

MEMORANDUM

To: Mayor and City Council

From: Chris Pike, Finance Director

Date: July 25, 2016

Subject: **FIRST READ: Ordinance to Execute the Financing Documents for 4800 Ashford Dunwoody Road**

ITEM DESCRIPTION

Ordinance to execute the financing documents for 4800 Ashford Dunwoody Road for the purpose of acquisition, construction, and installation of a new city hall facility.

BACKGROUND

Beginning in April 2016, staff explored the various alternatives for the acquisition of the property at 4800 Ashford Dunwoody Road to relocate City Hall operations. After carefully exploring our alternatives and discussing our alternatives with legal counsel, financial advisors, and council members, the "GMA Lease" option was deemed most advantageous. State law authorizes such funding as a means to acquire real and personal property for City governments. Benefits of the GMA Lease option include low-interest (tax exempt) rates with flexible payment terms, ownership of the property at the conclusion of the lease, and reduced legal and financing expenses (by means of boilerplate language previously vetted).

Working with our Financial Advisor (Raymond James & Associates, Inc.), the City competitively bid our financing need. Five bidders quoted for this project. After review of the proposals, the best rate was provided by JP Morgan Chase (Chase) with a preliminary rate (as of July 15) of 1.92% for the lifetime of the loan. **The final rate will not be known until the day of adoption on August 8th.** Excluding an interest-only payment in 2017 of \$110,960, the annual debt is estimated to start at \$491,400 in 2018, escalating roughly 6% annually until 2029, with a balloon payment of \$1.9 million due in 2031. At any point in time beginning in the 11th year of the lease, the City and prepay the loan partially or in full without penalty. The City may also refinance at that same time without penalty.

Draft documents related to the financing follow the ordinance. Final documents, figures, schedules, dates, etc will be updated as available.

ALTERNATIVES

Alternatives considered included a general obligation (referendum ballot) loan, financing through the Urban Redevelopment Agency (requires designating area as "blight"), self-financing, or foregoing the purchase. Council may still chose any of these alternatives though none are recommended at this time. Alternative to the Chase proposal would be a two-bank loan where a second bank works with Chase to reduce the annual escalation to



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dunwoodyga.gov

roughly 4% and eliminate the balloon. This alternative would be a good recommendation as well should Council decide the benefits outweigh the higher interest rate.

RECOMMENDATION

It is respectfully requested Council approve an ordinance authorizing, among other things, the execution of documents relating to the acquisition, construction and installation of a new city hall to be located at 4800 Ashford Dunwoody Road.

**STATE OF GEORGIA
CITY OF DUNWOODY**

ORDINANCE 2016-08-XX

**ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF DUNWOODY
AUTHORIZING, AMONG OTHER THINGS, THE EXECUTION OF DOCUMENTS
RELATING TO THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF A
NEW CITY HALL**

WHEREAS, at the request of the Mayor and Council of the City of Dunwoody, Georgia (the “City”), the Georgia Municipal Association, Inc. (the “Seller”) will purchase certain real property and the facilities located thereon to be used as a new city hall for the City (the “Project”);

WHEREAS, the City has heretofore determined that it is in the best interest of the City to purchase the Project from the Seller in accordance with an Installment Sale Agreement, dated as of August ____, 2016 (the “Installment Sale Agreement”); and

WHEREAS, the Seller’s interest in the Installment Sale Agreement will be assigned to JPMorgan Chase Bank, N.A., Atlanta, Georgia (the “Bank”) pursuant to an Assignment and Transfer Agreement, dated as of August 1, 2016, (the “Transfer Agreement”), between the Seller, as assignor, and the Bank, as assignee; and

WHEREAS, the Seller will execute a Deed to Secure Debt and Security Agreement, dated as of August ____, 2016 (the “Security Deed”) in favor of the Bank; and

WHEREAS, the Seller and the Bank have requested that the City execute and deliver an Agreement Regarding Environmental Activity, dated August ____, 2016 (the “Environmental Agreement”), among the City, the Seller and the Bank; and

WHEREAS, attached hereto are forms of the following documents:

<u>Exhibit A</u>	Installment Sale Agreement,
<u>Exhibit B</u>	Transfer Agreement,
<u>Exhibit C</u>	Security Deed,
<u>Exhibit D</u>	Environmental Agreement, and
<u>Exhibit E</u>	The financial terms of the Installment Sale Agreement.

