

## **BOND RESOLUTION**

A RESOLUTION OF THE DEVELOPMENT AUTHORITY OF DAWSON COUNTY, AUTHORIZING, INTER ALIA, THE ISSUANCE BY THE DEVELOPMENT AUTHORITY OF DAWSON COUNTY OF ITS MULTIFAMILY HOUSING REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000, TO BE DESIGNATED DEVELOPMENT AUTHORITY OF DAWSON COUNTY MULTIFAMILY HOUSING REVENUE BONDS (PEAKS OF DAWSONVILLE PROJECT) SERIES 2021; APPROVING DOCUMENTS RELATING TO SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH BONDS AND DOCUMENTS; AND RELATED MATTERS.

Dated: December 1, 2020

- Exhibit "A" - Form of Loan Agreement;
- Exhibit "B" - Form of Trust Indenture;
- Exhibit "C" - Form of Bond Purchase Agreement;
- Exhibit "D" - Form of Tax Regulatory Agreement and No-Arbitrage Certificate;
- Exhibit "E" - Form of Preliminary Official Statement; and
- Exhibit "F" - Form of Land Use Restriction Agreement.

## **BOND RESOLUTION**

**WHEREAS**, the Development Authority of Dawson County (the “Authority”) has been created pursuant to the Development Authorities Law, O.C.G.A. Section 36-62-1 *et seq.*, as amended (the “Act”), and an activating resolution adopted September 9, 1974 by the sole Commissioner of Dawson County, Georgia (the “County”), and is now existing and operating as a public body corporate and politic; and

**WHEREAS**, the Issuer was created for the purpose of developing and promoting trade, commerce, industry, and employment opportunities for the public good and general welfare for citizens of the County and the general welfare of the State of Georgia; and the Act empowers the Issuer to issue its revenue obligations in accordance with the applicable provisions of the Revenue Bond Law of the State of Georgia, O.C.G.A. Section 36-82-60, *et seq.*, as amended, in furtherance of the public purpose for which it was created; and

**WHEREAS**, the Authority intends to issue its Multifamily Housing Revenue Bonds (Peaks of Dawsonville Project) Series 2021 in the aggregate principal amount not to exceed \$10,000,000 (the “Bonds”), pursuant to a Trust Indenture (the “Indenture”) by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”), to be dated as of January 1, 2021, or such other date as agreed to by the parties thereto; and

**WHEREAS**, the proceeds of the Bonds will be loaned to Peaks of Dawsonville, LP, a Georgia limited partnership (the “Borrower”), pursuant to the terms of a Loan Agreement (the “Loan Agreement”), by and between the Borrower and the Authority, to be dated as of January 1, 2021 (or such later date as may be approved by the Authority); and

**WHEREAS**, to evidence its obligation to make payments sufficient to pay the principal of and interest on the Bonds, the Borrower will execute and deliver its Promissory Note dated the date of the Bonds (the “Note”) payable to the Authority in the same aggregate principal amount as the aggregate principal amount of the Bonds, and the Authority will endorse the Note to the order of the Trustee; and

**WHEREAS**, the Borrower will use the proceeds of the Bonds for the purposes of (a) financing a portion of the costs of acquisition, construction, furnishing and equipping by the Borrower of an approximately 80-unit multifamily housing project to be located at 65 N. 400 Center Lane, Dawsonville, Dawson County, Georgia (the “Project”) and (b) to pay certain costs of issuing the Bonds; and

**WHEREAS**, in order to comply with requirements of the Internal Revenue Code of 1986, as amended (the “Code”) with respect to the Bonds, the Borrower, the Trustee and the Authority will enter into a Tax Regulatory Agreement and No-Arbitrage Certificate (the “Tax Agreement”), to be dated as of the date of the issuance of the Bonds, or such other date as agreed to by the parties thereto; and

**WHEREAS**, the Borrower has covenanted to comply with all the necessary requirements of Section 142(d) of the Code, so as to ensure that the Bonds when issued are, and while outstanding remain, tax exempt and, to evidence its obligations thereunder, will enter into a

Land Use Restriction Agreement for the Project (the “Land Use Restriction Agreement”) by and among the Authority, the Trustee and the Borrower, to be dated as of the date of issuance of the Bonds, or such other date as agreed to by the parties thereto; and

**WHEREAS**, in order to provide for the sale of the Bonds, the Authority and the Borrower will enter into the Bond Purchase Agreement (the “Bond Purchase Agreement”) with Stifel Nicolaus & Company, Inc. (the “Underwriter”) to be dated and executed on or about the sale date of the Bonds; and

