1,248,450.00</td>
</tr>
<tr>
<td>Install (3) 42&quot; Holcas Pipe</td>
<td>600</td>
<td>LF</td>
<td>$334.00</td>
<td>$200,400.00</td>
</tr>
<tr>
<td>Grout Annular Space</td>
<td>141</td>
<td>CY</td>
<td>$292.00</td>
<td>$41,172.00</td>
</tr>
<tr>
<td>CCTV Inspection</td>
<td>600</td>
<td>LF</td>
<td>$6.85</td>
<td>$4,110.00</td>
</tr>
<tr>
<td>Plug/Cap Both Ends</td>
<td>6</td>
<td>EA</td>
<td>$1,201.00</td>
<td>$7,206.00</td>
</tr>
<tr>
<td>Record Drawings</td>
<td>1</td>
<td>LS</td>
<td>$3,084.71</td>
<td>$3,084.71</td>
</tr>
</tbody>
</table>

**TOTAL:** $2,580,357.62
REAL ESTATE COMMITTEE
GENERAL FORM

John J. Tecklenburg, Mayor       DATE: March 22, 2022

FROM: Geona Shaw Johnson        DEPT: Housing and Community Development
ADDRESS: 11 Cunnington Avenue, Charleston, SC 29405
TMS: 464-14-00-118

To authorize the Mayor to execute the necessary documents for the purchase of 11 Cunnington Avenue, a 0.08-acre property, which includes a recently renovated building of 3,316 total square feet, located in the Neck Area of the City, for $1,300,000 subject to the conditions outlined in the attached Agreement of Purchase & Sale.

ACTION REQUEST:

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

<table>
<thead>
<tr>
<th>Department Head</th>
<th>Signature</th>
<th>Attachments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal Dept</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Coordinator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Manager</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FUNDING: Was funding needed?  Yes ☑ No ☐
If yes, was funding previously approved? Yes ☐ No ☑

*If approved, provide the following:
Dept/Div. 410000  Acct: Non-City/ARPA
Balance in Account $1,300,000  Amount needed for this item $1,300,000

NEED: Identify any critical time constraint(s).

ORIGINATING OFFICE PLEASE NOTE: A FULLY STAFFED/APPROVED PACKAGE IS DUE IN THE CLERK OF COUNCIL'S OFFICE NO LATER THAN 10:00AM THE DAY OF THE CLERK'S AGENDA MEETING.

*Commercial Property and Community & Housing Development have an additional form.
COMMERClAL REAL ESTATE FORM

TO: Real Estate Committee DATE: March 22, 2022
FROM: Geona Shaw Johnson DEPT: Housing and Community Development
ADDRESS: 11 Cunningham Avenue, Charleston, SC 29405
TMS: 464-14-00-118

To authorize the Mayor to execute the necessary documents for the purchase of 11 Cunningham Avenue, a 0.08-acre property, which includes a recently renovated building of 3,316 total square feet, located in the Neck Area of the City, for $1,300,000 subject to the conditions outlined in the attached Agreement of Purchase & Sale.

ACTION REQUEST:

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

☑ ACQUISITION BY

☐ DONATION/TRANSFER
  Donated By:

☐ FORECLOSURE
  Terms:

☑ PURCHASE
  Terms: Terms as outlined in the accompanying Agreement of Purchase & Sale

☐ CONDEMNATION
  Terms:

☐ OTHER
  Terms:

☐ SALE BY

☐ NON-PROFIT ORG, please name
  Terms:

☐ OTHER
  Terms:

☐ LEASE

☐ INITIAL
  Lessor:
  Terms:

☐ Lessee:
  Terms:
COMMERCIAL REAL ESTATE FORM

☐ RENEWAL
Lessor: ___________________________ Lessee: ___________________________
Terms: ___________________________

☐ AMENDMENT
Lessor: ___________________________ Lessee: ___________________________
Terms: ___________________________

☐ Improvement of Property
Owner: ___________________________
Terms: ___________________________

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

Yes ☐ No ☐ N/A
Results: ___________________________

Signature: _________________________
Property Manager

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

NEED: Identify any critical time constraint(s).
AGREEMENT OF PURCHASE AND SALE
(Bargain Sale)

This AGREEMENT OF PURCHASE AND SALE (this "Agreement") is made as of the _____ day of __________, 2022 by and between CITY OF CHARLESTON, having a notice address of 80 Broad Street, Charleston, South Carolina 29401 (hereinafter referred to as the "Buyer"), and COZ, LLC, a South Carolina limited liability company, having a notice address of 1505 Greenleaf Street, Unit 1, Charleston, South Carolina 29405 (hereinafter referred to together as the "Seller").

WITNESSETH

1. SALE OF THE PROPERTY. The Seller agrees to sell and the Buyer agrees to purchase, as a Bargain Sale transaction, on the terms hereafter stated all of the Seller’s right, title, and interest as of the Closing Date (as hereinafter defined), in and to the real property located in Charleston County, South Carolina, and known generally as 11 Cunniont Avenue, Charleston, South Carolina 29405, bearing Charleston County Tax Map Nos. 464-14-00-118, together with all improvements located thereon and appurtenances thereto, if any (collectively, the "Property").

2. PURCHASE PRICE. Subject to the adjustments and the prorations hereafter described, the total purchase price to be paid by the Buyer to the Seller on the Closing Date for the Property (the "Purchase Price") is the sum of One Million Three Hundred Thousand and No/100 Dollars ($1,300,000.00), payable on the Closing Date in immediately available funds, with the remaining value of the Property accounted for as a charitable contribution from Seller to Buyer, subject to the remaining terms hereof (the "Charitable Contribution"), including, without limitation, those terms set forth at Section 14 below. Within 30 days after the Effective Date, Seller shall, at Seller’s sole cost and expense, obtain a written appraisal of the Property from an MAI Appraiser reasonably acceptable to Buyer with experience in appraising real property for charitable contributions, as to each (the "Appraisal"). Seller shall share a copy of the Appraisal with Buyer promptly upon receipt.

3. TITLE. At the closing of the transfer of the Property from Seller to Buyer (the "Closing"), Seller shall convey good and marketable fee simple title to the Property by general warranty deed free and clear of all judgments, leases, liens, encumbrances and security interests. Buyer shall cause the title to the Property to be examined, and at the Buyer’s option, shall cause a survey to be performed, all at the Buyer’s expense. Prior to the expiration of the Inspection Period as set forth in Paragraph 9, the Buyer shall submit to Seller notice in writing of its reasonable objections to title, including but not limited to any matters shown on any survey of the Property (the "Title Objections"). Seller shall have until the Closing to correct, at Seller’s sole cost and expense, the Title Objections. If, at the Closing, Seller has not corrected the Title Objections to Buyer’s satisfaction in Buyer’s sole and absolute discretion, notwithstanding the terms of Paragraph 7, the Buyer shall have as its sole and exclusive remedy the following options:
3.1 Buyer may accept such title as Seller may be able or willing to deliver, in which case, there will be no reduction in the Purchase Price and Buyer shall be deemed to have waived such objections and defects and neither party shall have further claim against the other by reason of such objections and defects;

3.2 Buyer may terminate this Agreement, in which case this Agreement shall be null and void; or

3.3 Buyer shall be entitled to enforce the remedy of specific performance of this Agreement by Seller, and Seller shall be responsible for Buyer’s costs therefor, including reasonable attorney’s fees and court costs.

4. CONDITIONS PRECEDENT TO CLOSING BY BUYER. The obligation of the Buyer to consummate this Agreement is subject to and conditioned upon the satisfaction, at or prior to the Closing Date, of each of the following conditions:

4.1 The representations and warranties of Seller made herein shall be deemed to have been made again on the Closing Date and then be true and correct, subject to any changes contemplated by this Agreement;

4.2 All terms, covenants and conditions to be complied with and performed by Seller under this Agreement on or before the Closing Date shall have been duly complied with and duly performed; and

4.3 No matters affecting title to which the Buyer objects shall have occurred between the time of the Buyer’s examination of title and the date of Closing.

5. CLOSING. The Buyer and the Seller agree that the purchase shall be consummated as follows:

5.1 Title Transfer. The Seller agrees to convey title to the Property to the Buyer on or before the close of business on the Closing Date and, effective on the delivery of such deed by Seller to the Buyer, beneficial ownership and the risk of loss of the Property shall pass from Seller to the Buyer.

5.2 Closing Date and Location. Unless otherwise agreed by the parties in writing, the date of the Closing (the “Closing Date”) shall be on or before the date that is sixty-one hundred twenty (6120) days after the expiration of the Inspection Period. TIME IS OF THE ESSENCE. Unless otherwise agreed in writing, Closing shall take place at the offices of Buyer’s attorney in Charleston, South Carolina.

5.3 Seller’s Instruments. At Closing, the Seller shall deliver or cause to be delivered to the Buyer the following items:
5.3.1 **General Limited Warranty Deed.** A general limited warranty deed (the "Deed") executed by the Seller conveying the Property to the Buyer.

5.3.2 **Affidavits.** Any and all affidavits, certificates or other documents required by the title insurer in order to cause it to issue an owner’s title insurance policy in a form and condition acceptable to Buyer.

5.3.3 **Authorizations.** A certified copy of the resolutions adopted by the Seller and such other evidence of Seller’s power and authority to enter into this Agreement and to convey the Property as Buyer reasonably requests.

5.3.4 **Non-Foreign Affidavit.** Seller’s affidavit stating, under penalty of perjury, Seller’s U.S. taxpayer identification number and that Seller is not a foreign person within the meaning of Paragraph 1445 of the Internal Revenue Code.

5.3.5 **Nonresident Seller Withholding Affidavit.** Seller’s affidavit confirming that Seller is not a "Nonresident" of South Carolina and is therefore exempt from the withholding requirements of Section 12-8-580 of the Code of Laws of South Carolina.

5.3.6 **Additional Documents.** Such additional documents as might be reasonably required by Buyer or Buyer’s title insurer in order to perfect the conveyance, transfer and assignment of the Property to Buyer and issue an owner’s title insurance policy.

5.4 **Buyer’s Instruments.** At Closing, the Buyer shall deliver to the Seller the following items:

5.4.1 **Purchase Price.** The payment required by Paragraph 2 hereof.

5.4.2 **Additional Documents.** Such additional documents as might be reasonably required by the Seller to consummate the sale of the Property to the Buyer.

5.5 **Closing Costs.** With respect to the conveyance of the Property, the Seller shall pay its own legal expenses, deed and other seller document preparation costs, any sum necessary to correct any Title Objections raised by Buyer in writing prior to expiration of the Inspection Period, and that Seller agrees, in writing, to pay, any recording fees or stamps applicable to the Deed, if any. The Buyer shall pay the following costs: Buyer’s attorney’s fees, deed recording charges, and all other costs to include appraisal and survey costs,
and title insurance costs.

6. **POSSESSION.** Possession of the Property shall be delivered to the Buyer on the Closing Date free from leases and parties claiming rights to possession of the Property.

7. **DEFAULT; REMEDY.** In the event that Seller or the Buyer fail to perform their obligations hereunder, the party claiming default shall make written demand for performance. If Seller defaults and fails to comply with such written demand within ten (10) days after receipt thereof, the Buyer shall be entitled to seek any remedy available at law or in equity. If the Buyer defaults and fails to comply with such written demand within ten (10) days after receipt thereof, Seller’s sole remedy shall be to terminate this Agreement.

8. **ADJUSTMENTS AND PRORATIONS.** All receipts and disbursements of the Property, if any, shall be prorated on the Closing Date and the Purchase Price shall be adjusted on the following basis:

8.1 **Property Taxes.** All real and personal property ad valorem taxes and installments of special assessments and user fees, if any, for the calendar year 2021 and prior years shall be paid by Seller. All real and personal property ad valorem taxes and special assessments and user fees, if any, whether payable in installments or not, for the calendar year in which the Closing occurs shall be prorated to the Closing Date, based on the latest available tax rate and assessment valuation.

9. **BUYER’S RIGHT OF INSPECTION.** Buyer shall have sixty days (60) from the Effective Date to inspect the Property to determine its suitability for purchase (the “Inspection Period”). Buyer shall use its best efforts to complete all inspections and approvals promptly. If, in its sole and absolute discretion, the Buyer is not satisfied with the inspection for any reason, Buyer, at its option and its sole discretion, may terminate this Agreement. Buyer shall notify Seller in writing of its intention to terminate on or before the expiration of the Inspection Period. Upon termination by Buyer in accordance with this Paragraph 9, all rights and obligations set forth under the terms of this Agreement shall automatically become null and void.

10. **REPRESENTATIONS AND WARRANTIES OF SELLER.** Seller hereby represents and warrants to Buyer as follows:

10.1 Now and at the Closing, Seller shall be the sole owner of the Property to be sold pursuant to this Agreement and Seller shall possess all requisite right, authority and power to execute and perform this Agreement in accordance with its terms.

10.2 Seller has good and marketable title in fee simple to the Property which shall be conveyed to Buyer at Closing by **general** limited warranty deed free and clear of any and all judgments, liens, encumbrances, leases, restrictions or easements except for those specifically consented to by Buyer, in Buyer’s
sole discretion, prior to the expiration of the Inspection Period.

10.3 There are no actions, suits or proceedings pending or threatened against Seller or the Property affecting any portion of the Property, at law or in equity or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency, entity or instrumentality, domestic or foreign.

10.4 There are not presently pending any condemnation actions or special assessments of any nature with respect to the Property or any part thereof, nor has Seller received any notices of any condemnation actions or special assessments being contemplated, nor does Seller have any knowledge of any being contemplated.

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

10.6 All of the Property has direct access to public streets.

10.7 Seller has taken all necessary action in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby. The Agreement, and the agreements contemplated herein, upon execution, shall be a legal and binding obligation of Seller and shall be enforceable against Seller in accordance with their terms. Seller has the right, power, legal capacity, and authority to enter into and perform Seller’s obligations under this Agreement, and no approvals or consents of any other persons are necessary in connection with the sale of the Property.

10.8 Seller agrees to cooperate with Buyer as may be necessary in the pursuit of soil and environmental testing, property inspections and the like.

10.9 Seller has not received written notice of any civil, criminal or administrative suit, claim, hearing, violation, investigation, proceeding or demand against Seller or the Property relating in any way to a Release (as defined below), the use of Hazardous Materials, or compliance with Environmental Laws. For purposes of this Agreement, the phrase “Environmental Laws” shall mean any federal, state or local law, statute, ordinance, order, decree, rule or regulation and any common laws regarding health, safety, radioactive materials, or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42
U.S.C. § 9601, et seq. ("CERCLA"); the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq. ("RCRA"); the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq. ("TSCA"); the Occupational, Safety and Health Act, 29 U.S.C. § 651, et seq. ("OSHA"); the Clean Air Act, 42 U.S.C. § 7401, et seq. ("CAA"); the Federal Water Pollution Control Act, 33 U.S.C. § 1251, et seq. ("FWPCA"); the Safe Drinking Water Act, 42 U.S.C. § 3001, et seq. ("SDWA"); the Hazardous Materials Transportation Act, 49 U.S.C. § 1802, et seq. ("HMTA") and the Emergency Planning and Community Right to Know Act, 42 U.S.C. § 11001, et seq. ("EPCRA"); the Endangered Species Act of 1973, 16 U.S.C. § 1531 et seq. ("ESA"); the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. § 136 et seq. ("FIFRA") and other comparable federal, state or local laws, each as amended, and all rules, regulations and guidance documents promulgated pursuant thereto or published thereunder. The phrase "Hazardous Materials" shall mean each and every element, compound, chemical mixture, contaminant, pollutant, material, waste or other substance which is defined, determined or identified as hazardous or toxic under Environmental Laws (as hereinafter defined) or the Release of which is regulated under Environmental Laws. Without limiting the generality of the foregoing, the term "Hazardous Materials" will include: crude oil, used oil, petroleum and petroleum products or any fraction thereof; radioactive materials including source, by-product or special nuclear materials; asbestos or asbestos-containing materials (whether or not friable); lead paint; polychlorinated biphenyls, ureaformaldehyde in any of its forms; radon; mold; and any substance defined as "hazardous substances," "extremely hazardous substances," "hazardous waste," "hazardous materials," "chemical substance or mixture," "solid waste," "hazardous chemicals," "toxic substances," "hazardous air pollutants," "pollutants," contaminants," or "toxic chemicals" under any of the CAA, CWA, RCRA, CERCLA, EPCRA, SDWA, TSCA or OSHA. The term "Release" shall mean the discharge, disposal, deposit, injection, dumping, spilling, leaking, leaching, placing, presence, pumping, pouring, emitting, emptying, escaping, or other release of any Hazardous Material.

10.10 To the best of Seller’s knowledge, (1) the Property does not violate any Environmental Laws, (2) there are no under or above ground storage tanks on, in or under the Property (3) there are no Hazardous Materials on, in or under the Property (4) there have been no Releases at the Property. To the best of Seller’s actual knowledge, the Property has never been used by Seller to generate, treat, store, dispose, transport or in any manner deal with Hazardous Materials (except for normal and customary uses for like property).

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

OTHER THAN THE REPRESENTATIONS SET FORTH IN THIS SECTION, ELSEWHERE IN THIS AGREEMENT, THE DEED OR ANY OTHER DOCUMENTS TO BE DELIVERED BY SELLER TO BUYER IN ACCORDANCE WITH THIS AGREEMENT, BUYER ACKNOWLEDGES AND AGREES SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS AND NEGATES ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO THE PROPERTY. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT, SUBJECT TO THE FOREGOING, TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE SALE OF THE PROPERTY IS MADE ON AN “AS-IS” “WHERE-IS” CONDITION AND BASIS AS OF THE CLOSING DATE.

11. **SELLER INFORMATION.** Seller will promptly furnish or make available to Buyer within five (5) days after the Effective Date (and at all times thereafter), the following items, if any, that Seller then has in its possession not already delivered by Seller to Buyer:

11.1 Copies of the most recent title commitment(s) and existing title policy(ies) for the Property, together with copies of any exceptions listed therein (to the extent such expectations are in Seller’s possession or control).

11.2 Copies of existing site plans and surveys depicting the Property.

11.3 Copies of all engineering, environmental and system reports (e.g., Phase I Environmental Site Assessments, etc.).

11.4 Copies of all other reports and information relevant to the Property.

12. **COASTAL TIDELANDS & WETLANDS ACT.** Buyer and Seller agree and acknowledge that the Property is not affected by the provisions of the South Carolina Coastal Tidelands & Wetlands Act (Section 48-39-10, et seq., South Carolina Code of Laws).
13. **MISCELLANEOUS.** It is further agreed as follows:

13.1 **Notice.** All notices required hereunder shall be in writing and served by certified mail, return receipt requested, postage prepaid, at the addresses shown above, until notification of a change of such addresses. Notice may also be sent by a nationally recognized overnight courier service to the addresses set forth above.

13.2 **Entire Agreement.** This Agreement, together with the attachments hereto, constitutes the entire agreement between the Buyer and the Seller and there are no agreements, understandings, warranties or representations between the Buyer and the Seller except as set forth herein. The Agreement cannot be amended except in writing executed by the Buyer and the Seller.

13.3 **Binding Effect.** This Agreement shall inure to the benefit of and bind the parties and the respective successors and permitted assigns of the parties hereto.

13.4 **Assignment.** This Agreement shall not be assigned by either party without first obtaining the other party’s written consent, which consent may be withheld with or without cause.

13.5 **South Carolina Law.** This Agreement shall be governed, enforced and construed in accordance with the laws of the State of South Carolina.

13.6 **Survival.** All representations made within this Agreement, or in instruments, certificates, opinions, or other writings provided for in this Agreement, shall survive the Closing and shall not merge with the deed.

13.7 **Counterparts / Electronic Transmittal.** This Agreement may be executed by all parties in counterparts, each of which shall be deemed an original, but all of such counterparts taken together shall constitute one and the same agreement. Facsimile or e-mail copies of this Agreement containing signatures of the parties shall be deemed to be originals and shall be binding.

13.8 **Attorneys Fees/ Costs.** In the event of any dispute arising under this Agreement, the prevailing party shall be entitled to recover reasonable attorney’s fees and costs incurred in connection therewith.

13.9 **Business Days.** If any date herein set forth for the performance of any obligations by Seller or Buyer or for the delivery of any instrument or notice as herein provided should fall on a Saturday, Sunday or a day on which banking institutions in the State of South Carolina are required or authorized by law (including executive orders) to close, the compliance with such obligations or delivery shall be deemed acceptable on the next business day.
13.10 **Brokerage Fees/ Costs.** Buyer and Seller each represent that there is no broker or agent that has any claim to a commission with respect to the sale contemplated hereby.

13.11 **Effective Date.** This Agreement will not be binding on or effective until approved by Buyer’s City Council and until all parties have signed it, with the “**Effective Date**” being the date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party’s signature).

14. **Bargain Sale.** Anything contained herein to the contrary notwithstanding: (a) the Buyer does not represent, certify, or warrant the value of the Charitable Contribution, (b) the amount of the cash settlement to occur at Closing under the terms hereof is final and shall not be adjusted for any reason, and (c) Buyer shall not, whether before or after Closing, be liable or responsible for any tax benefit or deduction (or failure thereof) that the Seller might claim with respect to the Charitable Contribution. Provided the form 8283 is otherwise complete, the Buyer agrees to execute and deliver to Seller IRS Form 8283 at the Closing (or, for a period of 60 days after Closing, upon completion of the remaining portions of said Form 8283 and presentation to the Buyer for signature). The parties further agree to execute the settlement statement to be prepared by Buyer’s counsel (the “**Settlement Statement**”) at the Closing. Seller shall not be obligated to take a position on any tax return (including any IRS Form 8283 and any amendments thereto), before the Internal Revenue Service, South Carolina Department of Revenue or any other governmental entity charged with the collection of any tax that is inconsistent with the Settlement Statement executed at Closing and the IRS Form 8283 executed by the Buyer (taking into account any subsequent amendments required by law) or that is otherwise inconsistent with this Section 14. The parties shall make their tax returns (and any amendments thereof) available for inspection by the other party for the purpose of verifying compliance with this Section 14. Nothing contained herein or in the Form 8283 shall constitute agreement on the part of the Buyer to the claimed fair market value of the Property as determined by Seller’s qualified appraiser.

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

[Signatures on Following Page]
IN WITNESS WHEREOF, this Agreement has been executed by the parties as of the Effective Date.

WITNESSES:

SELLER:

COZ, LLC,
a South Carolina limited liability company

By: _______________________________
Name: _______________________________
Its: _______________________________
Date: ____________________________ , 2022

BUYER:

CITY OF CHARLESTON

By: _______________________________
    John J. Tecklenburg
Its: Mayor
Date: ____________________________ , 2022
Integra Realty Resources
Charleston

Appraisal of Real Property

Office Building
11 Cunnington Avenue
North Charleston, Charleston County, South Carolina 29405

Prepared For:
City of Charleston

Date of the Report:
March 7, 2022

Report Format:
Appraisal Report

IRR - Charleston
File Number: 174-2022-0110
Subject Photographs

Office Building
11 Currington Avenue
North Charleston, South Carolina
March 7, 2022

Ms. Florence S. Peters
Housing Development Officer
City of Charleston
75 Calhoun Street, Third Floor
Charleston, SC 29401

SUBJECT: Market Value Appraisal
        Office Building
        11 Cunnington Avenue
        North Charleston, Charleston County, South Carolina 29405
        IRR - Charleston File No. 174-2022-0110

Dear Ms. Peters:

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

- The market value as is of the fee simple interest in the subject property as of the
effective date of the appraisal, February 25, 2022

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

The subject is an existing office property containing 3,136 square feet of rentable area. The
improvements were constructed in 1993, completely renovated in 2020 and are 100% owner occupied as of the effective appraisal date. The site area is 0.08 of an acre or 3,485
square feet.

The appraisal conforms to the Uniform Standards of Professional Appraisal Practice (USPAP),
the Code of Professional Ethics and Standards of Professional Practice of the Appraisal
Institute, applicable state appraisal regulations.
Ms. Florence S. Peters  
City of Charleston  
March 7, 2022  
Page 2

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

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

<table>
<thead>
<tr>
<th>Value Type &amp; Appraisal Premise</th>
<th>Interest Appraised</th>
<th>Date of Value</th>
<th>Value Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Value As is</td>
<td>Fee Simple</td>
<td>February 25, 2022</td>
<td>$1,650,000</td>
</tr>
</tbody>
</table>

**Extraordinary Assumptions and Hypothetical Conditions**

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

1. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption.

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

1. There were no hypothetical conditions utilized.

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

The value conclusion(s) in this report consider the impact of COVID-19 on the subject property.
Ms. Florence S. Peters  
City of Charleston  
March 7, 2022  
Page 3

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

Respectfully submitted,

Integra Realty Resources - Charleston

Scott B. Johnstone, MAI  
South Carolina State Certified General Real Estate Appraiser #CG 3627  
Telephone: 843.718.2125, ext. 3  
Email: sjohnstone@irr.com

Cleveland A. Wright, Jr., MAI  
South Carolina State Certified General Real Estate Appraiser #CG 5913  
Telephone: 843.718.2125, ext. 2  
Email: cwright@irr.com
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Assurance</td>
<td>1</td>
</tr>
<tr>
<td>Executive Summary</td>
<td>2</td>
</tr>
<tr>
<td>Identification of the Appraisal Problem</td>
<td>4</td>
</tr>
<tr>
<td>Subject Description</td>
<td>4</td>
</tr>
<tr>
<td>Sale History</td>
<td>4</td>
</tr>
<tr>
<td>Pending Transactions</td>
<td>4</td>
</tr>
<tr>
<td>Appraisal Purpose</td>
<td>5</td>
</tr>
<tr>
<td>Value Type Definitions</td>
<td>5</td>
</tr>
<tr>
<td>Appraisal Premise Definitions</td>
<td>5</td>
</tr>
<tr>
<td>Property Rights Definitions</td>
<td>5</td>
</tr>
<tr>
<td>Client and Intended User(s)</td>
<td>6</td>
</tr>
<tr>
<td>Intended Use</td>
<td>6</td>
</tr>
<tr>
<td>Applicable Requirements</td>
<td>6</td>
</tr>
<tr>
<td>Report Format</td>
<td>6</td>
</tr>
<tr>
<td>Prior Services</td>
<td>6</td>
</tr>
<tr>
<td>Appraiser Competency</td>
<td>6</td>
</tr>
<tr>
<td>Scope of Work</td>
<td>7</td>
</tr>
<tr>
<td>Economic Analysis</td>
<td>9</td>
</tr>
<tr>
<td>Charleston MSA Area Analysis</td>
<td>9</td>
</tr>
<tr>
<td>Surrounding Area Analysis</td>
<td>17</td>
</tr>
<tr>
<td>Office Market Analysis</td>
<td>21</td>
</tr>
<tr>
<td>COVID-19 Impact on Current Valuations</td>
<td>28</td>
</tr>
<tr>
<td>Property Analysis</td>
<td>33</td>
</tr>
<tr>
<td>Land Description and Analysis</td>
<td>33</td>
</tr>
<tr>
<td>Improvements Description and Analysis</td>
<td>42</td>
</tr>
<tr>
<td>Real Estate Taxes</td>
<td>47</td>
</tr>
<tr>
<td>Highest and Best Use</td>
<td>49</td>
</tr>
<tr>
<td>Valuation</td>
<td>51</td>
</tr>
<tr>
<td>Valuation Methodology</td>
<td>51</td>
</tr>
<tr>
<td>Sales Comparison Approach</td>
<td>52</td>
</tr>
<tr>
<td>Adjustment Factors</td>
<td>56</td>
</tr>
<tr>
<td>Analysis and Adjustment of Sales</td>
<td>57</td>
</tr>
<tr>
<td>Value Indication</td>
<td>60</td>
</tr>
<tr>
<td>Income Capitalization Approach</td>
<td>61</td>
</tr>
<tr>
<td>Market Rent Analysis</td>
<td>62</td>
</tr>
<tr>
<td>Stabilized Income and Expenses</td>
<td>67</td>
</tr>
<tr>
<td>Capitalization Rate Selection</td>
<td>70</td>
</tr>
<tr>
<td>Direct Capitalization Analysis</td>
<td>74</td>
</tr>
<tr>
<td>Reconciliation and Conclusion of Value</td>
<td>75</td>
</tr>
<tr>
<td>Exposure Time</td>
<td>76</td>
</tr>
<tr>
<td>Marketing Period</td>
<td>76</td>
</tr>
<tr>
<td>Certification</td>
<td>77</td>
</tr>
<tr>
<td>Assumptions and Limiting Conditions</td>
<td>79</td>
</tr>
</tbody>
</table>

## Addenda

A. Appraiser Qualifications
B. IRR Quality Assurance Survey
C. Financials and Property Information
D. Comparable Data
    - Improved Sales
    - Lease Comparables
E. Engagement Letter
Quality Assurance

IRR Quality Assurance Program
At IRR, delivering a quality report is a top priority. Integra has an internal Quality Assurance Program in which managers review material and pass an exam in order to attain IRR Certified Reviewer status. By policy, every Integra valuation assignment is assessed by an IRR Certified Reviewer who holds the MAI designation, or is, at a minimum, a named Director with at least ten years of valuation experience.

This quality assurance assessment consists of reading the report and providing feedback on its quality and consistency. All feedback from the IRR Certified Reviewer is then addressed internally prior to delivery. The intent of this internal assessment process is to maintain report quality.

Designated IRR Certified Reviewer
An internal quality assurance assessment was conducted by an IRR Certified Reviewer prior to delivery of this appraisal report. This assessment should not be construed as an appraisal review as defined by USPAP.
Executive Summary

<table>
<thead>
<tr>
<th>Property Name</th>
<th>Office Building</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>11 Cunnington Avenue</td>
</tr>
<tr>
<td></td>
<td>North Charleston, Charleston County, South Carolina</td>
</tr>
<tr>
<td>Property Type</td>
<td>Office - General Purpose</td>
</tr>
<tr>
<td>Owner of Record</td>
<td>Coz, LLC</td>
</tr>
<tr>
<td>Tax ID</td>
<td>464-14-00-118</td>
</tr>
<tr>
<td>Land Area</td>
<td>0.08 acre; 3,485 SF</td>
</tr>
<tr>
<td>Gross Building Area</td>
<td>3,136 SF</td>
</tr>
<tr>
<td>Rentable Area</td>
<td>3,136 SF</td>
</tr>
<tr>
<td>Percent Leased</td>
<td>NA</td>
</tr>
<tr>
<td>Year Built; Year Renovated</td>
<td>1993; 2020</td>
</tr>
<tr>
<td>Zoning Designation</td>
<td>LI, Light Industrial</td>
</tr>
<tr>
<td>Highest and Best Use - As if Vacant</td>
<td>Office use</td>
</tr>
<tr>
<td>Highest and Best Use - As Improved</td>
<td>Continued office use</td>
</tr>
<tr>
<td>Exposure Time; Marketing Period</td>
<td>6-9 months; 9-12 months</td>
</tr>
<tr>
<td>Effective Date of the Appraisal</td>
<td>February 25, 2022</td>
</tr>
<tr>
<td>Date of the Report</td>
<td>March 7, 2022</td>
</tr>
<tr>
<td>Property Interest Appraised</td>
<td>Fee Simple</td>
</tr>
<tr>
<td>Market Value Indications</td>
<td></td>
</tr>
<tr>
<td>Cost Approach</td>
<td>Not Used</td>
</tr>
<tr>
<td>Sales Comparison Approach</td>
<td>$1,650,000 ($526.15/SF)</td>
</tr>
<tr>
<td>Income Capitalization Approach</td>
<td>$1,420,000 ($452.81/SF)</td>
</tr>
<tr>
<td>Market Value Conclusion</td>
<td>$1,650,000 ($526.15/SF)</td>
</tr>
</tbody>
</table>

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 City of Charleston may use or rely on the information, opinions, and conclusions contained in the report. It is assumed that the users of the report have read the entire report, including all of the definitions, assumptions, and limiting conditions contained therein.

Extraordinary Assumptions and Hypothetical Conditions

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

1. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption.

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

1. There were no hypothetical conditions utilized.

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

Sales Comparison Approach
- Number of Sales: 5
- Range of Sale Dates: Feb-21 to Dec-21
- Range of Unit Prices: $435.29 - $605.48
- Indicated Value ("As Is"): $1,650,000 ($526.15/SF)

Income Capitalization Approach
- Potential Gross Income: $125,440 ($40.00/SF)
- Stabilized % Vacancy & Collection Loss: 4.0%
- Effective Gross Income: $120,422 ($38.40/SF)
- Operating Expenses: $31,695 ($10.11/SF)
- Operating Expense Ratio: 26.3%
- Net Operating Income: $88,727 ($28.29/SF)
- Capitalization Rate Applied and Value: 6.25% $1,420,000 ($452.81/SF)
- Indicated Value ("As Is"): $1,650,000 ($526.15/SF)

Market Value Conclusion ("As Is")

Strengths, Weaknesses, Opportunities, Threats (SWOT Analysis)
The analyses presented in this report consider the internal strengths and weaknesses of the subject property, as well as opportunities and external threats. The overall valuation influences are summarized in the following table.

Valuation Influences

Strengths
- Location and access
- Recent renovation

Weaknesses
- Actual physical age

Opportunities
- None

Threats
- None

Office Building
Identification of the Appraisal Problem

Subject Description
The subject is an existing office property containing 3,136 square feet of rentable area. The improvements were constructed in 1993, completely renovated in 2020 and are 100% owner occupied as of the effective appraisal date. The site area is 0.08 of an acre or 3,485 square feet. A legal description of the property is provided in the addenda.

<table>
<thead>
<tr>
<th>Property Identification</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Name</td>
<td>Office Building</td>
</tr>
<tr>
<td>Address</td>
<td>11 Cunnington Avenue</td>
</tr>
<tr>
<td></td>
<td>North Charleston, South Carolina 29405</td>
</tr>
<tr>
<td>Tax ID</td>
<td>464-14-00-118</td>
</tr>
<tr>
<td>Owner of Record</td>
<td>Coz, LLC</td>
</tr>
<tr>
<td>Legal Description</td>
<td>Lot 96, Plat Book C, Page 146</td>
</tr>
<tr>
<td>Census Tract Number</td>
<td>54.00, Charleston County</td>
</tr>
</tbody>
</table>

Sale History
The current owner of record is Coz, LLC. There have been two sales of the subject within the past three years. A summary of transaction information follows.

<table>
<thead>
<tr>
<th></th>
<th>Sale 1</th>
<th>Sale 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale Date</td>
<td>April 5, 1996</td>
<td>June 20, 2019</td>
</tr>
<tr>
<td>Seller</td>
<td>John Liberatos</td>
<td>McAllister-Smith Funeral Home, Inc.</td>
</tr>
<tr>
<td>Buyer</td>
<td>McAllister-Smith Funeral Home, Inc.</td>
<td>Coz, LLC</td>
</tr>
<tr>
<td>Sale Price</td>
<td>$450,000</td>
<td>$650,000</td>
</tr>
<tr>
<td>Recording Instrument Number</td>
<td>Deed Book N267, Page 052</td>
<td>Deed Book 0804, Page 064</td>
</tr>
<tr>
<td>Comments</td>
<td>None</td>
<td>Building completely renovated after purchase</td>
</tr>
</tbody>
</table>

Our market value conclusion of $1,650,000 differs significantly from the most recent sale price considering the recent property renovations.

Based on a review of available information, no other sale or transfer of ownership has occurred within the past three years.

Pending Transactions
Based on discussions with the appropriate contacts, the property is not subject to an agreement of sale or an option to buy, nor is it listed for sale, as of the effective appraisal date.
The purpose of this appraisal assignment is to establish the market value of the subject for possible acquisition by the client.

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

- The market value as is of the fee simple interest in the subject property as of the effective date of the appraisal, February 25, 2022

The date of the report is March 7, 2022. The appraisal is valid only as of the stated effective date or dates.

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

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

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

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

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

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

---

1 Code of Federal Regulations, Title 12, Chapter I, Part 34.42[h]; also Interagency Appraisal and Evaluation Guidelines, Federal Register, 75 FR 77449, December 10, 2010, page 77472
Fee Simple Estate
Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.3

Client and Intended User(s)
The client and intended user is City of Charleston. No other party or parties may use or rely on the information, opinions, and conclusions contained in this report.

Intended Use
The intended use of the appraisal is for property acquisition purposes. The appraisal is not intended for any other use.

Applicable Requirements
This appraisal report conforms to the following requirements and regulations:

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

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

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

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

Scope of Work

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

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

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

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

The financial data of the subject, including occupancy statistics reports, historical income/expense figures, and tax and assessment records was analyzed. This information, as well as trends established by confirmed market indicators, is used to forecast future performance of the subject property.

Contacts
In addition to public records and other sources cited in this appraisal, information pertaining to the subject was obtained from the following party: Mr. Stuart Coleman

Inspection
Scott B. Johnstone, MAI, conducted an interior and exterior inspection of the property on February 25, 2022. Cleveland A. Wright, Jr., MAI, did not inspect the property, but did review the report and concurs with the analysis and conclusion.
Valuation Methodology

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

<table>
<thead>
<tr>
<th>Approach</th>
<th>Applicability to Subject</th>
<th>Use in Assignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Approach</td>
<td>Not Applicable</td>
<td>Not Utilized</td>
</tr>
<tr>
<td>Sales Comparison Approach</td>
<td>Applicable</td>
<td>Utilized</td>
</tr>
<tr>
<td>Income Capitalization Approach</td>
<td>Applicable</td>
<td>Utilized</td>
</tr>
</tbody>
</table>

The sales comparison approach is the most reliable valuation method for the subject due to the following:

- There is an active market for similar properties, and sufficient sales data is available for analysis.
- This approach directly considers the prices of alternative properties having similar utility.
- This approach is typically most relevant for owner-user properties.