NOW, THEREFORE, BE IT ORDAINED, AND IT IS HEREBY ORDAINED by the Mayor and Council of the City of Dunwoody as follows:

Section 1. Findings. The obligation of the City to make the payments under the Installment Sale Agreement is annually renewable as provided therein. The obligation of the City to make such payments will not constitute a debt of the State of Georgia or any political subdivision of the State of Georgia, including the City, within the meaning of any constitutional or statutory limitation on indebtedness. The Installment Sale Agreement does not directly or contingently obligate the City to make any payments beyond those appropriated for the City’s then current calendar year.

**STATE OF GEORGIA
CITY OF DUNWOODY**

ORDINANCE 2016-08-XX

The City held a public hearing required by O.C.G.A. Section 36-60-13, as amended (the "Act") on August 8, 2016, which was prior to the date of closing, and satisfies all the other requirements contained in the Act.

Section 2. Authorization of Installment Sale Agreement. The form, terms and provisions of the Installment Sale Agreement presented at this meeting are hereby approved, and all of the terms and provisions thereof are hereby incorporated herein by this reference as if the Installment Sale Agreement was set out in this Ordinance in its entirety. The Mayor and the Clerk are hereby authorized, empowered and directed to execute, acknowledge and deliver the Installment Sale Agreement. The Installment Sale Agreement shall be in substantially the form now before this meeting and hereby approved, or with such changes therein as may be deemed necessary by the persons executing the same to accomplish the purposes of the transactions contemplated therein and in this Ordinance. The execution of the Installment Sale Agreement shall constitute conclusive evidence that the Installment Sale Agreement and any and all changes thereto have been approved by the persons executing the same.

Section 3. Consent to Transfer Agreement. The Mayor and Council hereby consent to the form of the Transfer Agreement presented at this meeting, or with such changes as may be hereafter made as shall be in furtherance of the transactions contemplated therein and in this Ordinance and as shall not be inconsistent with or contrary to the matters contemplated therein and in this Ordinance. The Mayor and Council hereby further consent to the execution and delivery of the Transfer Agreement by the parties thereto.

Section 4. Consent to Security Deed. The Mayor and Council hereby consent to the form of the Security Deed presented at this meeting, or with such changes as may be hereafter made as shall be in furtherance of the transactions contemplated therein and in this Ordinance and as shall not be inconsistent with or contrary to the matters contemplated therein and in this Ordinance. The Mayor and Council hereby further consent to the execution and delivery of the Security Deed by the parties thereto.

Section 5. Authorization of Environmental Agreement. The form, terms and provisions of the Environmental Agreement presented at this meeting are hereby approved, and all of the terms and provisions thereof are hereby incorporated herein by this reference as if the Environmental Agreement was set out in this Ordinance in its entirety. The Mayor and the Clerk are hereby authorized, empowered and directed to execute, acknowledge and deliver the Environmental Agreement. The Environmental Agreement shall be in substantially the form now before this meeting and hereby approved, or with such changes therein as may be deemed necessary by the persons executing the same to accomplish the purposes of the transactions contemplated therein and in this Ordinance. The execution of the Environmental Agreement shall constitute conclusive evidence that the Environmental Agreement and any and all changes thereto have been approved by the persons executing the same.

Section 6. General Authority. The Mayor and the Clerk are hereby authorized, empowered and directed to do all such acts and things and to execute all such

**STATE OF GEORGIA
CITY OF DUNWOODY**

ORDINANCE 2016-08-XX

documents as may be necessary to carry out and comply with the provisions of the documents herein authorized and as may be necessary to carry out the purposes and intents of this Ordinance.

If the Mayor shall not be able to execute the documents herein authorized, the Mayor Pro Tem is hereby authorized to execute the documents on behalf of the City. If the Clerk shall not be able to execute the documents herein authorized, the Assistant Clerk is hereby authorized to execute the documents on behalf of the City.

Section 7. Appropriation of Minimum Annual Appropriated Amount. The City hereby appropriates available and uncommitted funds in its budget for the current fiscal year in the amount of the Minimum Annual Appropriated Amount (as defined in the Installment Sale Agreement).

Section 8. Bank Qualification Designation. The Installment Sale Agreement is hereby designated as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986 (the “Code”). The aggregate face amount of all tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code) issued by the City and the entities with whom aggregation is required pursuant to Section 265(b)(3)(E) of the Code is not reasonably expected to exceed \$10,000,000 during the year 2016.

