

NEW ISSUE – Book-Entry Only

RATING: Moody’s “Aa1/VMIG 1”
SEE “RATING” herein.

In the opinion of Butler Snow LLP, Bond Counsel to the Borrower, under existing laws, regulations, rulings and judicial decisions in effect as of the date of delivery of the Bonds (as defined herein), assuming the accuracy of certain representations and continuing compliance with certain covenants, (i) interest on the Bonds is excludible from gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended (the “Code”), except during any period a Bond is held by a “substantial user” of the facilities financed or refinanced by the Bonds or by a “related person” within the meaning of Section 147(a) of the Code, (ii) interest on the Bonds is not an item of tax preference for purposes of computing the alternative minimum tax for individuals; however, interest on the Bonds is taken into account in determining annual adjusted current earnings under Section 56 of the Code for purposes of the alternative minimum tax imposed on certain corporations, and (iii) interest on the Bonds is exempt from present State of Georgia income taxation. See “TAX MATTERS.”

\$9,000,000*
Walker County Development Authority
Revenue Bonds
(Gateway at Sunset Street Project), Series 2026

Dated: Date of Delivery
Initial Interest Rate: _____%
Initial Offering Price: 100%

Mandatory Tender in connection with Conversion Date:
no earlier than: July 1, 2028*
Optional Call Date: July 1, 2028*
Initial Mandatory Tender Date: July 1, 2029*
Maturity Date: January 1, 2044*
CUSIP: _____

The Walker County Development Authority (the “Issuer”) is issuing its Revenue Bonds (Gateway at Sunset Street Project), Series 2026 (the “Bonds”) pursuant to a Trust Indenture dated as of June 1, 2026 (the “Indenture”), by and between the Issuer and Pinnacle Bank d/b/a Synovus Bank, a Tennessee banking corporation, as trustee (the “Trustee”). The Bonds shall bear interest on the outstanding principal amount thereof at the Initial Interest Rate set forth above (the “Initial Interest Rate”) from their date of issuance to, but not including, the Initial Mandatory Tender Date set forth above (the “Initial Mandatory Tender Date”), payable on each January 1 and July 1, commencing January 1, 2027*. The Bonds are issuable only as fully registered bonds without coupons in the denomination of \$5,000 principal amount or any integral multiple of \$1,000 in excess thereof. See “THE BONDS” herein.

The Bonds are being issued to finance a loan (the “Loan”) to Gateway at Sunset Street, LP, a Georgia limited partnership (the “Borrower”), to enable the Borrower to pay a portion of the cost of acquiring, constructing, equipping and installing a 90-unit multifamily rental housing project located in Rossville, Walker County, Georgia, and to be known as Gateway at Sunset Street Apartments (the “Project”). The Loan will be made to the Borrower pursuant to a Loan Agreement, dated as of June 1, 2026 (the “Loan Agreement”), between the Issuer and the Borrower, under which the Borrower has agreed to provide, as described herein, payments to the Issuer in amounts sufficient to pay the principal of and interest on the Bonds when due. The Loan will be evidenced by a Promissory Note in the principal amount of \$9,000,000* (the “Note”) from the Borrower to the Issuer and endorsed to the Trustee.

The Bonds are subject to mandatory tender for purchase, subject to satisfaction of the applicable terms and conditions set forth in the Indenture, on the earlier of (i) the Conversion Date or (ii) the Initial Mandatory Tender Date. All Bondholders must tender their Bonds for purchase on the Initial Mandatory Tender Date. The Bonds may be remarketed and a new interest rate for the Bonds may be determined on the Initial Mandatory Tender Date in accordance with the terms of the Indenture. If the Bonds are remarketed on the Initial Mandatory Tender Date, the terms of the Bonds after such date may differ materially from the description provided in this Official Statement. Therefore, prospective purchasers of the Bonds on and after the Initial Mandatory Tender Date cannot rely on this Official Statement, but rather must rely upon any disclosure documents prepared in connection with such remarketing.

The Bonds are subject to mandatory tender prior to the Initial Mandatory Tender Date as set forth herein. See “THE BONDS” herein.

At all times the Bonds will be secured by Eligible Investments or other Eligible Funds sufficient, along with earnings thereon (without the need for reinvestment), to pay all of the interest on the Bonds when due and to pay the principal of the Bonds at the earlier of the Initial Mandatory Tender Date or any preceding Mandatory Tender Date or Redemption Date, as further described herein. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein.

THE BONDS AND THE PRINCIPAL OF AND THE INTEREST THEREON ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED TO SUCH PURPOSES IN THE MANNER AND TO THE EXTENT PROVIDED IN THE INDENTURE, AND ARE PAYABLE FROM NO OTHER REVENUES OR ASSETS OF THE ISSUER. THE BONDS AND THE PRINCIPAL OF AND THE INTEREST THEREON DO NOT CONSTITUTE AN INDEBTEDNESS OR OBLIGATION OF THE STATE OF GEORGIA OR WALKER COUNTY, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF GEORGIA OR WALKER COUNTY IS PLEDGED TO THE PAYMENT OF PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

The Bonds are offered for delivery when, as and if issued and received by Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) and subject to the approval of legality by Butler Snow LLP, Atlanta, Georgia, Bond Counsel, of certain other conditions. Certain legal matters will be passed upon for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C., and for the Borrower by its counsel, Coleman Talley, LLP, Valdosta, Georgia. It is expected that the Bonds will be available in book-entry form through the facilities of DTC in Brooklyn, New York on or about June __, 2026.

This cover page contains limited information for ease of reference only. It is not a summary of the Bonds or the security therefor. This entire Official Statement, including the Appendices, must be read to obtain information essential to make an informed investment decision.



Date: June __, 2026

* Preliminary; subject to change.

This Preliminary Official Statement and certain of the information contained herein is in a form deemed final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (except for the omission of certain information permitted to be omitted under Rule 15c2-12(b)(1)). The information herein is subject to revision, completion or amendment in a final Official Statement. The Bonds may not be sold, nor may an offer to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy or a solicitation in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

No broker, dealer, salesman or other person has been authorized by the Issuer or the Borrower, to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale prior to the registration or qualification under the securities laws of any such jurisdiction. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Borrower since the date hereof.

All quotations from and summaries and explanations of provisions of laws and documents herein do not purport to be complete and reference is made to such laws and documents for full and complete statements of their provisions. This Official Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or owners of any of the Bonds. All statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact. The cover page hereof, inside front cover, and the appendices attached hereto are part of this Official Statement. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Bonds shall under any circumstances create any implication that there has been no change in the affairs of the Issuer or the Borrower since the date hereof.

The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission (the "Commission") or with any state securities agency. The Bonds have not been approved or disapproved by the Commission or any state securities agency, nor has the Commission or any state securities agency passed upon the accuracy or adequacy of this Official Statement. Any representation to the contrary is a criminal offense.

The order and placement of information in this Official Statement, including the Appendices, are not an indication of relevance, materiality or relative importance, and this Official Statement, including the Appendices, must be read in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit, or describe the scope and intent, or affect the meaning or construction, of any provision or section of this Official Statement.

CUSIP data herein are provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer and are included solely for the convenience of the holders of the Bonds. The Issuer is not responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions.

Pinnacle Bank d/b/a Synovus Bank, as Trustee, has not reviewed, provided or undertaken to determine the accuracy of any of the information contained in this Official Statement and makes no representation or warranty, express or implied, as to any matters contained in this Official Statement, including, but not limited to, (i) the accuracy or completeness of such information, (ii) the validity of the Bonds, or (iii) the tax-exempt status of the interest on the Bonds.

OFFICIAL STATEMENT

\$9,000,000*

**Walker County Development Authority
Revenue Bonds
(Gateway at Sunset Street Project), Series 2026**

INTRODUCTION

This Official Statement (this “Official Statement”) has been prepared in connection with the issuance of the above-captioned bonds (the “Bonds”) by the Walker County Development Authority (the “Issuer”), a public body corporate and politic created and existing under the laws of the State of Georgia (the “State”). The Board of Commissioners of the Issuer has authorized the issuance of the Bonds by a Bond and Note Resolution adopted on April 14, 2026 (the “Resolution”) and the Bonds are issued pursuant to a Trust Indenture dated as of June 1, 2026 (the “Indenture”), by and between the Issuer and Pinnacle Bank d/b/a Synovus Bank, as trustee (the “Trustee”). Certain capitalized terms that are used in this Official Statement and not otherwise defined shall have the definitions ascribed to them in “APPENDIX A — DEFINITIONS OF CERTAIN TERMS” hereto.

The Bonds are to be issued pursuant to the “Development Authorities Law,” codified as Article 1 of Chapter 62 of Title 36 of the Official Code of Georgia Annotated, as amended (the “Act”), for the purpose of providing funds to make a loan (the “Loan”) to Gateway at Sunset Street, LP, a Georgia limited partnership (the “Borrower”), to enable the Borrower to pay a portion of the cost of acquiring, constructing, equipping and installing a 90-unit multifamily rental housing project located in Rossville, Walker County, Georgia, and to be known as Gateway at Sunset Street Apartments (the “Project”). See “PRIVATE PARTICIPANTS” and “THE PROJECT” herein.

The Loan will be made to the Borrower under a Loan Agreement dated as of June 1, 2026 (the “Loan Agreement”), by and between the Issuer and the Borrower. Pursuant to the Loan Agreement, the Borrower has agreed to make payments to the Issuer in amounts sufficient to pay the principal of and interest on the Bonds when due (the “Bond Service Charges”) to the extent that amounts otherwise available for such payment are insufficient therefor. The Loan will be evidenced by a promissory note in the principal amount of \$9,000,000* (the “Note”) from the Borrower to the Issuer and endorsed to the Trustee.

The aggregate funds and Eligible Investments on deposit in the Project Fund and the Collateral Fund will, at all times, equal the principal amount of Bonds Outstanding. Bond Service Charges will be paid from amounts on deposit in the Bond Fund, the Collateral Fund and the Project Fund, and investment earnings thereon. Amounts on deposit in the Collateral Fund, the Bond Fund and the Project Fund will be invested in Eligible Investments. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein.

The Bonds shall bear interest on the outstanding principal amount thereof at a rate equal to the Initial Interest Rate set forth on the cover page hereof from the date of delivery to, but not including, July 1, 2029* (the “Initial Mandatory Tender Date”), payable on each January 1 and July 1, commencing January 1, 2027* (each an “Interest Payment Date”).

The Bonds are subject to mandatory tender for purchase, subject to satisfaction of the applicable terms and conditions set forth in the Indenture, on or prior to the Initial Mandatory Tender Date, including on the Conversion Date. All Bondholders must tender their Bonds for purchase on each Mandatory Tender Date, as set forth in the Indenture. A new interest rate for the Bonds may be determined on the Initial Remarketing Date in accordance with the terms of the Indenture. If the Bonds are remarketed on the Initial Mandatory Tender Date, the terms of the Bonds after such date may differ materially from the description provided in this Official Statement. Therefore, prospective purchasers of the Bonds on and after the Initial Mandatory Tender Date cannot rely on this Official Statement, but rather must rely upon any disclosure documents prepared in connection with such remarketing.

* Preliminary; subject to change.

Subject to the satisfaction of certain conditions set forth in (i) the Freddie Mac Commitment between Bellwether Enterprise Real Estate Capital, LLC, an Ohio limited liability company (the “Freddie Mac Seller/Servicer”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac”) and (ii) the Construction Phase Financing Agreement by and among Pinnacle Bank, a Tennessee bank, d/b/a Synovus Bank (in such capacity, the “Mortgage Lender”), the Freddie Mac Seller/Servicer, and Freddie Mac, and acknowledged and agreed to by the Borrower, Freddie Mac has agreed to facilitate the financing of the Project in the Permanent Phase as described in the Indenture.

Brief descriptions of the Issuer, the Borrower, the Mortgage Lender, the Mortgage Loan, the Project, the Bonds, the security for the Bonds, the Indenture, the Loan Agreement and the Tax Regulatory Agreement (as hereinafter defined) are included in this Official Statement. The summaries herein do not purport to be complete and are qualified in their entireties by reference to such documents, agreements and programs as may be referred to herein, and the summaries herein of the Bonds are further qualified in their entireties by reference to the form of the Bonds included in the Indenture and the provisions with respect thereto included in the aforesaid documents.

THE ISSUER

The following information has been provided by the Issuer for use herein. While the information is believed to be reliable, none of the Borrower, the Trustee, the Underwriter, nor any of their respective counsel, members, officers or employees makes any representations as to the accuracy or sufficiency of such information.

Except for the information under this heading and the section entitled “ABSENCE OF LITIGATION – The Issuer,” the Issuer has not participated in the preparation of this Official Statement and assumes no responsibility as to the accuracy or completeness of any information in this Official Statement.

The Issuer is a public body corporate and politic duly created pursuant to the laws of the State of Georgia, pursuant to the Act. The Issuer has the power, pursuant to the Act, to issue revenue bonds such as the Bonds for the purposes for which they will be issued. The Bonds will be a limited obligation of the Issuer as described under the caption “SECURITY FOR AND SOURCES OF PAYMENT FOR THE BONDS.”

THE BONDS AND THE PRINCIPAL OF AND THE INTEREST THEREON ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED TO SUCH PURPOSES IN THE MANNER AND TO THE EXTENT PROVIDED IN THE INDENTURE, AND ARE PAYABLE FROM NO OTHER REVENUES OR ASSETS OF THE ISSUER. THE BONDS AND THE PRINCIPAL OF AND THE INTEREST THEREON DO NOT CONSTITUTE AN INDEBTEDNESS OR OBLIGATION OF THE STATE OF GEORGIA OR WALKER COUNTY, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF GEORGIA OR WALKER COUNTY IS PLEDGED TO THE PAYMENT OF PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

Pursuant to the Loan Agreement and the Indenture, the Issuer will have no ongoing responsibility with respect to the Project or the security for the Bonds. All of the rights, privileges, duties and obligations of the Issuer (except as expressly reserved in the Indenture) have been assigned to the Trustee pursuant to the Indenture.

DEPOSITS INTO THE COLLATERAL FUND AND DISBURSEMENT OF BOND PROCEEDS

Contemporaneously with the issuance of the Bonds, the Borrower will obtain (i) a mortgage loan (the “Mortgage Loan”) from the Mortgage Lender and (ii) the proceeds of a bridge loan (the “Bridge Loan,” and together with the Mortgage Loan, the “Eligible Funds”) from the Mortgage Lender, in its capacity as maker of the Bridge Loan (the “Bridge Lender”, and together with the Mortgage Lender, the “Lenders”). Over time, Eligible Funds, including proceeds of the Mortgage Loan, are expected to be delivered to the Trustee for deposit into the Collateral Fund established by the Trustee under the Indenture. Upon the deposit of Eligible Funds into the Collateral Fund, and subject to the other applicable provisions set forth in the Indenture and the Loan Agreement, the Trustee shall disburse a like amount of Bond proceeds from the Project Fund to or at the direction of the Mortgage Lender or the Bridge Lender for purposes of paying costs of the Project, all in accordance with the Loan Agreement and the Indenture. The

maximum aggregate amount of funds representing proceeds of the Mortgage Loan to be delivered to the Trustee for deposit into the Collateral Fund will be \$9,000,000*.

Bond Service Charges shall be payable as they become due, (i) in the first instance from money on deposit in the Bond Fund (excluding the Negative Arbitrage Account therein), (ii) next from money on deposit in the Negative Arbitrage Account of the Bond Fund, (iii) next from money on deposit in the Collateral Fund and transferred as necessary to the Bond Fund and (iv) thereafter, from money on deposit in the Project Fund and transferred as necessary to the Bond Fund. The Indenture provides that the amount of funds disbursed from the Project Fund on any given date for payment of Qualified Project Costs shall at all times equal the amount of Eligible Funds deposited into the Collateral Fund in connection with such disbursement. Accordingly, the aggregate amount in the Collateral Fund and the Project Fund shall at all times equal 100% of the principal amount of the Bonds outstanding.

Notwithstanding any provision of the Loan Agreement or the Indenture to the contrary, the Trustee will not act upon the delivery of a certified copy of the request for disbursement of funds from the Project Fund, unless and until (i) an amount equal to or greater than the requested disbursement amount has been deposited into the Collateral Fund in accordance with the provisions of the Indenture and (ii) the Trustee has verified that the sum of the amount then held in the Collateral Fund and the amount then on deposit in the Project Fund, less the anticipated amount of the disbursement from the Project Fund, is at least equal to the then-outstanding principal amount of the Bonds. The Mortgage Lender will not deliver Eligible Funds to the Trustee for deposit into the Collateral Fund until the Trustee has first confirmed this calculation to the Mortgage Lender. Upon receipt of Eligible Funds, the Trustee shall be unconditionally and irrevocably obligated to disburse Bond proceeds in the amount of such installment of Eligible Funds to pay for Costs of the Project as set forth in the Indenture.

Amounts on deposit in the Project Fund, the Bond Fund and the Collateral Fund will be invested on the Closing Date in Eligible Investments. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS — Investment of Bond Fund, Project Fund and Collateral Fund; Eligible Investments” herein.

THE BONDS

Terms of the Bonds Generally

The Bonds shall be issued in Authorized Denominations and shall mature on January 1, 2044* (the “Maturity Date”). The Bonds are dated as of the Closing Date and shall bear interest at the Initial Interest Rate from the Closing Date, to but not including the Initial Mandatory Tender Date, payable on each Interest Payment Date, commencing January 1, 2027* and on each Mandatory Tender Date.

Interest on the Bonds shall be computed on the basis of a 360-day year of 12 months of 30 days each.

The principal of and interest on any of the Bonds shall be payable in lawful money of the United States of America. Except as described below under the subcaption “Book-Entry-Only System,” (a) the principal of any Bond shall be payable when due to a Holder upon presentation and surrender of such Bond at the Designated Office of the Trustee or at the office, designated by the Trustee, of any Paying Agent and (b) interest on any Bond shall be paid on each Interest Payment Date by check or draft which the Trustee shall cause to be mailed on that date to the Person in whose name the Bond is registered at the close of business of the Record Date applicable to that Interest Payment Date on the Register at the address appearing therein.

Mandatory Tender

All Outstanding Bonds shall be subject to mandatory tender by the Holders for purchase in whole and not in part on each Mandatory Tender Date. The purchase price for each such Bond shall be payable in lawful money of the United States of America by check or draft, shall equal 100% of the principal amount to be purchased and accrued interest, if any, to the Mandatory Tender Date and shall be paid in full on the applicable Mandatory Tender Date.

* Preliminary; subject to change.

The Mandatory Tender Dates shall consist of (i) the earlier of (A) the Initial Mandatory Tender Date and (B) the Conversion Date and (ii) any subsequent dates for mandatory tender of the Bonds established by the Borrower with the consent of the Remarketing Agent in connection with a remarketing of the Bonds pursuant to the Indenture.

While tendered Bonds are in the custody of the Trustee pending purchase pursuant to the Indenture, the tendering Holders thereof shall be deemed the owners thereof for all purposes, and interest accruing on tendered Bonds through the day preceding the applicable Mandatory Tender Date is to be paid to such tendering Holders as if such Bonds had not been tendered for purchase.

Notwithstanding anything in the Indenture to the contrary, any Bond tendered under this heading will not be purchased if such Bond matures or is redeemed on or prior to the applicable Mandatory Tender Date.

The Trustee shall utilize the following sources of payments to pay the tender price of the Bonds not later than 2:30 p.m. Local Time on the Mandatory Tender Date in the following priority: (i) amounts representing proceeds of remarketed Bonds deposited into the Remarketing Proceeds Account, to pay the principal amount, plus accrued interest, of Bonds tendered for purchase; (ii) on the Conversion Date, amounts on deposit in the Permanent Loan Purchase Fund, to pay the tender price of Bonds tendered for purchase in an amount equal to the Actual Project Loan Amount; (iii) on any Mandatory Tender Date other than the Conversion Date, amounts on deposit in the Bond Fund, to pay the principal amount of Bonds tendered for purchase (following the transfer to the Bond Fund from the Collateral Fund described in Section 4.08(c)(ii) hereof); (iv) amounts on deposit in the Negative Arbitrage Account of the Bond Fund to pay the accrued interest, if any, on Bonds tendered for purchase; (v) available interest earnings on amounts on deposit in the Project Fund to pay the accrued interest, if any, on the Bonds tendered for purchase; and (vi) any other Eligible Funds available or made available for the purposes described in this paragraph, with the written consent of the Issuer.

Bonds shall be deemed to have been tendered for purposes of this heading whether or not the Holders shall have delivered such Undelivered Bonds to the Trustee and, subject to the right of the Holders of such Undelivered Bonds to receive the purchase price of such Bonds and interest accrued thereon to the Mandatory Tender Date, such Undelivered Bonds shall be null and void. If such Undelivered Bonds are to be remarketed, the Trustee shall authenticate and deliver new Bonds in replacement thereof pursuant to the remarketing of such Undelivered Bonds.

With respect to any mandatory tender on the Conversion Date, at the written direction of the Borrower, the Trustee shall sell or redeem Eligible Investments on deposit in the Project Fund and Collateral Fund, transfer the proceeds thereof to the Bond Fund, and use such funds, along with any deposit of Eligible Funds from the Borrower as required pursuant to the paragraph below, to redeem Bonds in the Conversion Redemption Amount at the mandatory redemption price thereof.