The income capitalization approach is an applicable valuation method because:

- There is an active rental market for similar properties that permits us to estimate the subject’s income generating potential.

The cost approach is not applicable to the assignment considering the following:

- The age of the property would limit the reliability of an accrued depreciation estimate.
- This approach is not typically used by market participants, except for new or nearly new properties.
Economic Analysis

Charleston MSA Area Analysis

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

Population

The Charleston MSA has an estimated 2022 population of 825,259, which represents an average annual 1.8% increase over the 2010 census of 664,607. The Charleston MSA added an average of 13,388 residents per year over the 2010-2022 period, and its annual growth rate exceeded the State of South Carolina rate of 1.0%.

Looking forward, the Charleston MSA's population is projected to increase at a 1.0% annual rate from 2022-2027, equivalent to the addition of an average of 8,399 residents per year. The Charleston MSA's growth rate is expected to exceed that of South Carolina, which is projected to be 0.6%.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2010-2022</td>
<td>2022-2027</td>
<td></td>
<td></td>
</tr>
<tr>
<td>South Carolina</td>
<td>4,625,364</td>
<td>5,206,064</td>
<td>5,366,862</td>
<td>1.0%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Charleston-North Charleston, 664,607</td>
<td>825,259</td>
<td>867,253</td>
<td>1.8%</td>
<td>1.0%</td>
<td></td>
</tr>
<tr>
<td>Source: Claritas</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Employment

Total employment in the Charleston MSA was estimated at 373,400 jobs at year-end 2021. Between year-end 2011 and 2021, employment rose by 73,900 jobs, equivalent to a 24.7% increase over the entire period. There were gains in employment in nine out of the past ten years. Consistent with national trends, there were significant losses in 2020, with the onset of the COVID-19 pandemic, followed by a return to positive growth in 2021. The Charleston MSA's rate of employment growth over the last decade surpassed that of South Carolina, which experienced an increase in employment of 18.1% or 334,500 jobs over this period.

A comparison of unemployment rates is another way of gauging an area's economic health. Over the past decade, the Charleston MSA unemployment rate has been consistently lower than that of South Carolina, with an average unemployment rate of 5.0% in comparison to a 5.9% rate for South Carolina. A lower unemployment rate is a positive indicator.

Recent data shows that the Charleston MSA unemployment rate is 2.9% in comparison to a 3.3% rate for South Carolina, a positive sign for the Charleston MSA economy but one that must be tempered by
the fact that the Charleston MSA has underperformed South Carolina in the rate of job growth over the past two years.

### Employment Trends

<table>
<thead>
<tr>
<th>Year</th>
<th>Charleston MSA</th>
<th>Charleston MSA Change</th>
<th>South Carolina</th>
<th>South Carolina Change</th>
<th>Unemployment Rate (Ann. Avg.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>299,500</td>
<td>3.5%</td>
<td>1,846,100</td>
<td>2.2%</td>
<td>8.7%</td>
</tr>
<tr>
<td>2012</td>
<td>309,900</td>
<td>3.5%</td>
<td>1,887,400</td>
<td>2.2%</td>
<td>7.5%</td>
</tr>
<tr>
<td>2013</td>
<td>317,500</td>
<td>2.5%</td>
<td>1,933,000</td>
<td>2.4%</td>
<td>6.1%</td>
</tr>
<tr>
<td>2014</td>
<td>328,700</td>
<td>3.5%</td>
<td>1,990,000</td>
<td>2.9%</td>
<td>5.4%</td>
</tr>
<tr>
<td>2015</td>
<td>342,000</td>
<td>4.0%</td>
<td>2,046,400</td>
<td>2.8%</td>
<td>5.1%</td>
</tr>
<tr>
<td>2016</td>
<td>349,400</td>
<td>2.2%</td>
<td>2,085,500</td>
<td>1.9%</td>
<td>4.2%</td>
</tr>
<tr>
<td>2017</td>
<td>359,200</td>
<td>2.8%</td>
<td>2,124,500</td>
<td>1.9%</td>
<td>3.6%</td>
</tr>
<tr>
<td>2018</td>
<td>372,900</td>
<td>3.8%</td>
<td>2,179,000</td>
<td>2.6%</td>
<td>2.9%</td>
</tr>
<tr>
<td>2019</td>
<td>381,300</td>
<td>2.3%</td>
<td>2,212,600</td>
<td>1.5%</td>
<td>3.3%</td>
</tr>
<tr>
<td>2020</td>
<td>361,900</td>
<td>-5.1%</td>
<td>2,129,600</td>
<td>-3.8%</td>
<td>6.0%</td>
</tr>
<tr>
<td>2021</td>
<td>373,400</td>
<td>3.2%</td>
<td>2,180,600</td>
<td>2.4%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Overall Change 2011-2021</td>
<td>73,900</td>
<td>24.7%</td>
<td>334,500</td>
<td>18.1%</td>
<td></td>
</tr>
<tr>
<td>Avg Unem. Rate 2011-2021</td>
<td>5.0%</td>
<td>5.5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployment Rate - December 2021</td>
<td>2.9%</td>
<td>3.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


### Employment Sectors

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

1. Government, representing 18.4% of Charleston MSA payroll employment compared to 17.2% for South Carolina as a whole. This sector includes employment in local, state, and federal government agencies.

2. Professional and Business Services, representing 14.1% of Charleston MSA payroll employment compared to 13.3% for South Carolina as a whole. This sector includes legal, accounting, and engineering firms, as well as management of holding companies.

3. Leisure and Hospitality, representing 12.3% of Charleston MSA payroll employment compared to 11.2% for South Carolina as a whole. This sector includes employment in hotels, restaurants, recreation facilities, and arts and cultural institutions.

4. Education and Health Services, representing 12.1% of Charleston MSA payroll employment compared to 11.9% for South Carolina as a whole. This sector includes employment in public and private schools, colleges, hospitals, and social service agencies.
The Charleston MSA is underrepresented in the following sectors:

1. Trade; Transportation; and Utilities, representing 19.9% of Charleston MSA payroll employment compared to 20.0% for South Carolina as a whole. This sector includes jobs in retail trade, wholesale trade, trucking, warehousing, and electric, gas, and water utilities.

2. Manufacturing, representing 7.6% of Charleston MSA payroll employment compared to 11.7% for South Carolina as a whole. This sector includes all establishments engaged in the manufacturing of durable and nondurable goods.

3. Financial Activities, representing 4.4% of Charleston MSA payroll employment compared to 4.8% for South Carolina as a whole. Banking, insurance, and investment firms are included in this sector, as are real estate owners, managers, and brokers.

**Major Employers**

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

<table>
<thead>
<tr>
<th>Major Employers - Charleston-North Charleston, SC Metro</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Children's Hospital</td>
<td>10,000+</td>
</tr>
<tr>
<td>2. Medical University of SC</td>
<td>10,000+</td>
</tr>
<tr>
<td>3. Boeing Co</td>
<td>5,000-9,999</td>
</tr>
<tr>
<td>4. Medical University Charleston</td>
<td>5,000-9,999</td>
</tr>
<tr>
<td>5. Robert Bosch LLC</td>
<td>1,000-4,999</td>
</tr>
<tr>
<td>6. Roper Hospital</td>
<td>1,000-4,999</td>
</tr>
<tr>
<td>7. Charleston International</td>
<td>1,000-4,999</td>
</tr>
<tr>
<td>8. Villas At Kiawah Is Golf Resort</td>
<td>1,000-4,999</td>
</tr>
<tr>
<td>9. Health Finders Consult A Nurse</td>
<td>1,000-4,999</td>
</tr>
<tr>
<td>10. Kiawah Island Resorts</td>
<td>1,000-4,999</td>
</tr>
</tbody>
</table>

Source: https://jobs.scworks.org

**Gross Domestic Product**

The Charleston MSA ranks 70 in Gross Domestic Product (GDP) out of the nation’s 384 metropolitan statistical areas.

Economic growth, as measured by annual changes in GDP, has been somewhat higher in the Charleston MSA than South Carolina overall during the past ten years. The Charleston MSA has grown at a 2.6% average annual rate while South Carolina has grown at a 1.9% rate. The metro area appears to be harder hit in the recent downturn, as the Charleston MSA's GDP declined by 3.0% in 2020 while South Carolina's GDP declined by 1.9%. GDP figures for 2021 are not yet available at the local level, but GDP on a national level increased 5.7% in 2021, in contrast to the pandemic-related decrease of 3.4% in 2020.
The Charleston MSA has a per capita GDP of $47,373, which is 17% greater than South Carolina’s GDP of $40,634. This means that Charleston MSA industries and employers are adding relatively more value to the economy than their counterparts in South Carolina.

<table>
<thead>
<tr>
<th>Gross Domestic Product</th>
<th>($,000s)</th>
<th>% Change</th>
<th>($,000s)</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
<td>Charleston MSA</td>
<td>South Carolina</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>30,801,258</td>
<td>176,083,200</td>
<td>5.6%</td>
<td>0.9%</td>
</tr>
<tr>
<td>2012</td>
<td>32,514,042</td>
<td>177,618,100</td>
<td>-0.4%</td>
<td>1.8%</td>
</tr>
<tr>
<td>2013</td>
<td>32,398,697</td>
<td>180,881,600</td>
<td>2.7%</td>
<td>2.6%</td>
</tr>
<tr>
<td>2014</td>
<td>33,259,461</td>
<td>185,986,900</td>
<td>4.4%</td>
<td>3.2%</td>
</tr>
<tr>
<td>2015</td>
<td>34,735,243</td>
<td>192,019,900</td>
<td>5.2%</td>
<td>3.1%</td>
</tr>
<tr>
<td>2016</td>
<td>36,548,050</td>
<td>198,005,700</td>
<td>1.9%</td>
<td>2.3%</td>
</tr>
<tr>
<td>2017</td>
<td>37,226,104</td>
<td>202,494,300</td>
<td>3.4%</td>
<td>2.6%</td>
</tr>
<tr>
<td>2018</td>
<td>38,499,468</td>
<td>207,772,700</td>
<td>4.0%</td>
<td>2.3%</td>
</tr>
<tr>
<td>2019</td>
<td>40,041,005</td>
<td>212,482,800</td>
<td>-3.0%</td>
<td>-1.9%</td>
</tr>
<tr>
<td>2020</td>
<td>38,831,746</td>
<td>208,480,500</td>
<td>2.6%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Compound % Chg (2011-2020)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GDP Per Capita 2020</td>
<td>$47,373</td>
<td>$40,634</td>
<td>2.6%</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

Source: U.S. Bureau of Economic Analysis and Moody's Analytics; data released December 2021. 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 2012 dollars.

Household Income
The Charleston MSA is more affluent than South Carolina. Median household income for the Charleston MSA is $77,819, which is 25.7% greater than the corresponding figure for South Carolina.

<table>
<thead>
<tr>
<th>Median Household Income - 2022</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charleston-North Charleston, SC Metro</td>
<td>$77,819</td>
</tr>
<tr>
<td>South Carolina</td>
<td>$61,900</td>
</tr>
</tbody>
</table>

Comparison of Charleston-North Charleston, SC Metro to South Carolina: +25.7%

Source: Claritas

The following chart shows the distribution of households across twelve income levels. The Charleston MSA has a greater concentration of households in the higher income levels than South Carolina. Specifically, 52% of Charleston MSA households are at the $75,000 or greater levels in household income as compared to 42% of South Carolina households. A lesser concentration of households is apparent in the lower income levels, as 21% of Charleston MSA households are below the $35,000 level in household income versus 28% of South Carolina households.
### Household Income Distribution - 2022

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Charleston-North Charleston, SC Metro</th>
<th>South Carolina</th>
</tr>
</thead>
<tbody>
<tr>
<td>$500,000 and more</td>
<td>2.6%</td>
<td>2.4%</td>
</tr>
<tr>
<td>$250,000 - 499,999</td>
<td>4.8%</td>
<td>6.4%</td>
</tr>
<tr>
<td>$200,000 - 249,999</td>
<td>7.4%</td>
<td>8.4%</td>
</tr>
<tr>
<td>$150,000 - 199,999</td>
<td>11.4%</td>
<td>10.6%</td>
</tr>
<tr>
<td>$125,000 - 149,999</td>
<td>11.4%</td>
<td>15.9%</td>
</tr>
<tr>
<td>$100,000 - 124,999</td>
<td>16.3%</td>
<td>19.3%</td>
</tr>
<tr>
<td>$75,000 - 99,999</td>
<td>16.3%</td>
<td>17.7%</td>
</tr>
<tr>
<td>$50,000 - 74,999</td>
<td>17.7%</td>
<td>17.7%</td>
</tr>
<tr>
<td>$35,000 - 49,999</td>
<td>13.1%</td>
<td>12.3%</td>
</tr>
<tr>
<td>$25,000 - 34,999</td>
<td>6.8%</td>
<td>6.8%</td>
</tr>
<tr>
<td>$15,000 - 24,999</td>
<td>7.9%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Less than $15,000</td>
<td>10.4%</td>
<td>5.6%</td>
</tr>
</tbody>
</table>

Source: Claritas

### Education and Age

Residents of the Charleston MSA have a higher level of educational attainment than those of South Carolina. An estimated 37% of Charleston MSA residents are college graduates with four-year degrees, versus 29% of South Carolina residents. People in the Charleston MSA are slightly younger than their South Carolina counterparts. The median age for the Charleston MSA is 39 years, while the median age for South Carolina is 40 years.
**Conclusion**

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

The subject is located in the Upper Peninsula area of downtown Charleston. This area is part of the Central submarket and generally is delineated as follows:

- **North**: Pittsburgh Avenue
- **South**: Crosstown Expressway
- **East**: Cooper River
- **West**: King Street

A map identifying the location of the property follows this section.

Access and Linkages

Primary access to the area is provided by US Highway 17 and Interstate 26, major arterials that cross the Charleston metro area in an east/west (US Highway 17) and north/south (Interstate 26) direction. Access to the subject from both US Highway 17 and Interstate 26 is provided by Meeting Street, and travel time from the major arterial to the subject is less than 5 minutes. Overall, vehicular access is good.

Public transportation is provided by Charleston Area Regional Transportation Authority (CARTA) and provides access to Charleston metro area. The local market perceives public transportation as good compared to other areas in the region. However, the primary mode of transportation in this area is the automobile.

The Charleston International Airport is located about 15 miles from the property; travel time is about 25 minutes, depending on traffic conditions.

Demand Generators

Major employers include Roper St. Francis, The Medical University of South Carolina, Blue Acorn, Boomtown, and the City of Charleston. These are located within 5 miles of the property and represent significant concentrations in healthcare, education, computer software and government. In addition to its strong employment base, the area is easily accessible to the West Ashley, Mount Pleasant and North Charleston submarkets, all within 15 minutes driving time. Access to employment centers in other submarkets is a major demand driver.
Demographics
A demographic profile of the surrounding area, including population, households, and income data, is presented in the following table.

<table>
<thead>
<tr>
<th>Surrounding Area Demographics</th>
<th>1-Mile Radius</th>
<th>3-Mile Radius</th>
<th>5-Mile Radius</th>
<th>Charleston-North Charleston, SC Metro</th>
<th>South Carolina</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022 Estimates</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population 2010</td>
<td>5,685</td>
<td>47,113</td>
<td>120,242</td>
<td>664,607</td>
<td>4,025,364</td>
</tr>
<tr>
<td>Population 2022</td>
<td>6,077</td>
<td>51,664</td>
<td>133,949</td>
<td>825,259</td>
<td>5,206,064</td>
</tr>
<tr>
<td>Population 2027</td>
<td>6,241</td>
<td>53,197</td>
<td>138,160</td>
<td>857,253</td>
<td>5,366,862</td>
</tr>
<tr>
<td>Compound % Change 2010-2022</td>
<td>0.6%</td>
<td>0.8%</td>
<td>0.9%</td>
<td>1.8%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Compound % Change 2022-2027</td>
<td>0.5%</td>
<td>0.6%</td>
<td>0.6%</td>
<td>1.0%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Households 2010</td>
<td>2,463</td>
<td>19,046</td>
<td>50,308</td>
<td>259,987</td>
<td>1,801,181</td>
</tr>
<tr>
<td>Households 2022</td>
<td>2,769</td>
<td>21,690</td>
<td>58,157</td>
<td>329,471</td>
<td>2,056,574</td>
</tr>
<tr>
<td>Households 2027</td>
<td>2,881</td>
<td>22,560</td>
<td>60,586</td>
<td>346,177</td>
<td>2,117,331</td>
</tr>
<tr>
<td>Compound % Change 2010-2022</td>
<td>1.0%</td>
<td>1.3%</td>
<td>1.2%</td>
<td>2.0%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Compound % Change 2022-2027</td>
<td>0.8%</td>
<td>0.8%</td>
<td>0.8%</td>
<td>1.1%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Median Household Income 2022</td>
<td>$64,222</td>
<td>$69,797</td>
<td>$77,330</td>
<td>$77,819</td>
<td>$61,900</td>
</tr>
<tr>
<td>Average Household Size</td>
<td>2.2</td>
<td>2.1</td>
<td>2.2</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>College Graduate %</td>
<td>45%</td>
<td>54%</td>
<td>50%</td>
<td>37%</td>
<td>29%</td>
</tr>
<tr>
<td>Median Age</td>
<td>39</td>
<td>33</td>
<td>38</td>
<td>39</td>
<td>40</td>
</tr>
<tr>
<td>Owner Occupied %</td>
<td>47%</td>
<td>41%</td>
<td>49%</td>
<td>66%</td>
<td>70%</td>
</tr>
<tr>
<td>Renter Occupied %</td>
<td>53%</td>
<td>59%</td>
<td>51%</td>
<td>34%</td>
<td>30%</td>
</tr>
<tr>
<td>Median Owner Occupied Housing Value</td>
<td>$513,991</td>
<td>$543,634</td>
<td>$490,673</td>
<td>$312,040</td>
<td>$215,034</td>
</tr>
<tr>
<td>Average Travel Time to Work in Minutes</td>
<td>20</td>
<td>20</td>
<td>23</td>
<td>30</td>
<td>28</td>
</tr>
</tbody>
</table>

As shown above, the current population within a 3-mile radius of the subject is 51,664, and the average household size is 2.1. Population in the area has grown since the 2010 census, and this trend is projected to continue over the next five years. Compared to the Charleston MSA overall, the population within a 3-mile radius is projected to grow at a slower rate.

Median household income is $69,797, which is lower than the household income for the Charleston MSA. Residents within a 3-mile radius have a considerably higher level of educational attainment than those of the Charleston MSA, while median owner occupied home values are considerably higher.

Retail and Public Services
The nearest shopping facilities serving the area are located along King and Meeting Streets within 1.5 miles of the subject.

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

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

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

**Land Use**

In the immediate vicinity of the subject, predominant land uses are redevelopment for multifamily, office, hotels and retail uses. Other land use characteristics are summarized as follows:

<table>
<thead>
<tr>
<th>Surrounding Area Land Uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Character of Area</td>
</tr>
<tr>
<td>Predominant Housing Age (Both Ownership and Rental)</td>
</tr>
<tr>
<td>Predominant Quality and Condition</td>
</tr>
<tr>
<td>Approximate Percent Developed</td>
</tr>
<tr>
<td>Percent Developed by Land use</td>
</tr>
<tr>
<td>Infrastructure/Planning</td>
</tr>
<tr>
<td>Prospective Change in Land Use</td>
</tr>
<tr>
<td>Prevailing Direction of Growth</td>
</tr>
</tbody>
</table>

**Development Activity and Trends**

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

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

**Outlook and Conclusions**

The area is in the redevelopment/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 near future.
In comparison to other areas in the region, the area is rated as follows:

<table>
<thead>
<tr>
<th>Surrounding Area Ratings</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highway Access</td>
<td>Average</td>
</tr>
<tr>
<td>Demand Generators</td>
<td>Average</td>
</tr>
<tr>
<td>Convenience to Support Services</td>
<td>Average</td>
</tr>
<tr>
<td>Convenience to Public Transit</td>
<td>Average</td>
</tr>
<tr>
<td>Employment Stability</td>
<td>Average</td>
</tr>
<tr>
<td>Neighborhood Amenities</td>
<td>Average</td>
</tr>
<tr>
<td>Police and Fire Protection</td>
<td>Average</td>
</tr>
<tr>
<td>Barriers to Competitive Entry</td>
<td>Average</td>
</tr>
<tr>
<td>Price/Value Trends</td>
<td>Average</td>
</tr>
<tr>
<td>Property Compatibility</td>
<td>Average</td>
</tr>
</tbody>
</table>

**Surrounding Area Map**

Office Building
Office Market Analysis

Metro Area Overview

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

**All Office Charleston - SC Metro Trends**

<table>
<thead>
<tr>
<th>Period</th>
<th>Stock</th>
<th>Demand</th>
<th>Vacancy</th>
<th>Net Completions 12 Months</th>
<th>Under Construction Stock</th>
<th>Net Absorption 12 Months</th>
<th>Asking Rent</th>
<th>Rent Growth 12 Month</th>
<th>Price Growth</th>
<th>Cap Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012 Q1</td>
<td>28,234,088</td>
<td>25,704,494</td>
<td>8.96%</td>
<td>319,937</td>
<td>347,533</td>
<td>634,159</td>
<td>$20.29</td>
<td>1.95%</td>
<td>9.23%</td>
<td>8.16%</td>
</tr>
<tr>
<td>2013 Q1</td>
<td>28,550,330</td>
<td>26,297,084</td>
<td>8.04%</td>
<td>361,842</td>
<td>155,890</td>
<td>592,589</td>
<td>$20.47</td>
<td>0.91%</td>
<td>3.18%</td>
<td>8.03%</td>
</tr>
<tr>
<td>2014 Q1</td>
<td>28,816,866</td>
<td>26,755,880</td>
<td>7.13%</td>
<td>220,936</td>
<td>285,366</td>
<td>488,797</td>
<td>$21.58</td>
<td>5.42%</td>
<td>7.53%</td>
<td>7.67%</td>
</tr>
<tr>
<td>2015 Q1</td>
<td>25,049,756</td>
<td>27,303,358</td>
<td>6.01%</td>
<td>232,890</td>
<td>368,295</td>
<td>548,078</td>
<td>$22.94</td>
<td>6.32%</td>
<td>6.92%</td>
<td>7.48%</td>
</tr>
<tr>
<td>2016 Q1</td>
<td>25,276,442</td>
<td>28,851,752</td>
<td>4.85%</td>
<td>226,686</td>
<td>591,394</td>
<td>555,793</td>
<td>$24.31</td>
<td>5.95%</td>
<td>2.45%</td>
<td>7.45%</td>
</tr>
<tr>
<td>2017 Q1</td>
<td>25,718,322</td>
<td>28,374,968</td>
<td>4.52%</td>
<td>453,880</td>
<td>924,371</td>
<td>509,933</td>
<td>$25.47</td>
<td>4.77%</td>
<td>4.13%</td>
<td>7.48%</td>
</tr>
<tr>
<td>2018 Q1</td>
<td>30,453,564</td>
<td>28,950,744</td>
<td>5.26%</td>
<td>735,232</td>
<td>1,073,155</td>
<td>475,777</td>
<td>$26.56</td>
<td>4.25%</td>
<td>1.41%</td>
<td>7.57%</td>
</tr>
<tr>
<td>2019 Q1</td>
<td>31,173,024</td>
<td>29,716,686</td>
<td>4.67%</td>
<td>689,028</td>
<td>1,059,863</td>
<td>835,500</td>
<td>$27.39</td>
<td>3.16%</td>
<td>1.40%</td>
<td>7.79%</td>
</tr>
<tr>
<td>2020 Q1</td>
<td>31,777,995</td>
<td>29,453,292</td>
<td>7.32%</td>
<td>604,571</td>
<td>1,081,960</td>
<td>-263,395</td>
<td>$28.33</td>
<td>3.43%</td>
<td>1.00%</td>
<td>7.95%</td>
</tr>
<tr>
<td>2021 Q1</td>
<td>32,536,629</td>
<td>29,580,628</td>
<td>9.09%</td>
<td>755,934</td>
<td>621,118</td>
<td>124,836</td>
<td>$28.36</td>
<td>0.11%</td>
<td>-0.13%</td>
<td>7.97%</td>
</tr>
<tr>
<td>2022 Q1</td>
<td>32,569,558</td>
<td>30,091,144</td>
<td>7.61%</td>
<td>32,929</td>
<td>0</td>
<td>520,412</td>
<td>$28.93</td>
<td>2.02%</td>
<td>4.52%</td>
<td>7.88%</td>
</tr>
<tr>
<td>2023 Q1</td>
<td>33,255,796</td>
<td>30,690,904</td>
<td>7.71%</td>
<td>686,238</td>
<td>0</td>
<td>603,511</td>
<td>$29.80</td>
<td>2.98%</td>
<td>2.27%</td>
<td>7.93%</td>
</tr>
<tr>
<td>2024 Q1</td>
<td>33,720,275</td>
<td>31,131,504</td>
<td>7.68%</td>
<td>464,497</td>
<td>0</td>
<td>445,490</td>
<td>$30.46</td>
<td>2.23%</td>
<td>2.07%</td>
<td>7.97%</td>
</tr>
<tr>
<td>2025 Q1</td>
<td>34,553,006</td>
<td>31,644,674</td>
<td>7.88%</td>
<td>632,731</td>
<td>0</td>
<td>518,084</td>
<td>$30.84</td>
<td>1.24%</td>
<td>0.65%</td>
<td>8.03%</td>
</tr>
<tr>
<td>2026 Q1</td>
<td>35,002,396</td>
<td>32,182,564</td>
<td>8.06%</td>
<td>649,390</td>
<td>0</td>
<td>542,786</td>
<td>$31.05</td>
<td>0.68%</td>
<td>0.26%</td>
<td>8.06%</td>
</tr>
<tr>
<td>2027 Q1</td>
<td>35,636,774</td>
<td>32,705,076</td>
<td>8.23%</td>
<td>634,378</td>
<td>0</td>
<td>527,714</td>
<td>$31.18</td>
<td>0.42%</td>
<td>0.18%</td>
<td>8.08%</td>
</tr>
</tbody>
</table>

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

Charleston - SC Metro Trends and Forecasts

**Vacancy Rate vs. Asking Rent**

Source: CoStar, Inc.; compiled by Integra Realty Resources, Inc.
• The current vacancy rate in the metro area is 7.61%; the vacancy rate has increased by 29 bps from 2020 Q1.

• Two-year Base Case forecasts project a 7.68% vacancy rate in the metro area, representing an increase of 7 bps by 2024 Q1.

• Asking rent averages $28.93/SF in the metro area, and values have increased by 2.12% from 2020 Q1.

• Two-year Base Case forecasts project a $30.46/SF asking rent in the metro area, representing an increase of 5.29% by 2024 Q1.

Supply and Demand Trends

![Supply and Demand Trends Chart]

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

• The total stock (SF) has increased by 2.49% from 2020 Q1, while the demand has increased by 2.17%.

• Between 2017 Q2 and 2022 Q1, net completions in the metro area have averaged 563,619 SF annually, and reached a peak of 361,693 SF in 2018 Q1.

• Between 2017 Q2 and 2022 Q1, net absorption in the metro area has averaged 338,586 SF annually, and reached a peak of 484,707 SF in 2022 Q1.
Submarket Overview

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

### All Office Downtown Charleston Submarket Trends

<table>
<thead>
<tr>
<th>Period</th>
<th>Stock</th>
<th>Demand</th>
<th>Net Completion</th>
<th>Vacancy</th>
<th>Net Under Construction Stock</th>
<th>Net Absorption</th>
<th>Rent Growth</th>
<th>Price Growth</th>
<th>Cap Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>12 Months</td>
<td>12 Months</td>
<td>Stock</td>
<td>12 Months</td>
<td>12 Month</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012 Q1</td>
<td>7,044,428</td>
<td>6,468,084</td>
<td>8.18%</td>
<td>56,617</td>
<td>16,344</td>
<td>85,847</td>
<td>$24.92</td>
<td>1.56%</td>
<td>10.14%</td>
</tr>
<tr>
<td>2013 Q1</td>
<td>7,076,123</td>
<td>6,616,236</td>
<td>6.53%</td>
<td>33,695</td>
<td>53,107</td>
<td>148,152</td>
<td>$25.18</td>
<td>1.05%</td>
<td>3.61%</td>
</tr>
<tr>
<td>2014 Q1</td>
<td>7,129,585</td>
<td>6,521,646</td>
<td>8.53%</td>
<td>51,462</td>
<td>0</td>
<td>94,590</td>
<td>$26.59</td>
<td>5.62%</td>
<td>6.83%</td>
</tr>
<tr>
<td>2015 Q1</td>
<td>7,022,534</td>
<td>6,471,818</td>
<td>7.84%</td>
<td>-107,051</td>
<td>29,725</td>
<td>-49,828</td>
<td>$28.52</td>
<td>7.23%</td>
<td>5.70%</td>
</tr>
<tr>
<td>2016 Q1</td>
<td>7,033,691</td>
<td>6,744,318</td>
<td>4.11%</td>
<td>11,157</td>
<td>6,644</td>
<td>272,500</td>
<td>$30.11</td>
<td>5.57%</td>
<td>1.36%</td>
</tr>
<tr>
<td>2017 Q1</td>
<td>7,026,376</td>
<td>6,818,962</td>
<td>2.95%</td>
<td>-7,315</td>
<td>62,929</td>
<td>74,644</td>
<td>$31.60</td>
<td>4.97%</td>
<td>4.10%</td>
</tr>
<tr>
<td>2018 Q1</td>
<td>7,074,237</td>
<td>6,790,539</td>
<td>4.01%</td>
<td>47,861</td>
<td>247,614</td>
<td>-28,423</td>
<td>$32.91</td>
<td>4.12%</td>
<td>0.82%</td>
</tr>
<tr>
<td>2019 Q1</td>
<td>7,098,130</td>
<td>6,853,198</td>
<td>3.45%</td>
<td>23,893</td>
<td>449,104</td>
<td>62,659</td>
<td>$33.87</td>
<td>2.92%</td>
<td>0.53%</td>
</tr>
<tr>
<td>2020 Q1</td>
<td>7,317,236</td>
<td>6,982,791</td>
<td>4.57%</td>
<td>219,106</td>
<td>683,275</td>
<td>129,593</td>
<td>$35.02</td>
<td>3.42%</td>
<td>-2.06%</td>
</tr>
<tr>
<td>2021 Q1</td>
<td>7,685,234</td>
<td>7,098,034</td>
<td>7.64%</td>
<td>367,998</td>
<td>472,762</td>
<td>115,243</td>
<td>$35.00</td>
<td>-0.06%</td>
<td>-0.18%</td>
</tr>
<tr>
<td>2022 Q1</td>
<td>7,819,447</td>
<td>7,122,625</td>
<td>8.91%</td>
<td>134,213</td>
<td>0</td>
<td>24,590</td>
<td>$35.59</td>
<td>1.67%</td>
<td>2.01%</td>
</tr>
<tr>
<td>2023 Q1</td>
<td>8,228,021</td>
<td>7,555,497</td>
<td>8.42%</td>
<td>408,574</td>
<td>0</td>
<td>413,448</td>
<td>$36.62</td>
<td>2.90%</td>
<td>2.22%</td>
</tr>
<tr>
<td>2024 Q1</td>
<td>8,503,794</td>
<td>7,770,621</td>
<td>8.62%</td>
<td>275,773</td>
<td>0</td>
<td>235,884</td>
<td>$37.40</td>
<td>2.14%</td>
<td>2.03%</td>
</tr>
<tr>
<td>2025 Q1</td>
<td>8,875,240</td>
<td>8,076,165</td>
<td>9.00%</td>
<td>371,446</td>
<td>0</td>
<td>306,359</td>
<td>$37.83</td>
<td>1.13%</td>
<td>0.59%</td>
</tr>
<tr>
<td>2026 Q1</td>
<td>9,256,276</td>
<td>8,401,677</td>
<td>9.23%</td>
<td>381,036</td>
<td>0</td>
<td>326,281</td>
<td>$38.04</td>
<td>0.57%</td>
<td>0.19%</td>
</tr>
<tr>
<td>2027 Q1</td>
<td>9,628,866</td>
<td>8,720,855</td>
<td>9.43%</td>
<td>372,590</td>
<td>0</td>
<td>319,958</td>
<td>$38.16</td>
<td>0.31%</td>
<td>0.11%</td>
</tr>
</tbody>
</table>

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

- The Downtown Charleston submarket comprises 24.0% of the metro building stock and 23.7% of the metro building demand.
- The vacancy rate in the Downtown Charleston submarket is 8.91%, which is greater than the metro area’s average of 7.61%.
- Downtown Charleston market rate is $35.59/SF which is greater than the metro area’s average rate of $28.93/SF.
Downtown Charleston Submarket Trends and Forecasts

Vacancy Rate vs. Asking Rent

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

- The current vacancy rate in the submarket area is 8.91%; the vacancy rate has increased by 434 bps from 2020 Q1.
- Two-year Base Case forecasts project a 8.62% vacancy rate in the submarket area, representing a decrease of 29 bps by 2024 Q1.
- Asking rent averages $35.59/SF in the submarket area, and values have increased by 1.63% from 2020 Q1.
- Two-year Base Case forecasts project a $37.40/SF asking rent in the submarket area, representing an increase of 5.09% by 2024 Q1.
The total stock (SF) has increased by 6.86% from 2020 Q1, while the demand has increased by 2.00%.

Between 2017 Q2 and 2022 Q1, net completions in the submarket area have averaged 158,614 SF annually, and reached a peak of 219,106 SF in 2019 Q2.

Between 2017 Q2 and 2022 Q1, net absorption in the submarket area has averaged 60,732 SF annually, and reached a peak of 165,991 SF in 2022 Q1.
Office Market Forecast Comparisons

Vacancy Rate Forecasts

<table>
<thead>
<tr>
<th>Year</th>
<th>Metro</th>
<th>Submarket</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023 Q1</td>
<td>7.7%</td>
<td>8.4%</td>
</tr>
<tr>
<td>2024 Q1</td>
<td>7.7%</td>
<td>8.6%</td>
</tr>
<tr>
<td>2025 Q1</td>
<td>7.9%</td>
<td>9.0%</td>
</tr>
<tr>
<td>2026 Q1</td>
<td>8.1%</td>
<td>9.2%</td>
</tr>
<tr>
<td>2027 Q1</td>
<td>8.2%</td>
<td>9.4%</td>
</tr>
</tbody>
</table>

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

Rent Growth Forecasts

<table>
<thead>
<tr>
<th>Year</th>
<th>Metro</th>
<th>Submarket</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023 Q1</td>
<td>3.0%</td>
<td>2.9%</td>
</tr>
<tr>
<td>2024 Q1</td>
<td>2.2%</td>
<td>2.1%</td>
</tr>
<tr>
<td>2025 Q1</td>
<td>1.2%</td>
<td>1.1%</td>
</tr>
<tr>
<td>2026 Q1</td>
<td>0.7%</td>
<td>0.6%</td>
</tr>
<tr>
<td>2027 Q1</td>
<td>0.4%</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

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

Office Building
Office Market Analysis

Cap Rate Forecasts

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

Office Market Outlook and Conclusions
Based on the key metro and submarket area trends, construction outlook, and the performance of competing properties, IRR expects the mix of property fundamentals and economic conditions in the Charleston metro area to have a positive impact on the subject property’s performance in the near-term.
COVID-19 Impact on Current Valuations

Transaction indicators are the best measure of any impact on values due to COVID-19. At the beginning of the pandemic, many transactions were tabled, and market data was scarce. After an initial lull in activity, price discovery has occurred in many markets across different property types and transactions are getting done with the pace of transactions normalizing in many markets and asset types.

We have included the following timeline to better understand the environments in which the Southeast real estate markets have performed since the pandemic started.

<table>
<thead>
<tr>
<th></th>
<th>North Carolina</th>
<th>South Carolina</th>
<th>Georgia</th>
<th>Virginia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stay-at-Home Orders</td>
<td>March 20, 2020</td>
<td>April 1, 2020</td>
<td>April 2, 2020</td>
<td>March 30, 2020</td>
</tr>
<tr>
<td>Issued</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lifted</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Reopening

Q2 2020
- Retail 50%
- Restaurants/Bars
  - (Take out only)
- Childcare
- Retail (20% or 5 customers/ 1,000 SF)
- Restaurants
  - (Limited Indoor)
- Beaches open
- Travel Restrictions lifted
- Fitness Centers
  - (100%)
- Entertainment Venues (100%)
- Retail (100%)
- Restaurants
  - (100%)
- Bars (seating restrictions)
- Non-essential retail and personal service establishments
  - (limited capacity)
- Restaurants
  - (limited capacity/
    spacing requirements/
    bar areas closed)

Q3 2020
- Restaurants (50%)
- Salons (50%)
- Retail (50%)
- Bowling Alleys,
  - Fitness Centers,
  - Entertainment (30%)
- Restaurants (50%)
- Large gatherings and events can reopen with mask requirements.
- Movie Theaters (50%)
- Fitness centers and athletic facilities (75% capacity with spacing requirements);
  - theaters, entertainment and sports venues, museums
  - (50% with 1,000-
    person max.)
<table>
<thead>
<tr>
<th>Quarter</th>
<th>Industry</th>
<th>Restrictions Lifted</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2020</td>
<td>Movie Theaters (30%)</td>
<td>Outdoor visitation allowed for nursing homes. Restaurants (100%) with alcohol restriction after 11:00 pm</td>
<td>Partial roll-back of Phase 3 openings impacting restaurant hours and fitness center, theater, entertainment and sports venue capacity; public and private gathering size capped; indoor mask mandates reinstituted.</td>
</tr>
<tr>
<td>Q1 2021</td>
<td>Retail (100%), Salons (100%), Restaurants (75%), Bars (50%), Gyms, Entertainment Facilities (75%)</td>
<td>Alcohol restrictions in restaurants lifted. Movie Theaters (100%)</td>
<td>Theaters, entertainment and sports venues, and museums returned to 50% with 1,000-person max. Indoors; no max. outdoors. Social gatherings increased to 100 persons indoors and 250 outdoors</td>
</tr>
<tr>
<td>Q2 2021</td>
<td>Restrictions lifted in most cases.</td>
<td>Restrictions lifted in most cases.</td>
<td>Restrictions lifted in most cases.</td>
</tr>
</tbody>
</table>

Since the states lifted most restrictions, the emergence of the Delta and Omicron variants have led to significant spikes in virus transmission and positivity rates. However, the southeastern state governments have largely reacted in a monitoring and advisory capacity and not reinstituted the restrictions that accompanied the first waves of the virus.
While the southeast has generally been gaining in population due to in-migration from the west and northeast, the pace has and is expected to continue to increase during the pandemic as many workers are able to work remotely. Population changes are shown in the following table.