Section 9. Authorization of IRS Form 8038-G. Any officer of the City is hereby authorized to sign and file or cause to be filed a completed Internal Revenue Service Form 8038-G as required by Section 149(e) of the Code.

Section 10. Authorization of Federal Tax Certificate. Any officer of the City is hereby authorized to execute a federal tax certification in order to comply with Section 148 of the Code and the applicable Treasury Regulations promulgated thereunder.

Section 11. Actions Ratified, Approved and Confirmed. All acts and doings of the officers, employees or agents of the City which are in conformity with the purposes and intents of this Ordinance are hereby ratified, approved and confirmed.

Section 12. No Personal Liability. No stipulation, obligation or agreement contained in this Ordinance or in the documents authorized hereby shall be deemed to be a stipulation, obligation or agreement of any officer, agent or employee of the City in his or her individual capacity, and no such officer, agent or employee shall be personally liable or be subject to personal liability or accountability.

Section 13. Severability of Invalid Provisions. If any one or more of the agreements or provisions contained in this Ordinance or the documents authorized hereby shall be held contrary to an 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 agreements or provisions shall be null and void and shall be deemed separable

**STATE OF GEORGIA
CITY OF DUNWOODY**

ORDINANCE 2016-08-XX

from the remaining agreements and provisions and shall in no way affect the validity of any of the other valid agreements and provisions.

Section 14. Terms of Loan. The financial terms of the Installment Sale Agreement are set forth in the attached Exhibit E prepared by the Bank.

Section 15. Repealing Clause. All resolutions and ordinances or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 16. Effective Date. This Ordinance shall take effect immediately upon its adoption.

Adopted this 8th day of August, 2016.

CITY OF DUNWOODY, GEORGIA

Approved:

(Seal)

Denis L. Shortal, Mayor

ATTEST:

Approved as to Form and Content:

Sharon Lowery, City Clerk

Lenny Felgin, City Attorney

**STATE OF GEORGIA
CITY OF DUNWOODY**

ORDINANCE 2016-08-XX

CLERK'S CERTIFICATE

The undersigned Clerk of the City, DOES HEREBY CERTIFY that the foregoing pages of typewritten matter pertaining to an Installment Sale Agreement constitute a true and correct copy of the Ordinance adopted on August 8, 2016, by the Mayor and Council in a regular meeting, which was open to the public, and the original of said Ordinance appears of record in the minute book of the Mayor and Council which is in my custody and control.

WITNESS my hand and the official seal of the City of Dunwoody, Georgia this 8th day of August, 2016.

(SEAL)

Sharon Lowery, City Clerk

\$9,500,000.00

Georgia Municipal Association

(City of Dunwoody Project) Certificates of Participation, Series 2016

(1.92% fixed 15 yrs; 10 yr par call -JPMorgan Am Schedule 7-15-16)

Estimated Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	% Change
04/01/2017	-	-	110,960.00	110,960.00	
04/01/2018	309,000.00	1.920%	182,400.00	491,400.00	---
04/01/2019	346,000.00	1.920%	176,467.20	522,467.20	6.32%
04/01/2020	384,000.00	1.920%	169,824.00	553,824.00	6.00%
04/01/2021	426,000.00	1.920%	162,451.20	588,451.20	6.25%
04/01/2022	470,000.00	1.920%	154,272.00	624,272.00	6.09%
04/01/2023	517,000.00	1.920%	145,248.00	662,248.00	6.08%
04/01/2024	568,000.00	1.920%	135,321.60	703,321.60	6.20%
04/01/2025	622,000.00	1.920%	124,416.00	746,416.00	6.13%
04/01/2026	679,000.00	1.920%	112,473.60	791,473.60	6.04%
04/01/2027	741,000.00	1.920%	99,436.80	840,436.80	6.19%
04/01/2028	806,000.00	1.920%	85,209.60	891,209.60	6.04%
04/01/2029	875,000.00	1.920%	69,734.40	944,734.40	6.01%
04/01/2030	892,000.00	1.920%	52,934.40	944,934.40	0.02%
04/01/2031	1,865,000.00	1.920%	35,808.00	1,900,808.00	101.16%
Total	\$9,500,000.00	-	\$1,816,956.80	\$11,316,956.80	
Average Life				9.961 Years	

estimates assuming 8-22-16 dated & delivery date.

Raymond James

DRAFT DATE: 07/18/16

CLOSING MEMORANDUM AND INDEX FOR CLOSING TRANSCRIPT

GEORGIA MUNICIPAL ASSOCIATION, INC.