In the event of a mandatory tender prior to the Initial Mandatory Tender Date, the Borrower shall comply with the provisions of the Indenture described under the heading “Investment of Bond Fund, Project Fund and Collateral Fund” in “APPENDIX B — SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE” hereto not less than two Business Days prior to the applicable Mandatory Tender Date.

Mandatory Tender Notice

Not less than thirty (30) days preceding a Mandatory Tender Date (or ten (10) days in connection with a Mandatory Tender Date that is the Conversion Date), the Trustee shall give written notice of mandatory tender to the Holders of the Bonds then Outstanding (with a copy to the Borrower, the Investor Member and the Remarketing Agent) by first class mail, postage prepaid, at their respective addresses appearing on the Register (or, when the Bonds are in Book-Entry Form, pursuant to the applicable procedures of the Securities Depository) stating:

- (i) the Mandatory Tender Date and that (a) all Outstanding Bonds are subject to mandatory tender for purchase on the Mandatory Tender Date, (b) all Outstanding Bonds must be tendered for purchase no later than 12:00 Noon Local Time on the Mandatory Tender Date and (c) Holders will not have the right to elect to retain their Bonds;

(ii) the address of the Designated Office of the Trustee at which Holders should deliver their Bonds for purchase and the date of the required delivery;

(iii) that all Outstanding Bonds will be purchased on the Mandatory Tender Date at a price equal to the principal amount of the Outstanding Bonds plus interest accrued to the Mandatory Tender Date; and

(iv) any Bonds not tendered will nevertheless be deemed to have been tendered and will cease to bear interest from and after the Mandatory Tender Date.

In the event that any Bond required to be delivered to the Trustee for payment of the purchase price of such Bond shall not have been delivered to the Trustee on or before the twentieth (20th) day following a Mandatory Tender Date, the Trustee shall mail a second notice to the Holder of the Bond at its address as shown on the Register setting forth the requirements set forth in the Indenture for delivery of the Bond to the Trustee and stating that delivery of the Bond to the Trustee (or compliance with the provisions of the Indenture concerning payment of lost, stolen, or destroyed Bonds) must be accomplished as a condition to payment of the purchase price applicable to the Bond.

Neither failure to give or receive any notice described in this heading, nor the lack of timeliness of such notice or any defect in any notice (or in its content) shall affect the validity or sufficiency of any action required or provided for in this heading.

Notice delivered as required under the Indenture with respect to a mandatory tender in connection with Conversion may be rescinded and annulled on or before the tender date set forth in such notice if Conversion does not occur by the Conversion Date.

Mandatory Redemption

The Bonds are subject to mandatory redemption as follows:

(a) in whole, on the earliest practicable day for which notice of redemption may be given upon the occurrence of any of the following events: (i) the Borrower has not previously elected pursuant to the Indenture and the Loan Agreement to cause the remarketing of the Bonds by the earliest date for which such election may be made pursuant to the Indenture, (ii) the conditions to remarketing set forth in the Indenture have not been met by the dates and times set forth therein, or (iii) the proceeds of a remarketing on deposit in the Remarketing Proceeds Account at 11:00 a.m. Local Time on the Mandatory Tender Date are insufficient to pay the purchase price of the Outstanding Bonds on such Mandatory Tender Date. The Bonds shall be redeemed at a redemption price equal to 100% of the principal amount of such Bonds plus accrued interest to the applicable Redemption Date from funds on deposit in, or transferred from, the Bond Fund, the Collateral Fund, and the Project Fund; and

(b) in part on the Conversion Date, in an amount necessary to reduce the aggregate principal amount of Outstanding Bonds to the Actual Project Loan Amount, as required to satisfy the Conditions to Conversion (such amount, the "Conversion Redemption Amount").

Optional Redemption

The Bonds are subject to optional redemption prior to their maturity, at the written direction of the Borrower, either in whole or in part, on any date on or after the later to occur of (i) the date that the Project is placed in service for purposes of Section 42 of the Code, as certified in writing by the Borrower to the Trustee, and (ii) the Optional Call Date, at a redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued interest, but without premium, to the applicable Redemption Date. Bonds subject to redemption in accordance with this paragraph shall be redeemed from (i) amounts on deposit in the Collateral Fund, (ii) amounts on deposit in the Bond Fund, other than funds in the Negative Arbitrage Account therein, (iii) amounts on deposit in the Project Fund, and (iv) any other Eligible Funds available or made available for such purpose at the direction of the Borrower.

In connection with any optional redemption of the Bonds prior to the applicable Mandatory Tender Date, the Trustee is permitted to sell Eligible Investments or redeem Eligible Investments prior to maturity at a price below par only if the Trustee receives, not less than two Business Days prior to the applicable Redemption Date, a Cash Flow Projection and any Eligible Funds required pursuant to such Cash Flow Projection.

Notice of Redemption

If the Borrower intends to effect an optional redemption of the Bonds, then, at least five (5) days prior to the latest date by which the Trustee must give notice of an optional redemption as set forth in this paragraph, the Borrower shall deliver to the Trustee written notice of such redemption. Unless waived by any Holder of Bonds to be redeemed, official notice of redemption shall be given by the Trustee on behalf of the Issuer by sending a copy of an official redemption notice by Electronic Means or by first class mail, postage prepaid, to the Holder of each Bond to be redeemed, at the address of such Holder shown on the Register at the opening of business on the fifth day prior to such mailing, (i) with respect to a mandatory redemption of the Bonds, not less than twenty (20) days nor more than thirty (30) days prior to the date fixed for redemption, and (ii) with respect to an optional redemption of the Bonds, not less than ten (10) days prior to the date fixed for redemption. A second notice of redemption shall be given, as soon as practicable, by Electronic Means or by first class mail to the Holder of each Bond which has been so called for redemption (in whole or in part) but has not been presented and surrendered to the Trustee within sixty (60) days following the date fixed for redemption of that Bond.

All official notices of redemption shall be dated and shall state:

- (a) the redemption date,
- (b) the redemption price,
- (c) if less than all Outstanding Bonds are to be redeemed, the identification by designation, letters, numbers or other distinguishing marks (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (d) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,
- (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the Designated Office of the Trustee, and
- (f) that the notice of redemption is conditioned upon there being deposited with the Trustee on or prior to the date of redemption money sufficient to pay the redemption price of the Bonds to be redeemed and, in the case of any redemption premium on Bonds, that there be on deposit Eligible Funds sufficient to pay such redemption premium.

Notices of redemption shall be revocable in the event that there is not on deposit with the Trustee prior to the date of redemption money sufficient to pay the redemption price of the Bonds to be redeemed or, in the case of any redemption premium on Bonds, there is not on deposit Eligible Funds sufficient to pay such redemption premium.

If the Bonds are not then held in a Book-Entry System, in addition to the foregoing notice, further notice shall be given by the Trustee as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

- (a) Each further notice of redemption given under the Indenture shall contain the information required above for an official notice of redemption plus (i) the CUSIP numbers of all Bonds being redeemed; (ii) the date of issue of the Bonds as originally issued; (iii) the rate of interest borne by each Bond being

redeemed; (iv) the maturity date of each Bond being redeemed; and (v) any other descriptive information deemed necessary in the sole discretion of the Trustee to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least fifteen (15) days before the Redemption Date by Electronic Means, registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number (if any) identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

Failure to give or receive notice via Electronic Means or by mailing or any defect in that notice regarding any Bond, however, shall not affect the validity of the proceedings for the redemption of such Bond.

Notice of any redemption under the Indenture with respect to Bonds held under a Book-Entry System shall be given by the Trustee only to the Securities Depository, or its nominee, as the Holder of such Bonds. Selection of Beneficial Owners of the Bonds called for redemption is the responsibility of the Securities Depository and any failure of such Securities Depository to notify the Beneficial Owners of any such notice and its contents or effect will not affect the validity of such notice of any proceedings for the redemption of such Bonds.

Book-Entry Only System

The following information on the Book-Entry System applicable to all Bonds has been supplied by DTC and none of the Issuer, the Borrower or the Underwriter make any representation, warranties or guarantees with respect to its accuracy or completeness.

The Depository Trust Company (“DTC”), Brooklyn, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for the Bonds, in the aggregate principal amount of the Bonds, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in the Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and debt service payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and debt service payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

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

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General

The Bonds will be secured by all right, title and interest of the Issuer in the Trust Estate, including, but not limited to (i) all right, title, and interest of the Issuer in and to all Revenues, derived or to be derived by the Issuer or the Trustee for the account of the Issuer under the terms of the Indenture and the Loan Agreement (other than the Reserved Rights of the Issuer), together with all other Revenues received by the Trustee for the account of the Issuer arising out of or on account of the Trust Estate, (ii) all right, title, and interest of the Issuer in and to the Note (other than the Reserved Rights of the Issuer) including all payments and proceeds with respect thereto or replacement thereof, (iii) all moneys (including the Eligible Funds received by the Trustee for deposit into the Collateral Fund, provided that Mortgage Loan proceeds become part of the Trust Estate concurrently with the Trustee's corresponding disbursement of Bond proceeds to or at the direction of the Mortgage Lender in accordance with the Indenture), which are at any time or from time to time on deposit in any fund or account created under the Indenture (excluding funds in the Costs of Issuance Fund (but only to the extent such moneys are not proceeds of the Bonds) and the Rebate Fund), (iv) all right, title, and interest of the Issuer in and to, and remedies under, the Loan Agreement (other than the Reserved Rights of the Issuer); and (v) all funds, moneys, and securities and any and all other rights and interests in property whether tangible or intangible from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned, or transferred as and for additional security under the Indenture for the Bonds by the Issuer or by anyone on its behalf or with its written consent to the Trustee, which is authorized by the Indenture to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture (the foregoing collectively referred to as the "Trust Estate").

THE BONDS AND THE PRINCIPAL OF AND THE INTEREST THEREON ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE TRUST ESTATE PLEDGED TO SUCH PURPOSES IN THE MANNER AND TO THE EXTENT PROVIDED IN THE INDENTURE, AND ARE PAYABLE FROM NO OTHER REVENUES OR ASSETS OF THE ISSUER. THE BONDS AND THE PRINCIPAL OF AND THE INTEREST THEREON DO NOT CONSTITUTE AN INDEBTEDNESS OR OBLIGATION OF THE STATE OF GEORGIA OR WALKER COUNTY, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF GEORGIA OR WALKER COUNTY IS PLEDGED TO THE PAYMENT OF PRINCIPAL OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

Repayment of Loan

The Loan Agreement and the Note obligate the Borrower to cause to be paid to the Trustee amounts which shall be sufficient to pay Bond Service Charges coming due on each Interest Payment Date. At all times the Eligible Funds required to be deposited into the Collateral Fund and amounts on deposit in the Bond Fund and the Project Fund, if any, along with interest earnings thereon (without the need for reinvestment), will be sufficient to pay such Bond Service Charges and such amounts will be a credit against the Borrower's payment obligations under the Loan Agreement and the Note.

Investment of Bond Fund, Project Fund and Collateral Fund; Eligible Investments

On the Closing Date, all amounts on deposit in the Bond Fund and the Collateral Fund will be invested in Eligible Investments. It is anticipated that all of the Bond proceeds in the Project Fund will be disbursed to pay Project

Costs on and after the Closing Date and that Bond Service Charges will be paid from amounts on deposit in the Bond Fund and the Collateral Fund and any investment earnings thereon.

Additional Bonds

No additional Bonds on parity with the Bonds may be issued pursuant to the Indenture.

PRIVATE PARTICIPANTS

The following information concerning the private participants has been provided by representatives of the private participants and has not been independently confirmed or verified by either the Underwriter or the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Borrower

The Borrower for the Project is Gateway at Sunset Street, LP, a Georgia limited partnership, a single-asset entity formed for the specific purpose of developing and owning the Project. The general partner of the Borrower is Gateway at Sunset Street GP, LLC, a Georgia limited liability company (the “General Partner”), which will own a 0.01% interest in the Borrower. Gateway GA 2026, LLC, a Georgia limited liability company (the “Federal Investor Partner”), will own a 98.99% interest in the Borrower and MPC GA Gateway at Sunset Drive, LLC, a Georgia limited liability company (the “State Investor Partner,” and together with the Federal Investor Partner, the “Investor Partner”), will own a 1.00% interest in the Borrower.

The Investor Limited Partner

Contemporaneously with the issuance of the Bonds, the Investor Limited Partner will acquire a 98.99% ownership interest in the Borrower. In connection with such acquisition, the Federal Investor Partner is expected to fund approximately \$9,850,554* and the State Investor Partner is expected to fund approximately \$99,511* of federal low-income housing tax credit equity (the “Federal Tax Credit Equity”) to the Project and the State Investor Partner is expected to fund approximately \$5,923,250* of state low-income housing tax credit equity (the “State Tax Credit Equity” and together with the Federal Tax Credit Equity, the “Tax Credit Equity”), to be paid in stages during and after construction of the Project. These funding levels and the timing of the funding are subject to numerous adjustments and conditions which could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from the estimates set forth herein and neither the Issuer nor the Underwriter makes any representation as to the availability of such funds.

The Developer

Gateway Development Corporation, an Alabama corporation (the “Developer”), will act as the developer for the Project. The Developer has over 35 years of experience in affordable housing and has developed over 100 affordable housing communities in Georgia, Alabama, Tennessee and South Carolina.

Limited Assets and Obligation of Borrower, General Partner and Investor Limited Partner

The Borrower has no substantial assets other than the Project and does not intend to acquire any other substantial assets or to engage in any substantial business activities other than those related to the development and ownership of the Project. However, the member(s) of the General Partner, the Investor Limited Partner, and their affiliates are engaged in and will continue to engage in the acquisition, development, ownership and management of

* Preliminary; subject to change.

similar types of housing projects. They may be financially interested in, as officers, partners or otherwise, and devote substantial times to, business and activities that may be inconsistent or competitive with the interests of the Project.

The obligations and liabilities of the Borrower under the Loan Agreement and the Note are of a non-recourse nature and are limited to the Project and moneys derived from the operation of the Project. Neither the Borrower nor its partners have any personal liability for payments on the Note to be applied to pay the principal of and interest on the Bonds. Furthermore, no representation is made that the Borrower has substantial funds available for the Project. Accordingly, neither the Borrower's financial statements nor those of its partners are included in this Official Statement.

The Property Manager

The Borrower has entered into a management agreement with Gateway Management Company, LLC, an Alabama limited liability company (the "Property Manager"), to manage the day-to-day operations of the Project. The Property Manager is an affiliate of the Developer. The Property Manager has been involved in the management of affordable housing since 2011. The Property Manager currently manages 12,500 apartment units in Alabama, Georgia, Tennessee, South Carolina, North Carolina, Florida, Oklahoma and Kentucky.

The General Contractor

The general contractor for the Project is Arlington Construction Services (the "General Contractor"). The General Contractor is not an affiliate of the Developer. Based out of Birmingham, Alabama, the General Contractor was formed in 1999. The General Contractor is a licensed contractor in many states, including Georgia. Since inception, the General Contractor has built or rehabilitated over 1,600 units of affordable apartments.

The Architect

The Architect is Studio 8 Design, LLC. (the "Architect"). The Architect is not an affiliate of the Developer. The Architect started in 1980 and demonstrates considerable affordable, LIHTC, HUD and senior housing experience. The Architect has designed the new construction or renovation of many rehabilitation, civic and commercial projects, with a focus on affordable multifamily housing. The Architect's clients include community groups and nonprofit organizations whose patronage accounts for a significant percentage of the projects in their office.

THE PROJECT

The following information concerning the Project has been provided by representatives of the Borrower and has not been independently confirmed or verified by either the Underwriter or the Issuer. No representation is made herein as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

The Project, to be known as Gateway at Sunset Street, is located in Rossville, Georgia, on an approximately 5.524-acre site. The Project contains 90 apartment units in three (3) buildings located at Sunset Street. Common area improvements will include: community building, on-site laundry, fitness center, equipped playground, equipped computer center, and covered pavilion w/ picnic/BBQ facility. Unit amenities include: HVAC system, energy star refrigerator, energy star dishwasher, stove, microwave oven, and fire suppression canisters. There are 135 parking spaces for resident use only.

It is anticipated that construction will commence promptly upon the issuance of the Bonds and funding of the initial installment of the Tax Credit Equity and will be completed in approximately fifteen months.

The unit type, the unit mix and approximate square footage for the units of the Project will be as follows:

| Unit Type | Total Heated Square Feet | Number of Units |
|--------------|--------------------------|-----------------|
| 1br | 782 | 12 |
| 2br | 1,041 | 54 |
| 3br | 1,193 | <u>24</u> |
| TOTAL | | 90 |

Plan of Financing

The estimated sources and uses of funds for the Project are projected to be approximately as follows:

Sources of Funds:*

| | |
|--|----------------------------|
| Bond Proceeds ¹ | \$9,000,000 |
| Federal Tax Credit Equity ² | 9,850,554 |
| State – Federal Equity Portion | 99,511 |
| State Tax Credit Equity | 5,923,250 |
| Perm Loan | 8,631,000 |
| Deferred Developer Fee | <u>357,323</u> |
| Total Sources | <u>\$33,861,638</u> |

Uses of Funds:*

| | |
|--------------------|----------------------------|
| Acquisition Costs | \$525,000 |
| Construction Costs | 18,115,354 |
| Soft Costs | 3,246,647 |
| Costs of Issuance | 175,000 |
| Developer Fee | 2,145,000 |
| Reserves & Escrows | 654,637 |
| Bond Expenditures | <u>9,000,000</u> |
| Total Uses | <u>\$33,861,638</u> |

¹ Subject to the satisfaction of the Conditions to Conversion, the Bonds may be subject to mandatory tender prior to the Initial Mandatory Tender Date with certain Eligible Funds, including the proceeds of a tax-exempt loan (the “Funding Loan”) from the Freddie Mac Seller/Servicer. On such tender date, Bonds so tendered may be redeemed in part in an amount sufficient to reduce the outstanding principal balance thereof to the Actual Project Loan Amount and shall be converted and delivered in the form of a note evidencing the Funding Loan (the “Governmental Note”) to the Freddie Mac Seller/Servicer, which Governmental Note, if issued, is expected to be sold to Freddie Mac.

² The Borrower expects to obtain a loan (the “Bridge Loan”) from Pinnacle Bank d/b/a Synovus Bank, a Tennessee banking corporation (in such capacity, the “Bridge Lender”) in the approximate principal amount of \$10,900,000* in order to bridge a portion of the Tax Credit equity contributions and be available for deposit to the Collateral Fund as needed.

All costs of issuing the Bonds, including the Underwriter’s fee, will be paid by the Borrower.

The Mortgage Loan. The Project will utilize a construction loan in the principal amount of up to \$9,000,000* (the “Mortgage Loan”). The proceeds of such Mortgage Loan will collateralize the Bonds during the construction phase (the “Construction Phase”). The Mortgage Loan will be secured by a first priority lien mortgage on the Project during the Construction Phase and the obligation to repay the Mortgage Loan will be evidenced by a promissory note (the “Mortgage Note”) from the Borrower to Mortgage Lender. The Mortgage Note will have a term of 30 months, and will bear interest at a rate equal to a variable rate of three and one quarter of one percent (3.25%) (the “Margin”)

* Preliminary; subject to change.

above Term SOFR (the “Index”)*. The Index will not be less than 0.75% collectively, and the interest rate shall never be less than the Index plus the Margin (4.00% per annum)*. There will be no payments of principal during the term, and with all unpaid principal and interest due at maturity. The Mortgage Loan proceeds will be disbursed from time to time by the Mortgage Lender to the Trustee for deposit into the Collateral Fund during the Construction Phase to allow for a corresponding amount of Bond proceeds to be disbursed to the Project. The Mortgage Loan is expected to be repaid in full on the Conversion Date.

The Low Income Housing Tax Credit Proceeds. Contemporaneously with the issuance of the Bonds, the Federal Investor Partner and the State Investor Partner expect to acquire a 98.99% ownership interest and 1.00% ownership interest, respectively, in the Borrower. In connection with such acquisition, the funding of the Federal Tax Credit Equity will total approximately \$9,850,554*, with approximately \$1,970,111* expected to be funded in connection with the issuance of the Bonds and the State Tax Credit Equity will total approximately \$6,022,761*, with approximately \$1,204,552* expected to be funded in connection with the issuance of the Bonds. The funding levels and the timing of the funding are subject to numerous adjustments and conditions which could result in the amounts funded and/or the timing or even occurrence of the funding varying significantly from the projections set forth above and neither the Issuer nor the Underwriter makes any representation as to the availability of such funds.

The Bridge Loan. The Project will also utilize an equity bridge loan in the principal amount of \$10,900,000* (the “Bridge Loan”) from the Mortgage Lender (in this capacity, the “Bridge Lender”). The obligation to repay the Bridge Loan will be set forth in a promissory note (the “Bridge Note”) from the Borrower to Bridge Lender, and the Bridge Loan will be repayable on the terms and conditions set forth therein. The Bridge Note will be secured in the same mortgage against the Project as the Mortgage Loan. The Bridge Note will have a term of 24 months and will bear interest at a rate equal to a variable rate of three and one quarter of one percent (3.25%) (the “Margin”) above Term SOFR (the “Index”)*. The Index will not be less than 0.75% collectively and the interest rate shall never be less than the Index plus the Margin (4.00% per annum)*. There will be no payments of principal during the term, and with all unpaid principal and interest due at maturity.