<table>
<thead>
<tr>
<th>Location</th>
<th>2019 (10-19)</th>
<th>2020 (10-20)</th>
<th>% Change</th>
<th>2021 (est.)</th>
<th>% Change (2020/2021)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Carolina</td>
<td>10,435,525</td>
<td>10,545,270</td>
<td>1.05%</td>
<td>10,664,954</td>
<td>1.14%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>5,117,956</td>
<td>5,175,593</td>
<td>1.13%</td>
<td>5,239,980</td>
<td>1.24%</td>
</tr>
<tr>
<td>Georgia</td>
<td>10,593,771</td>
<td>10,677,163</td>
<td>0.79%</td>
<td>10,769,971</td>
<td>0.87%</td>
</tr>
<tr>
<td>Virginia</td>
<td>8,554,008</td>
<td>8,597,973</td>
<td>0.51%</td>
<td>8,599,585</td>
<td>0.02%</td>
</tr>
<tr>
<td>United States</td>
<td>329,236,175</td>
<td>330,342,293</td>
<td>0.34%</td>
<td>330,946,040</td>
<td>0.18%</td>
</tr>
</tbody>
</table>

Source: Claritas

Over the past ten years, the largest population growth has been in South Carolina followed by North Carolina, Georgia, and Virginia, and all are greater than the overall increase in the United States. Also as shown above, the southeast benefited strongly from the relocation of remote workers. While some of the in-migration is due to warmer climates, taxes, home pricing among other issues, the recent uptick is also a response to COVID and the ability to work anywhere for many Americans.

Employment is also a strong factor for real estate markets and we have reviewed unemployment data for some markets in the southeast from 2019 until 2021.

### 2019

<table>
<thead>
<tr>
<th>Location</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
<td>3.9</td>
<td>3.9</td>
<td>3.8</td>
<td>3.8</td>
<td>3.7</td>
<td>3.7</td>
<td>3.6</td>
<td>3.5</td>
<td>3.5</td>
</tr>
<tr>
<td>SC</td>
<td>3.2</td>
<td>3.2</td>
<td>3.2</td>
<td>3.1</td>
<td>2.9</td>
<td>2.7</td>
<td>2.6</td>
<td>2.4</td>
<td>2.4</td>
<td>2.4</td>
<td>2.4</td>
<td>2.5</td>
</tr>
<tr>
<td>GA</td>
<td>3.9</td>
<td>3.8</td>
<td>3.7</td>
<td>3.6</td>
<td>3.6</td>
<td>3.5</td>
<td>3.5</td>
<td>3.4</td>
<td>3.4</td>
<td>3.3</td>
<td>3.3</td>
<td>3.3</td>
</tr>
<tr>
<td>VA</td>
<td>2.9</td>
<td>2.9</td>
<td>2.8</td>
<td>2.8</td>
<td>2.7</td>
<td>2.6</td>
<td>2.6</td>
<td>2.6</td>
<td>2.6</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>US</td>
<td>4.0</td>
<td>3.8</td>
<td>3.8</td>
<td>3.6</td>
<td>3.6</td>
<td>3.7</td>
<td>3.7</td>
<td>3.7</td>
<td>3.6</td>
<td>3.5</td>
<td>3.5</td>
<td>3.5</td>
</tr>
</tbody>
</table>

Pre-pandemic, the above markets were trending closely with the overall U.S. market. South Carolina and Virginia had the lowest unemployment figures generally being 1.0 point less than the United States overall.

### 2020

<table>
<thead>
<tr>
<th>Location</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC</td>
<td>3.5</td>
<td>3.6</td>
<td>3.9</td>
<td>13.5</td>
<td>13.5</td>
<td>8.8</td>
<td>8.8</td>
<td>6.8</td>
<td>7.3</td>
<td>6.8</td>
<td>6.4</td>
<td>6.1</td>
</tr>
<tr>
<td>SC</td>
<td>2.6</td>
<td>2.8</td>
<td>3.0</td>
<td>11.5</td>
<td>11.5</td>
<td>7.7</td>
<td>7.6</td>
<td>5.4</td>
<td>5.4</td>
<td>5.4</td>
<td>5.6</td>
<td>5.6</td>
</tr>
<tr>
<td>GA</td>
<td>3.3</td>
<td>3.5</td>
<td>3.6</td>
<td>12.5</td>
<td>9.4</td>
<td>8.4</td>
<td>7.6</td>
<td>7.0</td>
<td>6.5</td>
<td>5.9</td>
<td>5.6</td>
<td>5.3</td>
</tr>
<tr>
<td>VA</td>
<td>2.5</td>
<td>2.5</td>
<td>2.6</td>
<td>11.3</td>
<td>8.5</td>
<td>8.8</td>
<td>7.9</td>
<td>7.0</td>
<td>6.6</td>
<td>6.1</td>
<td>5.8</td>
<td>5.6</td>
</tr>
<tr>
<td>US</td>
<td>3.6</td>
<td>3.5</td>
<td>4.4</td>
<td>14.7</td>
<td>13.3</td>
<td>11.1</td>
<td>10.2</td>
<td>8.4</td>
<td>7.9</td>
<td>6.9</td>
<td>6.7</td>
<td>6.7</td>
</tr>
</tbody>
</table>

As shown above, the increase in unemployment was significant in April as stay at home orders were issued. Except for Virginia, which slightly lagged the others, the markets all started trending downward in June and finished 2020 around 2.0 to 3.0 points higher than the same time in 2019.

Office Building
2021

<table>
<thead>
<tr>
<th>Location</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>NC</td>
<td>5.9</td>
<td>5.7</td>
<td>5.2</td>
<td>5.0</td>
<td>4.8</td>
<td>4.6</td>
<td>4.4</td>
<td>4.3</td>
<td>4.3</td>
<td>4.1</td>
<td>3.9</td>
<td>n/a</td>
</tr>
<tr>
<td>SC</td>
<td>5.3</td>
<td>5.2</td>
<td>5.1</td>
<td>5.0</td>
<td>4.6</td>
<td>4.5</td>
<td>4.3</td>
<td>4.2</td>
<td>4.1</td>
<td>3.9</td>
<td>3.7</td>
<td>n/a</td>
</tr>
<tr>
<td>GA</td>
<td>6.3</td>
<td>6.2</td>
<td>6.0</td>
<td>6.1</td>
<td>5.8</td>
<td>5.9</td>
<td>5.4</td>
<td>5.2</td>
<td>3.3</td>
<td>3.1</td>
<td>2.8</td>
<td>n/a</td>
</tr>
<tr>
<td>VA</td>
<td>5.3</td>
<td>5.2</td>
<td>5.1</td>
<td>4.7</td>
<td>4.5</td>
<td>4.3</td>
<td>4.2</td>
<td>4.0</td>
<td>3.8</td>
<td>3.6</td>
<td>3.4</td>
<td>n/a</td>
</tr>
<tr>
<td>US</td>
<td>6.3</td>
<td>6.2</td>
<td>6.0</td>
<td>6.1</td>
<td>5.8</td>
<td>5.9</td>
<td>5.4</td>
<td>5.2</td>
<td>4.7</td>
<td>4.6</td>
<td>4.2</td>
<td>3.9</td>
</tr>
</tbody>
</table>

For 2021 all markets continued the downward unemployment trend that is expected to continue as the country adjusts to the pandemic. This trend is expected to continue into 2022.

While North Carolina and Virginia were the most stringent on COVID precautions, it does not appear to have had a significantly different impact on transactions and pricing as compared to South Carolina and Georgia that were less restrictive.

We have reviewed sales transactions in the following states and compared changes from transaction data from CoStar.

<table>
<thead>
<tr>
<th>Location</th>
<th>2018</th>
<th>2019</th>
<th>%</th>
<th>2020</th>
<th>%</th>
<th>2020 (9/20)</th>
<th>2021 (9/21)</th>
<th>% Change (9/20 – 9/21)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Carolina</td>
<td>8,244</td>
<td>10,843</td>
<td>32%</td>
<td>9,645</td>
<td>-11%</td>
<td>6,942</td>
<td>8,865</td>
<td>28%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>5,507</td>
<td>6,663</td>
<td>21%</td>
<td>5,722</td>
<td>-14%</td>
<td>4,130</td>
<td>5,059</td>
<td>22%</td>
</tr>
<tr>
<td>Georgia</td>
<td>10,563</td>
<td>13,168</td>
<td>25%</td>
<td>11,644</td>
<td>-12%</td>
<td>8,259</td>
<td>10,773</td>
<td>30%</td>
</tr>
<tr>
<td>Virginia</td>
<td>4,119</td>
<td>5,361</td>
<td>30%</td>
<td>4,764</td>
<td>-11%</td>
<td>3,527</td>
<td>3,927</td>
<td>11%</td>
</tr>
</tbody>
</table>

Source: CoStar

The above data shows an increase in most states from 2018 to 2019 of 20% to 30% in sales transactions. The transactions decreased on average of 11% to 14% from 2019 to 2020 due to COVID. The markets appear to rebound from September 2020 to September 2021, with increases from 20% to 30%, except for Virginia, which lagged at 11%. Transaction volume is expected to remain robust as the county adjusts and the United States returns to a new normal. The major concern now is inflationary pressure. Overall, most market segments are seeing gains with major areas of concern still being hospitality and indoor entertainment facilities.

The subject is improved with a 3,136 square foot, office building. Considering the subject’s relative sensitivity to COVID-19 risks as of the effective date of the valuation, the following valuation considerations were developed:
<table>
<thead>
<tr>
<th>Valuation Approach Implications from COVID-19</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales Comparison Approach</strong></td>
<td></td>
</tr>
<tr>
<td>Market conditions adjustment?</td>
<td>Yes</td>
</tr>
<tr>
<td>Transaction evidence?</td>
<td>Yes</td>
</tr>
<tr>
<td>While there was a pause in market appreciation early in the pandemic, recent demand has pushed pricing upward and therefore, we have used upward market appreciation. We have used sales that transacted after the pandemic began.</td>
<td></td>
</tr>
<tr>
<td><strong>Income Capitalization Approach</strong></td>
<td></td>
</tr>
<tr>
<td>Transaction evidence</td>
<td>Yes</td>
</tr>
<tr>
<td>We have recent rents that have been signed since the beginning of the pandemic.</td>
<td></td>
</tr>
<tr>
<td>Pro forma market rent adjustment?</td>
<td>No</td>
</tr>
<tr>
<td>Pro forma vacancy adjustment?</td>
<td>No</td>
</tr>
<tr>
<td>Pro forma expense adjustment?</td>
<td>No</td>
</tr>
<tr>
<td>Capitalization rate adjustment?</td>
<td>No</td>
</tr>
<tr>
<td>Discount rate adjustment?</td>
<td>No</td>
</tr>
<tr>
<td><strong>Short-term Rent Loss Considerations</strong></td>
<td></td>
</tr>
<tr>
<td>Is the value estimate adjusted for atypical rent loss over the short term (&lt; 2 years)?</td>
<td>No</td>
</tr>
<tr>
<td><strong>Marketing Time</strong></td>
<td></td>
</tr>
<tr>
<td>Has marketing time been adjusted?</td>
<td>No</td>
</tr>
</tbody>
</table>

In conclusion, barring a reversal of current policy and a reinstatement of restrictions in response to the Omicron or future virus variants, the regional markets should continue to show signs of growth as the United States and other economies adjust to and recover from the impacts of the COVID-19 pandemic.
## Property Analysis

### Land Description and Analysis

<table>
<thead>
<tr>
<th>Land Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Area</td>
<td>0.08 acre; 3,485 SF</td>
</tr>
<tr>
<td>Source of Land Area</td>
<td>Survey</td>
</tr>
<tr>
<td>Primary Street Frontage</td>
<td>Cunnington Avenue - 35 feet</td>
</tr>
<tr>
<td>Secondary Street Frontage</td>
<td>Skurvin Street - 96 feet</td>
</tr>
<tr>
<td>Shape</td>
<td>Rectangular</td>
</tr>
<tr>
<td>Corner</td>
<td>Yes</td>
</tr>
<tr>
<td>Topography</td>
<td>Generally level and at street grade</td>
</tr>
<tr>
<td>Drainage</td>
<td>No problems reported or observed</td>
</tr>
<tr>
<td>Environmental Hazards</td>
<td>None reported or observed</td>
</tr>
<tr>
<td>Ground Stability</td>
<td>No problems reported or observed</td>
</tr>
<tr>
<td>Flood Area Panel Number</td>
<td>45019C0504K</td>
</tr>
<tr>
<td>Date</td>
<td>November 29, 2021</td>
</tr>
<tr>
<td>Zone</td>
<td>X (Shaded)</td>
</tr>
<tr>
<td>Description</td>
<td>Within 500-year floodplain</td>
</tr>
<tr>
<td>Insurance Required?</td>
<td>No</td>
</tr>
</tbody>
</table>

### Zoning: Other Regulations

<table>
<thead>
<tr>
<th>Zoning Jurisdiction</th>
<th>City of Charleston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoning Designation</td>
<td>U</td>
</tr>
<tr>
<td>Description</td>
<td>Light Industrial</td>
</tr>
<tr>
<td>Legally Conforming?</td>
<td>Appears to be legally conforming</td>
</tr>
<tr>
<td>Zoning Change Likely?</td>
<td>No</td>
</tr>
<tr>
<td>Permitted Uses</td>
<td>The U District is intended to permit most commercial uses and low impact industrial uses which are compatible with surrounding commercial districts</td>
</tr>
<tr>
<td>Minimum Setbacks (Feet)</td>
<td>N/A</td>
</tr>
<tr>
<td>Maximum Building Height</td>
<td>2.5 stories</td>
</tr>
<tr>
<td>Parking Requirement</td>
<td>1 space per 500 square feet (excluding halls, stairwells, storage/elevator shafts and bathrooms) office on Peninsula</td>
</tr>
<tr>
<td>Other</td>
<td>None</td>
</tr>
<tr>
<td>Other Land Use Regulations</td>
<td>None reported or observed</td>
</tr>
</tbody>
</table>

### Utilities

<table>
<thead>
<tr>
<th>Service</th>
<th>Provider</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>City of Charleston</td>
</tr>
<tr>
<td>Sewer</td>
<td>City of Charleston</td>
</tr>
<tr>
<td>Electricity</td>
<td>Dominion Energy</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>Dominion Energy</td>
</tr>
<tr>
<td>Local Phone</td>
<td>Various providers</td>
</tr>
</tbody>
</table>
Potential Development Density
The subject is also in the Old City Heights District, Amusement and Recreation Overlay Zone, and the Short Term Rental Category (CAT 2) District.

The Old City Height District is comprised of several height district classifications and includes all of peninsular Charleston lying south of Mt. Pleasant Street and the extension thereof across the entire peninsula. The subject is in Height District 2.5 which has a maximum height of two and one-half stories.

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

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

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

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

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

1. Taxpayer must invest cash up to the amount of the gain recognized from sale/disposition of an asset.
2. Cash reinvestment must be made during the 180-day period after the sale/exchange triggering gain.
3. Taxpayer must acquire stock or partnership interest in an Opportunity Zone fund or in a direct property investment located within a QOZ.
4. If a QOZ investment is made, the investor can defer taxation on the capital gains recognized for seven years.
   - At the 3-year anniversary of the initial QOZ investment, the investor realizes a 10% step up in basis on the original investment from which the reinvested gains were initially realized.
   - An additional 3% step up in basis is realized at the 7-year anniversary.
5. The appreciation on the QOZ investment is tax-free on sale provided that the investment is held for 10 years.

In short, the Opportunity Zone program allows investors to defer gains from any asset class and provides for an unparalleled tax benefit through the form of deferred gains and stepped up basis on an initial investment and tax free appreciation on the QOZ investment.
Conclusion of Site Analysis

Overall, the physical characteristics and the availability of utilities result in a functional site, suitable for a variety of uses including those permitted by zoning. Uses permitted by zoning include the LI District is intended to permit most commercial uses and low impact industrial uses which are compatible with surrounding commercial districts. No other restrictions on development are apparent.
Survey

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

PERSONALLY APPEARED BEFORE ME, G. G. RABBIT, WHO BEING FIRST
SWORN SAYS THAT HE IS A MEMBER OF THE FIRM OF RENNARD
AND RABBIT AND THAT HE MADE THE PLAT HEREBY AT THE
REQUEST OF MR. E. T. VYETI AND THE DIMENSIONS AND LAYOUT
OF SAME ARE TRUE ACCORDING TO MY BEST KNOWLEDGE AND
BELIEF.

I CERTIFY THAT THIS IS A TRUE COPY
OF THE ORIGINAL PLAT RECORDED IN
PLAT BOOK "A", PAGE 159.

G. G. RABBIT,
RECEIVED FROM THE NOTARY PUBLIC.

S. W. SMITH, NOTARY PUBLIC, S.C.
S.H.O. OFFICE, CHARLESTON, S.C. REGISTRATION OFFICE.

PLAT OF PROPERTY BOUNDED BY LEMON-SKURVIN-CUNNINGTON & MEETING STS. BEING A SUBDIVISION IN THE REQUEST OF
MR. E. T. VYETT, BY RENNARD & RABBIT, SURVEYORS.
NOTE: BOUNDARIES ARE AS INDICATED BY VARIOUS PLATS.

JANUARY 20, 1929

CUNNINGTON STREET 100' F.

PERSHING STREET 60' F.

LEMON STREET 100' F.

SKURVIN

LEMON

CUNNINGTON STREET 100' F.

PERSHING STREET 60' F.

LEMON STREET 100' F.

SKURVIN

CUNNINGTON STREET 100' F.

PERSHING STREET 60' F.

LEMON STREET 100' F.

SKURVIN

CUNNINGTON STREET 100' F.

PERSHING STREET 60' F.

LEMON STREET 100' F.

SKURVIN

CUNNINGTON STREET 100' F.

PERSHING STREET 60' F.

LEMON STREET 100' F.

SKURVIN
Office Building
Zoning Map

Office Building
Improvements Description and Analysis

Overview
The subject is an existing office property containing 3,136 square feet of rentable area. The improvements were constructed in 1993, completely renovated in 2020 and are 100% owner occupied as of the effective appraisal date. The site area is 0.08 of an acre or 3,485 square feet. The following description is based on the inspection of the property, and discussions with ownership.

The building contains a reception area, five private offices, an open work area, a break room, a conference room and two restrooms on the first floor. The second floor contains two offices and a full bath. The building was completely renovated in 2020 at a cost of approximately $420,000, or $125 per square foot.

<table>
<thead>
<tr>
<th>Improvements Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Property</td>
</tr>
<tr>
<td>General Property Type</td>
</tr>
<tr>
<td>Property Sub Type</td>
</tr>
<tr>
<td>Competitive Property Class</td>
</tr>
<tr>
<td>Occupancy Type</td>
</tr>
<tr>
<td>Number of Buildings</td>
</tr>
<tr>
<td>Stories</td>
</tr>
<tr>
<td>Construction Class</td>
</tr>
<tr>
<td>Construction Type</td>
</tr>
<tr>
<td>Construction Quality</td>
</tr>
<tr>
<td>Condition</td>
</tr>
<tr>
<td>Gross Building Area (SF)</td>
</tr>
<tr>
<td>Rentable Area (SF)</td>
</tr>
<tr>
<td>Land Area (SF)</td>
</tr>
<tr>
<td>Floor Area Ratio (RA/Land SF)</td>
</tr>
<tr>
<td>Floor Area Ratio (GGA/Land SF)</td>
</tr>
<tr>
<td>Building Area Source</td>
</tr>
<tr>
<td>Year Built</td>
</tr>
<tr>
<td>Year Renovated</td>
</tr>
<tr>
<td>Actual Age (Yrs.)</td>
</tr>
<tr>
<td>Estimated Effective Age (Yrs.)</td>
</tr>
<tr>
<td>Estimated Economic Life (Yrs.)</td>
</tr>
<tr>
<td>Remaining Economic Life (Yrs.)</td>
</tr>
<tr>
<td>Number of Parking Spaces</td>
</tr>
<tr>
<td>Source of Parking Count</td>
</tr>
<tr>
<td>Parking Type</td>
</tr>
<tr>
<td>Parking Spaces/1,000 SF RA</td>
</tr>
</tbody>
</table>
**Construction Details**

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation</td>
<td>Reinforced concrete slab</td>
</tr>
<tr>
<td>Structural Frame</td>
<td>Masonry</td>
</tr>
<tr>
<td>Exterior Walls</td>
<td>Stucco</td>
</tr>
<tr>
<td>Windows</td>
<td>Insulated glass in aluminum frame</td>
</tr>
<tr>
<td>Roof</td>
<td>Metal panel</td>
</tr>
<tr>
<td>Interior Finishes</td>
<td>Good</td>
</tr>
<tr>
<td>Floors</td>
<td>Carpet, tile, sealed concrete</td>
</tr>
<tr>
<td>Walls</td>
<td>Painted drywall</td>
</tr>
<tr>
<td>Ceilings</td>
<td>Acoustical tile and painted sheetrock</td>
</tr>
<tr>
<td>Lighting</td>
<td>Fluorescent</td>
</tr>
<tr>
<td>HVAC</td>
<td>Heat Pump</td>
</tr>
<tr>
<td>Electrical</td>
<td>Assumed adequate</td>
</tr>
<tr>
<td>Plumbing</td>
<td>Assumed adequate</td>
</tr>
<tr>
<td>Heating</td>
<td>Heat pump</td>
</tr>
<tr>
<td>Elevators</td>
<td>None</td>
</tr>
<tr>
<td>Sprinklers</td>
<td>None</td>
</tr>
</tbody>
</table>

**Occupancy Status**

The property is fully occupied by the owner. There are no arm’s length leases in place at the subject property.

**Improvements Analysis**

The subject property is improved with a 3,136 square foot, office building.

**Quality and Condition**

The improvements are of good quality construction and are in good condition.

The building was completely renovated in 2020 at a cost of approximately $420,000, or $125 per square foot.

The quality of the subject is consistent with competing properties. Maintenance has been consistent with competing properties. Overall, the market appeal of the subject is consistent with competing properties, considering age and location.

**Functional Utility**

The improvements appear to be adequately suited to their current use. Based on the property inspection and consideration of the foregoing, there do not appear to be any significant items of functional obsolescence.

**Deferred Maintenance**

No deferred maintenance is apparent from the property inspection, and none is identified based on discussions with ownership.
ADA Compliance
Based on the property inspection and information provided, there are no apparent ADA issues. However, ADA matters are beyond the scope of expertise of the assignment participants, and further study by an appropriately qualified professional would be recommended to assess ADA compliance.

Hazardous Substances
An environmental assessment report was not provided for review, and environmental issues are beyond the scope of expertise of the assignment participants. No hazardous substances were observed during the inspection of the improvements; however, detection of such substances is outside the scope of expertise of the assignment participants. Qualified professionals should be consulted. Unless otherwise stated, it is assumed no hazardous conditions exist on or near the subject.

Personal Property
No personal property items are identified which would have any material contribution to market value.

Conclusion of Improvements Analysis
In comparison to competitive properties in the market, the subject improvements are rated as follows:

<table>
<thead>
<tr>
<th>Improvements Ratings</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Visibility/Exposure</td>
<td>Average</td>
</tr>
<tr>
<td>Design and Appearance</td>
<td>Average</td>
</tr>
<tr>
<td>Age/Condition</td>
<td>Above Average</td>
</tr>
<tr>
<td>% Sprinklered</td>
<td>Average</td>
</tr>
<tr>
<td>Floor to ceiling heights</td>
<td>Average</td>
</tr>
<tr>
<td>Elevators</td>
<td>Average</td>
</tr>
<tr>
<td>Parking Ratios</td>
<td>Average</td>
</tr>
<tr>
<td>Distance of Parking to Building Access</td>
<td>Average</td>
</tr>
<tr>
<td>Landscaping</td>
<td>Average</td>
</tr>
</tbody>
</table>

Overall, the quality, condition, and functional utility of the improvements are average for their age and location.
Subject Interior
(Photo Taken on February 25, 2022)

Subject Interior
(Photo Taken on February 25, 2022)

Subject Interior
(Photo Taken on February 25, 2022)

Subject Interior
(Photo Taken on February 25, 2022)

View of Skurvin Street
(Photo Taken on February 25, 2022)

View of Cunnington Avenue
(Photo Taken on February 25, 2022)

Office Building
Real Estate Taxes

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

Assessor’s Market Value × 6% = Assessed Value

Assessed Value × Millage Rate = Gross Taxes

Gross Taxes - Tax Credits = Net Taxes

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

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

The current assessed value is summarized in the following chart. The current real estate taxes are based on the capped (limited) value.

<table>
<thead>
<tr>
<th>Assessor’s Market Value</th>
<th>Capped (Limited) Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax ID</td>
<td>Land</td>
</tr>
<tr>
<td>464-14-00-118</td>
<td>$200,000</td>
</tr>
</tbody>
</table>

The subject is in Charleston County Tax District 7-2, the City of Charleston. The 2021 millage rate was 288.6. There is also a sales tax credit of 0.00167. The 2022 millage rate will not be set until the fall. As a result, we have applied a 2.0% increase for an estimated millage rate of 294.4 (288.6 increased by 2% = 294.4). The subject property is also responsible for a commercial user fee of $86.

Office Building
Projected real estate taxes and assessments are shown in the following table.

As the estimated market value is based on the presumed sale of the subject, we have also estimated the real estate taxes based on our value conclusion. Under the assumption that a purchaser applies for, and receives, the 25% exemption, the taxable value for the improvements will be $1,237,500 ($1,650,000 less 25% = $1,237,500).

The projected real estate taxes of $19,879 based on the concluded market value are used in the income analysis for the improvements.

<table>
<thead>
<tr>
<th>Tax ID</th>
<th>Assessed Value</th>
<th>Capped (Limited) Value</th>
<th>Taxable Assessment</th>
<th>Millage rate</th>
<th>Ad Valorem Taxes</th>
<th>Sales Tax Credit</th>
<th>Commercial User Fee</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>464-14-00-118</td>
<td>$1,650,000</td>
<td>$412,500</td>
<td>$1,237,500</td>
<td>294.4</td>
<td>$11,859</td>
<td>-2,067</td>
<td>$86</td>
<td>$19,879</td>
</tr>
</tbody>
</table>

Typically, tax comparable properties would be used to assess the reasonableness of the subject taxes; however, due to the changes in the tax law and the assessable transfer of interest; equitable taxes no longer provide a basis for reasonable tax treatment.
Highest and Best Use
The highest and best use of a property is the reasonably probable use resulting in the highest value, and represents the use of an asset that maximizes its productivity.

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

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

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

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

Legally Permissible
The site is zoned LI, Light Industrial. Permitted uses include the LI District is intended to permit most commercial uses and low impact industrial uses which are compatible with surrounding commercial districts. There are no apparent legal restrictions, such as easements or deed restrictions, effectively limiting the use of the property. Given prevailing land use patterns in the area, only office use is given further consideration in determining highest and best use of the site, as though vacant.

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

Maximally Productive
There does not appear to be any reasonably probable use of the site that would generate a higher residual land value than office use. Accordingly, office use, developed to the normal market density level permitted by zoning, is the maximally productive use of the property.
Conclusion
Development of the site for office use is the only use which meets the four tests of highest and best use. Therefore, it is concluded to be the highest and best use of the property as though vacant.

As Improved
The subject site is developed with a 3,136 square foot, office building, which is consistent with the highest and best use of the site as though vacant. The existing improvements are owner occupied. If leased, they would produce a positive cash flow that is expected to continue. Several scenarios are examined to analyze feasibility, as follows:

Demolition: The value of the existing improved property exceeds the value of the site, as though vacant. Thus, demolition is not feasible.

Conversion: A repurposing of the subject property is not likely to result in significantly higher rental rates or property value. Converting the subject property to an alternative use is not applicable in this case, nor is it likely.

Expansion: The subject property comprises 0.08 of an acre. The site is improved with 3,136 square foot, office building. There is no excess or surplus land available for expansion. The property’s building to land ratio of 0.90 falls within the typical range observed among competing properties. Expansion appears unlikely.

Renovation: The subject has an overall effective age of 15 years, and is in good condition. It does not appear that renovation of the property would significantly increase rental rates or property value.

Continuation: The current use of the subject property as an office building appears to meet the four criteria for highest and best use. Based on the analysis above, a continuation of the current use is concluded to be financially feasible

There does not appear to be any alternative use that could reasonably be expected to provide a higher present value than the current use, and the value of the existing improved property exceeds the value of the site, as though vacant. For these reasons, continued office use is concluded to be maximally productive and the highest and best use of the property as improved.

Most Probable Buyer
Taking into account the size and characteristics of the property and its occupancy, the likely buyer is an owner-user or perhaps an investor.
Valuation

Valuation Methodology

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

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

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

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

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

The methodology employed in this assignment is summarized as follows:

<table>
<thead>
<tr>
<th>Approaches to Value</th>
<th>Applicability to Subject</th>
<th>Use in Assignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Approach</td>
<td>Not Applicable</td>
<td>Not Utilized</td>
</tr>
<tr>
<td>Sales Comparison Approach</td>
<td>Applicable</td>
<td>Utilized</td>
</tr>
<tr>
<td>Income Capitalization Approach</td>
<td>Applicable</td>
<td>Utilized</td>
</tr>
</tbody>
</table>
Sales Comparison Approach

The sales comparison approach develops an indication of value by comparing the subject to sales of similar properties. The steps taken to apply the sales comparison approach are:

- Identify relevant property sales;
- Research, assemble, and verify pertinent data for the most relevant sales;
- Analyze the sales for material differences in comparison to the subject;
- Reconcile the analysis of the sales into a value indication for the subject.

To apply the sales comparison approach, the research focused on transactions within the following parameters:

- Property Type: General office properties
- Location: Downtown Charleston
- Size: 900 to 10,000 square feet
- Age/Quality: Similar age and quality as the subject
- Transaction Date: Within past three years

The subject is owner occupied. We have considered both fee simple and leased fee sales as the typical owner-user of a property similar to the subject has similar investment criteria to a typical investor when buying this property type. When searching for acquisition targets, both the owner-user and investor are looking at performance potential in the form of gross rents, which can be converted to a reasonable mortgage payment (owner-user) or a reasonable rental rate (investor). From there the owner/investor can estimate a potential return on the investment.
For this analysis, price per square foot of rentable area is used as the appropriate unit of comparison because market participants typically compare sale prices and property values on this basis. The sales considered most relevant are summarized in the following table.

<table>
<thead>
<tr>
<th>No</th>
<th>Name/Address</th>
<th>Sale Date; Status</th>
<th>Yr. Bld.; # Stories; % Occ.</th>
<th>Acre; FAM; Parking Ratio</th>
<th>Prop Class; Const type; Prop Rights</th>
<th>Effective Sale Price</th>
<th>Rentable SF</th>
<th>% Rentable SF</th>
<th>Cap Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Office</td>
<td>Dec-21 Closed</td>
<td>1925 0.07</td>
<td>B</td>
<td>Wood frame</td>
<td>$550,000</td>
<td>915</td>
<td>$601.09</td>
<td></td>
</tr>
<tr>
<td></td>
<td>410 N. Hanover St. Charleston Charleston County SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Office Building</td>
<td>Dec-21 Closed</td>
<td>1965 0.45</td>
<td>B</td>
<td>Masonry</td>
<td>$3,000,000</td>
<td>6,740</td>
<td>$445.10</td>
<td>7.39%</td>
</tr>
<tr>
<td></td>
<td>57 Hasell St and 6 Maiden Charleston Charleston County SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Comments: The purchaser intends to lease the property to Hospice of Charleston. In addition, the purchaser is the owner of the Andrew Pickney Inn which is adjacent to the subject. He intends to lease the subject's parking lot to his hotel. The lease will be $160,000 annually or $13,333 per month.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Office Building</td>
<td>Oct-21 Closed</td>
<td>1988 0.21</td>
<td>B</td>
<td>Masonry</td>
<td>$2,520,000</td>
<td>5,394</td>
<td>$467.19</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1049 Morrison Dr. Charleston Charleston County SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Comments: Buyer confirmed, after purchase, he will occupy the 2nd floor and continue to lease out the first floor.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Office Condo</td>
<td>Jun-21 Closed</td>
<td>1980 0.07</td>
<td>B</td>
<td>Masonry</td>
<td>$750,000</td>
<td>1,723</td>
<td>$435.29</td>
<td>6.18%</td>
</tr>
<tr>
<td></td>
<td>2 Giffon St. Charleston Charleston County SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Comments: The property is being purchased by the existing tenant, who has reportedly leased the property since 2014. The sale is an off-market transaction.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Office</td>
<td>Feb-21 Closed</td>
<td>1978 0.19</td>
<td>B</td>
<td>Masonry</td>
<td>$950,000</td>
<td>1,569</td>
<td>$605.48</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1114 Morrison Dr. Charleston Charleston County SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Comments: Property purchased for owner occupancy. Sale was an arms length transaction and the property was not bank owned at the time of sale.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Subject</th>
<th>Office Building</th>
<th>North Charleston, SC</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>2</td>
<td>NA</td>
</tr>
<tr>
<td>0.08</td>
<td>0.50</td>
<td>3.19/1,000</td>
</tr>
<tr>
<td>B</td>
<td>Masonry</td>
<td>Fee Simple</td>
</tr>
</tbody>
</table>

Office Building
Comparable Improved Sales Map
Sales Comparison Approach

Sale 1: Office
Sale 2: Office Building - Charleston
Sale 3: Office Building - Charleston
Sale 4: Office Condo - Charleston/Historic
Sale 5: Office

Office Building
Adjustment Factors

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

<table>
<thead>
<tr>
<th>Adjustment Factors</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Sale Price</td>
<td>Accounts for atypical economics of a transaction, such as excess land, non-realty components, expenditures by the buyer at time of purchase, or other similar factors. Usually applied directly to sale price on a lump sum basis.</td>
</tr>
<tr>
<td>Real Property Rights</td>
<td>Leased fee, fee simple, leasehold, partial interest, etc.</td>
</tr>
<tr>
<td>Financing Terms</td>
<td>Seller financing, or assumption of existing financing, at non-market terms.</td>
</tr>
<tr>
<td>Conditions of Sale</td>
<td>Extraordinary motivation of buyer or seller, such as 1031 exchange transaction, assemblage, or forced sale.</td>
</tr>
<tr>
<td>Market Conditions</td>
<td>Changes in the economic environment over time that affect the appreciation and depreciation of real estate.</td>
</tr>
<tr>
<td>Location</td>
<td>Market or submarket area influences on sale price; surrounding land use influences.</td>
</tr>
<tr>
<td>Access/Exposure</td>
<td>Convenience to transportation facilities; ease of site access; visibility from main thoroughfares; traffic counts.</td>
</tr>
<tr>
<td>Size</td>
<td>Inverse relationship that often exists between building size and unit value.</td>
</tr>
<tr>
<td>Parking</td>
<td>Ratio of parking spaces to building area.</td>
</tr>
<tr>
<td>Building to Land Ratio</td>
<td>Ratio of building area to land area; also known as floor area ratio (FAR).</td>
</tr>
<tr>
<td>Building Quality</td>
<td>Construction quality, amenities, market appeal, functional utility.</td>
</tr>
<tr>
<td>Age/Condition</td>
<td>Effective age; physical condition.</td>
</tr>
<tr>
<td>Economic Characteristics</td>
<td>Non-stabilized occupancy, above/below market rents, and other economic factors. Excludes differences in rent levels that are already considered in previous adjustments, such as for location or quality.</td>
</tr>
</tbody>
</table>

Office Building
Analysis and Adjustment of Sales

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

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

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

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

Real Property Rights Conveyed
For this analysis, no adjustments are required.

Financing Terms
For this analysis, no adjustments are required.

Conditions of Sale
For this analysis, no adjustments are required.

Market Conditions
The sales took place from February 2021 to December 2021. Based on current market expectations and discussions with market participants, there has been generally no negative effects from COVID-19 with regards to the local office market and market conditions have remained strong throughout the pandemic. Accordingly, we apply upward adjustments of 2.5% per year to account for this trend.

Analysis and Adjustment of Sales
The analysis and adjustment of the comparable sales is discussed in the following paragraphs.