CITY OF DUNWOODY, GEORGIA

\$9,500,000

INSTALLMENT SALE AGREEMENT

August __, 2016
(the "Closing Date")

The following documents were delivered by the parties indicated at the Closing held on the Closing Date.

BASIC DOCUMENTS:

1. Certified copy of the Ordinance adopted by the City of Dunwoody, Georgia (the "City") on August 8, 2016, authorizing the Installment Sale Agreement with the Georgia Municipal Association, Inc. ("the Originator"), the Transfer Agreement by which the Originator will assign the Installment Sale Agreement to JPMorgan Chase Bank, N.A. (the "Bank"), the Agreement Regarding Environmental Activity among the City, the Originator and the Bank, the Deed to Secure Debt and Security Agreement from the Originator to the Bank, and the other basic documents.
2. File-stamped copy of the Installment Sale Agreement (the "Installment Sale Agreement"), dated as of August __, 2016, between the Originator and the City.
3. Filed-stamped copy of the Assignment and Transfer Agreement, dated as of August __, 2016 (the "Transfer Agreement"), between the Originator and the Bank.
4. Filed copy of the Deed to Secure Debt and Security Agreement, dated as of August __, 2016 (the "Security Deed"), between the Originator, as Grantor, and the Bank, as Grantee.
5. Executed counterpart of the Agreement Regarding Environmental Activity, dated as of August __, 2016 (the "Environmental Agreement") from the City to the Originator and the Bank.

CLOSING DOCUMENTS FURNISHED BY THE BANK AND THE ESCROW AGENT:

6. Closing Certificate of the Bank.

CLOSING DOCUMENTS FURNISHED BY THE ORIGINATOR:

7. Resolution of the Originator.
8. Certified copy of Articles of Incorporation.
9. Copy of By-Laws.
10. Certificate of Existence.
11. Closing Certificate of the Originator.
12. UCC Financing Statement by the Originator in favor of the Bank with respect to the Security Deed.
13. UCC Financing Statement by the Originator in favor of the Bank with respect to the Transfer Agreement.

CLOSING DOCUMENTS FURNISHED BY THE CITY:

14. Execution, Signature, No-Litigation and Incumbency Certificate of the City.
15. Form 8038-G.
16. Tax and Non-Arbitrage Certificate.

OPINIONS OF COUNSEL:

17. Opinion of Gray, Pannell & Woodward LLP.
18. Opinion of counsel of the City.
19. Opinion of counsel of the Originator.

MISCELLANEOUS DOCUMENTS:

20. Publisher's Affidavit with respect to the notice regarding public hearing.
21. Environmental Site Assessment.
22. Survey.
23. Title Policy.
24. Debt Issuance Report.
25. Form Requisition.
26. Closing Statement.

CLOSING CERTIFICATE OF THE BANK

The undersigned, on behalf of JPMorgan Chase Bank, N.A. (the “Bank”), and in connection with the Assignment and Transfer Agreement, dated as of August ____, 2016 (the “Transfer Agreement”), between Georgia Municipal Association, Inc. and the Bank, HEREBY CERTIFIES, as follows:

1. The undersigned is authorized to execute this Certificate.
2. The Bank has received a fully executed original Transfer Agreement and Installment Sale Agreement (as defined in the Transfer Agreement).
3. The Bank is a national banking corporation duly organized and existing and authorized to do business in Georgia. The Bank has duly authorized by all necessary corporate action the execution, delivery and performance of its obligations under the Transfer Agreement and the Installment Sale Agreement.
4. The Bank has advanced \$9,500,000 pursuant to the Transfer Agreement.
5. The Bank hereby acknowledges that it is a lending institution and that it has had the opportunity to request and review such information pertaining to City of Dunwoody, Georgia and the Installment Sale Agreement as it deemed pertinent in making its decision to provide this financing. The Bank has acquired its interest in the Installment Sale Agreement for its own account and not with a view toward distribution or resale.

Witness my hand, this ____ day of August, 2016.

JPMORGAN CHASE BANK, N.A.