Deferred Developer Fee. The Project will utilize deferred developer fee in the anticipated amount of \$357,323* as a source of funding. The deferred developer fee will be repaid through surplus cash flow received from the operation of the Project.

Project Regulation

The Borrower intends to operate the Project as a qualified residential rental project in accordance with the provisions of Section 142(d) of the Code. Concurrently with the issuance of the Bonds, the Borrower, the Trustee and the Issuer will enter into the Tax Regulatory Agreement. Under the Tax Regulatory Agreement, the Borrower will agree that, at all times during the qualified project period (as defined in the Tax Regulatory Agreement), the Borrower will rent at least 100% of the units in the Project to persons whose adjusted family income (determined in accordance with the provisions of the Code) is no more than 60% of the area median income (adjusted for family size) (“AMI”). See “APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE TAX REGULATORY AGREEMENT” herein.

In addition to the rental restrictions imposed upon the Project by the Tax Regulatory Agreement, the Project will be further encumbered by a tax credit restrictive covenant, to be executed by the Borrower in connection with the federal low-income housing tax credits anticipated to be granted for the Project and in compliance with the requirements of Section 42 of the Code. Section 42 of the Code will restrict the income levels of 100% of the residential units in the Project (the “Tax Credit Units”). 100% of the Tax Credit Units shall be held available for rental to persons whose adjusted family income is equal to or less than 60% of the AMI adjusted for family size. The rents which may be charged for occupancy of such units will be restricted to not more than 30% of 60% of AMI, adjusted for bedroom size.

* Preliminary; subject to change.

CERTAIN BONDHOLDERS' RISKS

The purchase of the Bonds will involve a number of risks. The following is a summary, which does not purport to be comprehensive or definitive, of some of such risk factors.

General

Payment of the Bond Service Charges, and the Borrower's obligations with respect to the Bond Service Charges, will be secured by and payable from Bond proceeds held in the Project Fund, if any, and moneys deposited into the Collateral Fund and the Bond Fund, including the Negative Arbitrage Account held in the Bond Fund. Although the Borrower will execute the Note to evidence its obligation to repay the Loan, it is not expected that any revenues from the Project or other amounts, except moneys in the Bond Fund, the Project Fund, if any, and the Collateral Fund, will be available to satisfy that obligation. The Indenture requires the Trustee to verify, before any disbursement of funds from the Project Fund, that the sum of the funds on deposit in the Project Fund and the Collateral Fund is at least equal to the then outstanding principal amount of the Bonds. It is expected that all of the Bond proceeds in the Project Fund will be disbursed to pay Project Costs on and after the Closing Date. At all times funds on deposit in the Collateral Fund and the Negative Arbitrage Account of the Bond Fund, and the interest earnings thereon (without the need for reinvestment), will be sufficient to pay the debt service on the Bonds.

Limited Security for the Bonds

The Bonds are not secured by the Mortgage Loan. Investors should look exclusively to amounts on deposit in the Bond Fund, the Project Fund, if any, and the Collateral Fund under the Indenture and investment earnings on each as the source of payment of debt service on the Bonds.

Future Determination of Taxability of the Bonds

Failure of the Borrower to have complied with and to continue to comply with certain covenants contained in the Loan Agreement, the Tax Regulatory Agreement and a Tax Certificate of use of proceeds could result in interest on the Bonds being taxable retroactive to the date of original issuance of the Bonds. The Bonds are not subject to redemption upon a determination of taxability and are not subject to payment of additional interest in such an event, and neither the Issuer nor the Borrower will be liable under the Bonds, the Indenture or the Loan Agreement for any such payment of additional interest on the Bonds.

Issuer Limited Liability

The Bonds will not be insured or guaranteed by any governmental entity or by the Issuer or any member or program participant of the foregoing. The Bondholders will have no recourse to the Issuer or any other state or political subdivision in the event of an Event of Default on the Bonds. The Trust Estate for the Bonds will be the only source of payment on the Bonds.

Enforceability of Remedies upon an Event of Default

The remedies available to the Trustee and the owners of the Bonds upon an Event of Default under the Indenture, the Loan Agreement, the Tax Regulatory Agreement or any other document described herein are in many respects dependent upon regulatory and judicial actions which are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under such documents may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified to the extent that the enforceability of certain legal rights related to the Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Secondary Markets and Prices

No representation is made concerning the existence of any secondary market for the Bonds. The Remarketing Agent will not be obligated to repurchase any of the Bonds, nor can any assurance be given that any secondary market will develop following the completion of the offering of the Bonds. Further, there can be no assurance that the initial offering prices for the Bonds will continue for any period of time. Furthermore, the Bonds should be purchased for their projected returns only and not for any resale potential, which may or may not exist.

Eligible Investments

Proceeds of the Bonds deposited into the Project Fund and Eligible Funds received by the Trustee for deposit into the Collateral Fund are required to be invested in Eligible Investments. See “APPENDIX A — DEFINITIONS OF CERTAIN TERMS” hereto for the definition of Eligible Investments. There can be no assurance that there will not be a loss resulting from any investment held for the credit of the Project Fund or the Collateral Fund, and any failure to receive a return of the amounts so invested could affect the ability to pay the principal of and interest on the Bonds.

Rating Based on Eligible Investments

The rating on the Bonds is based on the amounts in the Project Fund, the Bond Fund and the Collateral Fund being invested in Eligible Investments. If one or more of such investments fail to meet the rating standards for Eligible Investments after their acquisition and prior to maturity, such a change may result in a downgrade or withdrawal of the rating on the Bonds.

Subordination to Mortgage Loan Documents

The Indenture, the Loan Agreement, the Note, and the Tax Regulatory Agreement contain provisions regarding subordination of such documents to the Mortgage Loan Documents. No assurance can be given that such provisions will not impair the excludability of interest on the Bonds from gross income for federal income tax purposes.

Future Legislation; IRS Examination

The Project, its operation and the treatment of interest on the Bonds are subject to various laws, rules and regulations adopted by the local, State and federal governments and their agencies. There can be no assurance that relevant local, State or federal laws, rules and regulations may not be amended or modified or interpreted in the future in a manner that could adversely affect the Bonds, the trust estate created under the Indenture, the Project, or the financial condition of or ability of the Borrower to comply with its obligations under the various transaction documents.

In recent years, the Internal Revenue Service (“IRS”) has increased the frequency and scope of its examination and other enforcement activity regarding tax exempt bonds. Currently, the primary penalty available to the IRS under the Code is a determination that interest on bonds is subject to federal income taxation. Such event could occur for a variety of reasons, including, without limitation, failure to comply with certain requirements imposed by the Code relating to investment restrictions, periodic payments of arbitrage profits to the United States of America, the timely and proper use of Bond proceeds and the facilities financed therewith and certain other matters. See “TAX MATTERS” herein. No assurance can be given that the IRS will not examine the Issuer, the Borrower, the Project or the Bonds. If the Bonds are examined, it may have an adverse impact on their price and marketability.

Potential Impact of Pandemics or Public Health Crises

The spread of the strain of a virus and resulting disease could alter the behavior of businesses and people in a manner that could have negative effects on global, state and local economies. There can be no assurances that the spread of a pandemic would not materially impact both local and national economies and, accordingly, have a materially adverse impact on the Project’s operating and financial viability. The effects of a pandemic could include,

among other things, an increase in the time necessary to complete the construction and/or rehabilitation of the Project, suspension or delay of site inspections and other on-site meetings, interruption in the engagement of material participants in the Project, increase in the time necessary to conduct lease-up at the Project, and increased delinquencies and/or vacancies, all of which could impact the Borrower's ability to make payments on the loans and result in a default and acceleration thereof.

Summary

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement and the Appendices hereto.

TAX MATTERS

Legal matters incident to the authorization, validity and issuance of the Bonds are subject to the unqualified approving opinion of Butler Snow LLP, Bond Counsel, whose opinion will be available at the time of delivery of the Bonds. It is anticipated that the approving opinion will be in substantially the form attached to this Official Statement as Appendix F.

General Matters. In the opinion of Butler Snow LLP, Bond Counsel to the Borrower, under existing laws, regulations, rulings and judicial decisions in effect as of the delivery date of the Bonds, interest on the Bonds is excludable from gross income for federal income tax purposes, except during any period a Bond is held by a "substantial user" of the facilities financed or refinanced by the Bonds or by a "related person" within the meaning of Section 147(a) of the Code. Bond Counsel is further of the opinion that interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax for individuals; however, interest on the Bonds is taken into account in determining the annual adjusted current earnings under Section 56 of the Code for purposes of the alternative minimum tax imposed on certain corporations.

The opinions described above assume the accuracy of certain representations and compliance by the Issuer and the Borrower with covenants designed to satisfy the requirements of the Code. The Code contains a number of requirements that apply to the Bonds, and the Issuer and the Borrower have made certain representations and have covenanted to comply with each such requirement. Bond Counsel's opinion assumes the accuracy of the representations made by the Issuer and the Borrower and is subject to the condition that the Issuer and Borrower continue to comply with these covenants. If the Issuer or Borrower fail to comply with such covenants, or if the Issuer's or Borrower's representations are inaccurate or incomplete, interest on the Bonds may be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the owners of the Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Bonds, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Bonds.

Bond Counsel is also of the opinion that, under the existing laws of the State, interest on the Bonds is exempt from State income tax. Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Bonds under the laws of the State or any other state or jurisdiction.

Original Issue Premium. The Bonds that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the "Premium Bonds"), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity

constitutes premium on such Premium Bond. Purchasers of the Premium Bonds should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Original Issue Discount. The Bonds that have an original yield above their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the “Discount Bonds”), are being sold at an original issue discount. Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date, with respect to when such original issue discount must be recognized as an item of gross income and with respect to the state and local tax consequences of owning a Discount Bond. Subsequent purchasers of Discount Bonds that purchase such Discount Bonds for a price that is higher or lower than the “adjusted issue price” of the Discount Bonds at the time of purchase should consult their tax advisors as to the effect on the accrual of original issue discount.

Backup Withholding. As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on federally tax-exempt obligations such as the Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the Bonds that fail to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling federally tax-exempt obligations.

Changes in Federal and State Tax Law. Current and future legislative proposals, if enacted into law, clarification of the Code or future court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or otherwise impair the holder’s tax benefit and could alter or amend the federal and state tax matters referred to under this heading “TAX MATTERS” or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds or the market value thereof would be impacted thereby. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

PROSPECTIVE PURCHASERS OF THE BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS PRIOR TO ANY PURCHASE OF THE BONDS AS TO THE IMPACT OF THE CODE UPON THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE BONDS.

The form of the opinion of Bond Counsel is attached hereto as APPENDIX F.

UNDERWRITING

Pursuant and subject to the terms and conditions set forth in the Bond Purchase Agreement (the “Bond Purchase Agreement”), among Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), the Issuer and the Borrower, the Underwriter has agreed to purchase the Bonds at the price set forth on the cover page hereof. For its services relating to the transaction, the Underwriter will receive a fee of \$_____ plus \$_____, payable in immediately available funds on the Closing Date, from which the Underwriter shall pay certain fees and expenses relating to the issuance of the Bonds. The Underwriter’s fee shall not include the fee of its counsel.

The Underwriter’s obligations are subject to certain conditions precedent, and the Underwriter will purchase all the Bonds, if any are purchased. Pursuant to the Bond Purchase Agreement, the Borrower has agreed to indemnify the Underwriter and the Issuer against certain civil liabilities, including liabilities under federal securities laws. It is intended that the Bonds will be offered to the public initially at the offering prices set forth on the cover page hereof

and that such offering prices subsequently may change without any requirement of prior notice. The Underwriter may offer the Bonds to other dealers at prices lower than those offered to the public.

The Underwriter does not guarantee a secondary market for the Bonds and is not obligated to make any such market in the Bonds. No assurance can be made that such a market will develop or continue. Consequently, investors may not be able to resell Bonds should they need or wish to do so for emergency or other purposes.

The Underwriter and its affiliates comprise a full-service financial institution engaged in activities which may include securities sales and trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the Issuer and/or the Borrower and to persons and entities with relationships with the Issuer and/or the Borrower, for which they received or will receive customary fees and expenses. The Underwriter is not acting as financial advisor to the Issuer or the Borrower in connection with the offer and sale of the Bonds.

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

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

In addition to serving as Underwriter, Stifel, Nicolaus & Company, Incorporated has been designated to serve as Remarketing Agent and will receive a fee for its remarketing services in connection with the remarketing, if any, of the Bonds on the Initial Mandatory Tender Date; conflicts of interest could arise.

RATING

Moody's Investors Service, Inc., a Delaware corporation (the "Rating Agency") has assigned to the Bonds the rating set forth on the cover page hereof. The rating reflects only the view of the Rating Agency at the time the rating was issued and an explanation of the significance of such rating may be obtained from the Rating Agency. The rating is not a recommendation to buy, sell or hold the Bonds. There is no assurance that any such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating can be expected to have an adverse effect on the market price of the Bonds.

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

Prior to the issuance of the Bonds, the Borrower will execute and deliver a Continuing Disclosure Agreement pursuant to which the Borrower will agree to provide ongoing disclosure pursuant to the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"). Financial statements and other operating data will be provided at least annually to the Municipal Securities Rulemaking Board (the "MSRB") and notices of certain events will be issued pursuant to the Rule. Information will be filed with the MSRB through its Electronic Municipal Market Access ("EMMA") system, unless otherwise directed by the MSRB. A form of the Continuing Disclosure Agreement is attached hereto as APPENDIX E.

A failure by the Borrower to comply with the Continuing Disclosure Agreement will not constitute an Event of Default under the Loan Agreement. Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by a broker or dealer before recommending the purchase or sale of the Bonds in the secondary

market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price and the ability of the Issuer to issue and sell bonds in the future.

CERTAIN LEGAL MATTERS

Certain legal matters relating to the authorization and validity of the Bonds will be subject to an approving opinion of Butler Snow LLP, Atlanta, Georgia, Bond Counsel. Certain legal matters will be passed upon for the Borrower by its counsel, Coleman Talley, LLP, Valdosta, Georgia and for the Underwriter by its counsel, Tiber Hudson LLC, Washington, D.C. Payment of the fees of certain counsel to the transaction is contingent upon the issuance and delivery of the Bonds as described herein.

ABSENCE OF LITIGATION

The Issuer

There is no proceeding or litigation of any nature now pending or threatened against the Issuer restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds, any proceedings of the Issuer taken with respect to the issuance or sale thereof, the Issuer Documents, the pledge or application of any money or security provided for the payment of the Bonds, the existence or powers of the Issuer relating to the Bonds or the title of any officers of the Issuer to their respective positions.

The Borrower

There is no legal action, suit, proceeding, investigation or inquiry at law or in equity, before or by any court, agency, arbitrator, public board or body or other entity or person, pending or, to the best knowledge of the Borrower, threatened against or affecting the Borrower or any member of the Borrower, in their respective capacities as such, nor, to the knowledge of the Borrower, any basis therefor, (i) which would restrain or enjoin the issuance or delivery of the Bonds, the use of this Official Statement in the marketing of the Bonds or the collection of revenues pledged under or pursuant to the Indenture or (ii) which would in any way contest or affect the organization or existence of the Borrower or the entitlement of any officer of the Borrower to its position or (iii) which would contest or have a material and adverse effect upon (A) the due performance by the Borrower of the transactions contemplated by this Official Statement, (B) the validity or enforceability of the Bonds or any other agreement or instrument to which the Borrower is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby and thereby, (C) the exclusion from gross income for federal income tax purposes of the interest on the Bonds or (D) the financial condition or operations of the Borrower, (iv) which contests in any way the completeness or accuracy of this Official Statement or (v) which questions the power or authority of the Borrower to carry out the transactions on its part contemplated by this Official Statement, or the power of the Borrower to own or operate the Project. The Borrower is not subject to any judgment, decree or order entered in any lawsuit or proceeding brought against it that would have such an effect.

ADDITIONAL INFORMATION

The summaries and explanation of, or references to, the Act, the Indenture and the Bonds included in this Official Statement do not purport to be comprehensive or definitive. Such summaries, references and descriptions are qualified in their entirety by reference to each such document, copies of which are on file with the Trustee.

The information contained in this Official Statement is subject to change without notice and no implication shall be derived therefrom or from the sale of the Bonds that there has been no change in the affairs of the Issuer or the Borrower from the date hereof.

This Official Statement is submitted in connection with the offering of the Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. Any statements in this Official Statement involving matters of opinion or estimate, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Issuer and the owners of any of the Bonds.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this final official statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

[Signature pages to follow]

IN WITNESS WHEREOF, the foregoing Official Statement has been executed by the undersigned as of the date first written above.

GATEWAY AT SUNSET STREET, LP,
a Georgia limited partnership

By: Gateway at Sunset Street GP, LLC,
a Georgia limited liability company,
its General Partner

By: _____
Allan Rappuhn
Manager

[Issuer Signature Page to Official Statement]

**WALKER COUNTY DEVELOPMENT
AUTHORITY**

By: _____
Chair

(SEAL)

Attest:

Secretary/Treasurer

APPENDIX A

DEFINITIONS OF CERTAIN TERMS

Certain capitalized terms used in this Official Statement are defined below. The following is subject to all the terms and provisions of the Indenture, to which reference is hereby made and copies of which are available from the Issuer or the Trustee.

“Act” means the “Development Authorities Law,” codified as Article 1 of Chapter 62 of Title 36 of the Official Code of Georgia Annotated, as amended and supplemented from time to time.

“Actual Project Loan Amount” has the meaning set forth in the Construction Phase Financing Agreement.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” when used with respect to any specified Person means the power to direct the policies of such Person, directly or indirectly, whether through the power to appoint and remove its directors, the ownership of voting securities, by contract, or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Authorized Denomination” means \$5,000, or any integral multiple of \$1,000 in excess thereof.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as in effect now and in the future, or any successor statute.

“Beneficial Owner” shall have the meaning provided in the Indenture.

“Bond Counsel” means Butler Snow LLP or other counsel selected by the Issuer and nationally recognized as having an expertise in connection with the exclusion of interest on obligations of states and local governmental units from the gross income of holders thereof for federal income tax purposes.

“Bond Fund” means the Bond Fund established pursuant to the Indenture.

“Bond Purchase Agreement” means the Bond Purchase Agreement, dated June __, 2026, among the Issuer, the Borrower, and the Underwriter.

“Bond Service Charges” means, pursuant to the Loan Agreement, payments made by the Borrower to the Issuer in amount sufficient to pay the principal of and interest on the Bonds when due to the extent that amounts otherwise available for such payment are insufficient therefor.

“Bondholder” or “Holder of the Bonds” or “Holder” or “Owner of the Bonds” or “Owner” when used with respect to any Bond, means the person or persons in whose name such Bond is registered as the owner thereof on the books of the Issuer maintained at the Trust Office for that purpose.

“Bonds” means the Revenue Bonds (Gateway at Sunset Street Project), Series 2026 of the Issuer issued, authenticated, and delivered under the Indenture, which are identified as such in the Indenture.

“Book-Entry Form” or “Book-Entry System” means a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds may be transferred only through a book entry and (ii) physical bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as holder, with the physical bond certificates “immobilized” in the custody of the Securities Depository.

“Borrower” means Gateway at Sunset Street, LP, a Georgia limited partnership, and its successors and assigns.

“Borrower Documents” means the Loan Agreement, the Note, the Tax Certificate, the Tax Regulatory Agreement, the Bond Purchase Agreement, the Partnership Agreement, the Continuing Disclosure Agreement, the Remarketing Agreement, and any and all documents, agreements, or instruments executed by the Borrower in connection with the Loan evidenced by the Loan Agreement, but excluding the Mortgage Loan Documents.

“Borrower Representative” means a person at the time designated and authorized to act on behalf of the Borrower by a written certificate furnished to the Issuer and the Trustee containing the specimen signature of such person and signed on behalf of the Borrower by one of its officers, which certificate may designate an alternate or alternates.

“Borrower’s Obligations” means the obligations of the Borrower under the Loan Agreement, the Note, and the other Borrower Documents to (a) pay the principal of and interest on the Note, when and as the same shall become due and payable (whether at the stated maturity thereof, on any payment date, or by acceleration of maturity or otherwise); (b) pay all other amounts required by the Loan Agreement, the Note, and the other Borrower Documents to be paid by the Borrower to the Issuer, as and when the same shall become due and payable; and (c) timely perform, observe, and comply with all of the terms, covenants, conditions, stipulations, and agreements, express or implied, which the Borrower is required by the Loan Agreement, the Note, the Tax Regulatory Agreement, and any of the other Borrower Documents to perform or observe.

“Bridge Lender” means Pinnacle Bank d/b/a Synovus Bank, a Tennessee banking corporation, and its successors and assigns.

“Bridge Loan” means the equity bridge loan to the Borrower relating to the Development from the Bridge Lender in the original principal amount of \$10,900,000*.

