

ACKNOWLEDGMENT AND AGREEMENTS:

The undersigned Sponsor (developer) hereby makes application to the South Carolina State Housing Finance and Development Authority for an Inducement Resolution/Preliminary Bond Resolution and for permanent financing to be provided by the South Carolina State Housing Finance and Development Authority through the sale of its tax-exempt bonds in the amount of _____ for a term of ____ years, pursuant to the South Carolina State Housing Finance and Development Authority Act, as amended, for the purpose of providing low and moderate to low-income rental housing for members of the beneficiary classes. If applying for additional funds from SCSHFDA, the Sponsor (developer) understands and agrees that any Commitment or loan made by South Carolina State Housing Finance and Development Authority is conditioned upon availability of funds at the projected rate of interest.

The Sponsor (developer) agrees to pay to the South Carolina State Housing Finance and Development Authority a non-refundable Application fee of \$1000.00 or \$20.00 per unit, whichever is greater, in the form of a cashier's check or money order, which is to be submitted with the completed application. This fee will be considered earned when the application has been submitted to the Authority for processing. Applications submitted without the required application fee will not be processed.

Following receipt and processing of Sponsor's (developer's) application, the staff may make a recommendation to the Authority's Board of Commissioners to proceed with the adoption of a Preliminary Bond Resolution. The Preliminary Bond Resolution will expire twelve months from the date of its approval. For new Bond issues (those which do not refund Bonds previously issued by the Authority) the Financing Fee is three quarters of one percent (.75%) of the principal amount of the Bond. For Bond issues which refund Bonds previously issued by the Authority, or for the conversion to permanent financing of Bonds, the proceeds of which have been held in escrow, the Financing Fee is one-half percent (.50%) of the principal amount of the Bond issue. Administration Fees are \$50.00 per unit, per year, payable monthly in advance. Payment of the Administration Fee is a condition of the Authority's financing. Failure to pay the fee in a timely manner is an event of default under the Authority's bond documents.

The Sponsor (developer) understands and agrees that a Preliminary Bond Resolution, if adopted by the South Carolina State Housing Finance and Development Authority, does not constitute a binding obligation on the part of the South Carolina State Housing Finance and Development Authority to provide permanent financing for the development nor does it obligate the undersigned to seek such permanent financing from the South Carolina State Housing Finance and Development Authority.

The Sponsor (developer) understands and agrees that South Carolina State Housing Finance and Development Authority makes no representations regarding the feasibility or viability of the development, the availability of financing, the amount of financing, or the validity or propriety of the amount of financing. The South Carolina State Housing Finance and Development Authority has made no independent investigation as to the eligible and qualified costs of the development. Any and all financing information amounts are solely based on representations made by the undersigned which agrees to hold harmless and indemnify South Carolina State Housing Finance and Development Authority and the individual directors, employees, members, officers and agents of South Carolina State Housing Finance and Development Authority against any and all liability, claims or damages of any kind whatsoever in the event that it or anyone acting on my behalf, at its request or by and through it incurs any loss in conjunction with development loss of financing or failure to finance the amount requested in the Application.

The Sponsor (developer) understands and agrees that the Application for tax-exempt bond financing, all attachments thereto, and all correspondence relating to its application in particular or in general are subject to a request for disclosure, and expressly consent to such disclosure. The Sponsor (developer) further understands and agrees that any and all correspondence to or from the South Carolina State Housing Finance and Development Authority or other documents relating to the application are subject to a request for disclosure and the Sponsor (developer) expressly consents to such disclosure. The Sponsor (developer) agrees to hold harmless the South Carolina State Housing Finance and Development Authority or any of its individual directors, employees, members, officers or agents against all losses, costs, damages, expenses and liability of whatsoever nature or kind (includes, but not limited to, attorney's fees, litigation and court costs) directly or indirectly resulting from or arising out of the release of any information pertaining to the Application or subsequent bond project.

The Sponsor (developer) understands that the requirements which must be satisfied in order to make application for the bond financing and the terms of any Inducement Resolution or financing thereof are subject to change at any time by Federal or State law, Federal or State regulations, or South Carolina State Housing Finance and Development Authority procedures.

The Sponsor (developer) understands that Inducement Resolutions are subject to all terms and conditions stated therein, including, but not limited to the payment of the applicable fees.

The Sponsor (developer) understands that any misrepresentations made in this Application or in any of its supporting documentation may result in a withdrawal of consideration for financing by the South Carolina State Housing Finance and Development Authority and he/she (and related parties) being barred from future program participation.

Authorized Signature: _____

Name and Title: _____

Date: _____

Sworn to before me this _____ day of _____

Notary Public For _____ (L.S.)

My Commission Expires: _____