By: _____

Name:

Title:

CLOSING CERTIFICATE OF THE ORIGINATOR

The undersigned, on behalf of Georgia Municipal Association, Inc. (the "Originator"), DOES HEREBY CERTIFY that he/she is a duly elected, qualified and acting officer of the Originator authorized to execute this Certificate, and the undersigned DOES HEREBY FURTHER CERTIFY, as follows:

1. The Originator is a Georgia nonprofit corporation duly created and validly existing under the laws of the State of Georgia with full power and authority to execute, deliver and perform its obligations under the Installment Sale Agreement, dated as of August ____, 2016 (the "Installment Sale Agreement"), between the Originator and City of Dunwoody, Georgia, the Assignment and Transfer Agreement, dated as of August ____, 2016 (the "Transfer Agreement"), between the Originator and JPMorgan Chase Bank, N.A. (the "Bank"), the Agreement Regarding Environmental Activity, dated as of August ____, 2016 (the "Environmental Agreement") from the City to the Originator and the Bank, and the Deed to Secure Debt and Security Agreement, dated as of August ____, 2016 (the "Security Deed", and together with the Installment Sale Agreement, the Transfer Agreement, and the Environmental Agreement, the "Financing Documents"), from the Originator, as grantor, in favor of the Bank, as grantee.

2. The Originator has duly authorized all actions required to be taken by it for the execution, delivery and due performance of the Financing Documents, and any and all such other agreements and documents as may be required to be executed, delivered or performed by the Originator in order to carry out, give effect to and consummate the transactions contemplated on its part by the Financing Documents. None of these such actions have been modified, repealed, revoked or rescinded.

3. The Financing Documents have been executed and delivered and constitute the valid and legally binding obligations of the Originator.

4. To the best of my knowledge, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the Originator, threatened against or affecting the Originator (or, to the knowledge of the Originator, any meritorious basis therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the Originator from functioning or contesting or questioning the existence of the Originator or the titles of the present officers to their offices; or (ii) wherein an unfavorable decision, ruling or finding would adversely affect the existence or powers of the Originator or the validity or enforceability of the Financing Documents or any agreement or instrument to which the Originator is a party and which is used or contemplated for use in connection with the Financing Documents.

5. To the best of my knowledge, the execution and delivery by the Originator of the Financing Documents, and the other documents contemplated thereby, and the compliance by the Originator with provisions thereof, will not conflict with or constitute on the part of the Originator a violation of, breach of or default under (i) its articles of incorporation or by-laws; (ii) any constitutional provision, statute, indenture, mortgage, lease, resolution, note agreement or other agreement or instrument to which the

Originator is a party or by which the Originator is bound; or (iii) any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Originator or any of its properties.

6. To the best of my knowledge, all consents, approvals, authorizations and orders of governmental or regulatory authorities, if any, that are required to be obtained by the Originator in connection with the execution and delivery of the Financing Documents and the consummation of the transactions contemplated thereby have been duly obtained and remain in full force and effect.

7. Set forth below are the specimen signatures and titles of the employees that executed the Financing Documents.

Name: Lamar Norton
Title: Executive Director

Name: Alan Dickerson
Title: Director of Local Government Services

8. The seal impressed on this Certificate is the official seal of the Originator.

Witness my hand, this ____ day of August, 2016.

GEORGIA MUNICIPAL ASSOCIATION, INC.

By: _____

Name: Lamar Norton

Title: Executive Director

I HEREBY CERTIFY that the signatures of the Executive Director and Director of Local Government Services, respectively, hereinbefore subscribed are true and genuine.

Susan Moore

General Counsel

EXECUTION, SIGNATURE,
NO-LITIGATION AND INCUMBENCY CERTIFICATE

The undersigned DOES HEREBY CERTIFY that he is the acting Mayor of City of Dunwoody, Georgia (the “City”), and the undersigned DOES HEREBY FURTHER CERTIFY, as follows:

1. The City is a municipal corporation of the State, duly created by virtue of the Constitution and laws of the State of Georgia with full power and authority to execute, deliver and perform its obligations under the Installment Sale Agreement, dated as of August ____, 2016, between Georgia Municipal Association, Inc. (the “Originator”) and the City (the “Installment Sale Agreement”), relating to the financing of the acquisition, construction and installation of the Project (as defined in the Installment Sale Agreement) and the Agreement Regarding Environmental Activity, dated as of August ____, 2016 (the “Environmental Agreement” and together with the Installment Sale Agreement, the “Financing Documents”), among the City, the Originator and JPMorgan Chase Bank, N.A. (the “Bank”).

2. The City has duly authorized all actions required to be taken by it for the execution, delivery and due performance of the Financing Documents, and any and all such other agreements and documents as may be required to be executed, delivered or performed by the City in order to carry out, give effect to and consummate the transactions contemplated on its part by the Financing Documents. None of these such actions have been modified, repealed, revoked or rescinded.