Sale 1 is Office, located at 430 N. Hanover St., Charleston, Charleston County, SC, a 915 square foot office property. The property sold in December 2021 for $550,000, or $601.09 per square foot. Upward adjustments are indicated for building to land ratio (FAR) (5%) and age/condition (5%). A downward adjustment of 15% is indicated for size. Overall, a downward adjustment is indicated.

Sale 2 is Office Building, located at 57 Hasell St and 6 Maiden Lane St., Charleston, Charleston County, SC, a 6,740 square foot office property. The property sold in December 2021 for $3,000,000, or $445.10 per square foot. Upward adjustments are indicated for market conditions (1%), size (5%),

Office Building
building to land ratio (FAR) (5%), and age/condition (15%). A downward adjustment of 10% is indicated for location. Overall, an upward adjustment is indicated.

**Sale 3** is Office Building, located at 1049 Morrison Dr., Charleston, Charleston County, SC, a 5,394 square foot office property. The property sold in October 2021 for $2,520,000, or $467.19 per square foot. Upward adjustments are indicated for market conditions (1%), size (5%), building to land ratio (FAR) (5%), and age/condition (5%). A downward adjustment of 5% is indicated for access/exposure. Overall, an upward adjustment is indicated.

**Sale 4** is Office Condo, located at 2 Gillon St., Charleston, Charleston County, SC, a 1,723 square foot office property. The property sold in June 2021 for $750,000, or $435.29 per square foot. Upward adjustments are indicated for market conditions (2%), building to land ratio (FAR) (5%), and age/condition (5%). Downward adjustments are indicated for location (10%) and size (5%). Overall, a slight downward adjustment is indicated.

**Sale 5** is Office, located at 1114 Morrison Dr., Charleston, Charleston County, SC, a 1,569 square foot office property. The property sold in February 2021 for $950,000, or $605.48 per square foot. Upward adjustments are indicated for market conditions (3%), building to land ratio (FAR) (5%), and age/condition (10%). Downward adjustments are indicated for access/exposure (15%) and size (5%). Overall, a slight downward adjustment is indicated.
## Adjustments Summary

The following table summarizes the adjustments discussed above and applied to each sale.

### Improved Sales Adjustment Grid

<table>
<thead>
<tr>
<th>Property Name</th>
<th>Comparable 1</th>
<th>Comparable 2</th>
<th>Comparable 3</th>
<th>Comparable 4</th>
<th>Comparable 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>Office Building</td>
<td>Office Building</td>
<td>Office Building</td>
<td>Office Condo</td>
<td>Office Building</td>
</tr>
<tr>
<td>City</td>
<td>North Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
</tr>
<tr>
<td>County</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
</tr>
<tr>
<td>State</td>
<td>SC</td>
<td>SC</td>
<td>SC</td>
<td>SC</td>
<td>SC</td>
</tr>
<tr>
<td>Sale Date</td>
<td>Dec-21</td>
<td>Dec-21</td>
<td>Oct-21</td>
<td>Jun-21</td>
<td>Feb-21</td>
</tr>
<tr>
<td>Sale Status</td>
<td>Closed</td>
<td>Closed</td>
<td>Closed</td>
<td>Closed</td>
<td>Closed</td>
</tr>
<tr>
<td>Sale Price</td>
<td>$550,000</td>
<td>$5,000,000</td>
<td>$2,520,000</td>
<td>$750,000</td>
<td>$595,000</td>
</tr>
<tr>
<td>Gross Building Area</td>
<td>3,136</td>
<td>6,740</td>
<td>5,394</td>
<td>1,723</td>
<td>1,569</td>
</tr>
<tr>
<td>Rentable Area</td>
<td>3,076</td>
<td>6,740</td>
<td>5,394</td>
<td>1,723</td>
<td>1,569</td>
</tr>
<tr>
<td>Year Built</td>
<td>1993</td>
<td>1925</td>
<td>1965</td>
<td>1988</td>
<td>1978</td>
</tr>
<tr>
<td>Year Renovated</td>
<td>2000</td>
<td>2014</td>
<td>Various</td>
<td>2017</td>
<td>Various</td>
</tr>
<tr>
<td>FAR</td>
<td>0.90</td>
<td>0.28</td>
<td>0.34</td>
<td>0.59</td>
<td>0.60</td>
</tr>
</tbody>
</table>

### Price per SF of Rentable Area

| Property Rights | $601.09 | $445.10 | $467.19 | $435.29 | $403.48 |
| % Adjustment | Fee Simple | Fee Simple | Leased Fee | Leased Fee | Leased Fee |
| 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 | Dec-21 | Dec-21 | Oct-21 | Jun-21 | Feb-21 |
| Annual % Adjustment | 2.9% | 0.0% | 1.0% | 1.0% | 1.0% |

### Cumulative Adjusted Price

| Location | $601.09 | $449.55 | $471.86 | $443.99 | $382.65 |
| Access/Exposure | -10% | -10% | -10% | -10% | -10% |
| Size | -15% | 5% | 5% | 5% | 5% |
| Parking | - | - | - | - | - |
| Building to Land Ratio (FAR) | 5% | 5% | 5% | 5% | 5% |
| Building Quality | - | - | - | - | - |
| Age/Condition | 5% | 15% | 5% | 5% | 10% |
| Economic Characteristics | - | - | - | - | - |
| Net $ Adjustment | $30.05 | $67.43 | $47.19 | $22.20 | $51.13 |
| Net % Adjustment | -5% | 15% | 10% | 0% | 5% |

### Final Adjusted Price

| Office Building | $571.04 | $516.99 | $519.04 | $421.79 | $592.46 |

### Range of Adjusted Prices

$421.79 - $592.46

### Average

$524.27

### Indicated Value

$592.00
Value Indication

Prior to adjustment, the sales reflect a range of $435.29 - $605.48 per square foot. After adjustment, the range is narrowed to $421.79 - $592.46 per square foot, with an average of $524.27 per square foot. To arrive at an indication of value, general weight is given to all sales.

Based on the preceding analysis, the value indication by the sales comparison approach is as follows:

<table>
<thead>
<tr>
<th>Value Indication by Sales Comparison</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicated Value per SF</td>
<td>$525.00</td>
</tr>
<tr>
<td>Subject Square Feet</td>
<td>3,136</td>
</tr>
<tr>
<td>Indicated Value</td>
<td>$1,646,400</td>
</tr>
<tr>
<td>Rounded</td>
<td>$1,650,000</td>
</tr>
</tbody>
</table>

The indicated value above is further supported by the active listings from MLS summarized in the following chart.

<table>
<thead>
<tr>
<th>Active Sales Listings</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>Size (SF)</td>
</tr>
<tr>
<td>1819 Meeting Street</td>
<td>6,027</td>
</tr>
<tr>
<td>684 King Street</td>
<td>2,125</td>
</tr>
<tr>
<td>1701 Meeting Street</td>
<td>3,300</td>
</tr>
<tr>
<td>721 Meeting Street</td>
<td>1,040</td>
</tr>
<tr>
<td>2097 Mt. Pleasant St</td>
<td>1,204</td>
</tr>
<tr>
<td>1667 Meeting Street</td>
<td>3,044</td>
</tr>
<tr>
<td>Low</td>
<td></td>
</tr>
<tr>
<td>High</td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td></td>
</tr>
</tbody>
</table>

Office Building
Income Capitalization Approach

The income capitalization approach converts anticipated economic benefits of owning real property into a value estimate through capitalization. The steps taken to apply the income capitalization approach are:

- Analyze the revenue potential of the property.
- Consider appropriate allowances for vacancy, collection loss, and operating expenses.
- Calculate net operating income by deducting vacancy, collection loss, and operating expenses from potential income.
- Apply the most appropriate capitalization method to convert anticipated net income to an indication of value.

The two most common capitalization methods are direct capitalization and discounted cash flow analysis. In direct capitalization, a single year’s expected income is divided by an appropriate capitalization rate to arrive at a value indication. In discounted cash flow analysis, anticipated future net income streams and a future resale value are discounted to a present value at an appropriate yield rate.

As the subject is currently owner occupied and the most probable purchaser is another owner-user, we use market rent as the basis of our income projection and apply only the direct capitalization method. Our valuation assumes stabilized occupancy without a deduction for lease-up costs.
Market Rent Analysis

To estimate market rent, we analyze comparable rentals most relevant to the subject in terms of location, property type, size, and transaction date. Comparables used in our analysis are summarized in the following table.

<table>
<thead>
<tr>
<th>No.</th>
<th>Property Information</th>
<th>Description</th>
<th>Tenant</th>
<th>SF</th>
<th>Lease Start (Mes)</th>
<th>Term (Mes)</th>
<th>Rent/SF</th>
<th>Escalations</th>
<th>Lease Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Office Building - Charleston</td>
<td>Yr Bt. 1980</td>
<td>Data Protocol</td>
<td>4,234</td>
<td>Nov 21 64</td>
<td></td>
<td>$41.21</td>
<td>Fixed</td>
<td>Percentage</td>
</tr>
<tr>
<td></td>
<td>Isabella St.</td>
<td>Stories: 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Charleston</td>
<td>RA: 7,420</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ch County</td>
<td>Parking Ratio: 4.0/1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>Comments: 5-year lease under a full service expense structure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Charleston Tech Center I</td>
<td>Yr Bt. 2021</td>
<td>Adaxi Software</td>
<td>3,229</td>
<td>Feb 21 67</td>
<td></td>
<td>$40.96</td>
<td>Fixed Steps</td>
<td>Full Service</td>
</tr>
<tr>
<td></td>
<td>957 Morrison Dr.</td>
<td>Stories: 6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Charleston</td>
<td>RA: 89,843</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ch County</td>
<td>Parking Ratio: --</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>Comments: Rental rate increases 2.5% per year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>The Ascot Building: Charleston</td>
<td>Yr Bt. 2017</td>
<td>Charleston Hospitality Group</td>
<td>3,767</td>
<td>Feb 21 65</td>
<td></td>
<td>$16.00</td>
<td>Fixed</td>
<td>Full Service</td>
</tr>
<tr>
<td></td>
<td>129 Huger St.</td>
<td>Stories: 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Charleston</td>
<td>RA: 11,302</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ch County</td>
<td>Parking Ratio: --</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>Comments: Rental rate increases 3% per year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>The Refinery</td>
<td>Yr Bt. 2020</td>
<td>Ussage Architecture</td>
<td>5,300</td>
<td>Jan 21 64</td>
<td></td>
<td>$35.00</td>
<td>Fixed</td>
<td>Full Service</td>
</tr>
<tr>
<td></td>
<td>1640 Meeting St.</td>
<td>Stories: 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Charleston</td>
<td>RA: 35,879</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ch County</td>
<td>Parking Ratio: --</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SC</td>
<td>Comments: Rental rate increases 3% per year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Office Building - Charleston</td>
<td>Yr Bt. 2009</td>
<td>Xing Street Agency</td>
<td>2,340</td>
<td>Jan 19 60</td>
<td></td>
<td>$37.83</td>
<td>Fixed</td>
<td>Full Service</td>
</tr>
<tr>
<td></td>
<td>Isabella St.</td>
<td>Stories: 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Charleston</td>
<td>RA: 6,027</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ch County</td>
<td>Parking Ratio: 3.0/1,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Office Building
Comparable Rentals Map
Income Capitalization Approach

Lease 1
Office Building - Charleston

Lease 2
Charleston Tech Center I

Lease 3
The Anniston Building - Charleston

Lease 4
The Refinery

Lease 5
Office Building
Rental Analysis Factors

The following elements of comparison are considered in our analysis of the comparable rentals.

<table>
<thead>
<tr>
<th>Rental Analysis Factors</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expense Structure</td>
<td>Division of expense responsibilities between landlord and tenants.</td>
</tr>
<tr>
<td>Conditions of Lease</td>
<td>Extraordinary motivations of either landlord or tenant to complete the transaction.</td>
</tr>
<tr>
<td>Market Conditions</td>
<td>Changes in the economic environment over time that affect the appreciation and depreciation of real estate.</td>
</tr>
<tr>
<td>Location</td>
<td>Market or submarket area influences on rent; surrounding land use influences.</td>
</tr>
<tr>
<td>Access/Exposure</td>
<td>Convenience to transportation facilities; ease of site access; visibility from main thoroughfares; traffic counts.</td>
</tr>
<tr>
<td>Size</td>
<td>Difference in rental rates that is often attributable to variation in sizes of leased space.</td>
</tr>
<tr>
<td>Building Quality</td>
<td>Construction quality, amenities, market appeal, functional utility.</td>
</tr>
<tr>
<td>Age/Condition</td>
<td>Effective age; physical condition.</td>
</tr>
<tr>
<td>Economic Characteristics</td>
<td>Variations in rental rate attributable to such factors as free rent or other concessions, pattern of rent changes over lease term, or tenant improvement allowances.</td>
</tr>
</tbody>
</table>

Analysis of Comparable Rentals

The comparable rentals are compared to the subject and adjusted to account for material differences that affect market rental value. The following table summarizes our analysis of each comparable.
### Rental Adjustment Grid - Office

<table>
<thead>
<tr>
<th>Property Name</th>
<th>Subject</th>
<th>Comparable 1</th>
<th>Comparable 2</th>
<th>Comparable 3</th>
<th>Comparable 4</th>
<th>Comparable 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>11 Cunnington Avenue</td>
<td>45 Isabella St.</td>
<td>997 Morrison Dr.</td>
<td>229 Huger St.</td>
<td>1640 Meeting St.</td>
<td>1819 Meeting St.</td>
</tr>
<tr>
<td>City</td>
<td>North Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
</tr>
<tr>
<td>County</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
<td>Charleston</td>
</tr>
<tr>
<td>State</td>
<td>SC</td>
<td>SC</td>
<td>SC</td>
<td>SC</td>
<td>SC</td>
<td>SC</td>
</tr>
<tr>
<td>Lease Start Date</td>
<td>Nov-21</td>
<td>Feb-21</td>
<td>Feb-21</td>
<td>Jan-21</td>
<td>Jan-19</td>
<td>Jan-19</td>
</tr>
<tr>
<td>Lease Term (Months)</td>
<td>64</td>
<td>67</td>
<td>65</td>
<td>64</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td>Tenant Name</td>
<td>Data Protocol</td>
<td>Adalti Software</td>
<td>Charleston</td>
<td>Liollio Architecture</td>
<td>Ring Street Agency</td>
<td></td>
</tr>
<tr>
<td>Leased SF</td>
<td>3,136</td>
<td>4,234</td>
<td>3,229</td>
<td>3,767</td>
<td>5,300</td>
<td>2,340</td>
</tr>
<tr>
<td>Lease Type</td>
<td>Full Service</td>
<td>Full Service</td>
<td>Full Service</td>
<td>Full Service</td>
<td>Full Service</td>
<td>Full Service</td>
</tr>
<tr>
<td>Year Built</td>
<td>1993</td>
<td>1980</td>
<td>2021</td>
<td>2021</td>
<td>2017</td>
<td>2020</td>
</tr>
<tr>
<td>Renovation Date</td>
<td>2020</td>
<td>2021</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2019</td>
</tr>
<tr>
<td>Base Rent/SF/Yr</td>
<td>$41.21</td>
<td>$40.96</td>
<td>$36.00</td>
<td>$35.00</td>
<td>$37.83</td>
<td></td>
</tr>
<tr>
<td>Expense Structure</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>$ Adjustment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Conditions of Lease</td>
<td>Arm's Length</td>
<td>Arm's Length</td>
<td>Arm's Length</td>
<td>Arm's Length</td>
<td>Arm's Length</td>
<td></td>
</tr>
<tr>
<td>% Adjustment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Market Conditions</td>
<td>2/25/2022</td>
<td>Nov-21</td>
<td>Feb-21</td>
<td>Feb-21</td>
<td>Jan-21</td>
<td>Jan-19</td>
</tr>
<tr>
<td>Annual % Adjustment</td>
<td>2.5%</td>
<td>1.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Cumulative Adjusted Rent</td>
<td>$41.52</td>
<td>$42.19</td>
<td>$37.08</td>
<td>$36.05</td>
<td>$36.56</td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Access/Exposure</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Size</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Building Quality</td>
<td>-</td>
<td>-5%</td>
<td>-</td>
<td>-5%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Age/Condition</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Economic Characteristics</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Net $ Adjustment</td>
<td>$0.00</td>
<td>$-2.11</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td></td>
</tr>
<tr>
<td>Net % Adjustment</td>
<td>0%</td>
<td>-5%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Final Adjusted Price</td>
<td>$41.62</td>
<td>$40.08</td>
<td>$37.08</td>
<td>$36.05</td>
<td>$36.56</td>
<td></td>
</tr>
<tr>
<td>Overall Adjustment</td>
<td>1%</td>
<td>-2%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td></td>
</tr>
</tbody>
</table>

### Market Rent Conclusion

Based on the preceding analysis of comparable rentals and trends evident in the market, we conclude market lease terms for the subject as follows:

#### Concluded Market Lease Terms

<table>
<thead>
<tr>
<th>Space Type</th>
<th>Market SF</th>
<th>Rent $/SF/Yr</th>
<th>Rent Escalations</th>
<th>Lease Type</th>
<th>Lease Term (Mos.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>3,136</td>
<td>$40.00</td>
<td>2.5% annually</td>
<td>Full Service</td>
<td>60</td>
</tr>
</tbody>
</table>

Office Building
Stabilized Income and Expenses

Potential Gross Rent
The market rental rate of $40.00 is applied to the subject's rentable area to arrive at Potential Gross Rent of $125,440.

Expense Reimbursements
Operating expenses are assumed to be paid directly by the owner-user; therefore, it is not necessary to estimate reimbursement income.

Vacancy & Collection Loss Allowance
Stabilized vacancy and collection loss is estimated at 4.0% based on the subject's likely owner occupation.
Expenses
Operating expenses are estimated based on the operating history of the subject, expense data from comparable properties, and industry benchmarks, as summarized in the following tables.

### Operating History and Projections

<table>
<thead>
<tr>
<th></th>
<th>IRR Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
</tr>
<tr>
<td>Base Rent</td>
<td>$125,440</td>
</tr>
<tr>
<td>Expense Reimbursements</td>
<td>0</td>
</tr>
<tr>
<td>Potential Gross Income*</td>
<td>$125,440</td>
</tr>
<tr>
<td>Vacancy &amp; Collection Loss @ 4.0%</td>
<td>-5,018</td>
</tr>
<tr>
<td><strong>Effective Gross Income</strong></td>
<td>$120,422</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
</tr>
<tr>
<td>Real Estate Taxes</td>
<td>$19,879</td>
</tr>
<tr>
<td>Insurance</td>
<td>2,195</td>
</tr>
<tr>
<td>Utilities</td>
<td>5,018</td>
</tr>
<tr>
<td>Repairs/Maintenance</td>
<td>1,882</td>
</tr>
<tr>
<td>Cleaning/Janitorial</td>
<td>0</td>
</tr>
<tr>
<td>Grounds</td>
<td>157</td>
</tr>
<tr>
<td>Security</td>
<td>0</td>
</tr>
<tr>
<td>General/Administrative</td>
<td>157</td>
</tr>
<tr>
<td>Management</td>
<td>2,408</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$31,695</td>
</tr>
<tr>
<td><strong>Net Operating Income</strong></td>
<td>$88,727</td>
</tr>
<tr>
<td><strong>Operating Expense Ratio</strong></td>
<td>26.3%</td>
</tr>
</tbody>
</table>

*IRR projected income is the total potential income attributable to the property before deduction of vacancy and collection loss. Historical income is the actual income that has been collected by the property owner.
## Expense Analysis per Square Foot

<table>
<thead>
<tr>
<th>Year Built</th>
<th>Comp 1</th>
<th>Comp 2</th>
<th>Comp 3</th>
<th>Comp 4</th>
<th>Comp 5</th>
<th>Projected Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>SF</td>
<td>7,420</td>
<td>40,000</td>
<td>89,843</td>
<td>11,302</td>
<td>6,740</td>
<td>3,136</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Prevailing Lease Type</th>
<th>Full Service</th>
<th>Full Service</th>
<th>Full Service</th>
<th>Full Service</th>
<th>Triple Net</th>
<th>Full Service</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Operating Data Type</th>
<th>Pro-forma</th>
<th>Pro-forma</th>
<th>Pro-forma</th>
<th>In Place</th>
<th>Pro-forma</th>
<th>IRR Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Owner</td>
<td>Owner</td>
<td>Owner</td>
<td>Owner</td>
<td>Owner</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>2022</td>
<td>2021</td>
<td>2020</td>
<td>2022</td>
<td></td>
</tr>
<tr>
<td>Real Estate Taxes</td>
<td>$3.52</td>
<td>$2.05</td>
<td>$1.11</td>
<td>$1.65</td>
<td>$7.49</td>
<td>$6.34</td>
</tr>
<tr>
<td>Insurance</td>
<td>$1.59</td>
<td>$0.67</td>
<td>$0.74</td>
<td>$0.78</td>
<td>$2.64</td>
<td>$0.70</td>
</tr>
<tr>
<td>Utilities</td>
<td>$0.00</td>
<td>$1.99</td>
<td>$2.88</td>
<td>$1.58</td>
<td>$0.00</td>
<td>$1.60</td>
</tr>
<tr>
<td>Repairs/Maintenance</td>
<td>$4.97</td>
<td>$0.58</td>
<td>$2.32</td>
<td>$0.64</td>
<td>$0.00</td>
<td>$0.60</td>
</tr>
<tr>
<td>Cleaning/Janitorial</td>
<td>$0.00</td>
<td>$0.68</td>
<td>$0.91</td>
<td>$0.90</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Grounds</td>
<td>$0.00</td>
<td>$0.38</td>
<td>$0.01</td>
<td>$0.16</td>
<td>$0.00</td>
<td>$0.05</td>
</tr>
<tr>
<td>Security</td>
<td>$0.00</td>
<td>$0.05</td>
<td>$0.04</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>General/Administrative</td>
<td>$0.00</td>
<td>$0.04</td>
<td>$0.04</td>
<td>$0.00</td>
<td>$2.07</td>
<td>$0.05</td>
</tr>
<tr>
<td>Management</td>
<td>$1.56</td>
<td>$1.36</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.77</td>
</tr>
<tr>
<td>Total</td>
<td>$11.64</td>
<td>$7.80</td>
<td>$8.04</td>
<td>$5.72</td>
<td>$12.20</td>
<td>$10.11</td>
</tr>
</tbody>
</table>

| Operating Expense Ratio | 29.9% | 23.5% | 66.7% | 48.8% | 27.0% | 26.3% |

*Comp 1: Office Building - Charleston, 45 Isabella St., Charleston, SC
Comp 2: The Refinery, 1640 Meeting St., Charleston, SC
Comp 3: Charleston Tech Center I, 997 Morrison Dr., Charleston, SC
Comp 4: The Aniston Building - Charleston, 229 Huger St., Charleston, SC
Comp 5: Office Building - Charleston, 57 Hassell St and 6 Maiden Lane St., Charleston, SC

## Comparable Expenses Map

Office Building
Capitalization Rate Selection

A capitalization rate is used to convert a single year’s estimated net income into an indication of value. Selection of an appropriate capitalization rate considers the future income pattern of the property and investment risk associated with ownership. The following methods are used to derive a capitalization rate for the subject: analysis of comparable sales, review of national investor surveys, and the band of investment method.

Analysis of Comparable Sales

Capitalization rates derived from comparable sales are shown in the following table.

<table>
<thead>
<tr>
<th>No</th>
<th>Property Name</th>
<th>City</th>
<th>State</th>
<th>Year Built</th>
<th>Sale Date</th>
<th>Rentable Area</th>
<th>Effective Price/SF</th>
<th>Cap Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Office Building</td>
<td>Charleston</td>
<td>SC</td>
<td>1965</td>
<td>12/13/2021</td>
<td>6,740</td>
<td>$445.10</td>
<td>7.39%</td>
</tr>
<tr>
<td>2</td>
<td>Office Condo</td>
<td>Charleston</td>
<td>SC</td>
<td>1800</td>
<td>6/24/2021</td>
<td>1,723</td>
<td>$435.29</td>
<td>6.18%</td>
</tr>
<tr>
<td>3</td>
<td>Office Building</td>
<td>Mount Pleasant</td>
<td>SC</td>
<td>1996</td>
<td>9/2/2021</td>
<td>8,443</td>
<td>$310.91</td>
<td>6.17%</td>
</tr>
<tr>
<td>4</td>
<td>Mixed Use</td>
<td>Mount Pleasant</td>
<td>SC</td>
<td>1999</td>
<td>7/29/2020</td>
<td>5,918</td>
<td>$329.50</td>
<td>6.26%</td>
</tr>
<tr>
<td>5</td>
<td>Office Building</td>
<td>Charleston</td>
<td>SC</td>
<td>1959</td>
<td>10/29/2020</td>
<td>2,765</td>
<td>$361.66</td>
<td>6.50%</td>
</tr>
</tbody>
</table>

Indicated Cap Rate Range: 6.17% - 7.39%
Average (Mean) Cap Rate: 6.50%

Capitalization rate data was researched for a variety of properties in the region that were leased at the time of sale. While the supplemental sales are less similar to the subject than the comparables used in the sales comparison approach previously presented, they represent recent leased fee transactions for which overall capitalization rates have been confirmed.

A capitalization rate within a range of 6.17% - 7.39% is expected for the subject, based on the preceding information.

As additional comparable sales support, data reported by CoStar and detailed in the previously presented market analysis is also considered. CoStar has indicated an average cap rate of 7.88% for the subject’s metro area.

National Investor Surveys

Data pertaining to investment grade properties from the PwC, ACLI, and Viewpoint surveys are summarized in the exhibits that follow.
## Capitalization Rate Surveys – Office Properties

<table>
<thead>
<tr>
<th></th>
<th>IRR-ViewPoint National CBD Office</th>
<th>IRR-ViewPoint National Suburban Office</th>
<th>PwC 4Q-21 National CBD Office</th>
<th>PwC 4Q-21 National Suburban Office</th>
<th>ACLI 3Q-21 National Office</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Range</strong></td>
<td>4.00% - 11.00%</td>
<td>5.00% - 9.75%</td>
<td>4.25% - 8.50%</td>
<td>4.70% - 9.00%</td>
<td>NA</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td>7.38%</td>
<td>7.43%</td>
<td>5.80%</td>
<td>6.19%</td>
<td>4.97%</td>
</tr>
</tbody>
</table>

Source: IRR-Viewpoint 2022; PwC Real Estate Investor Survey; American Council of Life Insurers Investment

### Office Capitalization Rate Trends

![Chart showing capitalization rate trends]

<table>
<thead>
<tr>
<th></th>
<th>1Q-20</th>
<th>2Q-20</th>
<th>3Q-20</th>
<th>4Q-20</th>
<th>1Q-21</th>
<th>2Q-21</th>
<th>3Q-21</th>
<th>4Q-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBD</td>
<td>5.45</td>
<td>5.55</td>
<td>5.59</td>
<td>5.65</td>
<td>5.7</td>
<td>5.78</td>
<td>5.8</td>
<td>5.8</td>
</tr>
<tr>
<td>SUBURB</td>
<td>6.36</td>
<td>6.05</td>
<td>6.05</td>
<td>6.02</td>
<td>6.22</td>
<td>6.07</td>
<td>6.19</td>
<td></td>
</tr>
<tr>
<td>ACLI</td>
<td>5.51</td>
<td>5.44</td>
<td>4.84</td>
<td>5.56</td>
<td>5.3</td>
<td>5.64</td>
<td>4.97</td>
<td></td>
</tr>
</tbody>
</table>

CBD - PwC Real Estate Investor Survey - National CBD Office Market  
SUBURB - PwC Real Estate Investor Survey - National Suburban Office Market  
ACLI - American Council of Life Insurers Investment Bulletin - Office Properties

The most current national survey data indicates that a going-in capitalization rate for national CBD office properties ranges from 4.25% to 8.50% and averages 5.80%.
Band of Investment

The band of investment method derives a capitalization rate from the weighted average of the mortgage and equity demands on net income generated from the property. This method involves an estimate of typical financing terms as well as an estimated rate of return on equity capital sufficient to attract investors.

### Office Buildings: Central Business District

<table>
<thead>
<tr>
<th>Item</th>
<th>Input</th>
<th>OAR</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Minimum</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spread Over 10-Year Treasury</td>
<td>1.50%</td>
<td>1.40</td>
</tr>
<tr>
<td>Debt Coverage Ratio</td>
<td>1.40</td>
<td>Band of Investment Technique</td>
</tr>
<tr>
<td>Interest Rate</td>
<td>3.12%</td>
<td>Mortgage</td>
</tr>
<tr>
<td>Amortization</td>
<td>30</td>
<td>Equity</td>
</tr>
<tr>
<td>Mortgage Constant</td>
<td>0.051372</td>
<td>OAR</td>
</tr>
<tr>
<td>Loan-to-Value Ratio</td>
<td>65%</td>
<td>Surveyed Rates</td>
</tr>
<tr>
<td>Equity Dividend Rate</td>
<td>7.70%</td>
<td></td>
</tr>
<tr>
<td><strong>Maximum</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spread Over 10-Year Treasury</td>
<td>5.72%</td>
<td>2.15</td>
</tr>
<tr>
<td>Debt Coverage Ratio</td>
<td>2.15</td>
<td>Band of Investment Technique</td>
</tr>
<tr>
<td>Interest Rate</td>
<td>7.34%</td>
<td>Mortgage</td>
</tr>
<tr>
<td>Amortization</td>
<td>15</td>
<td>Equity</td>
</tr>
<tr>
<td>Mortgage Constant</td>
<td>0.110153</td>
<td>OAR</td>
</tr>
<tr>
<td>Loan-to-Value Ratio</td>
<td>50%</td>
<td>Surveyed Rates</td>
</tr>
<tr>
<td>Equity Dividend Rate</td>
<td>16.10%</td>
<td></td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spread Over 10-Year Treasury</td>
<td>3.61%</td>
<td>1.78</td>
</tr>
<tr>
<td>Debt Coverage Ratio</td>
<td>1.78</td>
<td>Band of Investment Technique</td>
</tr>
<tr>
<td>Interest Rate</td>
<td>5.23%</td>
<td>Mortgage</td>
</tr>
<tr>
<td>Amortization</td>
<td>23</td>
<td>Equity</td>
</tr>
<tr>
<td>Mortgage Constant</td>
<td>0.075695</td>
<td>OAR</td>
</tr>
<tr>
<td>Loan-to-Value Ratio</td>
<td>58%</td>
<td>Surveyed Rates</td>
</tr>
<tr>
<td>Equity Dividend Rate</td>
<td>11.48%</td>
<td></td>
</tr>
</tbody>
</table>

*2nd Quarter 2021 Data

Source: RealtyRates.com Investor Survey Q3 - 2021

Based on this data, the capitalization rate indicated by the band of investment method is shown in the following table.
Band of Investment Method

Mortgage/Equity Assumptions

<table>
<thead>
<tr>
<th>Loan To Value Ratio</th>
<th>65%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Rate</td>
<td>3.50%</td>
</tr>
<tr>
<td>Amortization (Years)</td>
<td>30</td>
</tr>
<tr>
<td>Mortgage Constant</td>
<td>0.0539</td>
</tr>
<tr>
<td>Equity Ratio</td>
<td>35%</td>
</tr>
<tr>
<td>Equity Dividend Rate</td>
<td>8.00%</td>
</tr>
</tbody>
</table>

Weighted Average of Mortgage and Equity Requirements

<table>
<thead>
<tr>
<th>Mortgage Requirement</th>
<th>65%</th>
<th>x</th>
<th>5.39% = 3.50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity Requirement</td>
<td>35%</td>
<td>x</td>
<td>8.00% = 2.80%</td>
</tr>
</tbody>
</table>

Indicated Capitalization Rate

| Round | 6.30% |

Capitalization Rate Conclusion

To conclude a capitalization rate, the following investment risk factors are considered to determine an impact on the appropriate rate. The direction of each arrow in the following table indicates a judgment of an upward, downward, or neutral impact of each factor.

### Capitalization Rate Risk Factors

<table>
<thead>
<tr>
<th>Factor</th>
<th>Issues</th>
<th>Impact on Rate</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Characteristics</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Competitive Market Position</td>
<td>Construction quality, market appeal, age/condition, functional utility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td>Market area demographics and life cycle trends; proximity issues; access and support services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market</td>
<td>Vacancy rates and trends; rental rate trends; supply and demand</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Highest and Best Use</td>
<td>Upside potential from redevelopment, adaptation, and/or expansion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall Impact</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Accordingly, the capitalization rate is concluded as follows:

<table>
<thead>
<tr>
<th>Capitalization Rate Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Method</td>
</tr>
<tr>
<td>Analysis of Comparable Sales</td>
</tr>
<tr>
<td>CoStar Average</td>
</tr>
<tr>
<td>National Investor Surveys</td>
</tr>
<tr>
<td>Band of Investment</td>
</tr>
<tr>
<td>Conclusion</td>
</tr>
</tbody>
</table>

**Direct Capitalization Analysis**

Net operating income is divided by the capitalization rate to arrive at a value indication by the income capitalization approach as follows:

<table>
<thead>
<tr>
<th>Direct Capitalization Analysis</th>
<th>Annual</th>
<th>$/SF Bldg.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potential Gross Rent</td>
<td>$125,440</td>
<td>$40.00</td>
</tr>
<tr>
<td>Expense Reimbursements</td>
<td>$0</td>
<td>$0.00</td>
</tr>
<tr>
<td>Vacancy &amp; Collection Loss</td>
<td>4.00%</td>
<td>-$5,018</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-$1.60</td>
</tr>
<tr>
<td><strong>Effective Gross Income</strong></td>
<td>$120,422</td>
<td>$38.40</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Estate Taxes</td>
<td>$19,879</td>
<td>$6.34</td>
</tr>
<tr>
<td>Insurance</td>
<td>$2,195</td>
<td>$0.70</td>
</tr>
<tr>
<td>Utilities</td>
<td>$5,018</td>
<td>$1.60</td>
</tr>
<tr>
<td>Repairs/Maintenance</td>
<td>$1,882</td>
<td>$0.60</td>
</tr>
<tr>
<td>Grounds</td>
<td>$157</td>
<td>$0.05</td>
</tr>
<tr>
<td>General/Administrative</td>
<td>$157</td>
<td>$0.05</td>
</tr>
<tr>
<td>Management</td>
<td>2.00%</td>
<td>$2,408</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$0.77</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$31,695</td>
<td>$10.11</td>
</tr>
<tr>
<td><strong>Net Operating Income</strong></td>
<td>$88,727</td>
<td>$28.29</td>
</tr>
<tr>
<td><strong>Capitalization Rate</strong></td>
<td>6.25%</td>
<td></td>
</tr>
<tr>
<td><strong>Indicated Value</strong></td>
<td>$1,419,638</td>
<td>$452.69</td>
</tr>
<tr>
<td><strong>Rounded</strong></td>
<td>$1,420,000</td>
<td>$452.81</td>
</tr>
</tbody>
</table>
Reconciliation and Conclusion of Value

The values indicated by our analyses are as follows:

<table>
<thead>
<tr>
<th>Summary of Value Indications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Approach</td>
</tr>
<tr>
<td>Sales Comparison Approach</td>
</tr>
<tr>
<td>Income Capitalization Approach</td>
</tr>
<tr>
<td>Reconciled</td>
</tr>
</tbody>
</table>

The sales comparison approach is given the greatest weight because it is the most reliable valuation method for the subject. The income approach is given less weight because it does not directly consider the sale prices of alternate properties having similar utility. The cost approach is not applicable to the subject and is not used. Accordingly, our value opinion follows.

<table>
<thead>
<tr>
<th>Value Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value Type &amp; Appraisal Premise</td>
</tr>
<tr>
<td>Market Value As Is</td>
</tr>
</tbody>
</table>

Extraordinary Assumptions and Hypothetical Conditions

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

1. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption.

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

1. There were no hypothetical conditions utilized.

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

The value conclusion(s) in this report consider the impact of COVID-19 on the subject property.
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 6-9 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 9-12 months.
Certification

We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.

2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.

4. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.

5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

8. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice as well as applicable state appraisal regulations.

9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

11. Scott B. Johnstone, MAI, made a personal inspection of the property that is the subject of this report. Cleveland A. Wright, Jr., MAI, did not inspect the property, but did review the report and concurs with the analysis and conclusion.

12. No one provided significant real property appraisal assistance to the persons signing this certification.

13. We have experience in appraising properties similar to the subject and are in compliance with the Competency Rule of USPAP.
14. As of the date of this report, Scott B. Johnstone, MAI, and Cleveland A. Wright, Jr., MAI, have completed the continuing education program for Designated Members of the Appraisal Institute.

Scott B. Johnstone, MAI
South Carolina State Certified General Real Estate Appraiser #CG 3627

Cleveland A. Wright, Jr., MAI
South Carolina State Certified General Real Estate Appraiser #CG 5913
Assumptions and Limiting Conditions

This appraisal and any other work product related to this engagement are limited by the following standard assumptions, except as otherwise noted in the report:

1. The title is marketable and free and clear of all liens, encumbrances, encroachments, easements and restrictions. The property is under responsible ownership and competent management and is available for its highest and best use.

2. There are no existing judgments or pending or threatened litigation that could affect the value of the property.

3. There are no hidden or undisclosed conditions of the land or of the improvements that would render the property more or less valuable. Furthermore, there is no asbestos in the property.

4. The revenue stamps placed on any deed referenced herein to indicate the sale price are in correct relation to the actual dollar amount of the transaction.

5. The property is in compliance with all applicable building, environmental, zoning, and other federal, state and local laws, regulations and codes.

6. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.

This appraisal and any other work product related to this engagement are subject to the following limiting conditions, except as otherwise noted in the report:

1. An appraisal is inherently subjective and represents our opinion as to the value of the property appraised.

2. The conclusions stated in our appraisal apply only as of the effective date of the appraisal, and no representation is made as to the effect of subsequent events.

3. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated.

4. No environmental impact studies were either requested or made in conjunction with this appraisal, and we reserve the right to revise or rescind any of the value opinions based upon any subsequent environmental impact studies. If any environmental impact statement is required by law, the appraisal assumes that such statement will be favorable and will be approved by the appropriate regulatory bodies.

5. Unless otherwise agreed to in writing, we are not required to give testimony, respond to any subpoena or attend any court, governmental or other hearing with reference to the property without compensation relative to such additional employment.

6. We have made no survey of the property and assume no responsibility in connection with such matters. Any sketch or survey of the property included in this report is for illustrative purposes only and should not be considered to be scaled accurately for size. The appraisal
covers the property as described in this report, and the areas and dimensions set forth are assumed to be correct.

7. No opinion is expressed as to the value of subsurface oil, gas or mineral rights, if any, and we have assumed that the property is not subject to surface entry for the exploration or removal of such materials, unless otherwise noted in our appraisal.

8. We accept no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal descriptions and other legal matters such as legal title, geologic considerations such as soils and seismic stability; and civil, mechanical, electrical, structural and other engineering and environmental matters. Such considerations may also include determinations of compliance with zoning and other federal, state, and local laws, regulations and codes.

9. The distribution of the total valuation in the report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used. The appraisal report shall be considered only in its entirety. No part of the appraisal report shall be utilized separately or out of context.

10. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers, or any reference to the Appraisal Institute) shall be disseminated through advertising media, public relations media, news media or any other means of communication (including without limitation prospectuses, private offering memoranda and other offering material provided to prospective investors) without the prior written consent of the persons signing the report.

11. Information, estimates and opinions contained in the report and obtained from third-party sources are assumed to be reliable and have not been independently verified.

12. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute predictions of future operating results.

13. If the property is subject to one or more leases, any estimate of residual value contained in the appraisal may be particularly affected by significant changes in the condition of the economy, of the real estate industry, or of the appraised property at the time these leases expire or otherwise terminate.

14. Unless otherwise stated in the report, no consideration has been given to personal property located on the premises or to the cost of moving or relocating such personal property; only the real property has been considered.

15. The current purchasing power of the dollar is the basis for the values stated in the appraisal; we have assumed that no extreme fluctuations in economic cycles will occur.

16. The values found herein are subject to these and to any other assumptions or conditions set forth in the body of this report but which may have been omitted from this list of Assumptions and Limiting Conditions.

17. The analyses contained in the report necessarily incorporate numerous estimates and assumptions regarding property performance, general and local business and economic conditions.
conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates, and the variations may be material.

18. The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have not made a specific survey or analysis of the property to determine whether the physical aspects of the improvements meet the ADA accessibility guidelines. We claim no expertise in ADA issues, and render no opinion regarding compliance of the subject with ADA regulations. Inasmuch as compliance matches each owner's financial ability with the cost to cure the non-conforming physical characteristics of a property, a specific study of both the owner's financial ability and the cost to cure any deficiencies would be needed for the Department of Justice to determine compliance.

19. The appraisal report is prepared for the exclusive benefit of you, your subsidiaries and/or affiliates. It may not be used or relied upon by any other party. All parties who use or rely upon any information in the report without our written consent do so at their own risk.

20. No studies have been provided to us indicating the presence or absence of hazardous materials on the subject property or in the improvements, and our valuation is predicated upon the assumption that the subject property is free and clear of any environment hazards including, without limitation, hazardous wastes, toxic substances and mold. No representations or warranties are made regarding the environmental condition of the subject property. IRR - Charleston, Integra Realty Resources, Inc., and their respective officers, owners, managers, directors, agents, subcontractors or employees (the "Integra Parties"), shall not be responsible for any such environmental conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because we are not experts in the field of environmental conditions, the appraisal report cannot be considered as an environmental assessment of the subject property.

21. The persons signing the report may have reviewed available flood maps and may have noted in the appraisal report whether the subject property is located in an identified Special Flood Hazard Area. However, we are not qualified to detect such areas and therefore do not guarantee such determinations. The presence of flood plain areas and/or wetlands may affect the value of the property, and the value conclusion is predicated on the assumption that wetlands are non-existent or minimal.

22. We are not a building or environmental inspector. The Integra Parties do not guarantee that the subject property is free of defects or environmental problems. Mold may be present in the subject property and a professional inspection is recommended.

23. The appraisal report and value conclusions for an appraisal assume the satisfactory completion of construction, repairs or alterations in a workmanlike manner.

24. IRR - Charleston is an independently owned and operated company. The parties hereto agree that Integra shall not be liable for any claim arising out of or relating to any appraisal report or any information or opinions contained therein as such appraisal report is the sole and exclusive responsibility of IRR - Charleston. In addition, it is expressly agreed that in any
action which may be brought against the Integra Parties arising out of, relating to, or in any way pertaining to the engagement letter, the appraisal reports or any related work product, the Integra Parties shall not be responsible or liable for any incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with intentional misconduct. It is further expressly agreed that the collective liability of the Integra Parties in any such action shall not exceed the fees paid for the preparation of the assignment (unless the appraisal was fraudulent or prepared with intentional misconduct). It is expressly agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.

25. IRR - Charleston is an independently owned and operated company, which has prepared the appraisal for the specific intended use stated elsewhere in the report. The use of the appraisal report by anyone other than the Client is prohibited except as otherwise provided. Accordingly, the appraisal report is addressed to and shall be solely for the Client's use and benefit unless we provide our prior written consent. We expressly reserve the unrestricted right to withhold our consent to your disclosure of the appraisal report or any other work product related to the engagement (or any part thereof including, without limitation, conclusions of value and our identity), to any third parties. Stated again for clarification, unless our prior written consent is obtained, no third party may rely on the appraisal report (even if their reliance was foreseeable).

26. The conclusions of this report are estimates based on known current trends and reasonably foreseeable future occurrences. These estimates are based partly on property information, data obtained in public records, interviews, existing trends, buyer-seller decision criteria in the current market, and research conducted by third parties, and such data are not always completely reliable. The Integra Parties are not responsible for these and other future occurrences that could not have reasonably been foreseen on the effective date of this assignment. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance. While we are of the opinion that our findings are reasonable based on current market conditions, we do not represent that these estimates will actually be achieved, as they are subject to considerable risk and uncertainty. Moreover, we assume competent and effective management and marketing for the duration of the projected holding period of this property.

27. All prospective value opinions presented in this report are estimates and forecasts which are prospective in nature and are subject to considerable risk and uncertainty. In addition to the contingencies noted in the preceding paragraph, several events may occur that could substantially alter the outcome of our estimates such as, but not limited to changes in the economy, interest rates, and capitalization rates, behavior of consumers, investors and lenders, fire and other physical destruction, changes in title or conveyances of easements and deed restrictions, etc. It is assumed that conditions reasonably foreseeable at the present time are consistent or similar with the future.
28. The appraisal is also subject to the following:

**Extraordinary Assumptions and Hypothetical Conditions**

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

1. We assume that a potential purchaser would apply for and receive the 25% commercial real estate tax exemption.

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

1. There were no hypothetical conditions utilized.

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

Appraiser Qualifications
Scott B. Johnstone, MAI

Experience

Professional Activities & Affiliations
Member: Lowcountry Land Trust, December 2001
Member: U.S. Green Building Council-South Carolina Chapter, March 2010
Appraisal Institute, Member (MAI) Appraisal Institute, October 2012

Licenses
South Carolina, State Certified General Real Estate Appraiser, CG 3627, Expires June 2022

Education
B.S. in Commerce - Washington and Lee University, Lexington, VA - 1986
M.B.A. - University of South Carolina, Columbia, SC - 1990

Appraisal courses completed are as follows:
- Real Estate Appraising Principles
- Advanced Residential Appraisal
- Small Income Property Appraisal
- Appraisal Standards and Ethics
- Residential Property Case Study and URAR Reporting
- Highest and Best Use Application
- Subdivision Valuation
- Litigation Skills for Appraisers: An Overview
- Forecasting Revenue
- Maintaining Control: Dealing with Client Pressure
- Appraising Alternative Uses: Life Beyond Lending
- An Introduction to Green Building Valuation
- Commercial Appraisal Engagement and Review
- Advanced Spreadsheet Modeling for Valuation Applications
- Fundamental of Separating Real Property, Personal Property, and Intangible Business Assets
- 310: Basic Income Capitalization
- 410: Standards of Professional Practice, Part A (USPAP)
- 420: Standards of Professional Practice, Part B
- 320: General Applications
- 510: Advanced Income Capitalization
- 530: Advanced Sales Comparison & Cost Approach
- 540: Report Writing and Valuation Analysis
- 550: Advanced Applications

sjohnstone@irr.com - 843.718.2125 x11
State of South Carolina  
Department of Labor, Licensing and Regulation  
Real Estate Appraisers Board  
SCOTT BOWEN JOHNSTONE  
Is hereby entitled in practice as a:  
Certified General Appraiser  
License Number: 3627  
Expiration Date: 06/30/2022  
POCKET CARD  
Administrator
Cleveland "Bud" A. Wright, Jr., MAI

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 2022
Georgia, State Certified Real Estate Appraiser, 355676, Expires August 2022
North Carolina, State Certified Real Estate Appraiser, A7896, Expires June 2022

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 x10
State of South Carolina
Department of Labor, Licensing and Regulation
Real Estate Appraisers Board

CLEVELAND A WRIGHT JR
Is hereby entitled in practice as a:
Certified General Appraiser

License Number: 5913

Expiration Date: 06/30/2022

POCKET CARD  Administrator
About IRR

Integra Realty Resources, Inc. (IRR) provides world-class commercial real estate valuation, counseling, and advisory services. Routinely ranked among leading property valuation and consulting firms, we are now the largest independent firm in our industry in the United States, with local offices coast to coast and in the Caribbean.

IRR offices are led by MAI-designated Senior Managing Directors, industry leaders who have over 25 years, on average, of commercial real estate experience in their local markets. This experience, coupled with our understanding of how national trends affect the local markets, empowers our clients with the unique knowledge, access, and historical perspective they need to make the most informed decisions.

Many of the nation's top financial institutions, developers, corporations, law firms, and government agencies rely on our professional real estate opinions to best understand the value, use, and feasibility of real estate in their market.

*Local Expertise...Nationally!*

irr.com
Addendum B

IRR Quality Assurance Survey
IRR Quality Assurance Survey

We welcome your feedback!
At IRR, providing a quality work product and delivering on time is what we strive to accomplish. Our local offices are determined to meet your expectations. Please reach out to your local office contact so they can resolve any issues.

Integra Quality Control Team
Integra does have a Quality Control Team that responds to escalated concerns related to a specific assignment as well as general concerns that are unrelated to any specific assignment. We also enjoy hearing from you when we exceed expectations! You can communicate with this team by clicking on the link below. If you would like a follow up call, please provide your contact information and a member of this Quality Control Team will call contact you.

Link to the IRR Quality Assurance Survey: quality.irr.com
Addendum C

Financials and Property Information
STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

TITLE TO REAL ESTATE

KNOW ALL MEN BY THESE PRESENTS that MCALISTER-SMITH FUNERALS HOME, INC., a South Carolina corporation ("Grantor"), in the State aforesaid, for and in consideration of the sum of SIX HUNDRED FIFTY THOUSAND and NO/100 DOLLARS ($650,000.00), to it in hand paid at and before the sealing of these presents by COZ, LLC, a South Carolina limited liability company, the receipt of which is hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release, subject to those matters set forth on Exhibit "B" ("Permitted Exceptions"), unto the said COZ, LLC, a South Carolina limited liability company ("Grantee"), it successors and assigns, all of its right, title and interest in and to the following described real property, to wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

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

TO HAVE AND TO HOLD, the said Premises before mentioned, subject to those matters set forth in "Exhibit B", unto the said Grantee, its successors and assigns forever.

AND, subject to those matters set forth on "Exhibit B", Grantor does hereby bind Grantor and Grantor’s successors and assigns, to warrant and forever defend, all and singular, the said Premises unto the Grantee and Grantee’s successors and assigns, against Grantor and Grantor’s successors and assigns, and every person whomsoever lawfully claiming or to claim the same or any part thereof.
IN WITNESS WHEREOF, the Grantor's hand and seal this \underline{20} day of June, 2019.

SIGNED, sealed and delivered in the presence of:

Witness #1
Print Witness Name: [Signature]

McAlister-Smith Funeral Home, Inc.
Name: Marvin M. Smith
Title: President

Witness #2
Print Witness Name: [Signature]

STATE OF SOUTH CAROLINA  )
COUNTY OF CHARLESTON    )

ACKNOWLEDGMENT

I, a Notary Public for the State of South Carolina, hereby certify that McAlister-Smith Funeral Home, Inc. by and through Marvin M. Smith, its President, personally appeared before me this \underline{20} day of June, 2019, and acknowledged the due execution of the foregoing instrument.

Notary Name: Allie Barth
Notary Public for South Carolina
My Commission Expires: 10/2/22
EXHIBIT "A"

11 Cunnington Avenue, Charleston, SC 29405

All that piece, parcel or lot of land known and designated as Lot 69, on the plat dated January 20, 1919 by Benson & Barbot showing a subdivision of land on Cunnington Avenue recorded in the Charleston County RMC Office in Plat Book C at Page 146.

Butting and bounding and measuring and containing as follows: to the south on Cunnington Avenue thirty six and 9/100 (36.9') feet; to the west on Lot 68 ninety-nine and 93/100 (99.93') feet; to the north on Lot 66 thirty-four and 91/100 (34.91') feet; and to the east on Skurvin Street one hundred and 4/100 (100.4') feet, all as shown on that certain plat by E.M. Seabrook, Jr., Inc. dated June 8, 1994 and incorporated herein.

BEING the same property conveyed to John McAlister, Inc. (n/k/a McAlister-Smith Funeral Home, Inc.) by deed of John Liberatos, dated April 5, 1996 and recorded April 5, 1996 in the RMC Office for Charleston County in Book N267 at Page 193.

TMS Number: 464-14-00-118

Grantees' Address: 1505 Greenleaf Street, Unit 1, Charleston, SC 29405
EXHIBIT "B"
Permitted Exceptions

1. Taxes for the year 2019 not yet due and payable and all subsequent years.

2. Plat of survey made by Lewis E. Seabrook, Surveyor, dated June 10, 2019, discloses the following:
   a. Gas Meter
   b. Elec. Meter
   c. Chain Link Gate Encroachment 0.5"
   d. Chain Link Gate Encroachment 0.1'
   e. Overhang Encroachment 0.4'
   f. Overhang Encroachment 0.2'
   g. Overhang Encroachment
STATE OF SOUTH CAROLINA  )  AFFIDAVIT  )  DATE OF TRANSFER OF TITLE  
COUNTY OF CHARLESTON  )  (CLOSING DATE: June 25, 2019)  

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 by McAlister-Smith Funeral Home, Inc. to COZ, LLC, a South Carolina limited liability company, on June 25, 2019.

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 a distribution to a trust beneficiary.
   c. ☐ EXEMPT from the deed recording fee because (see information section of affidavit): ______________. (If exempt, please skip items 4-7 and go to item 8 of this affidavit.)

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 $650,000.00.
   b. ☐ The fee is computed on the fair market value of the realty which is $____________.
   c. ☐ The fee is computed on the fair market value of the realty as established for property tax purposes which is $____________.

5. Check YES ☐ or NO ☒ to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If YES, the amount of the outstanding encumbrance is $____________

6. The DEED Recording Fee is computed as follows:
   (a) $650,000.00 The amount listed in item 4 above.
   (b) $0.00 The amount listed in item 5 above (no amount place zero)
   (c) $650,000.00 Subtract Line 6(b) from Line 6(a) and place the result.

7. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: GRANTOR

8. Check if Property other than Real Property is being transferred on this Deed.
   (a) ☐ Mobile Home
   (b) ☐ Other

9. DEED OF DISTRIBUTION - ATTORNEY’S AFFIDAVIT: Estate of ______________, deceased, CASE NO. ______________ Personally appeared before me the undersigned attorney who, being duly sworn, certified that (s)he is licensed to practice law in the State of South Carolina; that (s)he has prepared the Deed of Distribution for the Personal Rep. in the Estate of ______________, deceased and that the Grantee(s) therein are correct and confirm to the estate file for the above named decedent.

10. I understand that a person required to furnish this affidavit who 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.

McAlister-Smith Funeral Home, Inc.

By: Marvin M. Smith, Title: President

Subscribed and sworn to before me this 20 day of June, 2019.

[Signature]

Print Notary Name: Allie Barth
Notary Public for South Carolina
My Commission Expires: 10-2-22
NOTE: This page MUST remain with the original document

Filed By:
HAYNSWORTH SINKLER BOYD PA
PO BOX 340
CHALRESTON SC 29402 (BOX)

MAKER:
MCALISTER-SMITH ETC

RECIPIENT:
COZ LLC ETC

Original Book: Original Page:

RECORDER'S PAGE

RECORDED

Date: June 25, 2019
Time: 4:30:34 PM
Book Page Doc Type
0804 064 Deed

Michael Miller, Register
Charleston County, SC

# of Pages: 6
Recording Fee $ 10.00
State Fee $ 1,590.00
County Fee $ 715.00
Extra Pages $ 1.00
Postage $ -
Chattel $ -
TOTAL $ 2,416.00

DRAWER CLERK
Drawer 4 JBA

AUDITOR STAMP HERE
RECEIVED From ROD
Jul 03, 2019
Peter J. Tecklenburg
Charleston County Auditor

PIL VERIFIED BY ASSESSOR
REP RJB
DATE 07/05/2019 36

843-958-4800 101 MEETING STREET CHARLESTON, SC 29401 www.charlestoncounty.org
Addendum D

Comparable Data

Office Building
Addenda

Improved Sales

Office Building
## Office Sale Profile

### Location & Property Identification

<table>
<thead>
<tr>
<th>Property Name:</th>
<th>Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Property Type:</td>
<td>General Purpose</td>
</tr>
<tr>
<td>Address:</td>
<td>430 N. Hanover St.</td>
</tr>
<tr>
<td>City/State/Zip:</td>
<td>Charleston, SC 29403</td>
</tr>
<tr>
<td>County:</td>
<td>Charleston</td>
</tr>
<tr>
<td>Submarket:</td>
<td>Central</td>
</tr>
<tr>
<td>Market Orientation:</td>
<td>Suburban</td>
</tr>
<tr>
<td>IRR Event ID:</td>
<td>2779634</td>
</tr>
</tbody>
</table>

### Sale Information

| Sale Price:             | $550,000                  |
| Effective Sale Price:   | $550,000                  |
| Sale Date:              | 12/16/2021                |
| Sale Status:            | Closed                    |
| $/SF GBA:               | $601.09                   |
| $/SF NRA:               | $601.09                   |
| Grantor/Seller:         | 430 North Hanover LLC     |
| Grantee/Buyer:          | Hanover Landing LLC       |
| Property Rights:        | Fee Simple                |
| Financing:              | Cash to seller            |
| Terms of Sale:          | Arms length               |
| Document Type:          | Deed                      |
| Recording No.:          | Book 1067, Page 288       |
| Verified By:            | Alexander J. Kozloff      |
| Verification Date:      | 01/03/2022                |
| Confirmation Source:    | Seller                    |
| Verification Type:      | Confirmed-Seller          |

### Improvement and Site Data

| MSA:                    | Charleston-North Charleston, SC |
| Legal/Tax/Parcel ID:    | 461-13-01-020                   |
| GBA-SF:                 | 915                            |
| NRA-SF:                 | 915                            |
| Acres(Usable/Gross):    | 0.07/0.07                      |
| Land-SF(Usable/Gross):  | 3,256/3,256                    |
| Usable/Gross Ratio:     | 1.00                           |

### Sale No. 1

| Year Built:             | 1925                        |
| Most Recent Renovation: | 2014                        |
| Property Class:         | B                           |
| M&S Class:              | D                           |
| Construction Quality:   | Average                     |
| Improvements Cond.:     | Good                        |
| Exterior Walls:         | Vinyl siding                |
| No. of Buildings/Stories: | 1/1                      |
| Total Parking Spaces:   | 3                           |
| Park. Ratio 1000 SF GLA: | 3.28                        |
| Park. Ratio 1000 SF GBA: | 3.28                        |
| Elevators/Count:        | Yes/0                       |
| Fire Sprinkler Type:    | None                        |
| Roof, Heating, AC Comm.: | Asphalt shingle              |
| Shape:                  | Rectangular                 |
| Topography:             | Level                       |
| Corner Lot:             | No                          |
| Frontage Feet:          | 33                          |
| Frontage Desc.:         | North Hanover Street        |
| Bldg. to Land Ratio FAR: | 0.28                        |
| Zoning Code:            | UP                          |
| Zoning Desc.:           | Upper Peninsula             |
| Flood Plain:            | Yes                         |
| Flood Zone Designation: | AE                          |
| Comm. Panel No.:        | 45019C0512J                |
| Date:                   | 11/17/2004                  |
| Source of Land Info.:   | Other                       |
Office Sale Profile

Location & Property Identification

Property Name: Office Building - Charleston
Sub-Property Type: General Purpose
Address: 57 Hasell St and 6 Maiden Lane St.
City/State/Zip: Charleston, SC 29401
County: Charleston
Submarket: Central
Market Orientation: Historic District
IRR Event ID: 2721045

Sale Information

Sale Price: $3,000,000
Effective Sale Price: $3,000,000
Sale Date: 12/13/2021
Sale Status: Closed
$/SF GBA: $445.10
$/SF NRA: $445.10
Eff. Price/Unit: $1,500,000 /Unit
Grantor/Seller: Holiday Market Associates LLC
Grantee/Buyer: DI Hassell, LLC
Property Rights: Fee Simple
Financing: Cash to seller
Document Type: Deed
Recording No.: Book 1061, Page 764
Verified By: Cleveland "Bud" A. Wright, Jr., MAI
Verification Date: 10/26/2021
Confirmation Source: Buyer/Bid request
Verification Type: Confirmed-Buyer

Operating Data and Key Indicators

Operating Data Type: Pro-forma Buyer
Potential Gross Income: $304,000
Effective Gross Income: $304,000
Operating Expenses: $82,199
Net Operating Income: $221,801
Expense Ratio: 27.04%
Reserves Included: No
Management Included: Yes
Cap Rate - Derived: 7.39%
GRM - Derived: 9.87
EGIM - Derived: 9.87

Occupancy

Occupancy at Time of Sale: 0.00%

Improvement and Site Data

MSA: Charleston-North Charleston, SC
Legal/Tax/Parcel ID: 458-05-01-057 and 458-05-01-148
GBA-SF: 6,740
NRA-SF: 6,740
Acres(Usable/Gross): 0.45/0.45
Land-SF(Usable/Gross): 19,598/19,598
Usable/Gross Ratio: 1.00
Year Built: 1965
Most Recent Renovation: Various
Property Class: B
M&S Class: C
Construction Quality: Average
Improvements Cond.: Average
Exterior Walls: Brick
No. of Buildings/Stories: 1/1
## Improvement and Site Data (Cont'd)

<table>
<thead>
<tr>
<th>Feature</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Parking Spaces</td>
<td>36</td>
</tr>
<tr>
<td>Park. Ratio 1000 SF GLA</td>
<td>5.34</td>
</tr>
<tr>
<td>Park. Ratio 1000 SF GBA</td>
<td>5.34</td>
</tr>
<tr>
<td>Parking Ratio/Unit:</td>
<td>18.00</td>
</tr>
<tr>
<td>Elevators/Count:</td>
<td>Yes</td>
</tr>
<tr>
<td>Fire Sprinkler Type:</td>
<td>None</td>
</tr>
<tr>
<td>Air-Conditioning Type:</td>
<td>Central</td>
</tr>
<tr>
<td>Roof, Heating, AC Comm.:</td>
<td>Flat, HVAC assumed adequate</td>
</tr>
<tr>
<td>Shape:</td>
<td>Irregular</td>
</tr>
<tr>
<td>Topography:</td>
<td>Level</td>
</tr>
<tr>
<td>Corner Lot:</td>
<td>No</td>
</tr>
<tr>
<td>Frontage Feet:</td>
<td>81</td>
</tr>
<tr>
<td>Frontage Desc.:</td>
<td>Hasell Street</td>
</tr>
<tr>
<td>Traffic Control at Entry:</td>
<td>None</td>
</tr>
<tr>
<td>Traffic Flow:</td>
<td>Low</td>
</tr>
<tr>
<td>Visibility Rating:</td>
<td>Average</td>
</tr>
<tr>
<td>Density-Unit/Gross Acre</td>
<td>4.45</td>
</tr>
<tr>
<td>Density-Unit/Usable Acre</td>
<td>4.45</td>
</tr>
<tr>
<td>Bldg. to Land Ratio FAR:</td>
<td>0.34</td>
</tr>
<tr>
<td>Zoning Code:</td>
<td>STR w/overlays</td>
</tr>
<tr>
<td>Zoning Desc.:</td>
<td>Single, Two family Residential</td>
</tr>
<tr>
<td>Flood Plain:</td>
<td>Yes</td>
</tr>
<tr>
<td>Flood Zone Designation:</td>
<td>X (Shaded)</td>
</tr>
<tr>
<td>Comm. Panel No.:</td>
<td>45019C0516K</td>
</tr>
<tr>
<td>Date:</td>
<td>01/29/2021</td>
</tr>
<tr>
<td>Utilities:</td>
<td>Electricity, Water Public, Sewer</td>
</tr>
<tr>
<td>Bldg. Phy. Info. Source:</td>
<td>Other</td>
</tr>
<tr>
<td>Source of Land Info.:</td>
<td>Other</td>
</tr>
</tbody>
</table>

## Comments

The purchaser intends to lease the property to Hospice of Charleston. In addition, the purchaser is the owner of the Andrew Pickney Inn which is adjacent to the subject. He intends to lease the subject's parking lot to his hotel. The lease will be $160,000 annually or $13,333 per month.
### Location & Property Identification

<table>
<thead>
<tr>
<th>Property Name:</th>
<th>Office Building - Charleston</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Property Type:</td>
<td>General Purpose, Low Rise</td>
</tr>
<tr>
<td>Address:</td>
<td>1049 Morrison Dr.</td>
</tr>
<tr>
<td>City/State/Zip:</td>
<td>Charleston, SC 29403</td>
</tr>
<tr>
<td>County:</td>
<td>Charleston</td>
</tr>
<tr>
<td>Submarket:</td>
<td>Central</td>
</tr>
<tr>
<td>Market Orientation:</td>
<td>Urban</td>
</tr>
<tr>
<td>IRR Event ID:</td>
<td>2778981</td>
</tr>
</tbody>
</table>

### Sale Information

| Sale Price:            | $2,520,000                  |
| Effective Sale Price:  | $2,520,000                  |
| Sale Date:             | 10/22/2021                  |
| Recording Date:        | 10/22/2021                  |
| Sale Status:           | Closed                      |
| $/SF GBA:              | $467.19                     |
| $/SF NRA:              | $467.19                     |
| Grantor/Seller:        | Pearce Development LLC      |
| Grantee/Buyer:         | BKDE-Morrison LLC           |
| Property Rights:       | Leased Fee                  |
| Financing:             | Cash to seller              |
| Terms of Sale:         | Arms length                 |
| Recording No.:         | Book 1045, Page 855         |
| Verified By:           | Cleveland "Bud" A. Wright, Jr., MAI |
| Verification Date:     | 03/01/2022                  |
| Confirmation Source:   | Buyer                       |
| Verification Type:     | Confirmed-Buyer             |

### Occupancy

| Occupancy at Time of Sale: | 50.00% |

### Improvement and Site Data

| Legal/Tax/Parcel ID:     | 461-09-03-005, 005          |
| GBA-SF:                  | 5,394                       |
| NRA-SF:                  | 5,394                       |
| Acres(Usable/Gross):     | 0.21/0.21                   |
| Land-SF(Usable/Gross):   | 9,147/9,147                 |
| Usable/Gross Ratio:      | 1.00                        |
| Year Built:              | 1988                        |
| Construction Quality:    | Average                     |
| Improvements Cond.:      | Average                     |
| Exterior Walls:          | Brick                       |
| No. of Buildings/Stories:| 2/2                         |
| Multi-Tenant/Condo.:     | Yes/No                      |
| Total Parking Spaces:    | 8                           |
| Park. Ratio 1000 SF GLA: | 1.48                        |
| Park. Ratio 1000 SF GBA: | 1.48                        |
| Air-Conditioning Type:   | Central                     |
| Roof, Heating, AC Comm.:| Flat, HVAC assumed adequate |
| Shape:                  | Very Irregular              |
| Topography:             | Level                       |
| Corner Lot:             | Yes                         |
| Frontage Feet:          | 288                         |
| Frontage Desc.:         | 67' Morrison Dr., 185' Isabella St., 36' N. Hanove |
| Bldg. to Land Ratio FAR:| 0.59                        |
| Zoning Code:            | GB                          |
| Zoning Desc.:           | General Business            |
| Utilities:              | Electricity, Water Public, Sewer, Gas |
| Bldg. Phy. Info. Source:| Other                       |
| Source of Land Info.:   | Other                       |
Office Sale Profile

Comments

Buyer confirmed, after purchase, he will occupy the 2nd floor and continue to lease out the first floor.

Listing Agent: Steve Wray, Carolina One Real Estate, 843.200.2192.

Property is two parcels combined: 1049 Morrison Dr. and 442 N. Hanover St.. Existing structures on these parcels include a two story office building (5394 SF), a small SFR (624 SF/poor condition) and garage/shed (1340 SF/poor condition). MLS states the square footage noted reflects the office building only. No consideration of SF for the dwelling and garage are included. The current owners occupy 80% of the building with two additional tenants.
Office Sale Profile

Location & Property Identification

Property Name: Office Condo - Charleston/Historic
Sub-Property Type: General Purpose
Address: 2 Gillon St.
City/State/Zip: Charleston, SC 29401
County: Charleston
Submarket: Central
Market Orientation: Historic District
IRR Event ID: 2638680

Sale Information

Sale Price: $750,000
Effective Sale Price: $750,000
Sale Date: 06/24/2021
Recording Date: 07/13/2021
Contract Date: 03/04/2021
Sale Status: Closed
$/SF GBA: $435.29
$/SF NRA: $435.29
Grantor/Seller: 2-4 Gillon Street, LLC
Grantee/Buyer: Gillon Street Holdings, LLC
Property Rights: Leased Fee
Financing: Cash to seller
Terms of Sale: Arms length
Document Type: Deed
Recording No.: Book 1013, Page 454
Verified By: Alexander J. Kozloff
Verification Date: 03/24/2021
Confirmation Source: Buyer
Verification Type: Confirmed-Buyer

Occupancy

Occupancy at Time of Sale: 100.00%

Improvement and Site Data

Legal/Tax/Parcel ID: 458-09-04-086
GBA-SF: 1,723
NRA-SF: 1,723
Acres(Usable/Gross): 0.07/0.07
Land-SF(Usable/Gross): 2,874/2,874
Usable/Gross Ratio: 1.00
Year Built: 1800
Most Recent Renovation: 2014
Property Class: A
M&S Class: C
Construction Quality: Good
Improvements Cond.: Good
Exterior Walls: Stucco
No. of Buildings/Stories: 1/3
Multi-Tenant/Condo.: No/Yes
Fire Sprinkler Type: None
Air-Conditioning Type: Central
Roof, Heating, AC Comm.: Metal
Shape: Rectangular
Topography: Level
Corner Lot: Yes
Frontage Feet: 69
Frontage Desc.: Gillon Street
Bldg. t to Land Ratio FAR: 0.60
Zoning Code: LB

Operating Data and Key Indicators

Net Operating Income: $ 46,351
Cap Rate - Derived: 6.18%

Office Condo - Charleston/Historic
### Improvement and Site Data (Cont'd)

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoning Desc.</td>
<td>Limited Business</td>
</tr>
<tr>
<td>Flood Plain</td>
<td>Yes</td>
</tr>
<tr>
<td>Flood Zone Designation</td>
<td>AE</td>
</tr>
<tr>
<td>Comm. Panel No.</td>
<td>45019C0518K</td>
</tr>
<tr>
<td>Date</td>
<td>01/29/2021</td>
</tr>
<tr>
<td>Utilities</td>
<td>Electricity, Water Public, Sewer</td>
</tr>
<tr>
<td>Bldg. Phy. Info. Source</td>
<td>Other</td>
</tr>
<tr>
<td>Source of Land Info.</td>
<td>Other</td>
</tr>
</tbody>
</table>

### Comments

The property is being purchased by the existing tenant, who has reportedly leased the property since 2014. The sale is an off-market transaction.

Listing Broker: Ashley Jackrel, Avison Young - South Carolina, 843.725.7200. Property located in the historic district and within a block from Joe Riley Waterfront Park. Close proximity to outdoor dining space and historic buildings. Parking available close by in the East Bay Prioleau Garage.
Office Sale Profile

Location & Property Identification

Property Name: Office
Sub-Property Type: General Purpose, Low Rise
Address: 1114 Morrison Dr.
City/State/Zip: Charleston, SC 29403
County: Charleston
Submarket: Central
Market Orientation: Suburban

IRR Event ID: 2779048

Sale Information

Sale Price: $950,000
Effective Sale Price: $950,000
Sale Date: 02/08/2021
Recording Date: 02/10/2021
Sale Status: Closed
$/SF GBA: $605.48
$/SF NRA: $605.48
Grantee/Buyer: NOMO11114 LLC
Property Rights: Leased Fee
Financing: Cash to seller
Terms of Sale: Arms length
Document Type: Deed
Recording No.: Book 0959, Page 593
Verified By: Rebecca D. Fletcher
Verification Date: 03/03/2022
Confirmation Source: Bryan Perrucci, Southeastern Management
Verification Type: Confirmed-Buyer Broker

Improvement and Site Data

MSA: Charleston-North Charleston, SC
Legal/Tax/Parcel ID: 461-09-01-014
GBA-SF: 1,569

NRA-SF: 1,569
Acres(Usable/Gross): 0.19/0.19
Land-SF(Usable/Gross): 8,276/8,276
Usable/Gross Ratio: 1.00
Year Built: 1978
Construction Quality: Average
Improvements Cond.: Average
Exterior Walls: Brick
No. of Buildings/Stories: 1/1
Air-Conditioning Type: Roof Central Mounted
Roof, Heating, AC Comm.: Flat, HVAC assumed adequate

Shape: Irregular
Topography: Level
Corner Lot: Yes
Frontage Feet: 171
Frontage Desc.: 69' Brigade St., 102' Morrison Dr.,
Bldg. to Land Ratio FAR: 0.19
Zoning Code: Upper Peninsula
Zoning Desc.: Electricity, Water Public, Sewer
Utilities:
Source of Land Info.: Public Records

Comments

Property purchased for owner occupancy. Sale was an arms length transaction and the property was not bank owned at the time of sale.
Comments (Cont'd)

Listing Broker: R. Andrew Matsick, Shoreline International RE II LLC, 843.442.6611. Property located along busy Morrison Drive and in an area of recent and on-going redevelopment. Located in an area of commercial development and near several new large apartment communities.
Lease Comparables
### Office Lease Profile

#### Location & Property Identification
- **Property Name:** Office Building - Charleston
- **Sub-Property Type:** General Purpose
- **Address:** 45 Isabella St.
- **City/State/Zip:** Charleston, SC 29403
- **County:** Ch
- **Submarket:** Central
- **Market Orientation:** Redevelopment District
- **IRR Event ID:** 2779241

#### Space Information
- **Space Type:** Office
- **Suite #:** 300-400
- **Leased Area:** 4,234

#### Lease Information
- **Lease Status:** Signed lease
- **Lessee:** Data Protocol
- **Start/Available Date:** 11/01/2021
- **Expiration Date:** 02/28/2027
- **Term of Lease:** 64 months
- **Lease Measure:** $/SF/Yr
- **Face Rental Rate:** $41.21
- **Effective Rental Rate:** $41.21
- **Escalation Type:** Fixed Percentage
- **Verified by:** Alexander Kozloff
- **Verification Date:** 02/11/2022
- **Verification Source:** Owner
- **Transaction Reliability:** IRR Confirmed

#### Lease Expense Information
- **Reimbursement Method:** Full Service

#### Improvement and Site Data
- **Legal/Tax/Parcel ID:** 461-13-01-009
- **GSA-SF:** 7,420
- **NRA-SF:** 7,420

### Lease No. 1

- **Acres (Usable/Gross):** 0.35/0.35
- **Land-SF (Usable/Gross):** 15,071/15,071
- **Usable/Gross Ratio:** 1.00
- **Year Built:** 1980
- **Most Recent Renovation:** 2021
- **Property Class:** A-
- **Construction Quality:** Average
- **Improvements Cond.:** Good
- **No. of Buildings/Stores:** 1/2
- **Multi-Tenant/Condo.:** Yes/No
- **Total Parking Spaces:** 30
- **Park. Ratio 1000 SF GLA:** 4.04
- **Park. Ratio 1000 SF GBA:** 4.04
- **Elevators Count:** None
- **Fire Sprinkler Type:** None
- **Air-Conditioning Type:** Central
- **Roof, Heating, AC Comments:** Metal, flat membrane
- **Shape:** Irregular
- **Topography:** Level
- **Corner Lot:** No
- **Frontage Feet:** 110
- **Frontage Desc.:** Isabella Street
- **Bldg. to Land Ratio FAR:** 0.49
- **Zoning Code:** UP
- **Zoning Desc.:** Upper Peninsula
- **Flood Plain:** Yes
- **Flood Zone Designation:** AE
- **Comm. Panel No.:** 45019C0512K
- **Date:** 01/29/2021
- **Utilities:** Electricity, Water Public, Sewer
Improvement and Site Data (Cont'd)

Bldg. Phy. Info. Source: Other
Source of Land Info.: Past Appraisal

Comments

Listing Broker: Brian Connolly, Jones Lang & LaSalle, 843.805.5110. This is a redevelopment project and includes 15'+ exposed ceilings, glass entryways. MLS states there will be 4 parking spaces per 1000 SF.