“Business Day” or “business day” means a day, other than a Saturday or Sunday, on which (a) banks located in New York, New York, or in the city in which the Trustee or the Underwriter is located, are not required or authorized by law or executive order to close for business, and (b) the New York Stock Exchange is not closed.

“Cash Flow Projection” means a cash flow projection prepared by an independent firm of certified public accountants, a financial advisory firm, a law firm, or other independent third party qualified and experienced in the preparation of cash flow projections for structured finance transactions similar to the Bonds, designated by, and provided by or on behalf of, the Borrower and acceptable to the Rating Agency, establishing the sufficiency of (a) the amount on deposit in the Special Funds, (b) projected investment income to accrue on amounts on deposit in the Special Funds during the applicable period, (c) any additional Eligible Funds delivered to the Trustee by or on behalf of the Borrower to pay debt service on the Bonds, when due and payable, including, but not limited to, any cash flow projection prepared in connection with (i) the initial issuance and delivery of the Bonds; (ii) a proposed remarketing of the Bonds, as provided in the Indenture; (iii) a release of Eligible Funds from the Negative Arbitrage Account as provided in the Indenture; (iv) the purchase, sale or exchange of Eligible Investments as provided in the Indenture; (v) the optional redemption of the Bonds as provided in the Indenture; and (vi) the sale or other disposition by the Trustee of Eligible Investments prior to maturity at a price below par, as described in the Indenture. The cost and expense of obtaining any Cash Flow Projection shall be the sole responsibility of the Borrower.

“Certificate of Occupancy” means the temporary or final certificate of occupancy, as the case may be, issued by Walker County, Georgia for the multifamily units in the Project, or if certificates of occupancy are not required or provided for multifamily units, then evidence of all final inspection approvals needed to occupy the multifamily units.

“Closing Date” means the date of delivery of the Bonds in exchange for the purchase price thereof.

“Closing Memorandum” means the closing memorandum attached to the initial Requisition delivered on the Closing Date.

* Preliminary; subject to change.

“Code” means the Internal Revenue Code of 1986, including applicable final, temporary, and proposed regulations and revenue rulings applicable thereto.

“Collateral Fund” means the Collateral Fund established pursuant to the Indenture.

“Completion Certificate” means a certificate submitted by the Borrower Representative to the Issuer and the Trustee as provided in the Loan Agreement, a form of which is attached to the Loan Agreement as an exhibit.

“Completion Date” means the date upon which the Completion Certificate and the Certificate of Occupancy are delivered by the Borrower to the Issuer and the Trustee.

“Conditions to Conversion” shall have the meaning set forth for such term in the Construction Phase Financing Agreement.

“Construction Draw Schedule” means the schedule of the disbursement of the proceeds of the Bonds as provided in an exhibit attached to the Loan Agreement, as the same may be amended from time to time with the consent of the Issuer.

“Construction Phase” means the construction phase of the Loan, which time period shall commence on the Closing Date and remain in effect to, but not including, the Conversion Date.

“Construction Phase Financing Agreement” means the Construction Phase Financing Agreement dated as of the Closing Date by and among Freddie Mac, the Mortgage Lender, and the Freddie Mac Seller/Servicer, and acknowledged, accepted and agreed to by the Borrower, as the same may be amended, modified, or supplemented from time to time.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement dated as of June 1, 2026 between the Borrower and the Dissemination Agent, as the same may be amended, restated, supplemented, or modified from time to time.

“Conversion” means the conversion of the Loan from the Construction Phase to the Permanent Phase on the Conversion Date.

“Conversion Date” means the date the Freddie Mac Seller/Servicer purchases the Governmental Note upon the satisfaction of the Conditions to Conversion set forth in the Construction Phase Financing Agreement, as such Conversion Date is specified by the Freddie Mac Seller/Servicer in the Notice of Conversion; provided, however, the Conversion Date shall occur under the Indenture (a) no earlier than July 1, 2028* and (b) no later than the Forward Commitment Maturity Date, as it may be extended.

“Conversion Redemption Amount” has the meaning provided in the Indenture.

“Costs” with respect to the Project shall be deemed to include all items permitted to be financed under the provisions of the Code and the Act.

“Costs of Issuance” means all fees, costs, and expenses payable or reimbursable directly or indirectly by the Issuer or the Borrower and related to the authorization, issuance, and sale of the Bonds.

“Costs of Issuance Fund” means the Costs of Issuance Fund established pursuant to the Indenture.

“Default” means any Default under the Loan Agreement as specified in and defined by the Indenture.

* Preliminary; subject to change.

“Designated Office” of the Trustee or the Underwriter means, respectively, the office of the Trustee or the Underwriter at the respective Notice Address set forth in the Indenture or at such other address as may be specified in writing by the Trustee or the Underwriter, as applicable, as provided in the Indenture.

“Dissemination Agent” means initially Pinnacle Bank d/b/a Synovus Bank, or any dissemination agent subsequently appointed in accordance with the Continuing Disclosure Agreement.

“Documents” means and shall include (without limitation), with respect to the Bonds, the Indenture, the Loan Agreement, the Note, the Tax Regulatory Agreement, the Tax Certificate, the Continuing Disclosure Agreement, the Remarketing Agreement, and any and all other documents which the Issuer, the Borrower or any other party or parties or their representatives, have executed and delivered, or may hereafter execute and deliver, to evidence or secure the Issuer’s Obligations or the Borrower’s Obligations, or any part thereof, or in connection therewith, and any and all Supplements thereto, but excluding the Mortgage Loan Documents.

“Eligible Funds” means, as of any date of determination, any of:

- (a) the proceeds of the Bonds (including any additional amount paid to the Trustee as the purchase price thereof by the Underwriter);
- (b) moneys drawn on a letter of credit;
- (c) moneys received by the Trustee representing advances to the Borrower of proceeds of the Mortgage Loan and the Bridge Loan;
- (d) remarketing proceeds of the Bonds (including any additional amount paid to the Trustee as the purchase and or remarketing price thereof by the Remarketing Agent) received from the Remarketing Agent or any purchaser of Bonds (other than funds provided by the Borrower, the Issuer, or any Affiliate of either the Borrower or the Issuer);
- (e) any other amounts, including the proceeds of any refunding bonds, for which the Trustee has received an Opinion of Counsel (which opinion may assume that no Holder or Beneficial Owner of Bonds is an “insider” within the meaning of the Bankruptcy Code) to the effect that (A) the use of such amounts to make payments on the Bonds would not violate Section 362(a) of the Bankruptcy Code or that relief from the automatic stay provisions of such Section 362(a) would be available from the bankruptcy court and (B) payments of such amounts to Holders would not be recoverable from Holders of Bonds under Section 550 of the Bankruptcy Code as avoidable preferential payments of the Borrower under Section 547 of the Bankruptcy Code should the Issuer or the Borrower become a debtor in proceedings commenced under the Bankruptcy Code;
- (f) any payments made by the Borrower and held by the Trustee for a continuous period of 123 days, provided that no Act of Bankruptcy has occurred during such period;
- (g) proceeds of Freddie Mac Seller/Servicer Purchase Price received from the Freddie Mac Seller/Servicer in connection with the purchase of the Governmental Note on the Conversion Date;
- (h) money received by the Trustee in connection with the recycling of volume cap as described in the Indenture; and
- (i) investment income derived from the investment of the money described in (a) through (h) above.

“Eligible Investments” means, subject to the provisions of the Indenture, any of the following investments that mature (or are redeemable at the option of the Trustee without penalty) at such time or times as to enable timely disbursements to be made from the fund in which such investment is held or allocated in accordance with the terms of the Indenture, to the extent the same are at the time legal for investment of the Issuer’s funds (written direction of the Issuer to invest funds shall be conclusive evidence that the directed investment is at the time a legal investment of the Issuer’s funds):

(a) Governmental Obligations; and

(b) To the extent permitted in the Indenture, shares or units in any money market mutual fund which is then rated “Aaa-mf” by Moody’s (or if no fund is available at that rating category, the Highest Rating Category then available for that category of fund by Moody’s, or if Moody’s is not the Rating Agency or a new rating scale is implemented, the equivalent rating category given by the Rating Agency for that general category of security) (including mutual funds of the Trustee or its affiliates or for which the Trustee or an affiliate thereof serves as investment advisor or provides other services to such mutual fund and receives reasonable compensation therefor) registered under the Investment Company Act of 1940, as amended, whose investment portfolio consists solely of direct obligations of the government of the United States of America.

“Event of Default” or “Default” means any of the events described as an Event of Default in the Indenture or the Loan Agreement.

“Extension Payment” means the amount due, if any, in connection with the change or extension of the Mandatory Tender Date pursuant to the Indenture and (a) which shall be determined by a Cash Flow Projection approved in writing by the Rating Agency and (b) must consist of Eligible Funds.

“Federal Investor Partner” means Gateway GA 2026, LLC, a Georgia limited liability company, and its permitted successors and assigns.

“Forward Commitment Maturity Date” means January 1, 2029*, subject to extension by Freddie Mac as provided in the Construction Phase Financing Agreement.

“Freddie Mac” means the Federal Home Loan Mortgage Corporation, a shareholder-owned government-sponsored enterprise chartered and existing under the laws of the United States of America, and its successors and assigns.

“Freddie Mac Commitment” means the commitment from Freddie Mac to the Freddie Mac Seller/Serviceicer pursuant to which Freddie Mac has agreed to purchase the Governmental Note following the Conversion Date, subject to the terms and conditions set forth therein, as such commitment may be amended, modified, or supplemented from time to time.

“Freddie Mac Seller/Serviceicer” means Bellwether Enterprise Real Estate Capital, LLC, an Ohio limited liability company, as Freddie Mac’s seller/serviceicer under the Freddie Mac Commitment, or any of its successors or assigns under the Freddie Mac Commitment.

“Freddie Mac Seller/Serviceicer Purchase Price” means an amount equal to the Actual Project Loan Amount to be funded by the Freddie Mac Seller/Serviceicer on the Conversion Date.

“Funding Agreement” means the Credit Agreement dated as of June 1, 2026, by and between the Borrower and the Lender, as such may be amended, supplemented or restated from time to time.

* Preliminary; subject to change.

“Funding Loan Agreement” means the Funding Loan Agreement attached as an exhibit to the Indenture, which Funding Loan Agreement shall be executed, delivered, and become effective on the Conversion Date.

“General Partner” means Gateway at Sunset Street GP, LLC, and its successors and assigns.

“Governmental Authority” means any federal, State, or local governmental or quasi-governmental entity, including, without limitation, any agency, department, commission, board, bureau, administration, service, or other instrumentality of any governmental entity.

“Governmental Note” means the Governmental Note attached as an exhibit to the Funding Loan Agreement, which Governmental Note shall be executed, delivered, and become effective on the Conversion Date.

“Governmental Obligations” means (a) noncallable, non-redeemable direct obligations of the United States of America for the full and timely payment of which the full faith and credit of the United States of America is pledged and (b) obligations issued by a Person controlled or supervised by and acting as an instrumentality of the United States of America, the full and timely payment of the principal of, premium, if any, and interest on which is fully guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), which obligations, in either case, are not subject to redemption prior to maturity at less than par at the option of anyone other than the holder thereof.

“Highest Rating Category” means, with respect to an Eligible Investment, that the Eligible Investment is rated by a Rating Agency in the highest rating given by that Rating Agency for that Rating Category, provided that such rating shall include but not be below “Aa1” or “Aa1/VMIG 1” if rated by Moody’s or “A-1+” or “AA+” if rated by S&P.

“HUD” means the United States Department of Housing and Urban Development.

“Indenture” means the Trust Indenture, dated as of June 1, 2026, by and between the Issuer and the Trustee, and any and all Supplements thereto.

“Independent” means any person not an employee or officer of the Borrower or its affiliates.

“Initial Deposit” means Eligible Funds in the amount set forth in the Indenture.

“Initial Interest Rate” means ___%.

“Initial Mandatory Tender Date” means July 1, 2029*.

“Initial Remarketing Date” means the Initial Mandatory Tender Date, but only if the conditions for remarketing the Bonds on such date as provided in the Indenture are satisfied.

“Interest Payment Date” means (a) January 1 and July 1 of each year beginning January 1, 2027*, (b) each Mandatory Tender Date and (c) each Redemption Date.

“Interest Rate” means the Initial Interest Rate to but not including the Initial Mandatory Tender Date, as applicable, and thereafter the applicable Remarketing Rate; provided, however, commencing on the Conversion Date the Interest Rate shall be as set forth in the Funding Loan Agreement.

“Issuer” means the Walker County Development Authority, a public body corporate and politic created and existing under the laws of the State of Georgia, and any successor to its powers and duties under the Act.

* Preliminary; subject to change.

“Issuer Documents” means the Loan Agreement, the Indenture, the Tax Regulatory Agreement, the Bond Purchase Agreement, and any and all documents, agreements, or instruments executed by the Issuer in connection with the Loan.

“Issuer’s Obligations” means the obligations of the Issuer under the Bonds, the Indenture, and the other Documents to (a) pay the principal of and interest on the Bonds (including supplemental interest), when and as the same shall become due and payable (whether at the stated maturity thereof or by acceleration of maturity or after notice of prepayment or otherwise) and (b) timely perform, observe, and comply with all of the terms, covenants, conditions, stipulations, and agreements, express or implied, that the Issuer is required by the Bonds, the Indenture, or any of the other Documents to perform and observe.

“Loan” means the loan by the Issuer to Borrower in the principal amount of \$9,000,000* made by the Issuer to the Borrower evidenced by the Note, described in the Loan Agreement and made in connection with the issuance of the Bonds.

“Loan Agreement” means the Loan Agreement dated June 1, 2026, between the Issuer and the Borrower and any and all Supplements thereto.

“Loan Payments” means the amounts required to be paid by the Borrower in repayment of the Loan pursuant to the provisions of the Note and the Loan Agreement.

“Local Time” means Eastern time (daylight or standard, as applicable) in the State.

“Mandatory Tender Date” means each date on which all Outstanding Bonds are subject to mandatory tender as set forth in the Indenture.

“Maturity Date” means January 1, 2044*.

“Moody’s” means Moody’s Investors Service, Inc., a Delaware corporation, and its successors and assigns, or if it is dissolved or no longer assigns credit ratings, then any other nationally recognized statistical rating agency acceptable to the Remarketing Agent that assigns credit ratings.

“Mortgage Lender” means Pinnacle Bank d/b/a Synovus Bank, a Tennessee banking corporation, and any successors and assigns.

“Mortgage Loan” means the mortgage loan to be made from the Mortgage Lender to the Borrower in the principal amount of up to \$9,000,000* with respect to the Project, as described and provided for in the Mortgage Loan Documents.

“Mortgage Loan Documents” means the Funding Agreement, the Mortgage Loan Security Instrument, the mortgage note, and all other documents required by the Mortgage Lender in connection with the Mortgage Loan.

“Mortgage Loan Security Instrument” means the Deed to Secure Debt, which will secure the Mortgage Loan, as the same may be amended, supplemented or restated.

“Negative Arbitrage Account” means the Negative Arbitrage Account of the Bond Fund established pursuant to the Indenture.

“Note” means the Promissory Note, dated the Closing Date from the Borrower to the Issuer, in substantially the form attached to the Loan Agreement as an exhibit and any amendments, Supplements or modifications thereto, which Note has been assigned without recourse by the Issuer to the Trustee.

* Preliminary; subject to change.

“Notice of Conversion” means a written notice to be delivered no fewer than fifteen (15) days prior to the Conversion Date by the Freddie Mac Seller/Servicer to the Issuer, the Trustee, the Borrower, the Mortgage Lender, and Freddie Mac (i) stating that the Conditions to Conversion have been satisfied on or before the Forward Commitment Maturity Date or, if any Condition to Conversion has not been satisfied on or before the Forward Commitment Maturity Date, stating that such Condition to Conversion has been waived in writing by Freddie Mac (if a waiver is permitted and is granted by Freddie Mac, in its sole and absolute discretion) on or before the Forward Commitment Maturity Date, (ii) confirming the Conversion Date and (iii) providing a revised Funding Loan Amortization Schedule and Project Loan Amortization Schedule, as described in the Funding Loan Agreement.

“Official Statement” means this Official Statement dated June __, 2026, relating to the Bonds.

“Opinion of Counsel” means an opinion from an attorney or firm of attorneys acceptable to the Trustee, with experience in the matters to be covered in the opinion.

“Optional Call Date” means any date on or after July 1, 2028*.

“Outstanding,” “outstanding,” or “Bonds Outstanding” when used with respect to the Bonds means any Bonds theretofore authenticated and delivered under the Indenture, except:

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

(b) Bonds for the payment of which moneys or obligations shall have been theretofore deposited with the Trustee in accordance with the Indenture; or

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under the Indenture.

“Partnership Agreement” means the Amended and Restated Partnership Agreement of the Borrower, dated June 1, 2026, as it may be amended in accordance with the Borrower Documents and the Mortgage Loan Documents.

“Permanent Loan Purchase Fund” means the fund established pursuant to the Indenture.

“Permanent Phase” means the permanent phase of the Loan, which time period shall commence on the Conversion Date and remain in effect through the remaining term of the Loan.

“Person” shall include an individual, association, unincorporated organization, corporation, partnership, joint venture, or government or agency or political subdivision thereof.

“Project” means the multifamily rental housing project located in Rossville, Walker County, Georgia, to be known as Gateway at Sunset Street Apartments, which upon completion will contain approximately 90 affordable multifamily housing units and which may include such ancillary uses as parking, community space, and other functionally related and subordinate uses.

“Project Fund” means the Project Fund established pursuant to the Indenture.

“Project Loan Agreement” means the Project Loan Agreement attached as an exhibit to the Indenture which Project Loan Agreement shall be executed, delivered, and become effective on the Conversion Date.

* Preliminary; subject to change.

“Qualified Project Costs” means any expenditures that (a) are incurred not more than 60 days prior to the date on which the Issuer first declared its “official intent” (within the meaning of Treasury Regulation Section 1.150-2) with respect to the Project (other than preliminary expenditures with respect to the Project in an amount not exceeding 20% of the aggregate principal amount of the Bonds); (b) are made exclusively to provide facilities and improvements that constitute part of a “qualified residential rental project” within the meaning of Section 142(d) of the Code; and (c) are properly chargeable to the Project’s capital account under general federal income tax principles or that would be so chargeable with a proper election or but for a proper election by the Borrower to deduct such expenditure. “Qualified Project Costs” do not include (i) issuance costs of the Bonds (within the meaning of Section 147(g) of the Code) or (ii) any fee, charge, or profit payable to the Borrower or a “related person” (within the meaning of Section 144(a)(3) of the Code) of the Borrower. As used in the Indenture, the term “preliminary expenditures” includes architectural, engineering, surveying, soil testing, and similar costs that were incurred prior to the commencement of construction of the Project, but does not include land acquisition, site preparation, and similar costs incident to commencement of construction of the Project.

“Rating Agency” means any national rating agency then maintaining a rating on the Bonds and initially means Moody’s.

“Rating Category” means one of the generic rating categories of the Rating Agency.

“Rebate Fund” means the Rebate Fund established pursuant to the Indenture.

“Record Date” means the 15th day of the month preceding any Interest Payment Date.

“Redemption Date” means any date under the Indenture on which the Bonds are subject to redemption, including (a) the Maturity Date, (b) the date of acceleration of the Bonds, or (c) otherwise, pursuant to the Indenture.

“Remarketing Agent” means Stifel, Nicolaus & Company, Incorporated or any successor as Remarketing Agent designated in accordance with the Indenture.

“Remarketing Agreement” means the Remarketing Agreement, dated as of June 1, 2026, by and between the Borrower and the Remarketing Agent, as amended, supplemented or restated from time to time, or any agreement entered into in substitution therefor.

“Remarketing Date” means the Initial Remarketing Date and, if the Bonds Outstanding on such date or on any subsequent Remarketing Date are remarketed pursuant to the Indenture for a Remarketing Period that does not extend to the final maturity of the Bonds, the day after the last day of the Remarketing Period.

“Remarketing Period” means the period beginning on a Remarketing Date and ending on the earlier of (i) the last day of the term for which Bonds are remarketed pursuant to the Indenture, ii) the Conversion Date, or (iii) or the final Maturity Date of the Bonds.

“Remarketing Proceeds Account” means the Remarketing Proceeds Account of the Bond Fund established pursuant to the Indenture.

“Remarketing Rate” means the interest rate or rates established pursuant to the Indenture and borne by the Bonds then Outstanding from and including each Remarketing Date to, but not including, the next succeeding Remarketing Date or the final Maturity Date of the Bonds, as applicable.

“Requisition” means (i) the Closing Memorandum or (ii) the written request to make a disbursement from the Costs of Issuance or the Project Fund in substantially the form attached as an exhibit to the Indenture, submitted in the manner provided pursuant to the Indenture.

