

**REQUEST FOR PROPOSAL  
PROPERTY KNOWN AS EDGEWATER II IMPROVEMENT DISTRICT  
LANCASTER COUNTY, SOUTH CAROLINA**

The Lancaster County, South Carolina, Forfeited Land Commission is soliciting proposals for those interested in developing the property included in Edgewater II Improvement District, exclusive of three residential lots. Interested persons may obtain a copy of the Request for Proposal from the Lancaster County website at <http://www.mylancastersc.org>.

The deadline for submission of proposals in response to the Request is Thursday, December 3, 2015 at 2:00 p.m. Proposals must be in a sealed envelope and marked "Response to Request for Proposals for Edgewater II" and delivered to John Lane, Register of Deeds, 101 North Main Street, Lancaster, South Carolina 29720.

**ANY PROPOSAL RECEIVED AFTER 2:00 P.M. ON THURSDAY, DECEMBER 3, 2015  
WILL NOT BE CONSIDERED.**

**LANCASTER COUNTY FORFEITED LAND COMMISSION  
REQUEST FOR PROPOSALS  
EDGEWATER II IMPROVEMENT DISTRICT  
DECEMBER\_3, 2015**

The Lancaster County, South Carolina, Forfeited Land Commission (the “Commission”), in cooperation with the holders of the 2007A Bonds and the 2007B Bonds described below (the “Bondholders”) is requesting the submission of proposals from persons or entities to acquire and develop certain property (the “Offered Property”) situated in Lancaster County, South Carolina and known as the Edgewater II Improvement District, exclusive of three (3) residential lots (the “Sold Lots”). The Offered Property consists of approximately 375 acres, more or less.

The Lancaster County Forfeited Land Commission, in cooperation with the Trustee for the Bonds and the Bondholders, intends to select one or more proposals for discussion and negotiation.

**REQUIRED TERMS**

Each proposal must include terms for (A) the payment at closing of not less than \$907,177.80 (representing due but unpaid taxes on the property for tax years 2009 [*that is, taxes due January 14, 2010*] through January 14, 2016), and (B) a restructuring of the capital assessments securing the 2007A and 2007B Bonds to come due in the future. Such a restructuring proposal could include, for example but not by way of limitation, (i) a principal reduction of the capital assessments and Bonds or (ii) an exchange of the outstanding Bonds for convertible capital appreciation bonds that would provide for no debt service for some fixed period.

Please note that a proposal **need not** make any provision for the payment of interest or penalties due on unpaid taxes in the current amount of approximately \$2,298,960.65 and **need not** make any provision for the payment of due but unpaid capital assessments (or interest or penalties thereon) in the current amount of approximately \$15,954,640.15.

**THE OFFERED PROPERTY**

The parcels that comprise the Offered Property and that are subject to this Request have the following tax map identifiers:

0106-00-003.00

0106-00-003.01

0106F-0A-001.00 through - 081.00

0106F-0B-001.00 through - 039.00

0106F-0C-001.00 through -011.00

0106F-0D-001.00 through -005.00

0106L-0C-001.00 through - 015.00; and -019.00 through - 049.00

0106L-0D-001.00 through -007.00

0106L-0E-001.00 through -015.00

0106L-0F-001.00 through -012.00.

The Sold Lots which are excluded from this Request have the following tax map identifiers: 0106L-0C-016.00; 0106L-0C-017.00; and 0106L-0C-018.00; and have the street addresses of 10089 Jack Nicklaus Drive, 10095 Jack Nicklaus Drive, and 10101 Jack Nicklaus Drive.

The Commission acquired the Offered Property through the delinquent tax/assessment sale process in tax sales conducted on December 6, 2010 and December 3, 2012. The owner of the Offered Property, Craft Development, LLC, has waived any right of redemption in any of the Offered Property.

#### **THE DEVELOPMENT DISTRICT**

The Edgewater II Improvement District was created by Ordinance No. 834, adopted on July 30, 2007 by the County Council (the “Council”) of Lancaster County, South Carolina (the “County”). It consisted of approximately 376.254 acres (which included the Sold Lots).

Craft Development, LLC, had planned to develop the Edgewater II Improvement District into approximately 1,144 residential lots. Craft Development, LLC acquired the Edgewater II Improvement District by deed from Craft Holdings, LLC, recorded with the Lancaster County, South Carolina Register of Deeds in Deed Book 412, Pages 193 – 195. The Edgewater II Improvement District is defined by reference to the plat entitled Edgewater Phase II Bond District Area Map, recorded with the Lancaster County, South Carolina Register of Deeds in Plat Book 2007, Pages 477-486.

The Offered Property available pursuant to this Request consists of the Edgewater II Improvement District, but excluding the Sold Lots.