5-year lease under a full service expense structure.
### Office Lease Profile

**Location & Property Identification**

- **Property Name:** Charleston Tech Center I  
- **Sub-Property Type:** General Purpose, Mid Rise  
- **Address:** 997 Morrison Dr.  
- **City/State/Zip:** Charleston, SC 29403  
- **County:** Charleston  
- **Submarket:** Central  
- **Market Orientation:** Suburban  
- **IRR Event ID:** 2586815

### Space Information

- **Space Type:** Office  
- **Suite #:** 306  
- **Leased Area:** 3,229

### Lease Information

- **Lease Status:** Signed Lease  
- **Lessee:** Atlati Software  
- **Start/Available Date:** 02/15/2021  
- **Expiration Date:** 08/31/2026  
- **Term of Lease:** 67 months  
- **Lease Measure:** $/SF/Yr  
- **Face Rental Rate:** $40.96  
- **Effective Rental Rate:** $40.96  
- **Escalation Type:** Fixed Steps  
- **Verified by:** Scott Johnstone, MAI  
- **Verification Date:** 08/04/2021  
- **Verification Source:** Property Owner  
- **Transaction Reliability:** IRR Confirmed

### Lease Expense Information

- **Reimbursement Method:** Full Service

### Improvement and Site Data

- **MSA:** Charleston-North Charleston, SC  
- **Legal/Tax/Parcel ID:** 461-13-01-038 (portion)

---

**GBA-SF:** 95,843  
**NRA-SF:** 89,643  
**Acres(Usable/Gross):** 0.46/0.46  
**Land-SF(Usable/Gross):** 20,037/20,037  
**Usable/Gross Ratio:** 1.00  
**Year Built:** 2021  
**Property Class:** A  
**M&S Class:** B  
**Construction Quality:** Good  
**Improvements Cond.:** Excellent  
**Exterior Walls:** Glass  
**Construction Desc.:** Steel and masonry  
**No. of Buildings/Stories:** 1/6  
**Shape:** Rectangular  
**Topography:** Level  
**Corner Lot:** Yes  
**Frontage Feet:** 137  
**Bldg. to Land Ratio FAR:** 4.78  
**Zoning Code:** GB  
**Zoning Desc.:** General Business  
**Environmental Issues:** No  
**Flood Plain:** Yes  
**Flood Zone Designation:** AE  
**Comm. Panel No.:** 45015C0512J  
**Date:** 11/17/2004  
**Utilities:** Electricity, Water Public, Sewer, Gas  
**Utilities Desc.:** All available  
**Source of Land Info.:** Other
Comments
Six story office on Morrison Drive at Conroy Street. Parking is available in 818 space, City of Charleston parking garage adjacent to the building. The focus on the building is tech based companies.

Charleston Tech Center I
Office Lease Profile

Location & Property Identification

Property Name: The Anniston Building- Charleston
Sub-Property Type: General Purpose
Address: 229 Huger St.
City/State/Zip: Charleston, SC 29403
County: Charleston
Submarket: Central
Market Orientation: CBD

IRR Event ID: 2554123

Space Information

Space Type: Office
Suite #: 400
Leased Area: 3,767

Lease Information

Lease Status: Signed Lease
Lessee: Charleston Hospitality Group
Start/Available Date: 02/01/2021
Expiration Date: 06/30/2026
Term of Lease: 65 months
Lease Measure: $/SF/Yr
Face Rental Rate: $36.00
Effective Rental Rate: $36.00
Escalation Type: Fixed Percentage
Escalation Desc.: 2.50% annually
TI Allowance ($/SF): $40.00
TI Type: New Tenant
Verified by: Scott Johnstone, MAI
Verification Date: 01/20/2021
Verification Source: Property Owner
Transaction Reliability: IRR Confirmed

Lease Expense Information

Reimbursement Method: Full Service

The Anniston Building- Charleston

Lease No. 3

Improvement and Site Data

MSA: Charleston-North Charleston, SC
Legal/Tax/Parcel ID: 459-01-03-057
GBA-SF: 11,302
NRA-SF: 11,302
Acres(Usable/Gross): 0.13/0.13
Land-SF(Usable/Gross): 5,662/5,662
Usable/Gross Ratio: 1.00
Year Built: 2017
Construction Quality: Average
Improvements Cond.: Average
No. of Buildings/Stories: 1/4
Multi-Tenant/Condo.: Yes/No
Elevators Count: Yes
Air-Conditioning Type: Roof Central Mounted
Roof, Heating, AC Comments: Flat, HVAC assumed adequate
Shape: Rectangular
Topography: Level
Corner Lot: No
Frontage Feet: 35
Frontage Desc.: Huger Street
Bldg. to Land Ratio FAR: 2.00
Zoning Code: UP
Zoning Desc.: Upper Peninsula
Environmental Issues: No
Utilities: Electricity, Water Public, Sewer, Gas
## Improvement and Site Data (Cont'd)

<table>
<thead>
<tr>
<th>Description</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilities Desc.:</td>
<td>All available</td>
</tr>
<tr>
<td>Blg. Phy. Info. Source:</td>
<td>Other</td>
</tr>
<tr>
<td>Source of Land Info.:</td>
<td>Public Records</td>
</tr>
</tbody>
</table>

## Comments

Listing Broker: Chip Shealy, CBRE Inc, Charleston, 843.577.0702.

Rental rate increases 2.5% per year.

The Anniston Building - Charleston
### Office Lease Profile

#### Location & Property Identification

<table>
<thead>
<tr>
<th>Property Name:</th>
<th>The Refinery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Property Type:</td>
<td>Mixed Use</td>
</tr>
<tr>
<td>Address:</td>
<td>1640 Meeting St.</td>
</tr>
<tr>
<td>City/State/Zip:</td>
<td>Charleston, SC 29405</td>
</tr>
<tr>
<td>County:</td>
<td>Charleston</td>
</tr>
<tr>
<td>Submarket:</td>
<td>North Charleston</td>
</tr>
<tr>
<td>Market Orientation:</td>
<td>Redevelopment District</td>
</tr>
<tr>
<td>IRR Event ID:</td>
<td>2692438</td>
</tr>
</tbody>
</table>

#### Space Information

| Space Type: | Office |
| Suite #: | 201/202 |
| Leased Area: | 5,300 |

#### Lease Information

| Lease Status: | Signed Lease |
| Lessee: | Lionio Architecture |
| Start/Available Date: | 01/01/2021 |
| Expiration Date: | 04/30/2026 |
| Term of Lease: | 64 months |
| Lease Measure: | $/SF/Yr |
| Face Rental Rate: | $35.00 |
| Effective Rental Rate: | $35.00 |
| Escalation Type: | Fixed Percentage |
| Escalation Desc.: | 3% annually |
| Verified by: | Scott Johnstone, MAI |
| Verification Date: | 08/16/2021 |
| Verification Source: | Property Owner |
| Transaction Reliability: | IRR Confirmed |

#### Lease Expense Information

| Reimbursement Method: | Full Service |

#### Improvement and Site Data

| Legal/Tax/Parcel ID: | 464-06-00-021 |
| GBA-SF: | 41,285 |
| NRA-SF: | 35,879 |
| Acres(Usable/Gross): | 1.71/1.71 |
| Land-SF(Usable/Gross): | 74,487/74,487 |
| Usable/Gross Ratio: | 1.00 |
| Year Built: | 2020 |
| Property Class: | A |
| M&S Class: | B |
| Construction Quality: | Average |
| Improvements Cond.: | Average |
| Exterior Walls: | Brick |
| No. of Buildings/Stories: | 1/3 |
| Multi-Tenant/Condo.: | Yes/No |
| Air-Conditioning Type: | Central |
| Roof, Heating, AC Comments: | Membrane |
| Shape: | Rectangular |
| Topography: | Level |
| Corner Lot: | No |
| Frontage Feet: | 372 |
| Frontage Desc.: | Meeting Street Rd. |
| Bldg. to Land Ratio FAR: | 0.55 |
| Zoning Code: | U-P |
| Zoning Desc.: | Upper Peninsula w/overlays |
| Flood Plain: | No |
| Flood Zone Designation: | X (Shaded) |
| Comm. Panel No.: | 45019C0504K |
| Date: | 01/29/2021 |
| Utilities: | Electricity, Water Public, Sewer |
| Utilities Desc.: | All available |
| Bldg. Phy. Info. Source: | Owner |
| Source of Land Info.: | Other |
Comments

The mixed use development will include restaurants, amphitheater, creative office space, special event space, green space.

Rental rate increases 3% per year.
## Office Lease Profile

### Location & Property Identification

<table>
<thead>
<tr>
<th>Property Name:</th>
<th>Office Building</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Property Type:</td>
<td>General Purpose, Low Rise</td>
</tr>
<tr>
<td>Address:</td>
<td>1819 Meeting St.</td>
</tr>
<tr>
<td>City/State/Zip:</td>
<td>Charleston, SC 29405</td>
</tr>
<tr>
<td>County:</td>
<td>Charleston</td>
</tr>
<tr>
<td>Submarket:</td>
<td>North Charleston</td>
</tr>
<tr>
<td>Market Orientation:</td>
<td>Suburban</td>
</tr>
<tr>
<td>IRR Event ID:</td>
<td>2279869</td>
</tr>
</tbody>
</table>

### Space Information

<table>
<thead>
<tr>
<th>Space Type:</th>
<th>Office</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suite #:</td>
<td>100</td>
</tr>
<tr>
<td>Leased Area:</td>
<td>2,340</td>
</tr>
</tbody>
</table>

### Lease Information

<table>
<thead>
<tr>
<th>Lease Status:</th>
<th>Signed Lease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lessee:</td>
<td>King Street Agency</td>
</tr>
<tr>
<td>Start/Available Date:</td>
<td>01/01/2019</td>
</tr>
<tr>
<td>Expiration Date:</td>
<td>12/31/2023</td>
</tr>
<tr>
<td>Term of Lease:</td>
<td>60 months</td>
</tr>
<tr>
<td>Lease Measure:</td>
<td>$/SF/Yr</td>
</tr>
<tr>
<td>Face Rental Rate:</td>
<td>$37.83</td>
</tr>
<tr>
<td>Effective Rental Rate:</td>
<td>$37.83</td>
</tr>
<tr>
<td>Escalation Type:</td>
<td>Fixed Percentage</td>
</tr>
<tr>
<td>Verification Source:</td>
<td>Rent Roll</td>
</tr>
<tr>
<td>Transaction Reliability:</td>
<td>Imported - V</td>
</tr>
</tbody>
</table>

### Lease Expense Information

| Reimbursement Method: | Full Service              |

### Improvement and Site Data

<table>
<thead>
<tr>
<th>Legal/Tax/Parcel ID:</th>
<th>464-02-00-100</th>
</tr>
</thead>
<tbody>
<tr>
<td>GBA-SF:</td>
<td>6,027</td>
</tr>
<tr>
<td>NRA-SF:</td>
<td>6,027</td>
</tr>
<tr>
<td>Acres(Usable/Gross):</td>
<td>0.40/0.40</td>
</tr>
<tr>
<td>Land-SF(Usable/Gross):</td>
<td>17,551/17,551</td>
</tr>
</tbody>
</table>

### Useful Notes

- Usable/Gross Ratio: 1.00
- Year Built: 2009
- Most Recent Renovation: 2019
- Property Class: B
- M&S Class: D
- Construction Quality: Good
- Improvements Cond.: Good
- Exterior Walls: Brick
- Construction Desc.: Masonry; brick/stucco exterior
- No. of Buildings/Stories: 1/2
- Multi-Tenant/Condo: Yes
- Total Parking Spaces: 18
- Park. Ratio 1000 SF GLA: 2.99
- Park. Ratio 1000 SF GBA: 2.99
- Elevators Count: None
- Fire Sprinkler Type: None
- Air-Conditioning Type: Central
- Roof, Heating, AC Comments: Standing seam metal roof
- Shape: Rectangular
- Topography: Level
- Corner Lot: No
- Frontage Feet: 294
- Frontage Desc.: Meeting Street Road
- Bldg. to Land Ratio FAR: 0.34
- Zoning Code: GB
- Zoning Desc.: General Business with Overlays
- Flood Plain: No
- Flood Zone Designation: X
- Comm. Panel No.: 45019C0504J

Office Building
Improvement and Site Data (Cont'd)

| Date:     | 11/17/2004 |
| Utilities: | Electricity, Water Public, Sewer |
| Utilities Desc.: | All available |
| Source of Land Info.: | Public Records |

**Comments**

Building has two suites: Suite A (4,686 SF) features reception area, two conference rooms, 11 private offices, break room and an outdoor deck. Suite B (1,314 SF) features a reception area, conference room and 6 private offices.
Addendum E

Engagement Letter
AN APPRAISAL REPORT OF:

11 Cunnington Avenue
Charleston, South Carolina 29405
TMS# 464-14-00-118

CLIENT:

Mrs. Florence Peters
Housing Development Officer
City of Charleston
75 Calhoun Street, 3rd Floor
Charleston, South Carolina 29401

PREPARED BY:

Michael A. White
S.C. Certified General Appraiser 200
Charleston Appraisal Company, LLC
2040 Ewall Street, Suite H
Mount Pleasant, South Carolina 29464
michael@charlestonappraisalcompany.com
Copyright: 2022 Charleston Appraisal Company, LLC

MARKET VALUATION DATE:
January 24, 2022
Mr. Florence Peters  
Housing Development Officer  
City of Charleston  
75 Calhoun Street, 3rd Floor  
Charleston, South Carolina 29401

In re: Appraisal of:  
11 Cunnington Avenue  
Charleston, South Carolina 29405  
TMS# 464-14-00-118

Dear Mrs. Peters:

In accordance with your request, I have made an Appraisal Report of the above captioned subject property for the purpose of rendering an opinion of the as is Market Value of the leased fee interest in the subject property as of January 24, 2022. I physically inspected the subject property on January 24, 2022.

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.” The marketing time of the subject property as of the date of this report has been estimated to be six months or less as discussed in detail in the appraisal report.

As a result of the appraisal, it is my opinion that the Market Value of the leased fee interest in the subject property (TMS# 464-16-00-118) located at 11 Cunnington Avenue, Charleston, South Carolina 29405 as of January 24, 2022, is

ONE MILLION THREE HUNDRED THOUSAND DOLLARS  
$1,300,000

This is an Appraisal Report that is intended to comply with the reporting requirements set forth under Standard Rules 2-2 (b) and 8-2(b) of the Uniform Standards of Professional Appraisal Practice (USPAP) for an Appraisal Report.
To the best of my ability, this appraisal meets or exceeds the requirements of Title XI of the Financial Institution Reform, Recovery and Enforcement Act (FIRREA) of 1989, Public Law 101-73, 103 STAT, 183, 51 (1989). This appraisal has also been made in conformity with the Code of Ethics of the Appraisal Institute and the Appraisal Section of the National Association of Realtors.

I certify that I have no present or future contemplated interest in the property which is the subject of this report and that my fee for making this appraisal was in no way contingent upon the value reported. If you have any questions regarding this report or any other matter, please feel free to contact me. Thank you for allowing me to be of service to you in this matter.

Respectfully submitted,

[Signature]

Michael White
South Carolina Certified General Appraiser 200
TABLE OF CONTENTS

Cover Page................................................. i
Letter of Transmittal................................. ii,iii
Table of Contents...................................... iv,v

Limiting Conditions................................. 1,2
General Assumptions................................. 3,4
Summary of Important Conclusions............... 5
Identification of Property.......................... 6
Date of Appraisal................................. 7
Date of the Inspection.............................. 7
Property Rights Appraised......................... 7
Owner of Property................................. 7
Purpose of the Appraisal............................ 7
Intended Use of the Appraisal.................... 8
Intended Users of the Appraisal.................. 8
Exposure/Marketing Time......................... 8,9
Extraordinary Assumptions....................... 9
Hypothetical Conditions........................... 10
Definition of Value................................. 11
Scope of the Appraisal Investigation.......... 12-14
Regional Description............................... 15-23
Regional Location Map............................ 24
Neighborhood Description....................... 25-28
Neighborhood Location Map..................... 29
Site Description................................... 30,31
Plat of the Subject Property Site............ 32
Charleston County Maps.......................... 33-35
Flood Map........................................ 36
Zoning........................................... 37
Real Estate Taxes................................. 37
Sales History of the Subject Property......... 38
Description of the Improvements............... 39,40
Exterior Drawing of the Subject Building..... 41
Subject Property Floor Plan..................... 42
Photos of the Subject Property............... 43-49
Highest and Best Use Definition............ 50

MICHAEL A. WHITE
LIMITING CONDITIONS

This certificate and report are made expressly subject to the following stipulations and conditions:

The management of the property is assumed to be competent and the ownership to be in responsible hands.

No responsibility is assumed by this Appraiser for matters that are legal in nature, or for auditing or engineering opinions, nor is any opinion of the title rendered herewith. This appraisal assumes that the title to the property is good and marketable. Any liens or encumbrances that may now exist have been disregarded, and the property has been appraised as though there were no delinquencies in the payment of general taxes or special assessments.

Possession of this report or any copy does not carry with it the right of publication, nor may the report be used for any purpose by any but the applicant without the previous written consent of the Appraiser, and in any event, only in its entirety and with proper qualification. The value for land as contained in the within report, may not be used in making a summation appraisal by combination with values created by another Appraiser. Either is invalidated if so used.

This property has not been surveyed at my direction to establish the facts of legal description and exact dimensions, which are to be presumed to be substantially as stated.

This Appraiser, by reason of this report, is not obligated to give testimony or attendance in court, or at any governmental hearing, with reference to the property evaluated, unless arrangement has been made previously, therefore. I shall be available to testify in court as an expert witness regarding this appraisal upon reasonable notice for a period of six months following the reported date of valuation. Constantly changing market conditions and prices tend to render the appraisal obsolete after that period. Subsequent availability for appearance as an expert witness will be determined solely by me and will be contingent upon the opportunity to review the property and the report in light of market changes that have occurred. The right to refuse appearance in court as an expert witness on this appraisal beyond two years after appraisal date is reserved unless special additional provisions are agreed upon.
No guarantee of any kind or description is intended or implied by virtue of my inspection and estimate of value on the property herein appraised.

It is assumed that revenue stamps placed on deeds, used to indicate comparable sales, were in the correct amount to reflect the true and actual money consideration involved; and that the information secured from brokers or interested parties to verify the transactions, is in conformity with the facts.

No consideration has been given in this report as to easements, if any, or rights-of-way over, upon, or under said premises, unless specifically mentioned herein. In the event information becomes available in the future, not known to the Appraiser as of the date of appraisal, he reserves the right to review his opinion in light thereof.

This appraisal represents the opinion of the Appraiser, based upon his experience over a period of many years, and assumes that all national, state, county and city laws, ordinances, and restrictions have been complied with.

It is assumed that there are no hidden or unapparent soil conditions that would render the property's title or market value more or less valuable. No responsibility is assumed for such conditions, or for engineering that might be required to discover such factors.

To the best of the undersigned's knowledge, the presence of Radon has not been detected on this property or, if Radon has been detected, it has been determined that the level of Radon present is considered safe according to the standards established by the Environmental Protection Agency. The undersigned does not, however, make any guarantees or warranties that the property has been tested for the presence of Radon, or, if tested, that the tests were conducted pursuant to EPA approved procedures.

The American with Disabilities Act (ADA) became effective January 26, 1992. This Appraiser has not made a specific compliance survey and analysis of the subject property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the subject property together with a detailed requirement of the ADA could reveal that the subject property does not conform to one or more of the requirements of the ADA. If so, this fact could have a negative effect on the Market Value of the subject property. This Appraiser has not been provided nor has a compliance survey been performed for the subject property.

MICHAEL A. WHITE, GAA
GENERAL ASSUMPTIONS

This appraisal report has been made with, and is subject to, the following general assumptions:

- That title to the property is assumed to be good and marketable unless otherwise stated. No responsibility is assumed for the legal descriptions or for any legal matter.

- That the definition of value together with other definitions and assumptions on which any analyses are based are set forth in appropriate sections of this report and are a part of these General Assumptions as if included here in their entirety.

- That title to the property is assumed to be marketable. The property is considered to be under responsible ownership and management and free of all liens and encumbrances except as specifically discussed herein.

- That the facts, estimates, and opinions furnished the appraisers by others and contained in this report are considered to be from reliable sources and where feasible have been verified. However, no responsibility is assumed for the accuracy of the information. We reserve the right to modify the value estimates should more reliable or accurate information become available subsequent to delivery of this report.

- All engineering and/or surveys are assumed to be correct. The sketches, plot plans and drawings included only to assist the reader in visualizing the property.

- It is assumed that there are no hidden or other unapparent conditions in the soil, subsoil, structures, or property that would render them more or less valuable. The appraisers specifically accept no responsibility for damage for termites, woodborers or any other wood-infesting insects. No responsibility is assumed for such condition or for engineering or inspection that would be required to discover them.
- Unless otherwise stated in this report, the existence of hazardous material, that may or may not be present on or in the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of potentially dangerous or hazardous materials, gases or toxic substances may affect the value of the property and in this appraisal the value estimate is predicated on the assumption that there is no such element on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

- Good structural and mechanical conditions are assumed to exist, and no opinion as to these matters is to be inferred or construed from the attached report.

- It is assumed that there is full compliance with all-applicable federal, state, and local environmental regulations and laws unless non-compliance is stated, defined, and considered in the appraisal report.

- It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless non-conformity has been stated, defined, and considered in the appraisal report.

- It is assumed that all required licenses, certificates of occupancy, legislated or administrative consents from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the valued estimated contains in this report is based.

- It is assumed that the utilization of the land and/or improvements is within the boundaries or property lines of the property described herein unless noted within the report.
## SUMMARY OF IMPORTANT CONCLUSIONS

<table>
<thead>
<tr>
<th><strong>Location:</strong></th>
<th>11 Cunnington Avenue</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Charleston, South Carolina 29405</td>
</tr>
<tr>
<td></td>
<td>TMS# 464-14-00-118</td>
</tr>
<tr>
<td><strong>Owner of Record:</strong></td>
<td>COZ, LLC</td>
</tr>
<tr>
<td><strong>Building Size:</strong></td>
<td>3,136 Total Square Feet</td>
</tr>
<tr>
<td><strong>Site Size:</strong></td>
<td>Approximately 3,596 Square Feet (0.08 Acres)</td>
</tr>
<tr>
<td><strong>Zoning:</strong></td>
<td>Light Industrial (LI)</td>
</tr>
<tr>
<td><strong>Market Value:</strong></td>
<td>$1,300,000</td>
</tr>
<tr>
<td><strong>Highest and Best Use:</strong></td>
<td>Present Use as an Office Building</td>
</tr>
<tr>
<td><strong>Date of the Appraisal:</strong></td>
<td>January 24, 2022</td>
</tr>
<tr>
<td><strong>Date of the Inspection:</strong></td>
<td>January 24, 2022</td>
</tr>
<tr>
<td><strong>Flood Zone:</strong></td>
<td>Non-Hazard Zone X</td>
</tr>
<tr>
<td></td>
<td>F.E.M.A. Community Panel 45019C0540K</td>
</tr>
<tr>
<td></td>
<td>Dated: January 29, 2021</td>
</tr>
<tr>
<td><strong>Census Tract:</strong></td>
<td>0054.00</td>
</tr>
<tr>
<td><strong>Client:</strong></td>
<td>Mrs. Florence Peters</td>
</tr>
<tr>
<td></td>
<td>Housing Development Officer</td>
</tr>
<tr>
<td></td>
<td>City of Charleston</td>
</tr>
<tr>
<td><strong>Appraiser:</strong></td>
<td>Michael A. White</td>
</tr>
<tr>
<td></td>
<td>S.C. Certified General Appraiser 200</td>
</tr>
</tbody>
</table>
IDENTIFICATION OF THE SUBJECT PROPERTY

The property that is the subject of this appraisal report is identified by the client, Mrs. Florence Peters the Housing Development Director for the City of Charleston Department of Housing and Community Development, is located at 11 Cunnington Avenue, Charleston, South Carolina 29405. The subject property is further identified by the Charleston County Tax Assessor as parcel number 118 on Charleston County tax map number 464-14-00. This Appraiser has obtained the most recent copy of the subject property deed, which contains the complete and legal description of the subject property. A copy of this deed as obtained by this Appraiser can be found in the addendum of this appraisal report. Additionally, this Appraiser has included various maps (plat, county maps, etc.), which further identify the subject property. These maps identifying the subject property can be found in later sections of this appraisal report.
DATE OF THE APPRAISAL

January 24, 2022

DATE OF INSPECTION

January 24, 2022

PROPERTY RIGHTS APPRAISED

The property rights that are the subject of this appraisal report are those of COZ, LLC which are the current owners and landlord of the subject property building. Thus, the property rights being appraised are the leased fee property rights of COZ, LLC, which are the estate or interest of the property owner or landlord as per the request of the client, Mrs. Florence Peters of the City of Charleston Department of Housing and Community Development.

Leased Fee Interest is defined by the Dictionary of Real Estate Appraisal from the Appraisal Institute as: “An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by contract terms contained within the lease.” Simply, the Lease Fee Interest is the Fee Simple Interest of the property encumbered by a lease or leases. If the subject property is being leased at Market Rent, then the Fee Simple Value and the Leased Fee Value of the subject property are the same. This Appraiser is of the opinion that subject property is currently being leased at Market Rent.

OWNER OF RECORD

The current owner of record for the subject property is COZ, LLC 1505 Greenleaf Street, Unit 1, Charleston, South Carolina 29405. The current subject property owners acquired the subject property by deed of McAlister-Smith Funeral Home, Inc. on June 25, 2019, for $650,00 according to the subject property deed obtained by this Appraiser. This transaction is recorded in the Charleston County Register of Deeds Office at deed book 0804 on page 064 (pages 1-6). A copy of this deed as obtained by this Appraiser can be found in the addendum of this appraisal report. This was an arm’s length transaction in the opinion of this Appraiser.

MICHAEL A. WHITE, GAA
PURPOSE OF THE APPRAISAL

The purpose of this Appraisal Report is to render an opinion of the as is Market Value of the leased fee interest in the subject property located at 11 Cunnington Avenue, Charleston, South Carolina 29405 as of January 24, 2022, as per the instructions of the client, Mrs. Florence Peters of the City of Charleston Department of Housing and Community Development.

INTENDED USE OF THE APPRAISAL

The intended use of this Appraisal Report is to render an opinion of the as is Market Value of the leased fee interest in the subject property located at 11 Cunnington Avenue, Charleston, South Carolina 29405 as of January 24, 2022, for use in the possible purchase of the subject property according to the information provided to this Appraiser by the client, Mrs. Florence Peters of the City of Charleston Department of Housing and Community Development.

INTENDED USER OF THE APPRAISAL

This appraisal report is made for Mrs. Florence Peters of the City of Charleston Department of Housing and Community Development. There are no other intended users. Any other party who relies on or utilizes this appraisal report for any purposes is considered an unintended user. The Appraiser does not assume responsibility for the unintended use of this appraisal report.

EXPOSURE/MARKETING TIME

Appraisal guidelines require an estimate of a reasonable period in which the subject property could be taken to the market and sold. This reasonable time can be analyzed historically or prospectively. Historically is referred to as exposure time an always precedes the date of value with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of the appraisal report. Reasonable exposure time is defined as “the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consumption of a sale at Market Value as of the effective date of the appraisal; a retrospective opinion based on the analysis of past events assuming a competitive and open market.”

MICHAEL A. WHITE, GAA
I have researched the subject property market area and surrounding similar market areas for sales of properties considered similar to the subject property. The comparable sales utilized in this appraisal report, indicate marketing times ranging from 1 day to 186 days with an average marketing time of 100 days. The comparable sales utilized in this appraisal report are considered good indicators of the current market time for commercial properties such as the subject property.

Based on my research, this Appraiser is of the opinion that the exposure/marketing time of the subject property is six months or less, if the subject property is correctly priced and properly marketed, would be considered reasonable. This exposure/marketing condition reflects current market conditions, current economic conditions, and the availability of financing.

EXTRAORDINARY ASSUMPTIONS

Extraordinary assumptions presume uncertain information to be factual. If at a later date these assumptions are proven to be false, this could alter the opinion of Market Value rendered by the Appraiser. There are no extraordinary assumptions for this appraisal assignment.

Assumption regarding Covid-19: The global outbreak of a "novel coronavirus" known as COVID-19 was officially declared a pandemic by the World Health Organization (WHO). The reader is cautioned and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of any unforeseen event, subsequent to the effective date of the appraisal. As of the effective date, the impact on the market from the COVID-19 virus is unknown. However, it is reasonable to assume that restrictions related to the virus will extend marketing times. In regard to the estimate of reasonable exposure time, it is assumed that exposure times will increase beyond what historical trends indicate. The use of this assumption may have affected the assignment results. As in any time of national unrest, additional caution is warranted when making a lending decision.
HYPOTHETICAL CONDITIONS

Hypothetical conditions are contrary to what exists but are supposed for the purpose of analysis. Hypothetical conditions assume conditions that are contrary to known facts about the subject property or about conditions external to the subject property. There are no hypothetical conditions for this appraisal assignment.
DEFINITION OF VALUE

Market Value is defined as follows:

"The most probable price which a property should bring in a competitive and open market under all condition 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 are the consummation of a sale as a specified date and the passing of title from seller to buyer under conditions whereby:

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

Sources: Department of the Treasury-- Office of Thrift Supervision (12 CFR Part 564.2) and Office of Comptroller of the Currency (12 CFR Part 34.42) and the Federal Deposit Insurance Corporation & Regulation (12 CFR Part 323.2)
SCOPE OF THE APPRAISAL INVESTIGATION

The appraisal analysis of the subject property will be completed in several individual phases: general data collection, neighborhood data collection, data collection on the subject property, market data collection, analysis of all collected data, highest and best use analysis, valuation of the subject property, and preparation of the appraisal report. These phases are described below:

GENERAL DATA COLLECTION

This involves the collection of data on national, regional, state, and local trends, and an identification and analysis of the social, economic, environmental, and governmental forces affection the market value of the subject property.

NEIGHBORHOOD DATA COLLECTION

This aspect of the appraisal involves inspection of the subject property neighborhood; collection and analyzing data on growth trends in the area, demographics of the area, physical characteristics, utilities available to the area, and public or private infrastructure.

DATA COLLECTION ON THE SUBJECT PROPERTY

This phase of the appraisal process involves a physical inspection of the subject property, the people with knowledge of the subject property and with knowledge of the daily operations of the subject property are interviewed, site plans and specifications for the subject property are reviewed, information such as zoning and real estate tax information are gathered, and the overall condition of the subject property is determined. This Appraiser spoke with Mr. Stuart Coleman, one of the current property owners January 21, 2022, to arrange an inspection of the subject property. The subject property was inspected by this Appraiser on January 24, 2022. Mr. Coleman provided this Appraiser with access to the subject property building. This Appraiser measured the exterior of the subject property building and inspected the exterior and interior of the subject property building. Mr. Coleman also provided this Appraiser with the current floor plan for the subject property building. An exterior drawing and the floor plan for the subject property building can be found in a later sections of this appraisal report. Photographs of the exterior and interior subject property building taken by this Appraiser at the time of inspection can be found in a later section of this appraisal report.

MICHAEL A. WHITE, GAA
Zoning information for the subject property was obtained from the City of Charleston. A copy of the most recent deed for the subject property as obtained by this Appraiser from the Charleston County Register of Deeds Office can be found in the addendum of this report. Other information (plat, real estate taxes, etc.) regarding the subject property was obtained from various Charleston County departments and can be found in later sections of this appraisal report. As of the date of this appraisal report, this Appraiser is not aware of any physical, functional, locational, or marketing risk factors negatively affecting the subject property.

MARKET DATA COLLECTION AND ANALYSIS OF ALL DATA

This phase of the appraisal process the investigation and confirmation of comparable sales data for vacant land sales and improved properties similar to the subject property; collection of rental and income information; inspection of comparable land sales and improved property sales; collection of market information relating to capitalization rates, operating expenses, and yield requirements of the typical investor, and information on construction costs for properties such as the subject property. This Appraiser has used information from local real estate agents, brokers, developers, county tax records, office files and the local multiple listing service in gathering sales and rental information used in this appraisal report.

MARKET DATA INTERVIEWS

This Appraiser has used information from local real estate agents, brokers, developers, county tax records, office files and the local multiple listing service in gathering sales and rental information used in this appraisal report. Specifically, this Appraiser has relationships with various commercial real estate brokers in the immediate subject property market area. Specific real estate brokers and developers interviewed include Mr. Hagood Morrison of Bridge Capital, Mr. Anthony Kassis of Real Capital Management, Mr. Matt Sloan, former President of the Daniel Island Company and Mr. Gary Shahid, a local real estate developer. All of the real estate brokers and developers interviewed are professionals with extensive experience in the development, sale and leasing of properties considered similar to the subject property. Additionally, this Appraiser has interviewed buyers and sellers of commercial properties in the subject property market area and surrounding similar market areas. As of the date of this appraisal report, the general opinion of most real estate professionals (appraisers, brokers, developer, speculators, etc.) is that

MICHAEL A. WHITE, GAA
values for commercial properties in the subject property market area and surrounding similar market areas are increasing as market demand has significantly increased in the subject property market area and surrounding similar market areas over the past several years. This Appraiser is also of the opinion that property values in the subject property market areas and surrounding similar market areas are increasing as of the date of this appraisal report.

HIGHEST AND BEST USE ANALYSIS

This phase of the appraisal process involves analyzing all of the previously collected data and determining the Highest and Best Use of the subject property within the framework of supply and demand, legal uses of the subject property, possible physical uses of the subject property, feasible uses of the subject property and the maximally productive use of the subject property as if vacant land or as improved property.

VALUATION OF THE SUBJECT PROPERTY

In this phase of the appraisal process, the Sales Comparison Approach is used to render an opinion of Market Value for vacant land. In rendering an opinion of Market Value for improved properties, the Sales Comparison Approach, the Cost Approach, and the Income Approach are generally applied to the subject property. These three approaches are then reconciled into an opinion of Market Value the subject property. In the case of the subject property, this Appraiser is of the opinion that the Cost Approach to Value is not applicable or a reliable indicator of the as complete Market Value of the subject property. Therefore, this approach to value will not be utilized in this appraisal report. This Appraiser is of the opinion that the Sales Comparison Approach and the Income Approach are applicable and will render credible indications of the as complete Market Value of the subject property. Thus, the Sales Comparison Approach to Value and the Income Approach to Value will be utilized in this appraisal report. A complete and detailed discussion of all three approaches to value can be found in later sections of this appraisal report.

PREPARATION OF THE APPRAISAL REPORT

The final phase of the appraisal process is the preparation of full, completed written appraisal report as per the request of the client, Mrs. Florence Peters of the City of Charleston Department of Housing and Community Development

MICHAEL A. WHITE, GAA
Charleston, South Carolina was incorporated in 1783 and has been described as “America’s Most Historic City”. English colonists established the original settlement in 1670 under a grant from Charles II, King of England. The city was then named “Charles Town” in honor of the king. The City of Charleston itself is a peninsula of land situated at the confluence of the Cooper River and the Ashley River. These two rivers meet to form what is known as the Charleston Harbor, the entrance of which is located approximately five to six nautical miles from the Atlantic Ocean. The City of Charleston is one of America’s most beautifully preserved architectural and historic treasures, with a rich 300-year history.

The City of Charleston is located in Charleston County, which is a long, narrow county approximately 10 to 15 miles deep and 91 miles long. Berkeley County and Dorchester County adjoin Charleston County to form a three-county region known as the Tri-County Area. The Tri-County Area covers approximately 3,842 square miles. Charleston and Berkeley Counties are the largest of the three counties. The two largest municipalities in Tri-County area are the City of Charleston and the City of North Charleston. Other large and growing municipalities in the Tri-County area include the Town of Mount Pleasant, the City of Goose Creek, the Town of Summerville, and the City of Hanahan. Other smaller municipalities in the Tri-County area include the Town of Sullivan’s Island, the City of Isle of Palms, the City of Folly Beach, the Town of Moncks Corner, the Town of Bonneau and numerous other individual smaller municipalities.

**POPULATION:**

The latest United States census, which was completed in 2017, places the estimated population for the Tri-County area at 761,159 with projected population of over 850,000 by the year 2030. The 2016 census estimated the population for the five largest cities in the Tri-County area as follows: City of Charleston at 134,385 people, the City of North Charleston at 109,298 people, the Town of Mount Pleasant at 84,170 people, the City of Goose Creek at 42,039 people and the Town of Summerville at 49,323 people. Since 2000, the Tri-County area has seen a population increase of over 38%. The projected Tri-County population of over one million people by 2030 would indicate that this trend will continue and actually increase over the next two decades.
The rapidly increasing population trends for the Tri-County Area are reflected in the following chart:

<table>
<thead>
<tr>
<th>AREA</th>
<th>2000</th>
<th>2010</th>
<th>2020</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berkeley</td>
<td>142,651</td>
<td>178,779</td>
<td>214,740</td>
<td>+50.54%</td>
</tr>
<tr>
<td>Charleston</td>
<td>309,969</td>
<td>351,289</td>
<td>401,738</td>
<td>+29.61%</td>
</tr>
<tr>
<td>Dorchester</td>
<td>96,413</td>
<td>137,651</td>
<td>158,881</td>
<td>+64.79%</td>
</tr>
<tr>
<td>Tri-County</td>
<td>549,033</td>
<td>667,719</td>
<td>7775,359</td>
<td>+42.22%</td>
</tr>
</tbody>
</table>

Today, approximately three and a half times as many people are living the Tri-County Area as there were in 1950. In the 1980s, Dorchester County had the second highest growth rate in the state, while Berkeley County, the third highest. Population growth slowed during the 1990’s, due in part to the closing of the Charleston Navy Base and Hurricane Hugo. From 2010 to 2020, the tri-county area had three of the five fastest growing counties in the state. The majority of the fastest growing areas in the State of South Carolina are located within the Tri-County area and just outside of the Tri-County area along the coast of South Carolina.