**WHEREAS**, it is also proposed that the Authority should designate a “Trustee,” “Paying Agent” and “Bond Registrar” to serve under the Indenture; and

**WHEREAS**, it is also proposed that the Authority should take all such additional actions, make all such elections, authorize the filing of such certificates, applications, reports and notices, and authorize such other actions and proceedings as shall be necessary in connection with the issuance of the Bonds; and

**WHEREAS**, there have been presented to the Authority at this meeting proposed forms of the Loan Agreement, the Indenture, the Land Use Restriction Agreement, the Tax Agreement, the proposed form of the Bonds as set forth in the Indenture, the Bond Purchase Agreement and the hereafter described Preliminary Official Statement; and

**WHEREAS**, it appears that each of the documents hereinabove referred to, which documents are now before the Authority, is in appropriate form and is an appropriate document for the purposes intended;

**NOW, THEREFORE, BE IT RESOLVED**, as follows:

Section 1. Authority for Bond Resolution. This Bond Resolution is adopted pursuant to the provisions of the Act.

Section 2. Findings. It is hereby ascertained, determined and declared that:

(a) the acquisition, construction, furnishing and equipping of the Project may be financed as a “project” as defined in O.C.G.A. § 36-62-2(6)(N) (and not as a “project” described in O.C.G.A. § 36-62-2(6)(J) or in any other provision of the Development Authorities Law defining the term “project” or authorizing “projects”), and that the Project will promote the objectives of the Act and will provide employment opportunities in the County; the Issuer further specifically finds and determines that the Project will develop and promote trade, commerce, industry, and employment opportunities for the public good and the general welfare and will promote the general welfare of the State of Georgia and that the Project and the issuance of the Bonds to finance all or a part of the cost thereof will be in the public interest of the inhabitants of the County and of the State of Georgia and that it will further the public purpose intended to be served by the Act;

(b) as represented to the Authority by the Borrower, the payments to be received by the Authority under the Loan Agreement will be fully sufficient to pay the principal of, and the redemption premium (if any) and the interest on, the Bonds as the

same become due and to pay certain administrative expenses in connection with the Bonds; and

(c) the Bonds will constitute only limited obligations of the Authority and will be payable solely from the amounts payable under the Loan Agreement and the amounts specifically pledged therefor under the Indenture and will not constitute a debt or a general obligation or a pledge of the faith and credit of the Authority, the State of Georgia, the County, or any county, municipality or political subdivision of the State of Georgia and will not directly, indirectly, or contingently obligate said State or said County, or any county, municipality or political subdivision of the State of Georgia to levy or to pledge any form of taxation whatever for the payment thereof. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Section 3. Authorization of Financing of Project. The financing of the Project as contemplated in the Loan Agreement and the Indenture is hereby authorized.

Section 4. Authorization of Bonds. For the purpose of (i) financing a portion of the costs of the Project and (ii) paying the costs of issuing the Bonds, the issuance of revenue bonds of the Authority in a principal amount not to exceed \$10,000,000, to be designated as Development Authority of Dawson County Multifamily Housing Revenue Bonds (Peaks of Dawsonville Project) Series 2021, which may be issued in one or more series, is hereby authorized. The Bonds shall be dated, mature, bear interest, be subject to redemption prior to maturity and be payable as set forth in the Indenture. The interest rates on the Bonds shall not exceed 10% per annum and the maximum annual payment of principal and interest on the Bonds shall not exceed \$11,000,000. The Bonds shall mature not later than October 1, 2023. The final par amount, interest rate and maturity date or dates of the Bonds will be approved by the Authority in a supplemental resolution to be adopted prior to the issuance of the Bonds. The Bonds shall be issued as registered Bonds without coupons in various denominations with such rights of exchangeability and transfer of registration and shall be in the form and executed and authenticated in the manner provided in the Indenture. The term “Bonds” as used herein shall be deemed to mean and include the Bonds as initially issued and delivered and Bonds issued in exchange therefor or in exchange for Bonds previously issued.