“Reserved Rights of the Issuer” shall mean (a) all rights that the Issuer and its officers, officials, directors, agents, and employees may have under the Indenture, the Loan Agreement and the Tax Regulatory Agreement to indemnification by the Borrower and by any other persons and to payments for expenses incurred by the Issuer itself, or its officers, officials, directors, agents, or employees; (b) the right of the Issuer to give and receive notices, reports, certifications, or other information hereunder, under the Loan Agreement, and under the Tax Regulatory Agreement; (c) the right of the Issuer to receive its fees and expenses; (d) the Issuer’s approval rights; (e) the rights of the Issuer with respect to inspections; (f) the rights of the Issuer with respect to publicity and signage; (g) the notification, indemnification, and enforcement rights of the Issuer in the Loan Agreement; (h) the rights of the Issuer with respect to limited liability; (i) all rights of the Issuer to enforce the covenants and agreements and to take action for the breach of any representation or warranty of the Borrower pertaining in any manner or way, directly or indirectly, to the requirements of the Act or any requirements imposed by the Issuer with respect to the Project, or necessary to assure that interest on the Bonds is excluded from gross income for federal income tax purposes, as are set forth in any of the Documents, including any certificate or agreement executed by the Borrower; (j) all rights of the Issuer in connection with any amendment to or modification of any of the Indenture, the Loan Agreement, or the Tax Regulatory Agreement insofar as any such amendment or modification would affect the Reserved Rights of the Issuer; and (k) all enforcement rights with respect to the foregoing. All of the foregoing rights of the Issuer under the Indenture, the Tax Regulatory Agreement, and the Loan Agreement are reserved to the Issuer, as none of these rights under the Indenture, the Tax Regulatory Agreement, or the Loan Agreement are being assigned by the Issuer to the Mortgage Lender.

“Revenues” means (a) the Loan Payments, (b) the Eligible Funds received by the Trustee for deposit into the Collateral Fund, (c) all other money received or to be received by the Trustee in respect of repayment of the Loan, including without limitation, all money and investments in the Bond Fund, (d) any money and investments in the Special Funds, and (e) all income and profit from the investment of the foregoing moneys. The term “Revenues” does not include any money or investments in the Rebate Fund and the Costs of Issuance Fund (but only to the extent such moneys are not proceeds of the Bonds), amounts paid as fees, reimbursement for expenses, or for indemnification of the Issuer and the Trustee, or amounts paid to or collected by the Issuer in connection with any Reserved Rights of the Issuer.

“Securities Depository” means the Depository Trust Company, its successors and assigns, or any other securities depository for the Bonds designated by the Issuer or the Borrower to the Trustee in writing.

“Special Funds” means, collectively, the Project Fund, the Collateral Fund, and the Bond Fund, and any accounts therein, all as established pursuant to the Indenture.

“State” means the State of Georgia.

“State Investor Partner” means MPC GA Gateway at Sunset Drive, LLC, a Georgia limited liability company, and its permitted successors and assigns.

“Supplement” or “Supplements” means any and all extensions, renewals, modifications, amendments, supplements, and substitutions.

“Tax Certificate” means the Tax Certificate dated the Closing Date of the Borrower.

“Tax Regulatory Agreement” means the Land Use Restriction Agreement dated as of the same date as the Indenture by and among the Issuer, the Trustee, and the Borrower relating to the Bonds, and any and all modifications thereof, amendments and Supplements thereto, and substitutions therefor.

“Title Company” means Old Republic National Title Insurance Company.

“Trust Estate” means the property, rights, money, securities and other amounts pledged and assigned to the Trustee under the Indenture pursuant to the Granting Clauses of the Indenture.

“Trust Office” means the trust office of the Trustee located at the Notice Address (as defined in the Indenture) or such other office designated by the Trustee from time to time, or such other offices as may be specified in writing to the Issuer by the Trustee pursuant to the Indenture.

“Trustee” means Pinnacle Bank d/b/a Synovus Bank, a Tennessee banking corporation.

“Undelivered Bond” means any Bond that is required under the Indenture to be delivered to the Remarketing Agent or the Trustee for purchase on a Mandatory Tender Date but that has not been received on the date such Bond is required to be so delivered.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated.

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APPENDIX B

SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

The following is a brief summary of certain provisions of the Indenture. The following summary does not purport to be complete or definitive and is subject to all the terms and provisions of the Indenture, to which reference is hereby made and copies of which are available from the Issuer or the Trustee.

Creation of Funds

The following trust funds are hereby created by the Issuer and ordered established with the Trustee, to be maintained in the custody of the Trustee each as a separate bank account, to be used for the purposes as provided under the Indenture:

- (a) the Bond Fund, and therein the Negative Arbitrage Account and the Remarketing Proceeds Account;
- (b) the Project Fund;
- (c) the Rebate Fund, which Fund shall be administered in accordance with the provisions of the Indenture. Moneys held in the Rebate Fund are not held for the benefit of the Owners and are not part of the Trust Estate;
- (d) the Costs of Issuance Fund we add Moneys held in the Costs of Issuance Fund that are not proceeds of the Bonds are not held for the benefit of the Owners and are not part of the Trust Estate. Any moneys held in the Costs of Issuance Fund that are proceeds of the Bonds are held for the benefit of the Owners and are part of the Trust Estate;
- (e) the Collateral Fund; and
- (f) the Permanent Loan Purchase Fund.

The Trustee may from time to time create one or more accounts or subaccounts within any fund authorized by the Indenture for the purpose of accounting for funds deposited into or held in each fund or for carrying out any of the requirements of the Indenture. The Trustee may transfer funds between accounts and subaccounts within any fund.

In the event certain moneys are deposited with the Trustee prior to the Closing Date, whether or not pursuant to one or more letters of instruction from the provider or providers of such moneys, such moneys shall be held by the Trustee subject to the terms and conditions of the Indenture, in addition to the terms of any such letter(s) of instruction. For such purpose, the standards of care and any provisions governing the responsibilities and indemnification and other provisions relating to the Trustee contained in the Indenture and in the Loan Agreement (the "Effective Provisions") shall be effective as of the first date of receipt by the Trustee of such moneys. The Effective Provisions shall be deemed incorporated into any such letter(s) of instructions.

Deposits into and Use of Moneys in the Bond Fund

On the Closing Date, the Trustee shall deposit the Initial Deposit, if any, into the Negative Arbitrage Account of the Bond Fund; amounts on deposit in the Bond Fund are to be invested pursuant to the Indenture. Any Extension Payment received by the Trustee in connection with an extension of the Mandatory Tender Date pursuant to the Indenture shall also be deposited into the Negative Arbitrage Account. The Trustee is authorized to release funds in the Negative Arbitrage Account to the Borrower upon receipt of an updated Cash Flow Projection and a rating confirmation from the Rating Agency.

Bond Service Charges shall be payable as they become due, (i) in the first instance from money on deposit in the Bond Fund (excluding the Negative Arbitrage Account therein), (ii) next from money on deposit in the Negative Arbitrage Account of the Bond Fund, (iii) next from money on deposit in the Collateral Fund and transferred as necessary to the Bond Fund and (iv) thereafter, from money on deposit in the Project Fund and transferred as necessary to the Bond Fund.

Except as otherwise provided in the Indenture, moneys in the Bond Fund shall be used solely for the payment of the principal of and interest on the Bonds when due.

Collateral Fund; Project Fund

Upon receipt, the Trustee shall deposit into the Collateral Fund all Eligible Funds received pursuant to the Funding Agreement and the Loan Agreement and any other Eligible Funds received by the Trustee for deposit into the Collateral Fund. The Loan Agreement requires the Borrower to make or cause the Mortgage Lender, pursuant to the terms of the Funding Agreement, to cause Eligible Funds to be delivered to the Trustee for deposit into the Collateral Fund in a principal amount equal to, and as a prerequisite to the disbursement of, the amount of Bond proceeds on deposit in the Project Fund to be disbursed by the Trustee to pay Project Costs.

Each deposit into the Collateral Fund shall constitute an irrevocable deposit solely for the benefit of the Holders, subject to the provisions of the Indenture.

The Trustee shall transfer money in the Collateral Fund as follows: (i) on the Conversion Date, (A) to the Bond Fund in an amount sufficient to (1) pay any accrued but unpaid interest on the Bonds and (2) to cause the purchase and partial cancellation of the Bonds in an amount sufficient to reduce the outstanding principal amount of the Bonds to the Conversion Redemption Amount as set forth in the Notice of Conversion, and (B) to or at the written direction of the Mortgage Lender, in partial repayment of the outstanding principal balance of the Mortgage Loan (ii) on a Mandatory Tender Date other than the Conversion Date, to the Bond Fund, the amount necessary to pay the purchase price of the Bonds, to the extent amounts on deposit in the Remarketing Proceeds Account and the Negative Arbitrage Account of the Bond Fund are insufficient therefor; and (iii) on any Redemption Date, to the Bond Fund the amount, together with amounts on deposit in the Bond Fund, necessary to pay the principal and interest due on the Bonds on such date.

The Bonds shall not be, and shall not be deemed to be, paid or prepaid by reason of any deposit into the Collateral Fund unless and until the amount on deposit in the Collateral Fund is transferred to the Bond Fund and applied to the payment of the principal of any of the Bonds or the principal component of the redemption price of any of the Bonds, all as provided in the Indenture.

To the extent moneys are not otherwise provided to the Trustee to make the necessary interest and principal payments on each Interest Payment Date, including moneys deposited into the Bond Fund or the Collateral Fund, the Trustee shall, without further written direction, transfer from the Project Fund to the Bond Fund sufficient Eligible Funds to make such necessary interest and principal payments on each Interest Payment Date.

The Trustee shall cause to be kept and maintained adequate records pertaining to the Project Fund and all disbursements therefrom. If requested by the Issuer or the Borrower, after the Project has been completed and a certificate of payment of all costs is filed as provided in the Indenture, the Trustee shall file copies of the records pertaining to the Project Fund and disbursements therefrom with the Issuer and the Borrower at the sole cost of the Borrower.

The Borrower expects that the Project will proceed substantially in accordance with the Construction Draw Schedule. Each Requisition submitted to the Trustee shall evidence and request disbursements from the Project Fund and/or the Costs of Issuance Fund.

Notwithstanding any other provision of the Indenture to the contrary, after the Closing Date the Trustee shall not disburse moneys from the Project Fund, other than to pay Bond Service Charges on the Bonds, unless and until the Trustee receives satisfactory evidence that Eligible Funds in an amount equal to or greater than the requested

disbursement amount (the “Collateral Deposit”) has been deposited in the Collateral Fund. Prior to making any disbursement, the Trustee shall verify that upon making the disbursement, the aggregate amount to be held in (i) the Collateral Fund and (ii) the Project Fund will be at least equal to the then-Outstanding principal amount of the Bonds and that such amounts, together with amounts on deposit in the Bond Fund (including the Negative Arbitrage Account therein) and projected investment earnings on all such amounts, will be sufficient to pay Bond Service Charges on the outstanding Bonds as and when they become due. In the event that, following receipt of the Collateral Deposit, the Trustee determines that it cannot correspondingly disburse Bond proceeds to or at the direction of the Borrower, the Bridge Lender or the Mortgage Lender, the Trustee shall immediately notify the Borrower, the Bridge Lender and the Mortgage Lender, as applicable, of the reason for such determination and shall, immediately upon the written request of the Borrower, the Bridge Lender or the Mortgage Lender, return the subject Collateral Deposit to the party that deposited such Collateral Deposit with the Trustee.

The proceeds of the Bonds shall be allocated exclusively to pay costs that (i) are (A) capital expenditures (as defined in Section 1.150-1(a) of the Treasury Regulations) and (B) not made for the acquisition of existing property, to the extent prohibited in Section 142(d) of the Code, and (ii) shall be deemed allocated on a pro rata basis to each building in the Project and the land on which it is located, so that each building and the land on which it is located will have been financed twenty-five percent (25%) or more by the proceeds of the Bonds for the purpose of complying with Section 42(h)(4)(B) of the Code; provided, however, the foregoing representation, covenant and warranty is made for the benefit of the Borrower and its members and neither the Trustee nor the Issuer shall have any obligation to enforce this covenant nor shall they incur any liability to any person, including without limitation, the Borrower, the members of the Borrower, any other affiliate of the Borrower or the holders of the Bonds for any failure to meet the intent expressed in the foregoing representation, covenant and warranty; and provided further, failure to comply with this representation, covenant and warranty shall not constitute a default or Event of Default under the Indenture.

Upon the occurrence and continuance of an Event of Default under the Indenture because of which the principal amount for the Bonds has been declared to be due and immediately payable under the Indenture, any moneys remaining in the Project Fund shall be promptly transferred by the Trustee to the Bond Fund for payment of Bond Service Charges.

Notwithstanding anything to the contrary to the Indenture, on the Conversion Date, the Issuer may direct the Trustee in writing to deposit to the Collateral Fund amounts provided by the Issuer and described in clause (h) of the definition of Eligible Funds for further transfer to the Bond Fund to be applied to the principal portion of any partial redemption of the Bonds, all in furtherance of the recycling of volume cap as described in the Indenture.

Permanent Loan Purchase Fund

The Trustee shall establish and maintain a separate fund to be known as the “Permanent Loan Purchase Fund.” On or before the Conversion Date, the Freddie Mac Seller/Servicer shall cause funds in an amount equal to the Actual Project Loan Amount as set forth in the Notice of Conversion to be deposited into the Permanent Loan Purchase Fund. On the Conversion Date, all funds in the Permanent Loan Purchase Fund shall be applied by the Trustee towards the payment of the purchase price of Bonds in a principal amount equal to the Actual Project Loan Amount. After such purchase, the Permanent Loan Purchase Fund shall be closed.

Procedure for Making Disbursements from Project Fund

Upon the delivery to the Trustee of (i) a signed Requisition in substantially the form attached as an appendix to the Indenture, (ii) Eligible Funds in an amount equal to the amount of Bond proceeds being requested for disbursement pursuant to such Requisition, as provided in the Indenture, and (iii) certification by a Borrower Representative that the Costs of the Project intended to be paid with such Bond proceeds are qualified costs pursuant to Section 142 of the Code, the Trustee shall, on such date, deposit such Eligible Funds into the Collateral Fund and disburse from the Project Fund Bond proceeds, in the amount set forth in the applicable Requisition, solely to pay Costs of the Project. To the extent money on deposit in the Project Fund is invested in Eligible Investments, the Trustee shall not sell or otherwise terminate such Eligible Investments prior to their stated maturity date and instead the Trustee is instructed by the Indenture to make the following allocations and exchanges, which allocations and exchanges shall occur prior to the disbursement of amounts on deposit in the Project Fund to pay Costs of the Project: (a) allocate all or a portion of the Eligible Investments in the Project Fund, in the amount specified in the request for disbursement,

to the Collateral Fund, and (b) transfer to the Project Fund a like amount of Eligible Funds on deposit in the Collateral Fund to be disbursed in accordance with the Indenture.

The Trustee shall not disburse money from the Project Fund, other than to pay interest and principal on the Bonds as otherwise permitted under the Indenture, unless and until Eligible Funds in an amount equal to or greater than the requested disbursement amount have been deposited into the Collateral Fund in accordance with the Indenture; provided, however, that the Trustee shall transfer funds from the Project Fund to the Collateral Fund upon receipt of an opinion of Bond Counsel to the effect that such transfer shall not cause the interest on any of the Bonds to be or become includible in the gross income of the owners thereof for federal income tax purposes. In accordance with the Loan Agreement, and prior to making any disbursement from the Project Fund (except to make necessary interest and principal payments on the Bonds as otherwise permitted under the Indenture), the Trustee shall determine that the aggregate account balance in (a) the Collateral Fund and (b) the Project Fund (less the requested disbursement amount) is at least equal to the then-Outstanding principal amount of the Bonds, and that such amounts, together with amounts on deposit in the Bond Fund (including the Negative Arbitrage Account therein) and projected investment earnings on all such amounts, will be sufficient to pay Bond Service Charges on the outstanding Bond as and when they become due.

Money in the Project Fund shall be disbursed in accordance with the provisions of the Loan Agreement and the Indenture. To the extent moneys are not otherwise provided to the Trustee to make the necessary interest and principal payments on each Interest Payment Date, including moneys deposited into the Bond Fund or the Collateral Fund, the Trustee shall, without further written direction, transfer from the Project Fund to the Bond Fund sufficient Eligible Funds to make such necessary interest and principal payments on each Interest Payment Date.

Notwithstanding anything contained in the Indenture or any of the Borrower Documents to the contrary, (a) with respect to Eligible Funds funded by the Mortgage Lender for deposit into the Collateral Fund, the Trustee shall be irrevocably and unconditionally obligated to disburse an equal amount of funds from the Project Fund to either the Mortgage Lender, the Borrower or the Title Company pursuant to a Requisition as directed by the Mortgage Lender; and (b) with respect to Eligible Funds funded by the Bridge Lender for deposit into the Collateral Fund, the Trustee shall be irrevocably and unconditionally obligated to disburse an equal amount of funds from the Project Fund to either the Borrower or the Title Company as directed by the Bridge Lender pursuant to a Requisition. Such disbursements shall be made pursuant to a Requisition and shall not be made more frequently than once per month, unless approved in writing by the Borrower, in its sole discretion.

Subject to the Trustee's obligation to return the Eligible Funds to the Mortgage Lender or the Bridge Lender, as applicable, as set forth above, the Trustee and the Issuer shall not, in any event, be responsible or liable to any person (other than the Borrower, but only in the case of the Trustee, and only in the event of a failure by the Trustee to make disbursements following request for disbursements in accordance with the Documents, when such failure is within the Trustee's sole control, and after receipt of written notice of such failure and a three-day opportunity to cure such failure) for the disbursement of, or failure to disburse, moneys from the Project Fund or any part thereof, and no contractor, subcontractor or material or equipment supplier or their respective successors and assigns shall have any right or claim against the Trustee or the Issuer under the Indenture.

Notwithstanding anything contained in the Indenture or any of the Borrower Documents to the contrary, if for any reason the Trustee is not able to disburse a corresponding amount of Bond proceeds from the Project Fund to or at the direction of the Mortgage Lender or the Bridge Lender, as applicable, immediately following receipt of Eligible Funds from the Mortgage Lender or the Bridge Lender, as applicable, for deposit into the Collateral Fund, the Trustee shall promptly wire transfer such funds back to the Mortgage Lender or the Bridge Loan, as applicable, and not deposit same into the Collateral Fund.

Investment of Bond Fund, Project Fund and Collateral Fund

Money in all funds or accounts, including the Special Funds, shall be invested and reinvested by the Trustee, and at all times held in Eligible Investments at the written direction of the Borrower as approved in writing by the Issuer. In the absence of written direction of the Borrower, any moneys held under the Indenture shall be invested in (i) the First American Government Obligations Fund, or if such fund is unavailable, (ii) investments described in paragraph (b) of the definition of Eligible Investments.

At no time shall the Borrower direct that (a) any funds constituting gross proceeds of the Bonds be used in any manner as would constitute failure of compliance with Section 148 of the Code or (b) any funds be held other than in Eligible Investments.

Investments of money in the Special Funds shall mature or be redeemable at the option of the Trustee at the times and in the amounts necessary to provide money to pay any amounts due on the Bonds as they become due on each Interest Payment Date, at stated maturity or on a Mandatory Tender Date. In addition, investment of money in the Project Fund shall mature or be redeemable at the option of the Trustee at the times and in the amounts as may be necessary to make anticipated payments from the Project Fund. Any investments in the Special Funds that are not classified as Eligible Investments shall be invested in Governmental Obligations.

The Trustee shall sell or redeem investments credited to the Bond Fund to produce sufficient money applicable under the Indenture to and at times required for the purposes of paying any amounts due on the Bonds and shall do so without necessity for any order on behalf of the Issuer or the Borrower and without restriction by reason of any order. An investment made from money credited to an applicable fund or account shall constitute part of that respective fund or account. All investment earnings from amounts on deposit in the Project Fund and the Collateral Fund shall be credited to and become part of the Bond Fund. All gains resulting from the sale of, or income from, any investment made from amounts on deposit in the Project Fund and the Collateral Fund shall be credited to and become part of the Bond Fund. Following the Closing Date, at the written direction of the Borrower, the Trustee is permitted to purchase, sell or exchange Eligible Investments upon receipt of a Cash Flow Projection. Notwithstanding anything in the Indenture to the contrary, (i) earnings received by the Trustee with respect to Eligible Investments purchased for the purpose of paying Bond Service Charges shall be held uninvested and (ii) Bond proceeds and the Initial Deposit to the Negative Arbitrage Account, if any, shall be held uninvested until the Trustee has purchased, sold, or exchanged Eligible Investments.

Any investments may be purchased from or sold to the Trustee, or any bank, trust company, or savings and loan association that is an affiliate or subsidiary of the Trustee provided that all such investments must be Eligible Investments. The Trustee shall not be liable for any losses on investments made in compliance with the provisions of the Indenture. If the Trustee is required to sell or otherwise dispose of any Eligible Investments prior to maturity at a price below par in connection with a mandatory tender prior to the applicable Mandatory Tender Date, the Borrower shall, at the Borrower's expense, deliver to the Trustee (i) a Cash Flow Projection and (ii) Eligible Funds in the amount set forth in such Cash Flow Projection, if any.

Although each of the Issuer and the Borrower recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, each of the Issuer and the Borrower agreed that confirmations of Eligible Investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. The Trustee may conclusively rely upon the Borrower's and Issuer's written instructions as to both the suitability and legality of the directed investments.