The Edgewater II Improvement District does not include (and the Offered Property does not include) certain areas that are located in the Edgewater II Development but that are not a part of the Edgewater II Improvement District. Those areas include approximately eight acres of common open space and recreational areas, approximately thirty-eight acres of community amenity space and a golf course area.

#### **THE BONDS AND THE CAPITAL ASSESSMENTS**

In 2007, the County issued (i) \$9,229,000 aggregate principal amount of Edgewater II Improvement District Assessment Revenue Bonds, Series 2007A (the “2007A Bonds”), of which approximately \$9,052,000 is presently outstanding, and (ii) \$19,651,000 aggregate principal

amount of Edgewater II Improvement District Assessment Revenue Bonds, Series 2007B (the “2007B Bonds”), of which approximately \$19,522,000 is presently outstanding. The 2007A Bonds and the Series 2007B Bonds (together, the “Bonds”) were issued to fund infrastructure, stormwater and other public projects within the Edgewater II Development. The Bonds are payable solely from annual capital assessments imposed upon the owner of each parcel within the Edgewater II Improvement District. Under South Carolina law, such capital assessments are imposed, collected and enforced in the same manner as real property taxes, and such capital assessments will continue to be imposed prospectively following any acquisition of the Edgewater II Improvement District properties until satisfied, subject to and in accordance with the terms of any restructuring that is agreed upon pursuant to the successful proposal. See the section captioned “Required Terms” above.

Offering and continuing disclosure documents regarding the Bonds and regarding the previous development plans and infrastructure may be found at:

<http://www.municap.com/report-LancasterCounty.htm> under the heading “Edgewater Phase II Improvement District” at the bottom of that web-page;

<http://emma.msrb.org/IssueView/IssueDetails.aspx?id=MS248550>; and at

<http://emma.msrb.org/IssueView/IssueDetails.aspx?id=MS32384>.

**The Lancaster County Forfeited Land Commission did not participate in the preparation, and does not make any representation regarding the accuracy or completeness, of any document located there.**

#### **FUTURE TAXES AND CAPITAL ASSESSMENTS**

Upon purchase of the Offered Property, the purchaser (or upon conveyance or transfer of all or any portion of the parcels included in the Offered Property, the new owner of each such parcel), subject to the potential relief from interest and penalties related to unpaid taxes and potential relief from the past due capital assessments referenced above in the section captioned “Required Terms,” will be legally responsible for the payment of all taxes and restructured capital assessments (including the restructured capital assessments) that will become due thereafter on such parcels.

#### **THE PROPOSAL PROCESS**

Proposals must be submitted to John Lane, Register of Deeds, Lancaster County, First Floor, County Administration Building, 101 North Main Street, Lancaster, South Carolina 29720. The mailing address is P.O. Box 1809, Lancaster, South Carolina 29721. Proposals must be in a sealed envelope and marked “Response to Request for Proposals for Edgewater II.”

Proposals must be received by 2:00 p.m., Thursday, December 3, 2015. Proposals will be opened publicly in County Council Chambers, second floor, County Administration Building, 101 North Main Street, Lancaster, at 2:00 p.m., Thursday, December 3, 2015, and a list will be

prepared at that time with the name of each offeror and the list will be made available for public inspection. No other information will be made available at that time.

Offerors may submit written questions by email to John Lane at [jlane@lancastercountysc.net](mailto:jlane@lancastercountysc.net). The deadline for submitting questions is 5:00 p.m., Friday, November 20, 2015. All questions and written replies will be posted to the County website at <http://www.mylancastersc.org>.

Inquiries regarding the Bonds should be directed to the Trustee for the Bonds, U.S. Bank, National Association, to the attention of Kathy Broecker, telephone 407.835.3802, e-mail [kathy.broecker@usbank.com](mailto:kathy.broecker@usbank.com).

Inquiries regarding soil erosion remediation currently underway for the Offered Property should be directed to the South Carolina Department of Health and Environmental Control, to the attention of Paul Wise, telephone 803.898.4181, email [wisepf@dhec.sc.gov](mailto:wisepf@dhec.sc.gov).

For every document an offeror submits in response to or with regard to this Request, the offeror must separately mark with the word "CONFIDENTIAL" every page, or portion thereof, that the offeror contends contains information that is exempt from public disclosure pursuant to the South Carolina Freedom of Information Act.

In addition to the Required Terms, proposals must: (1) describe the background and experiences of the offeror; (2) identify the offeror and the persons and entities that are proposing to acquire the property; (3) describe how the offeror proposes to develop the property; (4) describe how and when the offeror proposes to address environmental matters; (5) describe how and when the offeror proposes to address infrastructure deficiencies and needs; (6) identify prior projects of a similar nature that the offeror has been involved with; (7) address how the offeror proposes to work with the Edgewater II homeowners; and (8) describe the activities and timing needed for the offeror to close on the acquisition of the property.

Persons submitting proposals must submit one (1) original and five (5) copies marked as such.