Any Bonds hereafter issued in exchange or for transfer of registration for the Bonds initially issued and delivered pursuant to the Indenture shall be executed in accordance with the provisions of the Indenture and such execution by the Chairman or Vice Chairman and Secretary of the Authority, whether present or future, is hereby authorized. A certificate of validation shall be endorsed upon each of such Bonds hereafter issued, and the Clerk of the Superior Court of Dawson County, Georgia, is instructed to execute such certificate of validation upon the written request of the Trustee or the Authority, specifying that such Bond is being issued in exchange or for transfer of registration for one of the Bonds issued and delivered to the initial purchaser or purchasers thereof or one of the Bonds previously issued in exchange therefor.

Section 5. Authorization of Loan Agreement. The execution, delivery, and performance of the Loan Agreement is hereby authorized. The Loan Agreement shall be in substantially the form attached hereto as Exhibit “A,” subject to such minor changes, insertions,

or omissions as may be approved by the Chairman or Vice Chairman of the Authority and the execution of the Loan Agreement by the Chairman or Vice Chairman and Secretary of the Authority as hereby authorized shall be conclusive evidence of any such approval. The execution and delivery of the endorsement of the Note to the order of the Trustee by the Chairman or Vice Chairman and Secretary of the Authority is hereby authorized.

Section 6. Authorization of Indenture. In order to secure the payment of the principal of, and the redemption premium (if any) and the interest on, the Bonds herein authorized, and in order to secure the performance and observance of the Loan Agreement and conditions in the Bonds, the execution, delivery, and performance of the Indenture is hereby authorized. The Indenture shall be in substantially the form attached hereto as Exhibit “B,” subject to such minor changes, insertions, or omissions as may be approved by the Chairman or Vice Chairman of the Authority and the execution of the Indenture by the Chairman or Vice Chairman and Secretary of the Authority as hereby authorized shall be conclusive evidence of any such approval.

Section 7. Authorization of Bond Purchase Agreement. The execution, delivery and performance of the Bond Purchase Agreement providing for the sale of the Bonds is hereby authorized. The Bond Purchase Agreement shall be in substantially the form attached hereto as Exhibit “C,” subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Authority and the execution of the Bond Purchase Agreement by the Chairman or Vice Chairman of the Authority as hereby authorized shall be conclusive evidence of any such approval.

Section 8. Approval of Preliminary Official Statement. The use and distribution of the Preliminary Official Statement with respect to the Bonds are hereby approved, said Preliminary Official Statement to be in substantially the form attached hereto as Exhibit “E”, subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Authority. The Authority has not confirmed, and assumes no responsibility for, the accuracy, sufficiency, or fairness of any statements in the Preliminary Official Statement or any supplement thereto, other than statements and information therein relating to the Authority under “THE ISSUER” and “ABSENCE OF LITIGATION – The Issuer” as it pertains to the Authority.

The Chairman or Vice Chairman of the Authority is hereby authorized to “deem final” the Preliminary Official Statement within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934.

The use and distribution of a final Official Statement, in the form of the Preliminary Official Statement, but with final amounts, interest rates, maturities, and redemption schedules completed therein is hereby approved.

Section 9. Authorization of Tax Agreement. The execution, delivery, and performance of the Tax Agreement is hereby authorized. The Tax Agreement shall be in substantially the form attached hereto as Exhibit “D,” subject to such minor changes, insertions, or omissions as may be approved by the Chairman or Vice Chairman of the Authority and the execution of the Tax Agreement by the Chairman or Vice Chairman and Secretary of the Authority as hereby authorized shall be conclusive evidence of any such approval.

Section 10. Authorization of Land Use Restriction Agreement. The execution, delivery, and performance of the Land Use Restriction Agreement is hereby authorized. The Land Use Restriction Agreement shall be in substantially the form attached hereto as Exhibit “F,” subject to such minor changes, insertions, or omissions as may be approved by the Chairman or Vice Chairman of the Authority and the execution of the Land Use Restriction Agreement by the Chairman or Vice Chairman of the Authority as hereby authorized shall be conclusive evidence of any such approval.

Section 11. Designation of Trustee, Paying Agent, Bond Registrar. U.S. Bank National Association is hereby designated Trustee, Paying Agent and Bond Registrar for the Bonds under the Indenture.

Section 12. Execution of Bonds. The Bonds shall be executed in the manner provided in the Indenture and the same shall be delivered to the Trustee for proper authentication and delivery to the purchaser or purchasers thereof with instructions to that effect as provided in the Indenture. Anything herein or in the Indenture to the contrary notwithstanding, the Chairman or Vice Chairman of the Authority is hereby authorized to execute the Bonds, and the Secretary of the Authority is hereby authorized to attest the Bonds and to affix the seal of the Authority thereto.