Discharge of Lien

If and when the Bonds secured by the Indenture shall become due and payable in accordance with their terms as provided in the Indenture, or otherwise, and the whole amount of the principal and the interest so due and payable upon all of the Bonds, together with all other amounts payable under the Indenture by the Issuer and all fees and expenses of the Trustee and the Issuer, shall be paid, or provision shall have been made for the payment of the same, then the right, title, and interest of the Trustee in and to the Trust Estate and all covenants, agreements, and other obligations of the Issuer to the Bondholders shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, upon written request of the Issuer and subject to the provisions of the Indenture, the Trustee shall turn over to the Borrower, so long as there shall have occurred no Event of Default that is uncured and continuing, any surplus in the Bond Fund and all balances remaining in any other fund created under the Indenture and shall assign and transfer to the Issuer all other property then held by the Trustee under the Indenture and shall execute such documents as may be reasonably required by the Issuer.

If and when the Trustee shall hold sufficient moneys under the Indenture, as verified to the Trustee in writing by an independent public accounting firm of national reputation or other firm similarly experienced in performing such computations, to provide for payment of the whole amount of the principal and interest due and payable and thereafter to become due and payable upon all the Bonds, together with all other amounts (exclusive of amounts in the Rebate Fund) payable or which may thereafter become payable under the Indenture by the Issuer, notwithstanding that all the Bonds have not yet become due and payable and that consequently the right, title and interest of the Trustee in and to the Trust Estate shall not have ceased, terminated and become void pursuant to the foregoing provisions of this heading, the Trustee, on the written demand of the Issuer but subject to the provisions of the Indenture, shall turn over to the Borrower, so long as there shall have occurred no Event of Default which is uncured and continuing, or to such person, body or authority as may be entitled to receive the same, any surplus in the Bond Fund in excess of the amount sufficient to pay the whole amount of the principal and interest due and payable and thereafter to become due and payable upon all Bonds together with all other amounts payable or that may thereafter become payable under the Indenture by the Issuer.

All Outstanding Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed above if (a) there shall have been deposited with the Trustee (as verified to the Trustee in writing by an independent public accounting firm of national reputation or other firm similarly experienced in performing such computations) either (i) moneys in an amount that shall be sufficient, or (ii) Governmental Obligations that are not subject to redemption prior to maturity, the principal of and the interest on which when due will provide moneys that, 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 such Bonds on the maturity date or earlier redemption thereof, and (b) the Issuer shall have given the Trustee, in form satisfactory to it irrevocable instructions to give, as soon as practicable, a notice to the Holders of such Bonds and the Rating Agency that the deposit required by subclause (a) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this heading and stating such date upon which moneys are to be available for the payment of the principal of and interest on such Bonds.

Neither the securities nor moneys deposited with the Trustee pursuant to this heading nor principal or interest payments on any such securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on such Bonds; provided that any cash received from such principal or interest payments on such securities deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Governmental Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on such Bonds on and prior to such maturity dates thereof, as the case may be, and interest earned from such reinvestment shall be paid over to the Borrower, as received by the Trustee, free and clear of any trust, lien or pledge.

The release of the obligations of the Issuer under this heading shall be without prejudice to the right of the Trustee provided in the Indenture to be paid reasonable compensation for all services rendered by it under the Indenture and all its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees, incurred on and about the Issuer of the trust created by the Indenture and the performance of its powers and duties under the Indenture, and shall not affect the obligations of the Borrower to make the payments required by the Loan Agreement or the Note.

Events of Default and Acceleration

The occurrence of any of the following events is defined as and declared to be and to constitute an “Event of Default” under the Indenture:

- (a) any interest on any Bond is not paid on the date on which the same becomes due;
- (b) any principal of any Bond is not paid on the date on which the same becomes due, whether at the stated maturity thereof, by acceleration, or otherwise;
- (c) an Event of Default occurs under the Loan Agreement; or

(d) the Issuer fails to duly and promptly perform, comply with, or observe any covenant, condition, agreement, or provision (other than as specified in (a) or (b) of this heading) contained in the Bonds or in the Indenture on the part of the Issuer to be performed, and such failure shall continue for a period of ninety (90) days after written notice specifying such failure and requiring the same to be remedied shall have been given to the Issuer, the Borrower, the Federal Investor Partner and the State Investor Partner by the Trustee, which notice may be given by the Trustee in its discretion and shall be given at the written request of the Holders of not less than 100% in principal amount of the Bonds then Outstanding; provided, however, that if such default be such that it is correctable but cannot be corrected within ninety (90) days, it shall not be an Event of Default if the Issuer, the Borrower, the Federal Investor Partner or the State Investor Partner is taking appropriate corrective action to cure such failure and if such failure will not impair the security for the Loan or the Bonds.

If any Loan payment required under the Loan Agreement to avoid a default under (a) or (b) of this heading shall not have been received at the close of business on the last Business Day preceding the day on which payment must be made to avoid a default under such (a) or (b), the Trustee shall use its best efforts to give telephonic notice of such default to the Borrower, the Federal Investor Partner, and the State Investor Partner, which telephonic notice shall be confirmed by written notice to the Borrower, the Federal Investor Partner, and the State Investor Partner. If any other default shall occur under the provisions of this heading, the Trustee shall, within five (5) days after having actual knowledge of such default, use its best efforts to give written notice of such default to the Issuer, the Borrower, the Investor Partner and the Holders of the Bonds. A default or an Event of Default specified in (a) through (d) above shall occur even though the Trustee fails to give the notice required by this paragraph, the giving of such notice being intended solely to aid in the enforcement of the rights of Bondholders and not in limitation of such rights, and the Trustee shall have no liability for failure to give such notice.

If an Event of Default specified in (a) or (b) of this heading shall occur and be continuing, the Trustee shall declare the principal of all Bonds then Outstanding to be immediately due and payable by notice in writing to that effect delivered to the Issuer, the Federal Investor Partner, the State Investor Partner and the Borrower, and upon such declaration such principal, together with interest accrued thereon, shall become immediately due and payable at the place of payment provided therein, anything in the Indenture or in the Bonds to the contrary notwithstanding.

If an Event of Default specified in (c) or (d) of this heading shall occur and be continuing, the Trustee, upon written request of the Holders of a majority in principal amount of the Bonds then Outstanding, shall declare the principal of all Bonds then Outstanding to be immediately due and payable by notice in writing to that effect delivered to the Issuer, the Federal Investor Partner, the State Investor Partner and the Borrower, and upon such declaration such principal, together with interest accrued thereon, shall become immediately due and payable at the place of payment provided therein, anything in the Indenture or in the Bonds to the contrary notwithstanding.

The Mortgage Lender and/or the Federal Investor Partner and/or the State Investor Partner shall be entitled to cure any Event of Default under the Indenture within the time frame provided to the Borrower. The Issuer and the Trustee agreed that cure of any default or Event of Default made or tendered by the Mortgage Lender, the Federal Investor Partner or the State Investor Partner shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

Remedies in Addition to Acceleration

Upon the occurrence of, and during the continuance of, any Event of Default, then and in every such case the Trustee in its discretion may, and upon the written request of the Holders of not less than 51% in principal amount of the Bonds then Outstanding and receipt of satisfactory indemnity, shall (in addition to its right or duty to accelerate as provided in the Indenture):

- (a) by mandamus, or other suit, action, or proceeding at law or in equity, enforce all rights of the Bondholders, and require the Issuer or the Borrower to carry out any agreements with or for the benefit of the Bondholders and to perform its or their duties under the Act and the Documents;
- (b) bring suit upon the Bonds; or

(c) by action or suit in equity enjoin any acts or things that may be unlawful or in violation of the rights of the Bondholders.

Termination of Proceedings

In case any proceeding taken by the Trustee on account of any default or Event of Default shall have been discontinued or abandoned for any reason, the default or Event of Default has been cured, or shall have been determined adversely to the Trustee, then and in every such case, the Issuer, the Trustee, the Bondholders, and the Borrower shall be restored to their former positions and rights under the Indenture, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Right of Bondholders to Direct Proceedings

No Holder of any of the Bonds shall have any right to institute any suit, action, or proceeding in equity or at law for the execution of any trust under the Indenture, or any other remedy under the Indenture or on the Bonds, unless such Holder previously shall have given to the Trustee written notice of an Event of Default as provided in the Indenture and unless also the Holders of not less than 51% in principal amount of the Bonds then outstanding shall have made written request of the Trustee to do so, after the right to exercise such powers or rights of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Indenture, or to institute such action, suit or proceeding in its or their name; nor unless there also shall have been offered to the Trustee security and satisfactory indemnity against the costs, expenses, and liabilities to be incurred therein or thereby, and the Trustee shall not have complied with such request within a reasonable time; and such notification, request, and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the trusts of the Indenture or for any other remedy under the Indenture; it being understood and intended that no one or more Holders of the Bonds secured by the Indenture shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the security of the Indenture, or to enforce any right under the Indenture or the Bonds, except in the manner provided in the Indenture and for the equal benefit of all Holders of Outstanding Bonds. For purposes of the foregoing sentence, the Trustee shall be deemed to have failed to act within a reasonable time if it fails to take action within sixty (60) days after receipt of notice and compliance with the foregoing terms and conditions, whereupon, the Holders of 51% in aggregate principal amount of the Bonds may take such action in the place of the Trustee. Nothing contained in the Indenture shall, however, affect or impair the right of any Holder of Bonds to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of and interest, on each of the Bonds issued under the Indenture to the respective Holders of the Bonds at the time, place, from the source, and in the manner in the Indenture and in such Bonds expressed.

Remedies Vested in Trustee

All rights of action under the Indenture or under any of the Bonds secured by the Indenture that are enforceable by the Trustee may be enforced by it without the possession of any of the Bonds or the production thereof at any trial or other proceedings relative thereto, and any such suit, action, or proceeding instituted by the Trustee shall be brought in its name for the equal and ratable benefit of the Holders of the Bonds, subject to the provisions of the Indenture.

Application of Moneys

All moneys received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses and advances incurred or made by the Trustee and the Issuer with respect thereto, be deposited into the Bond Fund and all moneys so deposited into the Bond Fund during the continuance of an Event of Default (other than moneys for the payment of Bonds that have matured or otherwise become payable prior to such

Event of Default or for the payment of interest due prior to such Event of Default, which moneys shall continue to be held for such payments) shall be applied as follows:

(a) Unless the principal of all of the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

First — To the payment to the persons entitled thereto of all installments of interest then due on the Bonds, in the direct order of the maturity of the installments of such interest and, if the amounts available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege;

Second — To the payment to the persons entitled thereto of the unpaid principal on any of the Bonds, which shall have become due (other than Bonds which have matured or otherwise become payable prior to such Event of Default and moneys for the payment of which are held in the Bond Fund or otherwise held by the Trustee), and if the amount available shall not be sufficient to pay in full the amount of principal, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto, without any discrimination or privilege;

Third — To the payment to the persons entitled thereto of all other of the Issuer's Obligations and the Borrower's Obligations, and, if the amount available shall not be sufficient to pay such Obligations in full, then to the payment ratably, according to the amounts then due, to the persons entitled thereto without discrimination or privilege; and

Fourth — The remainder, if any, shall be paid over to the Borrower, its successors or assigns, or whomever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

(b) If the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal of and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest to the persons entitled thereto without any discrimination or privilege. Any remaining funds shall be applied in accordance with the paragraphs designated "Third" and "Fourth" of paragraph (a) above.

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

Amendments to Indenture and Loan Agreement Not Requiring Consent of Bondholders

The Issuer and the Trustee may, from time to time and at any time, without the consent of Bondholders, enter into agreements supplemental to the Indenture and the Loan Agreement as follows:

(i) to specify and determine any matters and things relative to Bonds that shall not materially adversely affect the interest of the Bondholders;

(ii) to cure any formal defect, omission or ambiguity in the Indenture or the Loan Agreement if such action does not materially adversely affect the rights of the Bondholders;

(iii) to grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted or conferred and that are not contrary to or inconsistent with the Indenture as theretofore in effect;

(iv) to add to the covenants and agreements of the Issuer in the Indenture or the Loan Agreement other covenants and agreements to be observed by the Issuer that are not contrary to or inconsistent with the Indenture or the Loan Agreement as theretofore in effect;

(v) to add to the limitations and restrictions in the Indenture or the Loan Agreement other limitations and restrictions to be observed by the Issuer that are not contrary to or inconsistent with the Indenture or the Loan Agreement as theretofore in effect;

(vi) to confirm, as further assurance, any pledge under and the subjection to any claim, lien or pledge created, or to be created by, the Indenture, of the Revenues or of any other moneys, securities or funds; or

(vii) to modify, amend or supplement the Indenture or the Loan Agreement in any respect that, in the judgment of the Trustee, is not materially adverse to the interests of the owners of the Bonds.

Before the Issuer shall enter into any agreement supplemental to the Indenture pursuant to this heading, there shall have been filed with the Trustee an opinion of Bond Counsel (which shall also be addressed to, or be accompanied by a reliance letter in favor of, the Freddie Mac Seller/Servicer and Freddie Mac) stating that (1) such supplemental indenture is authorized or permitted by the Indenture and complies with its terms, and that upon adoption it will be valid and binding upon the Issuer in accordance with its terms and (2) the effectiveness of the supplemental indenture will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

The Trustee shall send written notice to the Borrower, the Federal Investor Partner, the State Investor Partner, the Freddie Mac Seller/Servicer, Freddie Mac and the Rating Agency of any amendment to the Indenture or the Loan Agreement and, if requested, copies of any such amendments.

Amendments to Indenture Requiring Consent of Bondholders

Subject to the terms and provisions contained in this heading and not otherwise, the Holders of not less than 66 2/3% in aggregate principal amount of the Bonds then outstanding shall have the right, from time to time, to consent to and approve the execution and delivery by the Issuer and the Trustee of any agreement supplemental to the Indenture as shall be deemed necessary or desirable by the Issuer and the Trustee for the purposes of modifying, altering, amending, adding to or rescinding any of the terms or provisions contained in the Indenture; provided, however, that, unless approved in writing by the Holders of all of the Bonds then Outstanding, nothing in the Indenture contained shall permit, or be construed as permitting, (i) a change in the terms of maturity of the principal of or the interest on any Outstanding Bond, or a reduction in the principal amount of any Outstanding Bond or the rate of interest thereon, or (ii) the creation of a claim or lien upon, or a pledge or assignment of, the Trust Estate ranking prior to or on a parity with the claim, lien, assignment or pledge created by the Indenture, or the release of the Trust Estate or any part thereof (except to the extent permitted pursuant to the Documents), or (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds required for any action or consent by Bondholders set forth in the Indenture, including (without limitation) that required for consent to such supplemental indentures. These provisions shall not limit or otherwise affect the ability of the Issuer to enter into agreements supplemental to the Indenture without the consent of the Bondholders pursuant to the Indenture.

If at any time the Issuer and the Trustee shall determine to enter into any supplemental indenture for any of the purposes of this heading, the Trustee shall cause written notice of the proposed supplemental indenture to be given to all Holders of the Bonds; provided, however, that failure to give such notice or any defect therein shall not affect the validity of any proceedings pursuant to the Indenture. Such notice shall briefly set forth the nature of the proposed

supplemental indenture and shall state that a copy thereof is on file at the Trust Office of the Trustee for inspection by all Bondholders.

Within one hundred twenty (120) days after the date of giving such notice, the Issuer and the Trustee may enter into such supplemental indenture in substantially the form described in such notice only if there shall have first been filed with the Issuer (i) the written consents of Holders of not less than 66 2/3% in aggregate principal amount of the Bonds then outstanding (or 100% if required under the Indenture) and (ii) an opinion of counsel (which shall also be addressed to, or be accompanied by a reliance letter in favor of, the Freddie Mac Seller/Servicer and Freddie Mac) stating that (1) such supplemental indenture is authorized or permitted by the Indenture and complies with its terms, and that upon adoption it will be valid and binding upon the Issuer in accordance with its terms and (2) the effectiveness of the supplemental indenture will not adversely affect the exclusion of interest on the Bonds from gross income for federal income taxes.

If the Holders of not less than the percentage of Bonds required by this heading shall have consented to and approved the supplemental indenture as provided in the Indenture, no Holder of any Bond shall have any right to object to such supplemental indenture, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety thereof, or to enjoin or restrain the Issuer or the Trustee from entering into the same or from taking any action pursuant to the provisions thereof.

Upon the effectiveness of any supplemental indenture entered into pursuant to the provisions of this heading, the Indenture shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under the Indenture of the Issuer, the Trustee and all Holders of Bonds then outstanding shall thereafter be determined, exercised and enforced under the Indenture subject in all respects to such modifications and amendments.

The Trustee shall send written notice to the Rating Agency of any amendment to the Indenture.

Amendments to Documents Requiring Consent of Bondholders

Except as provided in the Indenture, the Issuer and the Trustee shall not consent to any amendment, change or modification of the Documents without the giving of written notice and the written approval or consent of the Holders of the Bonds at the time Outstanding, given and procured as provided in the Indenture; provided, however, no such separate approval or consent shall be required in connection with the issuance of refunding bonds if any required consent of the required number of Holders to the issuance thereof shall have been previously obtained. If at any time the Issuer and the Borrower shall request in writing the consent of the Trustee to any such proposed amendment, change or modification, the Trustee shall cause notice of such proposed amendment, change, or modification to be given in the same manner as provided by the Indenture with respect to supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the Trust Office for inspection by all Bondholders.

Conversion Date

On the Conversion Date and upon the execution and delivery of the Funding Loan Agreement, the Governmental Note and the Project Loan Agreement, the Indenture, the Loan Agreement and the Bonds shall be deemed amended, restated, and superseded in full by the terms thereof.

Mortgage Loan Documents Independent

Enforcement of the covenants in the Indenture will not result in, and neither the Issuer nor the Trustee has or shall be entitled to assert, any claim against the Borrower, the Project, the Mortgage Loan proceeds, any reserves or

deposits required by the Mortgage Lender in connection with the Mortgage Loan transaction, or the rents or deposits or other income of the Project.

Failure of the Issuer or the Borrower to comply with any of the covenants set forth in the Indenture or any of the Borrower Documents will not automatically serve as a basis for default on the Mortgage Loan, the underlying mortgage, or any of the other Mortgage Loan Documents, unless such default is expressly declared by the Mortgage Lender in accordance with the terms of the Mortgage Loan Documents.

Notwithstanding anything in the Indenture, the Loan Agreement, the Note, or the Bond Purchase Agreement to the contrary, (i) the Property (as defined in the Mortgage Loan Security Instrument) shall not include any portion of the Trust Estate and the Mortgage Lender shall not have any claim to or lien upon the Trust Estate under the Indenture and funds held by the Trustee under the Indenture and pledged to secure the repayment of the Bonds, except for Eligible Funds that may be returned to the party that deposited such funds with the Trustee as may be required under the provisions of the Indenture, and (ii) the Trust Estate shall not include any portion of the Property (as defined in the Mortgage Loan Security Instrument).

Recycling Transactions

Notwithstanding any provisions of the Indenture or the Bonds to the contrary, the Issuer shall be permitted to direct that payments representing prepayments or repayments of principal on the Note be delivered to a custodian or trustee selected by the Issuer, in lieu of application to repay a like portion of the Bonds, so long as the Issuer simultaneously causes other funds to be applied to repay such portion of the Bonds. The preceding provisions shall apply only for purposes of preserving or “recycling” private activity bond volume cap in accordance with Section 146(i)(6) of the Code. In connection with such recycling and Bond prepayment, if so directed in a written direction of the Issuer provided to the Trustee prior to any prepayment date, the Trustee is, under the Indenture, authorized and directed to receive any such Bond prepayment or amounts corresponding thereto and to hold such amounts, uninvested, for such period of time and to transfer such amounts to the Issuer, or to such custodian, fiscal agent or trustee designed by the Issuer and specified in such written direction. For purposes of effectuating the foregoing, the Trustee is, under the Indenture, authorized and directed to open and create such funds or accounts, which may be temporary in nature, as may be necessary or desirable, and to close such funds or accounts following the completion of the transfers set forth in such written direction.

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APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE LOAN AGREEMENT

The following is a summary of certain provisions of the Loan Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Loan Agreement, a copy of which is on file with the Trustee.

Disbursements from the Project Fund

In the Indenture, the Issuer has authorized and directed the Trustee to make disbursements from the Project Fund to pay Costs of the Project upon satisfaction of the requirements of the Indenture. The Trustee is directed in the Indenture to make disbursements from the Project Fund as provided in the Indenture, and pursuant to the receipt of a Requisition in substantially the form attached to the Indenture as an exhibit.

The Borrower's right to request disbursements from the Project Fund is limited to the principal amount of the Loan and conditioned upon the deposit of Eligible Funds into the Collateral Fund as set forth in the Indenture.

Borrower Required to Pay in the Event Project Fund Are Insufficient

In the event the moneys in the Project Fund are not sufficient to pay the Costs of the Project in full, the Borrower agrees to complete the Project and to pay that portion of the Costs of the Project in excess of the moneys available therefor in the Project Fund. The Issuer does not make any warranty, either express or implied, that the moneys paid into the Project Fund and available for payment of the Costs of the Project will be sufficient to pay all of the Costs of the Project. The Borrower agrees that if after exhaustion of the moneys in the Project Fund, the Borrower should pay any portion of the Costs of the Project pursuant to the provisions of this heading, the Borrower shall not be entitled to any reimbursement therefor from the Issuer, the Trustee or the Holders of any of the Bonds, nor shall the Borrower be entitled to any diminution of the amounts payable under the Loan Agreement.