CLIMATE

The Tri-County Area, or the “Lowcountry”, as it is referred to locally, is a relatively flat, coastal region of the state. The Lowcountry enjoys a moderate to mild climate. The average daily temperature is the Tri-County area is a high of 75 degrees and a low of 56.1 degrees. During the winter months, low temperatures average around the mid 40’s and during the summer months, high temperatures average in the upper 80’s. The average elevations for the area range from sea level to no more than eighty (80) feet above mean sea level. The Tri-County area is a very humid region and rain can be a daily occurrence on summer afternoons. The average annual rainfall is just over fifty inches (50.22”) and the average humidity is eighty six percent (86%). During the hurricane season, it is not uncommon for high tides and excessive rains to cause shallow flooding in the low elevations of the area.
ECONOMY:

For years, the economy of the Tri-County area was heavily based on three economic forces: government, the seaport and tourism. The government employed one in four people at the beginning of 1990. However, as a result of the closing of the Charleston Naval Shipyard and Naval Complex, coupled with the significant growth of such industries as tourism, health care and the Port of Charleston, a significant shift has occurred. Today, the largest employment field in the Lowcountry is in the services sector, i.e., hotels and accommodations, healthcare, and other professional business services. Since January of 1995, the region has recorded more than $4.7 billion in new capital investment and has announced the creation of more than 29,500 new jobs. The economy of the Tri-County area has successfully transitioned from a government-oriented economy to a more diverse private sector-oriented one. The Tri-County area has a total civilian labor force of approximately 397,195 people of which approximately 386,850 were employed according to the projected 2020 labor force figures. Total unemployment is 10,3440 people, which equates to an unemployment rate of 2.6%. The following chart summarizes the current employment (2019) by sector for the Tri-County area as provided by the Charleston Metro Chamber of Commerce:

<table>
<thead>
<tr>
<th>Employment Sector</th>
<th>% of Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Resources:</td>
<td>6.01%</td>
</tr>
<tr>
<td>Manufacturing:</td>
<td>7.41%</td>
</tr>
<tr>
<td>Transportation and Utilities:</td>
<td>18.44%</td>
</tr>
<tr>
<td>Information:</td>
<td>1.70%</td>
</tr>
<tr>
<td>Financial Activities:</td>
<td>4.31%</td>
</tr>
<tr>
<td>Professional and Business Services:</td>
<td>15.83%</td>
</tr>
<tr>
<td>Educational and Health Services:</td>
<td>11.42%</td>
</tr>
<tr>
<td>Leisure and Hospitality:</td>
<td>12.93%</td>
</tr>
<tr>
<td>Other Services:</td>
<td>3.91%</td>
</tr>
<tr>
<td>Government:</td>
<td>18.04%</td>
</tr>
</tbody>
</table>

The Tri-County area and especially the Charleston area has long been a major tourist attraction along the eastern seaboard. The economic impact of the tourist industry and business visitors is estimated at over five billion dollars annually. Visitors to the Charleston area spend on the average of $212 per person per day and provided an estimated 86,000 jobs directly and indirectly for area residents. The Tri-County area has numerous attractions for visitors to the area. Such attractions include: the Charleston Museum, America's first
museum; Fort Sumter, the manmade fortress where the Civil War began; Patriot’s Point, the world’s largest naval and maritime museum and home to the WWII aircraft carrier Yorktown; and Fort Moultrie, scene of the first decisive American victory of the Revolution, Charleston’s Aquarium Wharf, home to the South Carolina Aquarium, IMAX Theater, the Charleston Maritime Center, Magnolia Gardens, Middleton Plantation, the beaches, golf courses and numerous and varied attractions and facilities.

In addition to the impressive tourist industry, the Tri-County area has one of the Southeast’s most notable medical hubs. There are approximately 24,000 people employed in the region’s ten (10) major hospitals and medical facilities and an estimated 32,000 people employed in the area’s medical industry overall. The largest of the concentration of the area’s health care industry surrounds the Medical University of South Carolina (MUSC), which is located on the peninsula in the downtown area of the City of Charleston. The Medical University is located on more than fifty (50) acres of land on the peninsula and continues to rapidly expand. There six MUSC colleges which provided a superb and nationally recognized education. Additionally, there are numerous patient care facilities, which also provide superb care and are also nationally recognized in such areas as cardiology, cancer, and pediatrics.

The second largest presence in the medical industry is Roper/St. Francis Healthcare, which operates the Roper and Bon Secours St. Francis Hospitals as well as other smaller medical branches and medical facilities throughout the Tri-County area. The hospital employees approximately 3,800 people and have a total of approximately 584 beds in the tri-county area. Roper/St. Francis Healthcare has received numerous national awards for healthcare, patient satisfaction, and facilities over the past several years. In addition to MUSC and Roper/St. Francis Health care, other major hospitals in the area include Charleston Memorial, East Cooper Regional Medical Center, Trident Health System, and the V.A. Medical Center.

The Port of Charleston is one of the nation’s top-ranked port facilities. The Port of Charleston is the largest container port along the Southeast and Gulf coasts, second on the entire east coast and ranks fourth nationwide. On the entire East and Gulf coasts, only the Port of New York and the Port of New Jersey handle more containers that of the Port of Charleston. The Port of Charleston handles approximately two million units (twenty-foot equivalent units) of cargo annually. The Port of Charleston currently operates five terminals within the area and plans are currently being made for a sixth, state
of the art facility located at the former Charleston Naval Base. There are an estimated 54,000 port related jobs in the region, pumping more than three billion dollars into the local economy. These related jobs include: the trucking industry, stevedores, longshoreman, steamship lines, tugboat companies, custom house brokers, freight forwarders and numerous other companies.

Although the military presence in the Tri-County area has dramatically declined over the past two decades, the military remains one of the largest employers in the area. In total there are approximately 22,000 active duty, reserve personal, civilians and civilian contractors employed in the area by the area’s defense facilities. The largest military facility and employer is the Charleston Naval Weapons Station with over forty (40) separate commands and a total of thirteen thousand (13,000) employees. The second largest military employer is the Charleston Air Force Base which is home to fifty-three (53) C-17 aircraft and employs approximately seven thousand (7,000) people. Another major military employer in the area is the Space and Naval Warfare Systems Center (SPAWAR) which is a high technology, engineering facility that designs, builds, tests, fields and supports the Navy as well as other federal customers. SPAWAR employs over 1,200 people directly and supports an estimated 7,000 local defense contractors in the area. Other major military employers in area include the Nuclear Power Training Command and the Nuclear Power Training Units, Naval Facilities Engineering Command, and the Army.

The following chart summarizes the ten largest employers in the Tri-County area according to figures provided by the Charleston Metro Chamber of Commerce:

<table>
<thead>
<tr>
<th>Employer</th>
<th># of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Joint Charleston Military Bases</td>
<td>22,000</td>
</tr>
<tr>
<td>2. MUSC</td>
<td>13,000</td>
</tr>
<tr>
<td>3. Boeing</td>
<td>7,000</td>
</tr>
<tr>
<td>4. Berkeley County School District</td>
<td>6,600</td>
</tr>
<tr>
<td>5. Charleston County School District</td>
<td>6,500</td>
</tr>
<tr>
<td>6. Roper/St. Francis Healthcare</td>
<td>5,500</td>
</tr>
<tr>
<td>7. Dorchester County School District</td>
<td>3,900</td>
</tr>
<tr>
<td>8. Charleston County Government</td>
<td>2,600</td>
</tr>
<tr>
<td>9. Trident Health System</td>
<td>2,500</td>
</tr>
<tr>
<td>10. Wal-Mart</td>
<td>2,300</td>
</tr>
</tbody>
</table>
Over the past several years, there have been a number of announcements that have dramatically impacted and will dramatically impact the local economy for many decades. In October of 2009, Boeing announced that North Charleston was selected as the home of new Boeing 787 assembly plant. The assembly plant was an expansion of the existing 584,000 square foot existing facility in North Charleston and was completed in April 2012. Additionally, in December of 2013, Boeing announced additional plans for expansion at their North Charleston facility. This will be a more than a billion-dollar investment in additional facilities. In the second half of 2014, the company began construction on 230,000 square foot building to paint the 787 Dreamliner airplanes. The building was completed in 2015. The new paint facility and additional expansion will create an additional 2,000 jobs in the immediate future. In 2009 Google completed a six hundred-million-dollar data center in Goose Creek. In 2011 it was announced that Google is expanding the data center. This facility will eventually employ several thousand workers. And in December of 2013, Benefitfocus, a healthcare software company, announced that it was investing over sixty million dollars and adding 1,200 jobs to their existing facilities on Daniel Island. Construction of a new 125,000 square foot office building and an additional visitor’s center was completed early 2015. These major employment announcements over the past several years will greatly enhanced the economic and employment future for the Charleston region.

LOCATION:

The Tri-County area is located half-way between New York City and Miami. The chart on the following page of this appraisal report indicates the distance to major cities from the Tri-County area:

- Atlanta, GA 291 miles Miami, FL 590 miles
- Chicago, IL 906 miles New York, NY 768 miles
- Los Angeles, CA 2,458 miles Washington, DC 532 miles

TRANSPORTATION:

The road system in and around the Tri-County area is considered to be particularly good. The area is served by the following three (3) US interstates: Interstate 26, Interstate 526, and Interstate 95. The area has five (5) US primary highways: Highway 17, Highway 52, Highway 78, Highway 176, and Highway 701. The area is also served by seventeen (17) SC highways.

MICHAEL A. WHITE, GAA
The Tri-County area is served by one international airport and six private executive airports. The Charleston International Airport is located ten miles northeast of downtown Charleston. The terminal complex consists of 300,000 square feet and handles over one million six hundred thousand (1,600,000) passengers per year flying to major cities throughout the United States and Europe via five major airlines. The Tri-County area is served by three railroad lines. These railroad lines include Norfolk Southern, CSX System and Amtrak. The area is also serviced by one local bus service, which is the Charleston Area Regional Transportation Authority (CARTA).

EDUCATION:

There are four school districts serving approximately 93,500 students in approximately 137 schools (grades K-12) in the tri-county area. The Tri-County area enjoys a fine college and university system that includes the Medical University of South Carolina, Charleston Southern University, The Citadel, The College of Charleston, and Trident Technical College. Additionally, there are nearly one hundred (100) private and parochial schools that serve the Tri-County area providing alternatives to public education. The primary and secondary public education system is administered by each of the respective counties.

CHARLESTON COUNTY:

Charleston County is a long, narrow county approximately 10 to 15 miles deep and 91 miles long. Charleston County is the largest of the three counties in the area and consists of a total of 1,357.14 square miles, which includes all land and water area. According to the 2017 United States census figures, Charleston County had a population of 396,484 people. The population in Charleston County increased 27.91% from a 2000 population of 309,969 to its current population of 396,484. Charleston County is currently the third most populated county in the state. The male population of the county is approximately 48.4% and the female population is approximately 51.6% according to the 2016 United States census data information. The largest municipalities in Charleston County are the City of Charleston, the City of North Charleston, and the Town of Mount Pleasant. According to the 2016 census, the City of Charleston has a population of 134,384 people, the City of North Charleston had a population of 109,298 people and the Town of Mount Pleasant had a population of 84,170 people. Other municipalities with populations in Charleston County according to the 2016 census data include: Awendaw (1,294 people), Folly Beach (2,617 people).
people), Hollywood (4,714 people), Isle of Palms (4,133 people), Kiawah Island (1,626 people), Lincolnville (1,139 people), McClellanville (499 people), Meggett (1,226 people), Ravenel (2,465 people), Rockville (134 people), Seabrook Island (1,714 people) and Sullivan’s Island (1,791 people). Based on population, the City of Charleston is now the largest city in the state and the City of North Charleston is the 3rd largest city in the state. Charleston County has experienced a tremendous amount of growth over the past decade. The majority of this growth has taken place in the Mount Pleasant and East Cooper area. Currently the City of North Charleston is experiencing a tremendous amount of growth. The growth of the City of North Charleston should continue well into the future as numerous re-development projects (Noisette, Century Oaks, etc.) are currently in their early phases. The other outlying municipalities in Charleston County have experienced steady growth over the past decade. This growth trend should continue well into the foreseeable future.

BERKELEY COUNTY:

Berkeley County is the second largest of the three counties comprising the Tri-County area. Berkeley County consists of a total of 1,229.23 square miles, which includes all land and water area. According to the 2016 United States census data information, Berkeley County had a population of 210,898 people, which is up from the 2000 population of 142,651 and indicates an increase of 47.84% from 2000 to 2016. The largest municipality in Berkeley County is the City of Goose Creek, which is the eleventh (11th) largest municipality in the state. According to the 2016 census data, the City of Goose Creek had a population of 42,039 people. Other municipalities with populations in Berkeley County according to the 2016 census include: Bonneau (487 people), Hanahan (17,997 people), Jamestown (76 people), Moncks Corner (7,885 people) and St. Stephen (1,697 people). Berkeley County is currently experiencing a tremendous amount of residential growth. The areas of Daniel Island, the City Goose Creek, Hanahan and Carnes Crossroad in the Summerville area of Berkeley County are experiencing the majority of the development in Berkeley County. This growth trend in Berkeley County should continue well into the foreseeable future.

DORCHESTER COUNTY:

Dorchester County is the smallest of the three counties comprising the Tri-County area. Dorchester County consists of a total of 576.74 square miles, which includes all land and water area. According to the 2016 United States
census data information, Dorchester County had a population of 153,777 people, which is up from the 2000 population of 96,403 and indicates an increase of 59.50% from 2000 to 2016. The largest municipality in Dorchester County is the Town of Summerville, which is the seventh (7th) largest municipality in the state. According to the 2016 census, the Town of Summerville had a population of 49,323 people. Other municipalities with populations in Dorchester County according to the 2016 census include: Harleyville (6771 people), Reevesville (196 people), Ridgeville (1,979 people) and St. George (2,082 people).

Dorchester County is also experiencing a tremendous amount of growth and development. The majority of the recent development the county is situated along the Dorchester Road area in the City of North Charleston and in the Town of Summerville. This growth trend in Dorchester County should continue well into the foreseeable future.

In conclusion, the major influences of the value of real estate that are economic, physical, social, and governmental, all appear to be relatively well balanced in the Tri-County area. The Tri-County area has experienced unprecedented and historical growth over the past decade. Based upon the economic, social, and governmental factors present in the Tri-County area, growth and development should continue well into the foreseeable future.
REGIONAL LOCATION MAP IDENTIFYING THE SUBJECT PROPERTY
NEIGHBORHOOD DESCRIPTION

The subject property parcel is located on the north side of Cunnington Avenue at its intersection with Skurvin Street and just east of its intersection with Meeting Street Road in the City of Charleston. For the purposes of this appraisal report, the immediate subject property neighborhood boundaries have been defined as the City of North Charleston to the north, Calhoun Street to the south, the Ashley River to the west and the Cooper River to the east.

The subject property parcel is located in what is known as the “Neck” area of the City of Charleston. This is the area located between the City of Charleston and the City of North Charleston and links the two cities. King Street Extension and Meeting Street Extension are the two main traffic thoroughfares in the area and the two traffic thoroughfares that link the City of Charleston to the City of North Charleston thorough this area. Historically, this area has been occupied by small and large industrial properties. Large industrial properties in the neighborhood include: the old MacAlloy plant, Exxon, Albright and Wilson, fuel storage facilities and several shipyards. Small businesses in the area include various automobile repair facilities, several individual office buildings, several construction companies, electrical companies, and other related businesses. The neighborhood also includes some low-income housing and a hodgepodge of small businesses and night clubs.

Throughout the years, the character of “The Neck” has continued to change. Over a decade ago many of the businesses in the area moved out of this area due to the fact the area had become less desirable for business operation. A great concern for this area has always been the possible contamination of sites due to the heavy industrial uses that have taken place for decades in the area. Many of the sites in this industrial area are known to have soil contamination and more than likely there are other sites in the area that have soil contamination.

However, in the past several years there has been a substantial increase in business activity in “The Neck”. In the past several years, numerous buildings along Meeting Street Road have been sold and new businesses have moved into these buildings. The vast majority of these buildings have been significantly renovated. There are significant plans for re-development of numerous properties in the neck area. The vast majority of these buildings have been significantly renovated. Newer developments in the immediate area include: the 430 bed student housing development at 930 Morrison Drive, just south of

MICHAEL A. WHITE, GAA
the subject property, and opened in Fall of 2015, the new Home Team barbeque restaurant located on William Street, Butcher and Bee restaurant located on Morrison Drive, the recently developed Citadel Storage warehouse facility, 1600 Meeting Street Road, which is a mixed use development consisting of office and retail space, Edmund’s Oast restaurant and pub located at 1081 Morrison Drive, the Half Mile North office building located at Morrison Drive and William Drive, which is an office building for tech firms and the Brigade Street Apartments, which is a proposed 275 unit apartment building with some commercial space that will be located at 107 Brigade Street. Another one of the early redevelopment projects in the area is the One Cool Blow Street development. This is a fifty-eight (58) condominium unit horizontal property regime located in three (3) modern buildings situated along Cool Blow Street, Nassau Street and Hanover Street. The development was built in 2008 and was inspired by the institutional and industrial architectural designs of buildings located in Charleston in the 19th century, such as the Cigar Factory and the Murray Vocational School. The buildings have a modern flare, and all three (3) buildings are LEED certified. The development consists of six (6) commercial units and fifty-two (52) residential units. The first building consists of two (2) commercial units and twenty-six (26) residential units. The residential units in this building range in size from 822 square feet to 1,214 square feet. The second building consists of two (2) commercial units. The third building consists of two (2) commercial units and thirty (30) residential units. The residential units in this building range in size from 822 square feet to 1,214 square feet. Another one of the other completed redevelopment projects in “The Neck” is the Meeting Street Academy School located at the corner of Meeting Street very near the subject property. This is public/private school that opened in 2008 and has continued to successfully grow throughout the years. The success of the school has created a need to expand the school, which began in the Fall of 2015 and is expected to be completed by the Fall of 2016. Another project that was just completed in this area in August of 2013 is the East Central apartment development on Huger Street. This development consists of seventy-two (72) modern, up-scale apartments renting from $850 per month to $1,800 per month. The developers sold the apartment complex in April of 2015 for $12,400,000 or $172,222 per apartment unit. The purchaser also purchased the property across the street from the East Central development and plans to development another similar apartment complex on the site.

One of the main proposed re-development projects located within “The Neck” is the Magnolia development. The Magnolia development is a one hundred (100) acre tracts of land located just northwest of the subject property along
the banks of the Ashley River. This development project was proposed over a
decade ago; however, the original developers had financial problems during
the last recession and the property was never developed. However, last year
new owners, WestRock, Pope & Land and Branch Properties, purchased the
property and a mix use development plan has been approved by the City of
Charleston. The development will consist of a mixture of office buildings,
retail buildings and multi-family development and hospitality buildings.
Development is scheduled to begin in early 2018 with a scheduled build out of
approximately fifteen (15) years.

The subject property is located south of the former Charleston Naval Base,
which represents the largest redevelopment effort in the City of North
Charleston. The former Charleston Naval Base is the largest commercial
property in the immediate subject property neighborhood. Many of the
businesses in the immediate subject property neighborhood served those who
worked and were stationed at the former base. The northern portion of the
former Charleston Naval Base was transferred to the City of North
Charleston, which in turn sold a large portion of this property to the Noisette
Company in July of 2003. The Noisette Company developed a master plan to
redevelop this portion of the former base and to redevelop the immediate
areas surrounding the former naval base. This is a master plan encompassing
a total of approximately 2,800 acres of land in the City of North Charleston.
The redevelopment plan was to incorporate residential, commercial, and
industrial properties along with preservation of land along Noisette Creek.
The master redevelopment plan also called for improvements to schools,
infrastructure, streetscapes, and utilities. The majority of funding for the
redevelopment plan would have come from a $300 million of tax increment
financing bond. This bond will be issued from the redevelopment and re-
financing of the existing improvements at the former naval base.

However, from the beginning financial problems plagued the redevelopment
efforts of the Noisette Company. In December of 2010, the Noisette Company,
through the foreclosure process lost ownership of the majority of the property
on the northern end of the base that it once controlled. In October of 2013,
the remaining fifty-three (53) acres of land and existing improvements on the
acreage owned by the Noisette Company was sold to the South Carolina
Department of Commerce, thus ending the Noisette Company era at former
Charleston Naval Base. The southern portion of the former base has been
slated to be the home of the new South Carolina State Ports Authority
shipping terminal. The state legislature has passed legislation authorizing

MICHAEL A. WHITE, GAA
this site to be developed for the State Ports Authority and the state legislature has also appropriated millions of dollars for the infrastructure for the project. This infrastructure includes new roads, new overpasses and new interstate spur that will direct port traffic directly onto the new shipping terminal and way from adjacent residential neighborhoods. Development of the new shipping terminal is proceeding as planned as of the date of this appraisal report. The new shipping terminal is scheduled to be completed in the Fall of 2021 according to the current plans.

Additionally, just north of the planned shipping terminal on the former base site, the State of South Carolina has built an intermodal container facility that will service the shipping terminal and the highway system. Access to the proposed intermodal container facility will be through a proposed new railway system. In December of 2012, the State of South Carolina settled a lawsuit brought by the City of North Charleston regarding railway access to the proposed intermodal container facility. The settlement clears the way for the development of the intermodal container facility. The railway division of the South Carolina Department of Commerce is currently working on a master plan for the development of the land owned by the state for the planned intermodal container facility at the base.

The subject property neighborhood has always been one of the most heavily developed (commercial, residential, and multi-family) areas in the City of North Charleston. This area is attractive due to its central location with the city and due to the access that this area has to the main and secondary traffic thoroughfares in the City of North Charleston. The subject property neighborhood is one of the most important areas of the City of North Charleston and should remain so well into the foreseeable future as commercial and residential development continues.
NEIGHBORHOOD LOCATION MAP IDENTIFYING THE SUBJECT PROPERTY
SITE DESCRIPTION

The subject property site is a rectangular shaped parcel of land that is located at the intersection of Cunnington Avenue and Skurvin Street on the peninsula City of Charleston. The subject property site contains a total of approximately 3,596 square feet (0.08 acres) of land area according to the recorded plat of the subject property site obtained from Charleston County and according to the subject property deed. A copy of this recorded plat identifying the subject property site can be found in this section of the appraisal report. Additionally, this Appraiser has included various other maps (county maps, etc.) further identifying the subject property site. Copies of these maps identifying the subject property site can be found in this section of the appraisal report.

The subject property is currently improved with a one and on half story office building that contains approximately 3,136 square feet. A complete and detailed discussion of the existing subject property improvements can be found in a later section of this appraisal report.

The subject property site has frontage along Cunnington Avenue a distance of over thirty-six feet (36.9’) according to the recorded plat and subject property deed. The western property line measures over ninety-nine feet (99.93’) and the eastern property line along Skurvin Street measures over one hundred feet (100.4’) according to the recorded plat and the subject property deed. The rear subject property line measures over thirty-four feet (34.91’) according to the subject property plat and the subject property deed.

Access to the subject property site is via Cunnington Avenue or Skurvin Street, which are both public rights-of-way along the subject property site. The property site is also improved with off-street parking at the rear of the subject property building The subject site has available all usual urban utilities that include public water, public sewer, electricity, telephone, etc. Police and Fire protection are provided to the subject site by the City of Charleston.

The subject property site is identified as parcel number 118 by the Charleston County Assessor on Charleston County tax map 464-14-00. The subject site is located in non-hazard Flood Zone X according to F.E.M.A. Community Panel 45019C0504K dated January 29, 2021. However, the final flood zone determination for the subject site should be made by a current, individual survey of the site. The subject site is located in Census Tract 0054.00.

MICHAEL A. WHITE, GAA
Unless otherwise stated in this appraisal report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the subject property were not called to the attention or nor did this Appraiser become aware of such during the inspection of the subject property. This Appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. This Appraiser, however, is not qualified to test for such substances. The presence of such hazardous substances may affect the opinion of value for the subject property. The opinion of value reported in this report is predicated on the assumption that no such hazardous substances exist on or in the subject property or in such proximity thereto which would cause a loss in value. This Appraiser assumes no responsibility for any such hazardous substances or for any expertise or knowledge required to discover such hazardous substances.
RECORDED PLAT IDENTIFYING THE SUBJECT PROPERTY SITE

CHARLESTON APPRAISAL COMPANY, LLC

MICHAEL A. WHITE, GAA
CHARLESTON COUNTY TAX MAP IDENTIFYING THE SUBJECT PROPERTY SITE
CHARLESTON COUNTY GIS MAP IDENTIFYING THE SUBJECT PROPERTY SITE
CHARLESTON COUNTY 2021 GIS AERIAL MAP
IDENTIFYING THE SUBJECT PROPERTY SITE

11 Cunnington Avenue, Charleston, SC 29405

Note: The Charleston County makes every effort possible to produce technically accurate information. The figures contained in the map service are for informational purposes only. The Charleston County makes no warranty, expressed or implied, to the correctness, accuracy, completeness or usefulness of any of the information provided. The County specifically disclaims all representations and warranties. The user agrees to hold harmless the Charleston County for any cause of action and costs associated with any causes of action arising out of a consequence of the County providing the information.

Author: Charleston County GIS
Date: 10/20/2021

MICHAEL A. WHITE, GAA
FLOOD MAP IDENTIFYING THE SUBJECT PROPERTY SITE
ZONING

The subject property parcel is currently under the zoning ordinance of the City of Charleston. This Appraiser has spoken with an employee of the City of Charleston Planning Department, and I was informed that the subject property parcel is currently zoned Light Industrial (LI). The Light Industrial zoning district is intended to provide for a broad range of industrial uses. This is the least restrictive zoning district. Permitted uses under this zoning classification include dog kennels and dog service, landscape companies, construction companies, clothing stores, railroad and transportation, offices, electrical substations, lumber stores, food stores, boat dealerships, restaurants (without drive-thru windows), bars and taverns, art galleries, banks, insurance companies, real estate companies, barber shops, tattoo parlors, etc. The Light Industrial zoning district does not have any minimum setback requirement. The maximum height in this zoning district is fifty-five feet (55’). The current improvement, an office building, conforms to the present Light Industrial (LI) zoning classification by the City of Charleston.

REAL ESTATE TAXES

According to the information obtained by this Appraiser from the Charleston County Treasurer’s office, the 2021 real estate taxes for the subject property is $7,627.44. As of the date of this appraisal report, the 2021 real estate taxes for all three subject property units have been paid in full.

It is important to note that the 2006 statewide property tax law instructs all county assessors to appraise all properties at current Market Value, upon sale, beginning in 2007. Once a property is sold, the new appraised value would be for the following year. Taxes for the subject property the following year could be significantly increased under this law. Additionally, the statewide law calls for any property to be re-appraised if there are any new leases or lease renewals of twenty (20) years or more. The law also caps all properties at the previous reassessment value, plus no more that fifteen percent (15%) on subsequent reassessments. State law requires new assessments every five (5) years.
SALES HISTORY OF THE SUBJECT PROPERTY

The subject property sold to the current property owner for $650,000 on June 25, 2019, according to the Charleston County tax records for the subject property. A copy of this deed for this transaction as obtained by this Appraiser can be found in the addendum of this appraisal report. This is the only sale or transfer of the subject property in the past five years according to the Charleston County tax records for the subject property.

The subject property is not currently for sale and has not been for sale in the past twelve months according to the information provided to and obtained by this Appraiser. The subject property is not currently under contract of sale according to the information provided to and obtained by this Appraiser.
DESCRIPTION OF THE IMPROVEMENTS

The subject property is presently improved with a one- and one-half office building that contains a total of approximately 3,136 square feet. The subject property building contains approximately 2,602 square feet on the first floor and approximately 534 square feet on the second floor.

The subject property building was built as 1993 according to the Charleston County tax records. However, current property owner significantly renovated the subject after purchasing the subject property in 2019. An exterior drawing and current floor plan for the subject property building can be found in this section of the appraisal report.

The interior of the first-floor interior of the subject property building consists of an entrance/secertary area, conference room, foyer, five (5) individual offices, large open office area, kitchen and two (2) bathrooms. The interior of the second-floor interior of the subject property building consists of two (2) individual offices, open office area and a bathroom.

The subject property building was built in 1993 according to the Charleston County tax records. Thus, the actual age of the subject property building is twenty-nine (29) years. However, the subject property building has been significantly renovated by the current property owners. As of the date of this appraisal report, the subject property building is in good condition in the opinion of this Appraiser. The effective age of the subject property building is approximately ten (10) years in the opinion of this Appraiser. The remaining economic life of the subject property building is estimated to be approximately fifty (50) years in the opinion of this Appraiser. The subject property is of good overall quality of construction in the opinion of this Appraiser. The subject property building is a typical office building for the subject property market area and surrounding similar market areas.

The following is a detailed description of the type of construction for the subject property building based upon an inspection by this Appraiser:

Foundation: Concrete Slab Space Foundation
Exterior Walls: Stucco Exterior Walls
Interior Walls: Sheetrock Interior Walls

MICHAEL A. WHITE, GAA
<table>
<thead>
<tr>
<th>Feature</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roof</td>
<td>Metal Roof</td>
</tr>
<tr>
<td>Floor</td>
<td>Finished Exposed Concrete and Carpet Floors</td>
</tr>
<tr>
<td>Windows</td>
<td>Single Pane Windows</td>
</tr>
<tr>
<td>Heating/Air System</td>
<td>Three (3) Mounted HVAC units</td>
</tr>
<tr>
<td>Parking</td>
<td>On-site Parking Area (front and side)</td>
</tr>
<tr>
<td>Electrical</td>
<td>Assumed in accordance with building codes</td>
</tr>
<tr>
<td>Plumbing</td>
<td>Assumed in accordance with building codes</td>
</tr>
</tbody>
</table>

The reader is referred to the following pages of this appraisal report for an exterior drawing and floor plan for the subject property building and exterior and interior photographs of the subject property building taken at the time of inspection by this Appraiser.
EXTERIOR DRAWING OF THE SUBJECT PROPERTY BUILDING

<table>
<thead>
<tr>
<th>SKETCH CALCULATIONS</th>
<th>Perimeter</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2922.4</td>
</tr>
<tr>
<td>First Floor</td>
<td>220.7</td>
<td>2922.4</td>
</tr>
<tr>
<td>A1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A1 ( A : 34.2 \times 76.2 ) =</td>
<td></td>
<td>2922.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Second Floor</td>
<td>85.0</td>
<td>535.6</td>
</tr>
<tr>
<td>A2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A2 ( A : 17.5 \times 30.8 ) =</td>
<td></td>
<td>535.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Living Area</td>
<td>316.7</td>
<td>3136.2</td>
</tr>
</tbody>
</table>

MICHAEL A. WHITE, GAA
FLOOR PLAN FOR THE SUBJECT PROPERTY BUILDING

MICHAEL A. WHITE, GAA
FRONT VIEW OF THE SUBJECT PROPERTY BUILDING

REAR VIEW OF THE SUBJECT PROPERTY BUILDING

MICHAEL A. WHITE, GAA
SIDE VIEW OF THE SUBJECT PROPERTY BUILDING

SIDE VIEW OF THE SUBJECT PROPERTY BUILDING

MICHAEL A. WHITE, GAA
STREET VIEW LOOKING DOWN CUNNINGTON AVENUE
INTERIOR VIEW OF THE SUBJECT PROPERTY

INTERIOR VIEW OF THE SUBJECT PROPERTY

MICHAEL A. WHITE, GAA
INTERIOR VIEW OF THE SUBJECT PROPERTY

INTERIOR VIEW OF THE SUBJECT PROPERTY

MICHAEL A. WHITE, GAA
INTERIOR VIEW OF THE SUBJECT PROPERTY

INTERIOR VIEW OF THE SUBJECT PROPERTY

MICHAEL A. WHITE, GAA
INTERIOR VIEW OF THE SUBJECT PROPERTY

INTERIOR VIEW OF THE SUBJECT PROPERTY

MICHAEL A. WHITE, GAA
HIGHEST AND BEST USE DEFINITION

The Fourteenth Edition, 2013, of The Appraisal of Real Estate, published by the Appraisal Institute defines Highest and Best Use as follows:

"The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria that highest and best use must meet are legally permissible, physical possibility, financial feasibility and maximum productivity."

Highest and Best Use analysis requires consideration of the Highest and Best Use of land as if vacant and available for development, as well as the Highest and Best Use as already developed with the existing improvements on-site. Four criteria must be examined to determine whether a use represents a property's Highest and Best Use. These are that the use be legally permissible, physically possible, financially feasible and maximally productive.
HIGHEST AND BEST USE

I. ASSUMING VACANT SITE

The Highest and Best Use of Vacant Land must meet four criteria:

A. Physically Adaptable
B. Legally Permissible
C. Financially Feasible
D. Maximally Productive

A. Physically Adaptable
Size, shape, area, and terrain affect the use to which land may be developed. The subject property is sufficiently regular to allow for utilization. Surface water runoff appears to be adequate. To the best of this Appraiser's knowledge, the soil or sub-soil has no glaring irregularities that would prevent development. The subject site has physical characteristics that would support utilization of the land.

B. Legally Permissible
The subject property parcel is presently zoned Light Industrial (LI) by the City of Charleston. This zoning classification allows for a wide range of commercial and light uses of the subject property parcel.

C. Financially Feasible
The financial feasibility of a product is best determined by comparing market value with acquisition and development costs. If acquisition and development costs are less than or equal to market value, then feasibility is implied. Evidence of probable uses for the subject site is a comparison of nearby land uses. In the immediate subject neighborhood, there are office buildings, restaurants, retail buildings, gasoline stations, single and multi-family homes, grocery stores, warehouses, apartment buildings, etc.

D. Maximally Productive
This Appraiser is of the opinion that the maximally productive use of the subject property site, as if vacant, is for commercial development. Such uses based on current market conditions and market demand would include: an office building, retail building, etc.

MICHAEL A. WHITE, GAA
II. Estimated Highest and Best Use Taking Into Consideration Existing Improvements

The Highest and Best Use of improved properties is their existing use until such time as land value less demolition cost is equal to or greater than total property value. The reader is referred to the Income Approach section of this appraisal report, in which the estimated income stream indicates that the existing improvements, an office building, are a viable improvement for the subject site. Therefore, this Appraiser is of the opinion that the Highest and Best Use of the subject property is its present use as an office building. The most likely purchaser of the subject property would be an owner occupant in the opinion of this Appraiser.
THE APPRAISAL PROCESS

Three approaches normally used by appraisers to render an opinion of Market Value are the Cost, Sales Comparison, and Income Approaches. Each is equally governed by the principle of substitution, which holds that "when several or commensurate commodities, goods, or services are available, the one with the lowest price attracts the greatest demand and widest distribution."¹ This principle assumes rational, prudent market behavior with no undue cost due to delay. According to the principle of substitution, a buyer will not pay more for one property for another that is equally desirable.

In the Cost Approach, the Appraiser obtains an indication of Market Value by rendering an opinion of the Market Value of the subject site, as if vacant, and adding to this an estimate of the depreciated replacement costs of the building and other improvements.

The Sales Comparison Approach is essential to almost every appraisal of real property. It is essentially based on the three-fold assumption that:

1. There is a market for a particular property.

2. That both buyer and seller are fully informed as to the property and state of the market for that type of property.

3. That the property would be exposed in the open market for a reasonable time.

The application of this approach produces an indication of Market Value for the subject property by comparing it with similar properties that have recently sold or are currently offered for sale in the same or competing areas. The sale prices of properties judged to be most comparable tend to set a range within which the value of the subject property will fall. Further examination of the data should lead to a logical indication of the subject's most probable selling price.


MICHAEL A. WHITE, GAA
The Income Approach produces an indication of Market Value through capitalization of a property's income earning potential over a projected holding period or its remaining useful life. Data normally required for this computation are rents from comparable properties, expense ratios, typical mortgage financing available to that property at the time of appraisal, and typical investor's desired return on equity. Data normally required for this computation are rents from comparable properties, expense ratios, typical mortgage financing available to that property at the time of appraisal, and typical investor's desired return on equity.

The three approaches will seldom indicate the same value and, in many instances, one or two of the approaches will not be applicable to the current appraisal problem. In the case of the subject property, this Appraiser is of the opinion that the Cost Approach to Value is not applicable or a reliable indicator of Market Value for the subject property. Therefore, this Appraiser will omit the Cost Approach to Value from this appraisal report. This Appraiser is of the opinion that the Sales Comparison and Income Approaches are applicable and reliable indicators of Market Value for the subject property. Therefore, this Appraiser will use these two approaches to value in rendering an opinion of Market Value for the subject property. A detailed discussion of all three approaches to value can be found in later sections of the appraisal report.