Section 13. Validation of Bonds. The Chairman or the Vice Chairman of the Authority is hereby authorized and directed to immediately notify the District Attorney of the Northeastern Judicial Circuit of the action taken by the Authority, to request said District Attorney to institute a proceeding to confirm and validate the Bonds and to pass upon the security therefor, and said Chairman or Vice Chairman and Secretary of the Authority are further authorized to acknowledge service and make answer in such proceeding.

Section 14. Information Reporting Pursuant to Section 149(e) of the Code. Any officer of the Authority is hereby authorized to sign and file or cause to be filed a completed I.R.S. Form 8038, “Information Return for Private Activity Bond Issues,” as required by Section 149(e) of the Code.

Section 15. Non-Arbitrage Certification. Any officer of the Authority is hereby authorized to execute a non-arbitrage certification in order to comply with Section 148 of the Code, and the applicable Income Tax Regulations thereunder.

Section 16. No Personal Liability. No stipulation, obligation or agreement herein contained or contained in any document to which the Authority is a party shall be deemed to be a stipulation, obligation or agreement of any officer, director, agent or employee of the Authority in his individual capacity, and no such officer, director, agent or employee shall be personally liable on the Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

Section 17. General Authority. From and after the execution and delivery of the documents hereinabove authorized, the proper officers, commissioners, agents and employees of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed and are further authorized to take any and all further actions and

execute and deliver any and all other documents and certificates as may be necessary or desirable in connection with the issuance of the Bonds and the execution and delivery of the Indenture, the Loan Agreement, the Tax Agreement, the Land Use Restriction Agreement and the Bond Purchase Agreement and to document compliance with the Code.

The proper officers, commissioners, agents and employees of the Authority are hereby authorized, empowered and directed to prepare and furnish to the purchaser or purchasers, when the Bonds are issued, certified copies of all the proceedings and records of the Authority relating to the Bonds, and such other affidavits and certificates as may be required to show the facts relating to the legality and marketability of the Bonds as such facts appear from the books and records in the officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the Authority as to the truth of all statements contained therein.

Section 18. Actions Approved and Confirmed. All acts and doings of the officers of the Authority which are in conformity with the purposes and intents of this Bond Resolution and in the furtherance of the issuance of the Bonds and the execution, delivery, and performance of the documents to which the Authority is a party shall be, and the same hereby are, in all respects approved and confirmed.

Section 19. Severability of Invalid Provisions. If any one or more of the agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof or of the Bonds authorized hereunder.

Section 20. Waiver of Performance and Audit Requirements. The Authority hereby approves the publication of the requisite legal notice waiving the performance audit and performance review requirements of Section 36-82-100 of the Official Code of Georgia as part of the notice to the public published in accordance with the validation of the Bonds.

Section 21. Repealing Clause. All resolutions or parts thereof of the Authority in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 22. Effective Date. This Bond Resolution shall take effect immediately upon its adoption.

*[Signatures appear on the following page]*

ADOPTED this 1<sup>st</sup> day of December 2020.

**DEVELOPMENT AUTHORITY OF  
DAWSON COUNTY**

[SEAL]

Attest:

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Chair

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Secretary



**SECRETARY’S CERTIFICATE**

The undersigned Secretary of the Development Authority of Dawson County (the “Authority”), **DOES HEREBY CERTIFY** that the foregoing pages of typewritten matter pertaining to its revenue bonds in a principal amount of not to exceed \$10,000,000 to be designated the Development Authority of Dawson County Multifamily Housing Revenue Bonds (Peaks of Dawsonville Project) Series 2021, constitute a true and correct copy of the Bond Resolution adopted on December 1, 2020, by the members of the Authority in a meeting duly called and assembled, which was open to the public and at which a quorum was present and acting throughout, and that the original of said Bond Resolution appears of record in the Minute Book of the Authority which is in the undersigned’s custody and control.

**WITNESS** my hand and the official seal of the Development Authority of Dawson County, this 1<sup>st</sup> day of December 2020.

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Secretary, Development Authority of  
Dawson County

[SEAL]

**EXHIBIT A**

Form of Loan Agreement

**EXHIBIT B**

Form of Trust Indenture

**EXHIBIT C**

Form of Bond Purchase Agreement

**EXHIBIT D**

Form of Tax Regulatory Agreement and No-Arbitrage Certificate

**EXHIBIT E**

Form of Preliminary Official Statement

**EXHIBIT F**

Form of Land Use Restriction Agreement

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