Loan of Proceeds

The Issuer agreed, upon the terms and conditions of the Loan Agreement and the Indenture, to lend to the Borrower the proceeds received by the Issuer from the sale of the Bonds. Such proceeds shall be disbursed to or on behalf of the Borrower as provided in the Loan Agreement.

Loans to Borrower; Eligible Funds

Contemporaneously with the issuance of the Bonds, it is expected that the Borrower shall proceed with obtaining the Mortgage Loan from the Mortgage Lender and the Bridge Loan from the Bridge Lender. In particular, the Borrower will promptly take all necessary actions on its part to close the Mortgage Loan and the Bridge Loan.

In consideration of and as a condition to the disbursement of Bond proceeds in the Project Fund to pay Project Costs, and to secure the Borrower's obligation to make Loan Payments, the Borrower shall cause the Mortgage Lender and the Bridge Lender from time to time to deliver Eligible Funds to the Trustee for deposit into the Collateral Fund to enable the Trustee to disburse an equal amount of Bond proceeds from the Project Fund as approved by the Mortgage Lender and the Bridge Lender, as applicable, in connection with a completed and fully executed Requisition, in substantially the form attached to the Indenture as an exhibit.

Borrower's Obligations Upon Tender of Bonds

If any tendered Bond is not remarketed on any Mandatory Tender Date and a sufficient amount is not available in the Collateral Fund, the Negative Arbitrage Account of the Bond Fund, or the Project Fund as provided in the Indenture for the purpose of paying the purchase price of such Bond, the Borrower will cause to be paid to the Trustee by the applicable times provided in the Indenture, an amount equal to the amount by which the principal

amount of all Bonds tendered and not remarketed, together with interest accrued to the Mandatory Tender Date, exceeds the amount otherwise available pursuant to the Indenture.

Option to Terminate

The Borrower shall have the option to cancel or terminate the Loan Agreement at any time when (a) the Indenture shall have been released in accordance with its provisions, (b) sufficient money or security acceptable to the Issuer and the Trustee are on deposit with the Trustee or the Issuer, or both, to meet all Loan Payments due or to become due through the date on which the last of the Bonds is then scheduled to be retired or redeemed and (c) the Mortgage Loan and the Bridge Loan shall be repaid in full. Such option shall be exercised by the Borrower, with approval of the Federal Investor Partner and the State Investor Partner, giving the Issuer and the Trustee five (5) days' notice in writing of such cancellation or termination and such cancellation or termination shall become effective at the end of such notice period. The provisions of this heading shall not be deemed to permit a prepayment of the Note other than in accordance with its terms.

Defaults Defined

The following shall be "Defaults" under the Loan Agreement and the term "Default" shall mean, whenever it is used in the Loan Agreement, any one or more of the following events:

- (a) Failure by the Borrower to pay any amount required to be paid under the Loan Agreement.
- (b) Failure by the Borrower to observe and perform any covenant, condition or agreement on its part to be observed or performed in the Loan Agreement other than as referred to in subsection (a) of this heading or failure by the Borrower to observe and perform any covenant, condition or agreement on its part to be observed or performed in the Tax Certificate, for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, will have been given to the Borrower, the Federal Investor Partner and the State Investor Partner by the Issuer or the Trustee; provided, with respect to any such failure covered by these provisions, no event of default will be deemed to have occurred so long as a course of action adequate to remedy such failure will have been commenced within such 60-day period and will thereafter be diligently prosecuted to completion and the failure will be remedied thereby.
- (c) The dissolution or liquidation of the Borrower, or the voluntary initiation by the Borrower of any proceeding under any federal or state law relating to bankruptcy, insolvency, arrangement, reorganization, readjustment of debt or any other form of debtor relief, or the initiation against the Borrower of any such proceeding that shall remain undismissed for ninety (90) days, or failure by the Borrower to promptly have discharged any execution, garnishment or attachment of such consequence as would impair the ability of the Borrower to carry on its operations at the Project, or assignment by the Borrower for the benefit of creditors, or the entry by the Borrower into an agreement of composition with its creditors or the failure generally by the Borrower to pay its debts as they become due.
- (d) The occurrence of an Event of Default under the Indenture (other than under clause (d) under the heading "APPENDIX B — SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE — Events of Default and Acceleration") following the expiration of all applicable notice and cure periods.

The provisions of (b) of this heading are subject to the following limitation: if by reason of force majeure it is impossible for the Borrower in whole or in part, despite its best efforts, to carry out any of its agreements contained in the Loan Agreement (other than its obligations relating to the Loan as set forth in the Loan Agreement), the Borrower shall not be deemed in Default during the continuance of such inability, provided that delays resulting from force majeure do not exceed such period as may be specified in the Borrower Documents and/or the Mortgage Loan Documents. Such force majeure event does not affect any obligations of the Borrower other than the timing of performance of such obligations. The term "force majeure" as used in the Loan Agreement shall mean, without limitation, the following: acts of God; pandemics or similar emergency events; strikes or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the

State or of any of their departments, agencies or officials, or of any civil or military authority; insurrections; riots; terrorism; landslides; earthquakes; fires; storms; droughts; floods; explosions; and events not reasonably within the control of the Borrower. The Borrower agrees, however, to use its best efforts to remedy with all reasonable dispatch the cause or causes preventing the Borrower from carrying out its agreement. The settlement of strikes and other industrial disturbances shall be entirely within the discretion of the Borrower, and the Borrower shall not be required to settle strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Borrower unfavorable to the Borrower.

Remedies on Default

Whenever any Default referred to under the heading “Defaults Defined” above shall have happened and be continuing beyond the expiration of any applicable cure period, the Trustee or the Issuer (in the event the Trustee fails to act) may take one or any combination of the following remedial steps:

(a) if the Trustee has declared the Bonds immediately due and payable pursuant to the Indenture, by written notice to the Borrower, declare an amount equal to all amounts then due and payable on the Note, whether by acceleration of maturity (as provided in the Indenture) or otherwise, to be immediately due and payable, whereupon the same shall become immediately due and payable; and

(b) take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under the Loan Agreement, the Note, the Tax Regulatory Agreement or any other Document in the event of default thereunder.

Any amounts collected pursuant to action taken under this heading shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture.

Mortgage Loan Documents Independent

Failure of the Issuer or the Borrower to comply with any of the covenants set forth in the Loan Agreement, the Indenture or the other Borrower Documents will not serve as a basis for default on the Mortgage Loan, the underlying Mortgage, or any of the other Mortgage Loan Documents.

To the extent not otherwise set forth above in this heading, the provisions of the Indenture under the heading “APPENDIX B — SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE — Mortgage Loan Documents Independent” are incorporated in the Loan Agreement by reference to the same extent as if set forth in the Loan Agreement in full.

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APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE TAX REGULATORY AGREEMENT

The following is a brief summary of the Tax Regulatory Agreement. The summary does not purport to be complete or definitive and is qualified in its entirety by reference to the Tax Regulatory Agreement, a copy of which is on file with the Trustee.

The Issuer, the Trustee and the Borrower will enter into a Land Use Restriction Agreement (the "Tax Regulatory Agreement") in order to set forth certain terms and conditions relating to the acquisition and operation of the Project. All capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture and the Tax Regulatory Agreement.

Occupancy Restrictions

(a) Pursuant to Section 142(d)(1) of the Code, the Issuer elected at the direction of the Borrower, and the Borrower agreed, that the 40-60 Test of Section 142(d)(1)(B) of the Code shall apply to the Project. The Borrower represented, warranted, and covenanted that, except as otherwise provided in this paragraph, at all times during the Qualified Project Period at least 40% of the Available Units in the Project shall be occupied (or treated as occupied as provided in the Tax Regulatory Agreement) by Qualified Tenants. If (1) the Borrower is acquiring an existing residential rental project and (2) at least 10% of the units in the Project are Available Units at all times during the 60-day period commencing on the later of (A) the date the Project is acquired by the Borrower and (B) the Issue Date, then the failure to satisfy the occupancy restrictions set forth in this sentence shall not constitute an event of default under this Agreement during the 12-month period beginning on the Issue Date. If a Qualified Tenant vacates a unit, that unit will be treated as occupied by a Qualified Tenant until reoccupied (other than for a temporary period not in excess of 31 days), at which time a re-determination of whether the unit is occupied by a Qualified Tenant shall be made.

(b) The income of individuals and the Median Income for the Area shall be determined as required by the Secretary of the Treasury in a manner consistent with determinations of lower income families and area median gross income under the Section 8 program (or, if such program is terminated, under such program as in effect immediately before such termination). Determinations under the preceding sentence shall include adjustments for family size, i.e., a family of four generally having an income of 60% or less of the Median Income for the Area generally will qualify as a Qualified Tenant, a family of three having an income of 54% or less of the Median Income for the Area generally will qualify as a Qualified Tenant, a family of two having an income of 48% or less of the Median Income for the Area generally will qualify as a Qualified Tenant, and a single individual having an income of 42% or less of the Median Income for the Area generally will qualify as a Qualified Tenant. The Borrower acknowledged that the actual income limits may differ based on the figures actually published for the Section 8 program, and that such figures will change periodically, generally on an annual basis.

(c) The determination of whether a resident meets the income requirements shall be made by the Borrower at least annually on the basis of the current income of the resident; provided, however, that no determination of compliance with the income requirements is required with respect to the Project for any year if, during that year, no residential unit in the Project is occupied by a new resident whose income exceeds the applicable income limit. Each lease (whether or not the tenant is intended to be a Qualified Tenant) entered into or renewed after the Issue Date shall require the tenant to certify the income of the residents annually and at any time as the Borrower may reasonably request in the manner set forth in paragraph (d) below.

(d) As a condition of occupancy, each person who is intended to be a Qualified Tenant shall be required to sign and deliver to the Borrower an Income Certification in which the prospective tenant certifies as to his or her gross income or the gross income of his or her family. In addition, such person shall be required to provide whatever other information, documents, or certifications are deemed necessary by the Borrower, the Issuer, or the Trustee to substantiate the Income Certification.

(e) Except as otherwise provided in this paragraph, if the income of a resident of a unit in the Project did not exceed the applicable income limit upon commencement of that resident's occupancy of such unit (or as of any prior determination under paragraph (c) above), the income of such resident shall be treated as continuing to not exceed the applicable income limit. The preceding sentence shall cease to apply to any resident whose income as of the most recent determination under paragraph (c) exceeds 140% of the applicable income limit (either as a result of an increase in income or a decrease in family size) if after such determination, but before the next determination, any residential unit of comparable or smaller size in that resident's building is occupied by a new resident whose income exceeds the applicable income limit.

(f) The form of lease to be used by the Borrower in renting any unit in the Project to any Qualified Tenant shall provide for termination of the lease and consent by such person to immediate eviction for failure to qualify as a Qualified Tenant as a result of any material misrepresentation made by such person with respect to the Income Certification.

Sale or Transfer of the Project

(a) The Borrower covenanted and agreed that it will cause or require as a condition precedent to any conveyance, transfer, assignment, or any other disposition of the Project prior to the termination of the occupancy restrictions provided in the Tax Regulatory Agreement (other than leases to tenants in the ordinary course of business) (the "Transfer") that the transferee of the Project pursuant to the Transfer assumes in writing, in a form acceptable to the Issuer, all duties and obligations of the Borrower under the Tax Regulatory Agreement, including these provisions, in the event of a subsequent Transfer by the transferee prior to expiration of the occupancy restrictions provided in the Tax Regulatory Agreement (the "Assumption Agreement"). The Borrower shall deliver the Assumption Agreement to the Issuer and the Trustee prior to the Transfer. Such restrictions on transfer shall be in addition to, and not in lieu of, compliance with any other provisions of the Loan Agreement or the Tax Certificate and shall not apply (i) to any transfer to or by the Mortgage Lender after foreclosure of the Mortgage Loan or (ii) to foreclosure, deed in lieu of foreclosure, exercise of the power of sale, or other similar involuntary transfer.

(b) Nothing contained under this heading shall affect any provision of the Mortgage Loan Security Instrument or any other document or instrument between the Borrower and any other party that requires the Borrower to obtain the consent of the Mortgage Lender or such other party as a precondition to sale, transfer, or other disposition of the Project. Upon any sale or other transfer that complies with the Tax Regulatory Agreement, the Borrower shall be fully released from its obligations under the Tax Regulatory Agreement, to the extent such obligations have been assumed by the transferee as part of the Transfer, without the necessity of further documentation.

Nothing contained under this heading shall limit or restrict the ability of Borrower's investor partners, (i) Gateway GA 2026, LLC, a Georgia limited liability company, in its capacity as federal tax credit investor partner in the Borrower, and its permitted successors and assigns and (ii) MPC GA Gateway at Sunset Drive, LLC, a Georgia limited liability company, in its capacity as state tax credit investor partner in the Borrower, and its permitted successors and assigns (collectively, the "Investor Partner") to (a) transfer, sell or assign its respective ownership interest in Borrower, from time to time, without consent of the Issuer, Trustee, or any lender under the Tax Regulatory Agreement, provided that said Investor Partner remains liable for payment of any then unpaid capital contributions to Borrower as and when payable, as set forth in Borrower's Amended and Restated Agreement of Limited Partnership, as it may be amended from time to time (the "Partnership Agreement"), notwithstanding any such transfer, sale or assignment, (b) the removal of the general partner of Borrower in accordance with the Partnership Agreement and the replacement thereof with federal tax credit investor partner or any of its affiliates, (c) the transfer of ownership interests of and in the Investor Partner, (c) upon the expiration of the tax credit compliance period, the transfer of the interests of Investor Partner in Borrower to Borrower's general partner or any of its affiliates, and (d) any amendment to the Partnership Agreement to memorialize the transfers or removal described above. In particular, the parties to the Tax Regulatory Agreement consent to any transfers, sales or assignments of Investor Partner interests in Borrower to any affiliate of the Investor Partner or any entity in which the Investor Partner, or an affiliate, is the manager, managing member or managing general partner and agrees that such transfers shall not constitute defaults under the Tax Regulatory Agreement or the Project Loan Documents.

Default: Enforcement

(a) The Borrower covenanted and agreed to inform the Issuer and the Trustee by written notice of any violation of the Borrower's obligations under the Tax Regulatory Agreement within five days of first discovering any such violation, and the Issuer and the Trustee each covenanted and agreed to inform the Trustee or the Issuer, as applicable, and the Borrower, the Mortgage Lender and the Investor Partner by written notice of any violation of the Borrower's obligations under the Tax Regulatory Agreement within five days of first discovering such violation. If any such violation is not corrected to the reasonable satisfaction of the Issuer within 30 days after the date any notice to or by the Borrower is mailed (or within such longer period approved by the Issuer as may be necessary to correct the violation, if a written opinion of Bond Counsel is filed with the Issuer and the Trustee, with a copy to the Borrower, to the effect that the additional time necessary to correct the violation will not result in the loss of the exclusion from gross income for federal income tax purposes of the interest on the Bonds and is not contrary to the provisions of the Act, and so long as such additional period of time does not exceed any limitations set by applicable Regulations), then the Trustee, acting on its own behalf or on behalf of the Issuer, without further notice, shall declare an "Event of Default" to have occurred under the Tax Regulatory Agreement and may take any one or more of the following steps:

(i) by mandamus or other suit, action, or proceeding at law or in equity, require the Borrower to perform its obligations and covenants under the Tax Regulatory Agreement, or enjoin any acts or things that may be unlawful or in violation of the rights of the Issuer or the Trustee under the Tax Regulatory Agreement, or cause the appointment of a receiver to take over and operate the Project in accordance with the terms of the Tax Regulatory Agreement;

(ii) inspect, examine, and make copies of all of the books and records of the Borrower relating to the Project or the incomes of the tenants therein; or

(iii) take such other action at law or in equity as may appear necessary or desirable to enforce the obligations, covenants, and agreements of the Borrower under the Tax Regulatory Agreement.

(b) Notwithstanding anything contained in the Tax Regulatory Agreement or the Indenture to the contrary, the occurrence of an Event of Default under the Tax Regulatory Agreement shall not be deemed, under any circumstances whatsoever, to be a default under the Indenture, the Loan Agreement, or the other Borrower Documents (except as specified in the Borrower Documents) and will not impact, defeat, or render invalid the lien of the Mortgage Loan Security Instrument.

(c) The Trustee has the right (but not the obligation), in accordance with these provisions and the provisions of the Indenture, without the consent, approval, or knowledge of the Issuer, to exercise any or all of the rights or remedies of the Issuer under the Tax Regulatory Agreement, provided that prior to taking any such act the Trustee shall give the Issuer written notice of its intended action.

(d) The Borrower agreed to pay on demand all reasonable fees, costs, and expenses of the Issuer and the Trustee incurred in connection with any actions taken pursuant to the Tax Regulatory Agreement, including but not limited to any amounts incurred in connection with the inspection of the books and records of the Borrower relating to the Project or the incomes of the tenants in the Project in order to determine whether the Borrower is in compliance with the terms of the Tax Regulatory Agreement, enforcing compliance by the Borrower with the provisions of the Tax Regulatory Agreement, and exercising any or all of the Issuer's and the Trustee's rights and remedies under the Tax Regulatory Agreement.

(e) The Borrower, the Issuer, and the Trustee each acknowledged that the primary purposes for requiring compliance by the Borrower with the restrictions provided in the Tax Regulatory Agreement are (1) to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds for the benefit of the owners of the Bonds and (2) to assure compliance with the Act. The Trustee, on behalf of the Issuer and the owners of the Bonds, who are declared by the Tax Regulatory Agreement to be third party beneficiaries of the Tax Regulatory Agreement, shall be entitled, for any breach of the provisions of the Tax Regulatory Agreement, to all remedies both at law and in equity if there is an Event of Default under the Tax Regulatory Agreement, and the Trustee covenants to use its best efforts to enforce each of the covenants contained in the Tax Regulatory Agreement.

(f) The Issuer and the Trustee may conclusively rely on the information set forth in the Quarterly Tenant Reports and the execution of the Quarterly Tenant Reports by the Borrower, without independent investigation of the matters set forth therein.

(g) The Issuer and the Trustee agreed that any cure of an Event of Default, or of any act or failure to act that will, with the passage of time or otherwise, constitute an Event of Default, made or tendered by the Mortgage Lender or one or more of the Borrower's members shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

Amendments

(a) Except as provided in the Tax Regulatory Agreement, the Tax Regulatory Agreement shall be amended only by a written instrument executed by the parties to the Tax Regulatory Agreement or their successors in title and duly recorded in the real property records of Fulton County, Georgia, and only upon receipt by the Issuer, the Trustee, and the Borrower of a written opinion of Bond Counsel to the effect that such amendment will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes and is not contrary to the provisions of the Act.

(b) The Issuer, the Trustee, and the Borrower agreed to amend the Tax Regulatory Agreement to the extent required, in the written opinion of Bond Counsel filed with the Issuer and the Trustee, with a copy to the Borrower, in order that interest on the Bonds remains excludable from gross income for federal income tax purposes and to assure compliance with the Act.

(c) The party or parties requesting an amendment shall notify the other parties to the Tax Regulatory Agreement of the proposed amendment and send a copy of the requested amendment to Bond Counsel with a request that Bond Counsel render to the Issuer and the Trustee a written opinion as to the effect of the proposed amendment upon the exclusion of interest on the Bonds from gross income for federal income tax purposes and compliance with the Act.

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APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

\$9,000,000*

Walker County Development Authority

Revenue Bonds

(Gateway at Sunset Street Project), Series 2026

This Continuing Disclosure Agreement, dated as of June 1, 2026 (this “Continuing Disclosure Agreement”), is executed and delivered by Gateway at Sunset Street, LP, a Georgia limited partnership (the “Borrower”), and Pinnacle Bank d/b/a Synovus Bank, as dissemination agent (the “Dissemination Agent”), for the above-captioned bonds (the “Bonds”). The Bonds are being issued pursuant to a Trust Indenture, dated as of June 1, 2026 (the “Indenture”) between the Walker County Development Authority (the “Issuer”) and Pinnacle Bank d/b/a Synovus Bank, as trustee (the “Trustee”). Pursuant to the Indenture and the Loan Agreement, dated as of June 1, 2026, between the Issuer and the Borrower (the “Loan Agreement”), the Dissemination Agent and the Borrower covenant and agree as follows:

Section 1. Purpose of this Continuing Disclosure Agreement. This Continuing Disclosure Agreement is being executed and delivered by the Borrower, and the Dissemination Agent for the benefit of the holders of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (defined below). The Borrower and the Dissemination Agent acknowledge that the Issuer has undertaken no responsibility with respect to any reports, notices or disclosures provided or required under this Continuing Disclosure Agreement, and has no liability to any person, including any holder of the Bonds or Beneficial Owner, with respect to any such reports, notices or disclosures.

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Borrower pursuant to, and as described in, Sections 3 and 4 of this Continuing Disclosure Agreement.