The final step to the appraisal process is reconciliation of value indications from the approaches. In this step, the appraiser places major emphasis on the approach or approaches which appear to produce the most reliable and applicable solution to the specific appraisal problem.
COST APPROACH TO VALUE

The Cost Approach to Value is based upon the assumption that the site value, as if vacant, when added to the estimated depreciated value of the improvements, represents Market Value.

The subject property is currently improved with a 1,546 square foot office building that was built in 1925 as a residence according to the Charleston County tax records for the subject property. The subject property building is considered to be in good overall condition for a building of this age, design, and overall quality of construction in the opinion of this Appraiser.

The Cost Approach to Value is generally not considered a reliable indicator of Market Value for older buildings or converted office buildings due to the difficulty in estimating accrued depreciation. Although the subject property building is in good overall condition, estimating accrued depreciation would still be difficult in the opinion of this Appraiser. Additionally, the subject property is an office building. Office buildings are income producing properties. Generally, income producing properties are not bought and sold based upon the depreciated value of the existing improvements. Rather income producing properties are generally bought and sold based upon the revenues generated by the property and based upon sales of other similar properties in the surrounding market area or similar market areas. Based upon these two factors, this Appraiser is of the opinion that the Cost Approach to Value would not render a reliable indication of Market Value for the subject property. Therefore, this Appraiser has chosen to omit the Cost Approach to Value from this appraisal report.
SALES COMPARISON APPROACH TO VALUE

The Sales Comparison Approach to Value rests primarily on a comparison of the subject property with other similar properties that have been sold, plus current asking prices and offers thereby establishing a measure of market reaction to the subject property. In the process of comparison, adjustments are usually made to the actual sales price of the comparables or to the unit price of each of the comparables, in either dollars or percentages to account for differences that exist between the subject property and the comparables.

This Appraiser has researched the subject property market area and surrounding similar market areas in an attempt to find sales of properties similar to the subject property building that have recently sold that might tend to indicate the Market Value of the subject property. Many sales were investigated but the following sales are believed to be sufficiently comparable to warrant further investigation and analysis. The reader is referred to the following pages for a detailed discussion of each of the transactions.
<table>
<thead>
<tr>
<th><strong>TMS NUMBER:</strong></th>
<th>461-09-03-030</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LOCATION:</strong></td>
<td>716 Meeting Street&lt;br&gt;Charleston, South Carolina 29403</td>
</tr>
<tr>
<td><strong>GRANTOR:</strong></td>
<td>Colony &amp; Craft, LLC</td>
</tr>
<tr>
<td><strong>GRANTEE:</strong></td>
<td>716 Meeting Street, LLC</td>
</tr>
<tr>
<td><strong>DATE OF SALE:</strong></td>
<td>November 15, 2019</td>
</tr>
<tr>
<td><strong>SALE PRICE:</strong></td>
<td>$575,000</td>
</tr>
<tr>
<td><strong>DEED BOOK REF.:</strong></td>
<td>0849-490</td>
</tr>
<tr>
<td><strong>BUILDING SIZE:</strong></td>
<td>1,250 Square Feet</td>
</tr>
<tr>
<td><strong>UNIT PRICE:</strong></td>
<td>$460.00 per square foot</td>
</tr>
<tr>
<td><strong>ZONING:</strong></td>
<td>Limited Business (LB)</td>
</tr>
<tr>
<td><strong>VERIFIED BY:</strong></td>
<td>Charleston County Property Transfers&lt;br&gt;Bradley Thompson, Listing Agent&lt;br&gt;Multiple Listing Service</td>
</tr>
</tbody>
</table>

**REMARKS:** This is the sale of a converted office building located near the subject property on Meeting Street. This building was built in 1920 and is of similar overall quality of construction as compared to the subject property. The building was in good overall condition at the time of sale. The property previously sold for $375,000 in November of 2015, which indicate an annual appreciation rate of 11.28%. The property was on the market for 186 days according to the local Multiple Listing Service.
COMPARABLE SALE NUMBER 2

TMS NUMBER: 461-09-03-005

LOCATION: 1049 Morrison Drive
Charleston, South Carolina 29403

GRANTOR: Pearce Development, LLC

GRANTEE: BKDE-Morrison, LLC

DATE OF SALE: October 22, 2021

SALE PRICE: $2,520,000

DEED BOOK REF.: 1045-855

BUILDING SIZE: 5,394 Square Feet

UNIT PRICE: $467.18 per square foot

ZONING: Upper Peninsula (UP)

VERIFIED BY: Charleston County Property Transfers
Commercial Multiple Listing Service

REMARKS: This is sale of a renovated office building located near the subject property on Rutledge Avenue on the peninsula City of Charleston. The building is of similar overall quality of construction as compared to the subject property. The building was built in 1988 and was renovated and was in good overall condition at the time of sale. The property was on the market for 1 day according to the local Multiple Listing Service.
COMPARABLE SALE NUMBER 3

TMS NUMBER: 461-13-01-020

LOCATION: 430 North Hanover Street
Charleston, South Carolina 29403

GRANTOR: 430 North Hanover, LLC

GRANTEE: Unknown

DATE OF SALE: December 16, 2021

SALE PRICE: $550,000

DEED BOOK REF.: Unknown

BUILDING SIZE: 915 Square Feet

UNIT PRICE: $601.90 per square foot

ZONING: Upper Peninsula (UP)

VERIFIED BY: Charleston County Property Transfers
Mr. Steve Radekopf, Sales Agent
Multiple Listing Service

REMARKS: This is the very, recent sale of a small, office building located on near the subject property on the peninsula City of Charleston. This building was built in 1925. The building had been renovated. The building was in very good overall condition at the time. The building was on the market for 93 days according to the local Multiple Listing Service.
COMPARABLE SALE NUMBER 4

TMS NUMBER: 469-09-01-014

LOCATION: 1114 Morrison Drive
   Charleston, South Carolina 29403

GRANTOR: International Longshoremen’s Association

GRANTEE: Nomo 1114, LLC

DATE OF SALE: February 8, 2021

SALE PRICE: $950,000

DEED BOOK REF.: 0959-593

BUILDING SIZE: 1,569 Square Feet

UNIT PRICE: $605.48 per square foot

ZONING: Upper Peninsula (UP)

VERIFIED BY: Charleston County Property Transfers
   Mrs. Debbie Stocker, Sales Agent
   Multiple Listing Service

REMARKS: This is the sale of a small, office building located on Morrison Drove on the peninsula City of Charleston. This building was built in 1978; however, the building was renovated. The building was in good overall condition at the time. The building was leased at the time of sale with an annual Net Operating Income of approximately $65,000, which equates to an overall capitalization rate of 6.84%. The building was on the market for 118 days according to the local Multiple Listing Service.

MICHAEL A. WHITE, GAA
IMPROVED COMPARABLE SALES LOCATION MAP
COMPARABLE SALE #1—716 MEETING STREET

COMPARABLE SALE #2—1149 MORRISON DRIVE

MICHAEL A. WHITE, GAA
COMPARABLE SALE #3—430 NORTH HANOVER STREET

COMPARABLE SALE #4—1114 MORRISON DRIVE

MICHAEL A. WHITE, GAA
<table>
<thead>
<tr>
<th>Sale#</th>
<th>Date of Sale</th>
<th>Size (Sq. Ft.)</th>
<th>Sales Price</th>
<th>$ Per Sq.Ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>11/15/2019</td>
<td>1,250 Sq.Ft.</td>
<td>$ 575,000</td>
<td>$460.00</td>
</tr>
<tr>
<td>2</td>
<td>10/22/2021</td>
<td>5,394 Sq.Ft.</td>
<td>$2,520,000</td>
<td>$467.18</td>
</tr>
<tr>
<td>3</td>
<td>12/16/2021</td>
<td>915 Sq.Ft.</td>
<td>$ 550,000</td>
<td>$601.90</td>
</tr>
<tr>
<td>4</td>
<td>02/08/2021</td>
<td>1,569 Sq.Ft.</td>
<td>$ 950,000</td>
<td>$605.48</td>
</tr>
</tbody>
</table>

The last column of the preceding chart shows the unadjusted price per square foot for each of the comparable sales. As can be seen, the range of values is from $467.18 per square foot to $605.48 per square foot. This Appraiser has attempted to use recent sales of office buildings that are considered to be similar to the subject property.

Adjustments to the comparable sales are necessary due to the differences that exist between the comparable sales and the subject property. This Appraiser has found comparable sales that all sold with similar property rights, fee simple title, as the property rights being appraised by this Appraiser for the subject property. Therefore, an adjustment for property rights is not required to the comparable sales. This Appraiser did not find any sales concessions in the terms of sale for the comparable sales; therefore, an adjustment for cash equivalency is not necessary to the comparable sales. The necessary adjustments to the comparable sales based upon the market data gathered by this Appraiser are for market conditions (time), size and location.
MARKET CONDITIONS (TIME):  The dates of the comparable sales range from November of 2019 to a recent sale in December of 2021. All four (4) of the comparable sales are within approximately twenty-six (26) months of the date of this appraisal. Based on an analysis of the comparable sales and based on this Appraiser’s knowledge of the subject property market area, this Appraiser is of the opinion that values for commercial properties in the subject property market area have been increasing during that period of time. This Appraiser has noted appreciation rates ranging from as little as one percent (1%) or two percent (2%) annually up to twenty percent (20%) annually for commercial properties in the immediate subject property market area. This Appraiser is of the opinion that an annual appreciation rate of ten percent (10%) is reasonable based on the current market conditions in the immediate subject property market area. This annual appreciation rate is well supported by the annual appreciation rate indicated from Comparable Sale #1. Thus, this Appraiser will adjust the comparable sales ten percent (10%) annually from their date of sale up to the date of this appraisal report.

SIZE:  Generally, all else being somewhat equal, larger properties tend to sell for smaller unit values and smaller properties tend to sell for a larger unit value. Comparable Sales #1, #3 and #4 are larger than the subject property and these three comparable sale requires a negative size adjustment in the opinion of this Appraiser. Comparable Sale #2 is larger than the subject property and requires a positive size adjustment in the opinion of this Appraiser.

LOCATION:  Adjustments are usually made to the comparable sales for location differences such as access, traffic flows, highway influence, corner location, visibility, etc. Comparable Sales #1, #2 and #4 have superior overall locations as compared to the location of the subject property in the opinion of this Appraiser. Thus, a negative location adjustment on an individual basis will be made to these three comparable sales. Comparable Sale #3 ahs a similar overall location as compared to the subject property n the opinion of this Appraiser. Thus, a location adjustment is not required to this comparable sale.
The last line of the preceding chart shows the adjusted unit prices of each of the comparable sales. As can be seen, the range of values is from $392.84 per square foot to $519.80 per square foot. This Appraiser is of the opinion that all four of the comparable sales are good indicators of the per square foot value of the subject property. This Appraiser has considered the adjusted value of all four (4) comparable sales in rendering an of the square foot value of the subject property. This Appraiser is of the opinion that the indicated value of the subject property unit would fall in the middle of the adjusted range of values indicated from the comparable sales. Thus, this Appraiser considered the adjusted values of all four comparable sales. Therefore, this Appraiser is of the opinion that $450.00 per square foot is the price of the subject property based upon the adjusted per square foot prices of the comparable sales.

Therefore, the indicated value of the subject property from the Sales Comparison Approach to Value is as follows:

$$3,136 \text{ square feet} \times 450.00 \text{ per square foot} = 1,411,200$$
Rounded: $1,410,000
The Income Approach to value involves the processing of an income stream into an estimate of value. The two primary methods of estimating value from a property’s income are Direct Capitalization and Discount Flow Analysis. In Direct Capitalization, value is estimated by deduction all expenses from anticipated gross income (Potential Gross Income) to arrive at a projected net income (Net Operating Income) for the coming year. Potential Gross Income is defined as “The total potential income attributable to the real property at full occupancy before vacancy and operating expenses are deducted” (The Appraisal of Real Estate, Fourteenth Edition, Copyright 2013, Appraisal Institute). The Net Operating Income (NOI) is obtained by deducting ownership costs from the effective economic rent and capitalizing the Net Operating (NOI) into value by means of an appropriate capitalization rate. Direct Capitalization is most appropriate for stabilized income streams here the property being analyzed reflects occupancy rates that are typical of the market area. This Appraiser is of the opinion that the Direct Capitalization method is the most appropriate and most reliable method of estimating the value of the subject property from the Income Approach. Thus, the Direct Capitalization method will be the method utilized in the Income Approach analysis of the subject property.

As of the date of this appraisal report, the subject property unit is currently leased by COZ, LLS (the current property owner) to Clement, Crawford & Thornhill, Inc. according to the lease provided to this Appraiser and contained in the addendum of this appraisal report. The current tenant operates a real estate office in the subject property building. The subject property has been leased to the current tenant since November of 2020. The original term of the lease is for five (5) years with the lease ending on October 31, 2025. The tenant has the right to renew the lease for an additional five-year term according to the lease.

The subject property was originally leased for $83,000 annually with the rent increasing three percent (3%) annually. This is a typical type of annual increase for a lease such as the subject property lease. The subject property is currently leased for $85,490 annually or $7,124 per month according to the terms of the lease. This equates to an annual rent rate of $27.26 per square foot ($85,490 divided by 3,136 square feet). According to the terms of the lease this a net lease in which the tenant is responsible for all expenses (real estate taxes, utilities, county user fees, etc.)
In an effort to determine if the subject property is being leased at Market Rent, this Appraiser has researched the subject property market area and surrounding similar market areas for office space that are currently leased or are being marketed for lease that are considered similar to the subject property. The reader is referred to the following comparable rentals obtained by this Appraiser.

1. **781 Meeting Street:** This is lease of approximately 924 square feet of ground floor office space located near the subject property on Meeting Street. This suite was leased in October of 2021 for $32.00 per square foot on a net lease basis.

2. **142 Williman Street:** This is the lease of two (2) office suite similar to the subject property located near the subject property. Each suite contains approximately 1,100 square feet. The suites were leased in April of 2021 for $27.00 per square foot on a net lease basis.

3. **1156 King Street:** This is the lease of multiple suites ranging from 1,250 square feet to 2,500 square feet located in an older renovated building (built in 1937) containing approximately 9,900 square feet near the subject property on King Street on the peninsula City of Charleston. The suites are currently leased from $24.00 to $28.00 per square foot on a net lease basis.

4. **2108 Monrovia Street, Unit 200:** This is the lease of approximately 2,265 square feet of office space located in a multi-unit building located near the subject property. This unit was leased in September of 2020 for $25.00 per square foot on a net lease basis.

5. **533 Rutledge Avenue:** This is the lease of approximately 1,700 square feet of first floor office space located in a multi-unit building located near the subject property on the peninsula City of Charleston. This unit was leased in November of 2019 for $33.88 per square foot on a net lease basis.

6. **38 Romney Street:** This is the lease of approximately 2,000 square feet of second floor office space located in a multi-unit building located on Romney Street near the subject property. This unit was leased in December of 2020 for $25.00 per square foot on a net lease basis.

All six of the comparable rentals utilized are considered good comparable rentals as compared to the subject property unit. The comparable rentals are:

**Michael A. White, GAA**
indicate a lease rate range of $24.00 per square foot to $33.88 per square foot. All of the comparable rentals are leased on a net lease basis, which is the most common type of lease for office units such as the subject property. The subject property is currently being leased for $27.26 per square foot on a net lease basis according to the information provided to this Appraiser. The current lease rate for subject property is in the middle of the lease rate range indicated from the comparable rentals and well supported by the comparable rentals obtained by this Appraiser. This Appraiser will use the current Gross Operating Income of $85,490 in the income analysis for the subject property.

The only expenses associated with a lease on a net basis are vacancy and collection, management fees (commissions) and a reserve allowance. This Appraiser has obtained information from two commercial real estate companies (Lee & Associates and Avison and Young) that track vacancy rates in the Tri-County area. A copy of these reports as obtained by this Appraiser can be found in the addendum of this report. Both companies have been found to be reliable and accurate in determining vacancy rates in the Tri-County area. The data from these two reports indicate vacancy rates for office buildings in the Charleston market area ranges from 11.4% to 11.8%, with the vacancy rate declining over the past year. Based on the available market data, this Appraiser is of the opinion that a vacancy and collection loss allowance of eleven and a half percent (11.5%) is reasonable for the stabilized market vacancy rate subject property market area based on vacancy rates for office space in the subject property market area and in surrounding similar market areas. This allowance would also allow for the lease up of the subject property should any portion of the subject property building become vacant. Thus, a vacancy and collection loss allowance expense of eleven and a half percent (11.5%) or $9,831 ($85,490 x 11.5%) of the Gross Potential Income has been allocated for the subject property. Thus, indicates an Effective Gross Income of $75,659 ($85,490 less $9,831 for the subject property. This Appraiser is of the opinion that a management allowance of three percent (3%) and a reserve allowance of one percent (1%) of the Effective Gross Income are reasonable allowances for a property such as the subject property. Therefore, the remaining expenses for the subject property are four percent (4%) or $3,026 ($75,659 x 4%) of the Effective Gross Income. Therefore, the Net Operating Income for the subject property is estimated to be $72,633 ($75,659 less $3,036 for expenses). This Appraiser will use the estimated Net Operating Income of $72,633 for the subject property.
CAPITALIZATION RATE

An overall rate is the ratio of Net Operating Income (NOI) to the present worth of the entire investment in the real property, expressed as an annual percentage. The overall rate combines into one rate all of the aspects affecting an investment, such as rate of return on the investment and rate of return of the investment and calculates anticipatory changes in future property values.

This Appraiser has used the Band of Investment Method to extract a capitalization rate from current market information. This Appraiser has estimated a 75% loan to value mortgage at a fixed rate of 4.00% for a 25-year term with a five-year call. The equity investment is 25%. It is my opinion that an investor would require at least a 7.00% cash return to equity on the investment based on today’s financial markets.

Percentage of Mortgage: 75%
Mortgage Interest Rate: 4.0%
Amortization Period: 25 Years
Mortgage Constant: .0633

Mortgage Component: \( .75 \times .0633 = .0475 \)
Equity Component: \( .25 \times .0700 = .0175 \)

Overall Rate: \( .0865 \)
Rounded To: 6.5%

In the Sales Comparison section of this appraisal report, Comparable Sale #4 indicated overall capitalization rates of 6.84%. This Appraiser is of the opinion that this capitalization rate is indicative of current capitalization rate for office buildings similar to the subject property and should be given consideration in the determining the overall capitalization rate for the subject property. This Appraiser has placed consideration on the market derived capitalization rates from the comparable sale and on the Band of Investment analysis in determining the appropriate capitalization rate for the subject property. Thus, Appraiser is of the opinion that the market derived overall capitalization rate for the subject property is 6.75%.
VALUE INDICATED BY THE INCOME APPROACH

The Net Operating Income for the subject property has been estimated to be $72,633. This Appraiser assumes no debt service.

Capitalizing the estimated Net Operating Income of $72,633 into value by an overall market derived capitalization rate of 6.75%

\[
\frac{72,633}{0.0675} = 1,076,044 \\
\text{Rounded:} \quad 1,075,000
\]

Value Indicated by the Income Approach to Value (Rounded):

$1,075,000
CORRELATION AND FINAL ESTIMATE OF VALUE

In the preceding sections of this appraisal report I have obtained the following indications of value:

Sales Comparison Approach: $1,410,000
Income Approach: $1,075,000

The Cost Approach to Value has been omitted from this appraisal report as discussed in a previous section of this appraisal report. This Appraiser is of the opinion that both the Sales Comparison Approach and the Income Approach are good indicators of the current Market Value of the subject property. Thus, the values indicated from both approaches to value have been given consideration in rendering an opinion of Market Value for the subject property.

After considering all the available data, it is the opinion of this Appraiser that the as is Market Value of the leased fee interest in the subject property (TMS# 464-14-00-118) located at 11 Cunnington Avenue, Charleston, South Carolina 29405 as of January 24, 2022, is:

ONE MILLION THREE HUNDRED THOUSAND DOLLARS
$1,300,000
CERTIFICATION

The undersigned does hereby certify that, except as otherwise noted in this appraisal report:

1. The statements of fact contained in this report are true and correct.

2. The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.

3. I have no bias with respect to the property that is the subject of this appraisal report or to the parties involved in this assignment.

4. My engagement in this assignment was not contingent upon developing or reporting predetermined results.

5. 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. No services were provided by this Appraiser within the three-year period immediately preceding acceptance of this appraisal assignment, as an appraiser or in any other capacity.

6. As of the date of this appraisal report, Michael A. White, has completed all of the continuing education requirements set forth for certification by the State of South Carolina.

7. No one other than the undersigned prepared the analysis, conclusions and opinions concerning the real estate that are set forth in the appraisal report.

8. My engagement in this assignment was 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 related to the intended use of this appraisal.

9. My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP).

MICHAEL A. WHITE, GAA
10. This appraisal meets or exceeds the standards set forth in the Financial Institution's Reform, Recovery and Enforcement Act of 1989.

11. I have made a personal inspection of the property that is the subject of this report. No one provided significant real property appraisal assistance to the person signing this certification.

12. Marketing Time is defined by the Appraisal Standards Board as "The reasonable marketing time is an estimate of the amount of time it might take to sell a property interest in real estate at the estimated market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal." The estimated marketing time is six months or less as discussed in detail in previous sections of this appraisal report.

13. My opinion of the as is Market Value of the fee simple interest in the subject property (TMS# 464-14-00-118) located at 11 Cunnington Avenue, Charleston, South Carolina 29405 as of January 24, 2022, is $1,300,000.

Michael A. White
S.C. Certified General Appraiser 200
ADDENDUM

MICHAEL A. WHITE
OFFICE MARKET OVERVIEW
PAUL PASCAL, Vice President

As employees return to the office, tenants use of space will impact the market for the foreseeable future, ignited by coronavirus, over 400,000 SF of office space was listed for sublease at the pandemic's onset, and much of that remains available. Additionally, 510,000 SF of new space will be completed soon, with only 53% preleased. The combination of the incoming inventory and sublease space could drag office fundamentals further despite positive economic indicators for the market. While annual rent growth has slowed, investors signal a belief in the sector's long-term sustainability. Sales volume has remained strong through 2021, with over $130M transacted this year. As workers return to the office, heightened investment demand will continue.

### MARKET INDICATORS

<table>
<thead>
<tr>
<th></th>
<th>Q3 2021</th>
<th>Q2 2021</th>
<th>Q1 2021</th>
<th>Q4 2020</th>
<th>Q3 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Mo. Net Absorption SF</td>
<td>240,042</td>
<td>110,272</td>
<td>(57,184)</td>
<td>(269,098)</td>
<td>24,917</td>
</tr>
<tr>
<td>Vacancy Rate</td>
<td>11.40%</td>
<td>10.90%</td>
<td>12.96%</td>
<td>11.95%</td>
<td>11.07%</td>
</tr>
<tr>
<td>Avg NNN Asking Rate PSF</td>
<td>$26.17</td>
<td>$24.54</td>
<td>$24.17</td>
<td>$21.25</td>
<td>$21.28</td>
</tr>
<tr>
<td>SF Under Construction</td>
<td>497,705</td>
<td>567,617</td>
<td>647,368</td>
<td>555,802</td>
<td>350,790</td>
</tr>
<tr>
<td>Inventory SF</td>
<td>23,238,398</td>
<td>23,102,399</td>
<td>22,766,061</td>
<td>22,533,061</td>
<td>21,711,797</td>
</tr>
</tbody>
</table>

### NET ABSORPTION, NET DELIVERIES, & VACANCY

- 2021 vs 2020: Increased demand for office space.
- Vacancy rates continue to decrease.

### UNDER CONSTRUCTION

- 2021 YTD: Projects underway.

### TOP SALE TRANSACTIONS BY SF

<table>
<thead>
<tr>
<th>Address</th>
<th>SF</th>
<th>Sale Price</th>
<th>Buyer / Seller</th>
<th>Building Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>4401 Leeds Avenue</td>
<td>106,000 SF</td>
<td>$29,250,000</td>
<td>SilverCap Partners, LLC Holder Properties</td>
<td>Class A</td>
</tr>
<tr>
<td>North Charleston, SC</td>
<td></td>
<td>$275.94 PSF</td>
<td></td>
<td></td>
</tr>
<tr>
<td>170 Meeting Street</td>
<td>33,200 SF</td>
<td>$13,850,000</td>
<td>The Montford Group Palmetto Commercial Properties</td>
<td>Class B</td>
</tr>
<tr>
<td>Charleston, SC</td>
<td></td>
<td>$417.17 PSF</td>
<td></td>
<td></td>
</tr>
<tr>
<td>291 Tricore Street</td>
<td>23,558 SF</td>
<td>$7,000,000</td>
<td>Global Medical REIT Inc. Charleston Oncology, PA</td>
<td>Class A</td>
</tr>
<tr>
<td>North Charleston, SC</td>
<td></td>
<td>$297.14 PSF</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### TOP LEASE TRANSACTIONS BY SF

<table>
<thead>
<tr>
<th>Address</th>
<th>SF</th>
<th>Landlord</th>
<th>Tenant</th>
<th>Tenant Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>3450 Ingleside Blvd</td>
<td>80,000 SF</td>
<td>Capri Investment Group</td>
<td>Telus International</td>
<td>Communications and Information Technology</td>
</tr>
<tr>
<td>North Charleston, SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>146 Fairchild St</td>
<td>22,419 SF</td>
<td>The Becker Organization</td>
<td>Total Quality Logistics</td>
<td>Logistics</td>
</tr>
<tr>
<td>Charleston, SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>174 Meeting St</td>
<td>15,039 SF</td>
<td>Cobalt Property Group</td>
<td>EPI Group, LLC</td>
<td>Newspaper</td>
</tr>
<tr>
<td>Charleston, SC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
11.8%
Record high Charleston vacancy as of Q3 2021

The Q3 2021 vacancy rate is a record high in terms of sublease, direct and total percentages. The sublease vacancy rate has decreased 4% from 2020, and the vacancy rate of direct space has increased 1.3%.

Source: AVANT by Avison Young
STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

KNOW ALL MEN BY THESE PRESENTS that MCALISTER-SMITH FUNERAL
HOME, INC., a South Carolina corporation ("Grantor"), in the State aforesaid, for and in
consideration of the sum of SIX HUNDRED FIFTY THOUSAND and NO/100 DOLLARS
($650,000.00), to it in hand paid at and before the sealing of these presents by COZ, LLC, a
South Carolina limited liability company, the receipt of which is hereby acknowledged, has
granted, bargained, sold and released, and by these presents does grant, bargain, sell and release,
subject to those matters set forth on Exhibit "B" ("Permitted Exceptions"), unto the said COZ,
LLC, a South Carolina limited liability company ("Grantee"), its successors and assigns, all
of its right, title and interest in and to the following described real property, to wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

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

TO HAVE AND TO HOLD, the said Premises before mentioned, subject to those
matters set forth in "Exhibit B", unto the said Grantee, its successors and assigns forever.

AND, subject to those matters set forth on "Exhibit B", Grantor does hereby bind Grantor
and Grantor's successors and assigns, to warrant and forever defend, all and singular, the said
Premises unto the Grantee and Grantee's successors and assigns, against Grantor and Grantor's
successors and assigns, and every person whomsoever lawfully claiming or to claim the same or
any part thereof.
IN WITNESS WHEREOF, the Grantor's hand and seal this 20 day of June, 2019.

SIGNED, sealed and delivered in the presence of:

[Signature]
Witness # 1
Print Witness Name:

[Signature]
Witness # 2
Print Witness Name: ALLIE BARTH

McAlister-Smith Funeral Home, Inc.

[Signature]
Name: Marvin M. Smith
Title: President

STATE OF SOUTH CAROLINA )
COUNTY OF CHARLESTON )

I, a Notary Public for the State of South Carolina, hereby certify that McAlister-Smith Funeral Home, Inc. by and through Marvin M. Smith, its President, personally appeared before me this 20 day of June, 2019, and acknowledged the due execution of the foregoing instrument.

[Signature] (SEAL)
Notary Name: Allie Barth
Notary Public for South Carolina
My Commission Expires: 10/2/22
EXHIBIT “A”

11 Cunnington Avenue, Charleston, SC 29405

All that piece, parcel or lot of land known and designated as Lot 69, on the plat dated January 20, 1919 by Benson & Barbot showing a subdivision of land on Cunnington Avenue recorded in the Charleston County RMC Office in Plat Book C at Page 146.

Butting and bounding and measuring and containing as follows: to the south on Cunnington Avenue thirty six and 9/100 (36.9’) feet; to the west on Lot 68 ninety-nine and 93/100 (99.93’) feet; to the north on Lot 66 thirty-four and 91/100 (34.91’) feet; and to the east on Skurvin Street one hundred and 4/100 (100.4”) feet, all as shown on that certain plat by E.M. Seabrook, Jr., Inc. dated June 8, 1994 and incorporated herein.

BEING the same property conveyed to John McAlister, Inc. (n/k/a McAlister-Smith Funeral Home, Inc.) by deed of John Liberatos, dated April 5, 1996 and recorded April 5, 1996 in the RMC Office for Charleston County in Book N267 at Page 193.

TMS Number: 464-14-00-118

Grantees’ Address: 1505 Greenleaf Street, Unit 1, Charleston, SC 29405
EXHIBIT “B”
Permitted Exceptions

1. Taxes for the year 2019 not yet due and payable and all subsequent years.

2. Plat of survey made by Lewis E. Seabrook, Surveyor, dated June 10, 2019, discloses the following:
   
   a. Gas Meter

   b. Elec. Meter

   c. Chain Link Gate Encroachment 0.5"

   d. Chain Link Gate Encroachment 0.1'

   e. Overhang Encroachment 0.4'

   f. Overhang Encroachment 0.2'

   g. Overhang Encroachment
STATE OF SOUTH CAROLINA  )  
COUNTY OF CHARLESTON  )  

AFFIDAVIT  ) DATE OF TRANSFER OF TITLE  
(CLOSING DATE: June 25, 2019)

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 by McAlister-Smith Funeral Home, Inc. to COZ, LLC, a South Carolina limited liability company, on June 25, 2019.

3. Check one of the following: The DEED is:
   a. [X] subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
   b. [ ] subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or a distribution to a trust beneficiary.
   c. [ ] EXEMPT from the deed recording fee because (see information section of affidavit): _________________. (If exempt, please skip items 4-7 and go to item 8 of this affidavit.)

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. [X] The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of $650,000.00.
   b. [ ] The fee is computed on the fair market value of the realty which is $_______________.
   c. [ ] The fee is computed on the fair market value of the realty as established for property tax purposes which is $_______________.

5. Check YES [ ] or NO [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 encumbrance is $___________________________.

6. The DEED Recording Fee is computed as follows:
   (a) $650,000.00  The amount listed in item 4 above.
   (b) $0.00  The amount listed in item 5 above (no amount place zero)
   (c) $650,000.00  Subtract Line 6(b) from Line 6(a) and place the result.

7. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as:
   GRANTOR

8. Check if Property other than Real Property is being transferred on this Deed.
   (a) [ ] Mobile Home
   (b) [X] Other

9. DEED OF DISTRIBUTION - ATTORNEY'S AFFIDAVIT: Estate of ______________________, deceased, CASE NO. ______________________. Personally appeared before me the undersigned attorney who, being duly sworn, certified that (s)he is licensed to practice law in the State of South Carolina; that (s)he has prepared the Deed of Distribution for the Personal Rep. in the Estate of ______________________, deceased and that the Grantee(s) therein are correct and confirm to the estate file for the above named decedent.

10. I understand that a person required to furnish this affidavit who 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.

McAlister-Smith Funeral Home, Inc.

By: Marvin M. Smith, Title: President

Subscribed and sworn to before me this _______________ day of June, 2019.

Print Notary Name: Allie Bartle
Notary Public for South Carolina
My Commission Expires: 10/1/22
NOTE: This page MUST remain with the original document.

Filed By:
HAYNSWORTH SINKLER BOYD PA
PO BOX 340
CHALRESTON SC 29402 (BOX)

RECIPENT:
COZ LLC ETC

Original Book: Original Page:

RECEIVED From ROD
Jul 03, 2019
Peter J. Tecklenburg
Charleston County Auditor

Date: June 25, 2019
Time: 4:30:34 PM

Book | Page | DocType
---|---|---
0804 | 064 | Deed

# of Pages: 6
Recording Fee $10.00
State Fee $1,690.00
County Fee $715.00
Extra Pages $1.00
Postage $-
Chattel $-

TOTAL $2,416.00

DRAWER CLERK
Drawer 4 JBA

843-958-4800 101 MEETING STREET CHARLESTON, SC 29401 www.charlestoncounty.org
QUALIFICATIONS OF THE APPRAISER  
Michael A. White  
Charleston Appraisal Company, LLC  
2040 Ewall Street, Suite H  
Mount Pleasant, South Carolina 29464  
843-2284-1022 (phone) 843-65404493 (fax)  
michael@charlestonappraisalcompany.com  

PROFESSIONAL AFFILIATIONS  
Owner Charleston Appraisal Company, LLC, August 2006 to Present  
Employed by a local appraisal company from June 1991 to August 2006  
Partner in the company from June of 1995 to August 2006  
Licensed Broker - State of South Carolina  
South Carolina Certified General Appraiser 200  
General Accredited Appraiser of the Real Estate  
Section of the National Association of Realtors  
Member of the National Association of Realtors  
Member of the Charleston Trident Association of Realtors  

BIOGRAPHICAL  
Born in Charleston, South Carolina (1969)  
Graduated from local grammar and high schools  
Graduated from the University of South Carolina  
with degrees in Real Estate and Management (1991)  

EDUCATION  
The following Real Estate and Appraisal courses have been attended and completed:  

Introduction To Real Estate And Urban Development  -  Spring 1990, University of South Carolina Columbia, South Carolina  
Real Estate Appraisal Fundamentals  -  Fall 1990, University of South Carolina Columbia, South Carolina  

MICHAEL A. WHITE
<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title and Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>REA 102</td>
<td>&quot;The Valuation Process &amp; Collection of Data&quot; Prelicensing/Precertification Course at the Citadel, Charleston, South Carolina, June 1991</td>
</tr>
<tr>
<td>REA 103</td>
<td>&quot;Valuation Methods; Sales Comparison, Cost/Income Approaches&quot; Real Estate Appraisal Prelicensing/Precertification Course at the Citadel, Charleston, South Carolina, June 1991</td>
</tr>
<tr>
<td>REA 104</td>
<td>&quot;Partial Interest, Unique Properties, Reconciling Data and the Appraisal Report&quot; Real Estate Appraisal Prelicensing/ Precertification Course at the Citadel, Charleston, South Carolina, July 1991</td>
</tr>
<tr>
<td>REA 105</td>
<td>&quot;Regulations, Standards, Ethics and Law of Appraisals&quot; Real Estate Appraisal Prelicensing/ Precertification Course at the Citadel, Charleston, South Carolina, July 1991</td>
</tr>
<tr>
<td>REA 201</td>
<td>&quot;Basic Income Capitalization Concepts, Analysis and Math&quot; Real Estate Appraisal Prelicensing/Precertification Class at the Citadel, Charleston, South Carolina, 10/91</td>
</tr>
<tr>
<td>REA 202</td>
<td>&quot;Capitalization of Incomes, Cash Flows and Mortgage Calculations&quot; Real Estate Appraisal Prelicensing/Precertification Class at the Citadel, Charleston, South Carolina, 10/91</td>
</tr>
<tr>
<td>Course Code</td>
<td>Course Title</td>
</tr>
<tr>
<td>-------------</td>
<td>--------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>REA 301</td>
<td>&quot;Applied Income Property Valuation&quot; Triangle Real Estate Appraisal School, Columbia, South Carolina, December, 1991</td>
</tr>
<tr>
<td>COURSE I110</td>
<td>Successful Challenge of the Appraisal Institute's Appraisal Principles Course Exam, Durham, North Carolina, February 1997</td>
</tr>
<tr>
<td>COURSE I1120</td>
<td>Successful Challenge of the Appraisal Institute's Appraisal Procedures Course Exam, Durham, North Carolina, February 1997</td>
</tr>
<tr>
<td>COURSE 530</td>
<td>Advanced Sales Comparison and Cost Approaches, Appraisal Institute, Chicago, Illinois, April 2004</td>
</tr>
</tbody>
</table>

Appraisal of Assisted Living Facilities---June 2016

Advance Hotel Appraising---Full-Service Hotel---June 2016

Appraisal of Small Apartment Properties----June of 2016

National Uniform Standards of Professional Appraisal Practice (USPAP) Update Course—June 2016

Appraisal Institute Business and Ethics Course---December 2009

Currently satisfied the continuing education requirements of the State of South Carolina

**Michael A. White**
Appointed by South Carolina Governor Nikki Haley in December of 2013 as a member of the Daniel Island Annexation Commission. Commission expired in April of 2014.

PARTIAL LIST OF CLIENTS

Ameris Bank
Beacon Community Bank
South Atlantic Bank
First Reliance Bank
Daniel Island Company
BB&T Mortgage
Ameris Bank
National Bank of South Carolina
Park Sterling Bank
First Palmetto Bank
First Citizens Bank & Trust Company
Heritage Trust Bank
Mr. Gem McDowell, Attorney at Law
Matt Tillman, Attorney at Law
Stephen M. Slotchiver, Attorney at Law
John M. Dodds, III, Attorney at Law
Barry Baker, Attorney at Law
Mac Gibson, Attorney at Law
Mr. Emerson Wiles, III Attorney at Law
PrimeLending, a Plains Capital Company
South State Bank
South Carolina Electric and Gas Company
First National Bank
United American Mortgage Corporation
South Carolina Federal Credit Union
United Community Bank