“*Audited Financial Statements*” means, in the case of the Borrower, the annual audited financial statements prepared in accordance with generally accepted accounting principles, if any.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Disclosure Representative*” shall mean the administrator of the Project or his or her designee, or such other person as the Borrower shall designate in writing to the Dissemination Agent from time to time.

“*Dissemination Agent*” shall mean Pinnacle Bank d/b/a Synovus Bank, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Borrower and which has filed with the Trustee a written acceptance of such designation.

“*Listed Events*” shall mean any of the events listed in Section 5(a) of this Continuing Disclosure Agreement.

“*MSRB*” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934. All documents provided to the MSRB shall be in an electronic format and accompanied by identifying information, as prescribed by the MSRB. Initially, all document submissions to the

* Preliminary; subject to change.

MSRB pursuant to this Continuing Disclosure Agreement shall use the MSRB's Electronic Municipal Market Access (EMMA) system at www.emma.msrb.org.

“*Participating Underwriter*” means Stifel, Nicolaus & Company, Incorporated, and its successors and assigns.

“*Rule*” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Borrower will, or will cause the Dissemination Agent to, not later than 144 days following the end of the Borrower's fiscal year, commencing with the fiscal year ending on December 31, 2026, provide to the MSRB an Annual Report which is consistent with the requirements described below. No later than 15 Business Days prior to said date, the Borrower will provide the Annual Report to the Dissemination Agent and the Trustee (if the Trustee is not the Dissemination Agent). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross reference other information, provided that the audited financial statements for the prior calendar year of the Borrower may be submitted separately from the balance of the Annual Report.

(b) If by 15 Business Days prior to the date specified in subsection (a) for providing the Annual Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent will contact the Disclosure Representative to determine if the Borrower is in compliance with subsection (a).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a), the Dissemination Agent will send in a timely manner a notice to the MSRB in substantially the form attached as Exhibit B to this Continuing Disclosure Agreement.

(d) The Dissemination Agent will file a report with the Borrower and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been provided pursuant to this Continuing Disclosure Agreement, stating the date it was provided.

Section 4. Content of Annual Reports. The Borrower's Annual Report will contain or incorporate by reference the financial information with respect to the Project, provided at least annually, of the type included in Exhibit A hereto, which Annual Report may, but is not required to, include Audited Financial Statements. If the Borrower's Audited Financial Statements are not available by the time the Annual Report is required to be filed, the Annual Report will contain unaudited financial statements, and the Audited Financial Statements will be filed in the same manner as the Annual Report when and if they become available.

Any or all of the items described in Exhibit A may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Borrower is an “Obligated Person” (as defined by the Rule), which have been filed with the MSRB. The Borrower will clearly identify each such other document so incorporated by reference.

Each annual report submitted hereunder shall be in readable portable document format (“PDF”) or other acceptable electronic form.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events (each, a “Listed Event”):

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;

- (iii) Unscheduled draws on debt service reserves reflecting financial difficulty;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulty;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Borrower. For purposes of this clause (xii), any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Borrower 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 Borrower, 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 Borrower;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Borrower or the sale of all or substantially all of the assets of the Borrower, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or paying agent or the change of the name of a trustee or paying agent, if material;
- (xv) Incurrence of a financial obligation of the Borrower, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Borrower, any of which affect security holders, if material;
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Borrower, any of which reflect financial difficulties; and
- (xvii) The Project's being placed in service for purposes of qualifying the property for low income housing tax credits. Notice of the Project's being placed in service from the Borrower to the Dissemination Agent shall be in the form attached as Exhibit D hereto or such other form as may be approved by the Dissemination Agent. Notice of the Project being placed in service from the Dissemination Agent to the Municipal Securities Rulemaking Board shall be in the form attached as Exhibit C hereto or such other form as may be approved by the Dissemination Agent.

For purposes of clauses (xv) and (xvi) of this Section 5(a), "financial obligation" is as contemplated by Exchange Act Release No. 34-83885; File No. S7-01-17 (the "Adopting Release").

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any potential Listed Event, pursuant to subsection (c) of this Section 5 or otherwise, provide the Disclosure Representative with notice (by telephone or by email). While the Dissemination Agent is also the Trustee, the Dissemination Agent shall be deemed to have actual knowledge of those items listed in clauses (i), (iii) (solely with respect to funds held by the Trustee), (iv), (v), (vii), (viii), (ix), (x) and (xiv) above without the Dissemination Agent's having received notice of such event. While the Dissemination Agent is not also the Trustee, the Dissemination Agent shall not be deemed to have actual knowledge of any items listed in clauses (i) - (xvii) above without the Dissemination Agent having received written notice of such event. For purposes of providing notice to the Disclosure Representative, the Dissemination Agent shall assume that the unscheduled draws described in clauses (iii) and (iv) reflect financial difficulty.

(c) Whenever the Borrower obtains knowledge of the occurrence of a potential Listed Event, the Borrower shall, within five (5) Business Days of obtaining such knowledge and in any event no more than eight (8) Business Days after the occurrence of such event, determine if such event is in fact a Listed Event that is required by the Rule to be disclosed and provide the Dissemination Agent with notice and instructions pursuant to subsection (d) below.

(d) If the Borrower has determined that a Listed Event is required to be disclosed, then the Borrower shall prepare a written notice describing the Listed Event and provide the same to the Dissemination Agent along with instructions to file the same pursuant to subsection (e) below.

(e) If the Dissemination Agent has been provided with a written notice describing a Listed Event pursuant to subsection (c) of this Section 5 or otherwise, and is instructed by the Borrower to report the occurrence of such Listed Event, the Dissemination Agent shall, within two (2) Business Days of its receipt of such written notice and in any event no more than ten (10) Business Days after the occurrence of the Listed Event, file the notice with the MSRB and send a copy to the Borrower.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the Borrower and the Dissemination Agent may amend this Continuing Disclosure Agreement (and the Dissemination Agent will agree to any amendment so requested by the Borrower unless such amendment adversely affects its rights, duties, protections, immunities, indemnities or standard of care, as determined by the Dissemination Agent) and any provision of this Continuing Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions described under paragraph (a) under "Provision of Annual Reports," "Contents of Annual Reports" or paragraph (a) under "Reporting of Listed Events," it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of an Obligated Person (as defined in the Rule) with respect to the Bonds or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the Borrower will describe such amendment in the next Annual Report and will include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information being presented by the Borrower. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change will be given in the same manner as for a Listed Event under Section 5(e) hereof and (ii) the Annual Report

for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Default. In the event of a failure of the Borrower or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement and such failure to comply continues beyond a period of thirty (30) days following written notice to the Borrower, the Borrower or any Holder or Beneficial Owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Borrower or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement will not be deemed an Event of Default under the Indenture or the Loan Agreement, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the Borrower or the Dissemination Agent to comply with this Continuing Disclosure Agreement will be an action to compel performance.

Section 8. Beneficiaries. This Continuing Disclosure Agreement will inure solely to the benefit of the Borrower, the Dissemination Agent, the Participating Underwriter and Holders from time to time of the Bonds and will create no rights in any other person or entity.

Section 9. Reserved.

Section 10. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Borrower from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Borrower chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the Borrower shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement. The Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Borrower has provided such information to the Dissemination Agent as required by this Continuing Disclosure Agreement. The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any information, disclosures or notices provided to it by the Borrower and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Dissemination Agent shall have no responsibility for the Borrower's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Borrower has complied with this Continuing Disclosure Agreement. The Dissemination Agent may conclusively rely upon Certifications of the Borrower at all times.

The obligations of the Borrower under this Section 11 shall survive resignation or removal of the Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The 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 Borrower.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Continuing Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

Section 12. Notices. All notices, requests, demands or other communications to or upon the respective parties hereto shall be deemed to have been duly given or made when delivered personally or by mail (including electronic mail) to the party to which such notice, request, demand or other communication is required or permitted to be given or made under this Continuing Disclosure Agreement and addressed as set forth below:

If to the Borrower:

Gateway at Sunset Street, LP
c/o The Gateway Companies
920 Florence Boulevard
Florence, AL 35630
Attention: Jason Freeman
Email: jfreeman@gatewaymgt.com

With a copy to:

Coleman Talley LLP
109 S Ashley Street
Valdosta, GA 31601
Attention: Mary Margaret Williams

If to the Dissemination Agent:

Pinnacle Bank d/b/a Synovus Bank
33 W 14th Street
Columbus, GA 31901
Attention: Wholesale Ops

Section 13. Governing Law. This Continuing Disclosure Agreement shall be governed by the laws of the State of Georgia.

Section 14. Termination of this Continuing Disclosure Agreement. The Borrower or the Dissemination Agent may terminate this Continuing Disclosure Agreement by giving written notice to the other party at least 30 days prior to such termination. The Dissemination Agent shall be fully discharged at the time any such termination is effective. The Borrower's and the Dissemination Agent's obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption, tender, conversion or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Borrower shall give notice of such termination in a filing with the MSRB.

Section 15. Counterparts. This Continuing 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.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Continuing Disclosure Agreement to be executed by their duly authorized representatives as of the date set forth above.

GATEWAY AT SUNSET STREET, LP,
a Georgia limited partnership

By: Gateway at Sunset Street GP, LLC,
a Georgia limited liability company,
its General Partner

By: _____
Allan Rappuhn
Manager

[Counterpart Signature Page to Continuing Disclosure Agreement]

PINNACLE BANK D/B/A SYNOVUS BANK,
as Dissemination Agent

By: _____
Authorized Officer

EXHIBIT A

ANNUAL REPORT

\$9,000,000*

**Walker County Development Authority
Revenue Bonds
(Gateway at Sunset Street Project), Series 2026**

CUSIP: _____

Annual report for the period ending December 31, _____

THE PROJECT

| | |
|----------------------|--|
| Name of the Project: | Gateway at Sunset Street Apartments |
| Address: | _____ Sunset Street, Rossville, GA 30741 |
| Number of Units: | 90 |

INFORMATION ON THE BONDS

| | |
|--|--|
| Original principal amount of Bonds: | |
| Outstanding principal amount of Bonds: | |

OPERATING HISTORY OF THE PROJECT

The tables set forth below offer a summary of the operating results of the Project for fiscal year ended December 31, 20__, as derived from the Borrower's audited financial statements [or unaudited financial statements].

| Financial Results for Fiscal Year Ending December 31, _____ | |
|--|--|
| Revenues | |
| Operating Expenses ¹ | |
| Net Operating Income | |
| Debt Service on the Bonds | |
| Net Income (Loss) | |
| Debt Service Coverage Ratio | |

¹ Excludes depreciation and other non-cash expenses.

| Occupancy Results for Fiscal Year Ending December 31, _____ | |
|--|---|
| Physical Occupancy | % |
| Economic Occupancy ¹ | % |

¹ The physical occupancy rate is the proportion of units that are occupied or leased by tenants. The economic occupancy rate is the proportion of the gross potential rent that is actually collected. As such, the economic occupancy takes into consideration items such as model units, employee units, discounted units, rent incentives, loss to lease and bad debt expense.

* Preliminary; subject to change.

AUDITED FINANCIAL STATEMENTS

_____ Attached

_____ Audited financial statements of the Borrower for the period ending December 31, 20__ are not yet completed; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements. Audited financial statements will be filed when available.

_____ No audited financial statements of the Borrower were prepared for the period ending December 31, 20__ ; therefore, no audited financial statements of the Borrower are being filed herewith. Unaudited financial statements for such period are attached in lieu of audited financial statements.

EXHIBIT B

**NOTICE OF FAILURE TO
FILE ANNUAL DISCLOSURE REPORT**

Name of Issuer: Walker County Development Authority
Name of Bond Issue: Revenue Bonds (Gateway at Sunset Street Project), Series 2026
Name of Borrower: Gateway at Sunset Street, LP
CUSIP: _____
Date of Issuance: June __, 2026

NOTICE IS HEREBY GIVEN that the above-referenced borrower (the "Borrower") has not provided an Annual Report with respect to the above-named Bonds as required by its Continuing Disclosure Agreement. The undersigned has been informed by the Borrower that it anticipates that Annual Report will be filed by _____.

DATED: _____

PINNACLE BANK D/B/A SYNOVUS BANK,
as Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

EXHIBIT C

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF
PROJECT PLACED IN SERVICE**

Name of Issuer: Walker County Development Authority
Name of Bond Issue: Revenue Bonds (Gateway at Sunset Street Project), Series 2026
Name of Borrower: Gateway at Sunset Street, LP
Name of Project: Gateway at Sunset Street Apartments
Address of Project: _____ Sunset Street, Rossville, GA 30741
Date of Issuance: June __, 2026

NOTICE IS HEREBY GIVEN as per the requirements of the Continuing Disclosure Agreement, dated as of June 1, 2026, between the above-referenced borrower (the "Borrower") and Pinnacle Bank d/b/a Synovus Bank, as Dissemination Agent, that the Borrower has certified that the above-referenced project (the "Project") is complete and placed in service by the Borrower as evidenced by a certificate from the Borrower confirming that the Project is placed in service for purposes of Section 42 of the Code.

Dated:

PINNACLE BANK D/B/A SYNOVUS BANK,
as Dissemination Agent

By: _____
Authorized Officer

cc: Borrower

EXHIBIT D

FORM OF NOTICE OF PLACED IN SERVICE

\$9,000,000*

Walker County Development Authority

Revenue Bonds

(Gateway at Sunset Street Project), Series 2026

The undersigned hereby provides notice to Pinnacle Bank d/b/a Synovus Bank, a Tennessee banking corporation, as dissemination agent (the “Dissemination Agent”) that the affordable multifamily housing project to be known as Gateway at Sunset Street Apartments (the “Project”) has been placed in service in accordance with the Trust Indenture, dated as of June 1, 2026, between Walker County Development Authority (the “Issuer”) and Pinnacle Bank d/b/a Synovus Bank, a Tennessee banking corporation, as trustee (the “Trustee”), pursuant to which the above-captioned bonds were issued, as further evidenced by the attached Certificate of Occupancy.

GATEWAY AT SUNSET STREET, LP,

a Georgia limited partnership

By: Gateway at Sunset Street GP, LLC,
a Georgia limited liability company,
its General Partner

By:

Allan Rappuhn
Manager

* Preliminary; subject to change.

ATTACHMENT

Certificate of Occupancy

APPENDIX F

FORM OF BOND COUNSEL OPINION

The form of the approving legal opinion of Butler Snow LLP, Bond Counsel to the Borrower, is set forth below. The actual opinion will be delivered on the date of delivery of the bonds referred to therein and may vary from the form set forth below to reflect circumstances both factual and legal at the time of such delivery.

June __, 2026

Walker County Development Authority
Rock Spring, Georgia

RE: \$9,000,000* Walker County Development Authority Revenue Bonds (Gateway at Sunset Street Project), Series 2026 (the “**Bonds**”)

Ladies and Gentlemen:

We are acting as bond counsel to the hereinafter defined Borrower in connection with the issuance of the above-referenced Bonds. In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion letter, including the judgment of validation regarding the Bonds dated May 19, 2026, as filed in the Superior Court of Walker County, Georgia relating to the Bonds.

The Bonds are issued pursuant to the laws and Constitution of the State of Georgia, particularly an Act of the General Assembly of the State of Georgia (1962 Ga. Laws 912, as amended; 1964 Ga. Laws 3104, as amended; 1978 Ga. Laws 4360, as amended) amending the Constitution of the State of Georgia of 1945 and continued pursuant to Article XI, Section I, Paragraph IV, as amended, of the Constitution of the State of Georgia of 1983 and an Act of the General Assembly of the state of Georgia (1985 Ga. Laws 4169) (all aforesaid acts and constitutional provisions being collectively referred to herein as the “Act”), a resolution (the “Bond Resolution”) duly adopted by the board of commissioners of the Walker County Development Authority, a public body corporate and politic created and existing pursuant to the laws of the State of Georgia (the “Issuer”), and a Trust Indenture, dated as of June 1, 2026 (the “Indenture”) between the Issuer and Pinnacle Bank d/b/a Synovus Bank, as trustee (the “Trustee”).

The Issuer and Gateway at Sunset Street, LP, a Georgia limited liability company (the “Borrower”), have entered into a Loan Agreement, dated as of June 1, 2026 (the “Loan Agreement”), pursuant to which the Issuer will loan the proceeds of the Bond to the Borrower and the Borrower has agreed to pay to the Issuer such loan payments as will always be sufficient to pay the principal of, premium, if any, and interest on the Bonds as the same become due. Under the Indenture, the rights of the Issuer under the Loan Agreement (except for certain reserved rights including rights of the Issuer to indemnification, reimbursement, and payment of expenses) are pledged and assigned by the Issuer to the Trustee as security for the Bonds. The Bonds are payable solely from the payments to be made by the Borrower under the Loan Agreement, from the Trust Estate, as defined in the Indenture, and from certain additional security provided by the Borrower.

As to questions of fact material to our opinions, we have relied upon (a) certified representations of the Issuer, the Trustee and the Borrower, (b) certified proceedings and other certifications of the Issuer and other public officials furnished to us, and (c) certifications furnished to us by or on behalf of the Borrower (including certifications made in the Tax Certificate (the “Tax Agreement”) of the Borrower, dated as of June 1, 2026, and the Land Use Restriction Agreement (the “Land Use Restriction Agreement”) among the Issuer, the Borrower and the Trustee, dated the date hereof, which are material to Paragraph 4 below), without undertaking to verify the same by independent investigation.

* Preliminary; subject to change.

In all such examinations, we have assumed the genuineness of all signatures, the authenticity of all documents presented to us as originals, and the conformity to original documents of all copies submitted to us as certified, conformed, or photographic copies. As to certificates, we have assumed the same to be properly given and to be accurate. With respect to matters of fact relevant to the opinions in this letter, we have relied, without independent verification of the accuracy or completeness of the matters set forth therein, on the representations and warranties of the parties thereto set forth in the documents and instruments pursuant to which the Bonds are being issued and secured, as well as in certificates of officers or authorized representatives of the Issuer and the Borrower delivered in connection with the issuance of the Bonds.

In our capacity as Bond Counsel, we have not been engaged or undertaken to express and we do not express any opinion (other than as may be expressly set forth herein) with respect to (a) the legal existence or the due authorization, execution, or delivery by or enforcement against the Borrower of any instrument or agreement in connection with the project financed with the proceeds of the Bonds (the "Project") or the Bonds, (b) title to the Project or compliance with zoning, land use, and related laws, (c) the status of any lien or matter of record or security interest purported to be created in connection with the foregoing, (d) the accuracy, completeness, or sufficiency of the Official Statement or any other offering material relating to the Bonds (except to the extent stated in our supplemental opinion dated the date hereof), or (e) the financial condition or capabilities of the Issuer or the Borrower. We have also relied on a legal opinion of David Gottlieb, counsel to the Issuer, delivered in connection with the issuance of the Bonds.

Based upon the foregoing, and subject to the qualifications, statements of reliance and assumptions herein, we are of the opinion, as of the date hereof and under existing statutes, regulations, rulings, and court decisions, that:

1. The Issuer is a public body corporate and politic, created and existing under Georgia law and has the power and authority to issue, sell, and deliver the Bonds and to enter into and perform its obligations under the Loan Agreement and the Indenture, and create the assignment, pledge, and security interest under the Indenture in the Trust Estate in favor of the owners of the Bonds.

2. The Indenture and Loan Agreement have been duly authorized and executed by the Issuer and constitute valid and binding obligations of the Issuer enforceable upon the Issuer.

3. The Bonds (a) have been duly authorized, executed, and issued by the Issuer and (b) when authenticated, are valid and binding special or limited obligations of the Issuer payable solely from the Trust Estate.

4. Under the laws, regulations, rulings and judicial decisions in effect as of the date hereof, except for interest on the Bonds for any period during which such Bonds are held by a "substantial user" of the facilities financed by the proceeds of the Bonds or a "related person" within the meaning of Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excludible from gross income for federal income tax purposes, and interest on the Bonds is excludable from federal alternative minimum taxable income on individuals as defined in Section 55(b)(2) of the Code, however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. In rendering the opinions in this paragraph, we have assumed continuing compliance by the Issuer and the Borrower with certain covenants in the Tax Agreement, the Land Use Restriction Agreement and the Loan Agreement designed to meet the requirements of the Code. We have not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds have resulted in a failure of the Issuer or the Borrower to comply with its covenants. Failure to comply with any such covenants may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of the issuance of the Bonds.

5. Under the laws, regulations, rulings and judicial decisions in effect as of the date hereof, interest on the Bonds is exempt from present State of Georgia income taxes.

Except as expressly stated above, we express no opinion as to any other federal or state income tax consequences of acquiring, carrying, owning, or disposing of the Bonds. Owners of the Bonds should consult their tax advisors as to the applicability of any collateral tax consequences of ownership of the Bonds, which may include purchase at a market discount or at a premium, taxation upon sale, redemption, or other disposition, and various withholding requirements.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds, the Indenture, and the Loan Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This letter is given as of the date hereof and we assume no obligation to update, revise, or supplement the opinions herein to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur. This letter is given solely for the use and benefit of the addressees hereof, and only in connection with the issuance and delivery of the Bonds and may not be used or relied upon by any other person or in connection with any other transaction, except with express consent of this firm.

Very truly yours,