3. The Financing Documents have been executed and delivered and constitute the valid and legally binding obligations of the City.

4. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or, to the knowledge of the City, threatened against or affecting the City (or, to the knowledge of the City, any meritorious basis therefor) (i) attempting to limit, enjoin or otherwise restrict or prevent the City from functioning or contesting or questioning the existence of the City or the titles of the present council members to their offices or (ii) wherein an unfavorable decision, ruling or finding would (A) adversely affect the existence or powers of the City or the validity or enforceability of the Financing Documents or any agreement or instrument to which the City is a party and which is used or contemplated for use; or (B) materially adversely affect the financial condition or results of operations of the City.

5. The execution and delivery by the City of the Financing Documents, and the other documents contemplated thereby, and the compliance by the City with the provisions thereof, will not conflict with or constitute on the part of the City a violation of, breach of or default under (i) any constitutional provision, statute, indenture, mortgage, lease, resolution, note agreement or other agreement or instrument to which the City is a party or by which the City is bound; or (ii) any order, rule or regulation of

any court or governmental agency or body having jurisdiction over the City or any of its properties.

6. All consents, approvals, authorizations and orders of governmental or regulatory authorities, if any, that are required to be obtained by the City in connection with the execution and delivery of the Financing Documents and the consummation of the transactions contemplated thereby have been duly obtained and remain in full force and effect.

7. The City has not defaulted in the payment of principal or interest on any of its bonds, notes or other securities, nor is it currently in default under any indebtedness documents.

8. The City is governed by a City Council comprised of a mayor and six council members, duly elected in accordance with the Constitution and laws of the State of Georgia, whose terms of office expire as follows:

<u>Name</u>	<u>Term of Office Expires</u>
Denis Shortal	December 31, 2019
Pam Tallmadge	December 31, 2017
Jim Riticher	December 31, 2017
Doug Thompson	December 31, 2017
Terry Nall	December 31, 2019
Lynn Deutsch	December 31, 2019
John Heneghan	December 31, 2019

9. The persons indicated below each are designated as Authorized City Representatives for the purposes of the Installment Sale Agreement:

Denis L. Shortal, Mayor

Specimen Signature

Eric Linton, City Manager

Specimen Signature

Witness my hand this ____ day of August, 2016.

CITY OF DUNWOODY, GEORGIA

By: _____
Mayor

Attest:

By: _____
Clerk

I HEREBY CERTIFY that the signatures of the Mayor and Clerk, respectively, hereinbefore subscribed are true and genuine.

Cecil McLendon, esq.
Attorney for the City

[Letterhead of Gray Pannell & Woodward LLP]

August ____, 2016

Georgia Municipal Association, Inc.
Atlanta, Georgia

JPMorgan Chase Bank, N.A.
Albany, Georgia

City of Dunwoody, Georgia
Dunwoody, Georgia

Re: \$9,500,000 Installment Sale Agreement, dated as of August ____, 2016 (the "Installment Sale Agreement"), between Georgia Municipal Association, Inc. (the "Originator") and City of Dunwoody, Georgia (the "City")

To the Addressees:

We have acted as Special Tax Counsel in connection with the Installment Sale Agreement, pursuant to which the Originator is selling certain real and personal property to the City. As Special Tax Counsel, we have examined such laws, documents, instruments and certificates of public officials as we have deemed necessary to render the opinions expressed herein. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate.

In rendering our opinion that the Interest Payments (as defined in the Installment Sale Agreement) are excludable from gross income for federal income taxation, we have (i) relied as to questions of fact material to our opinion upon certificates and certified proceedings of public officials, including officials of the City, and representations of officials of the City, without undertaking to verify the same by independent investigation and (ii) assumed continued compliance by the City with its covenants relating to the use of the property which is the subject of the Installment Sale Agreement and compliance with the arbitrage requirements contained in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The inaccuracy of any such certificates, representations or the failure of the City to comply with any of such covenants may cause the interest to become subject to federal income taxation retroactive to the date of execution of the Installment Sale Agreement.

In rendering the opinions set forth below, we have relied solely upon the opinion of Susan Moore, Esq., counsel to the Georgia Municipal Association, Inc., dated the date hereof, to the effect that the Installment Sale Agreement has been duly authorized by and is a valid and

binding obligation of the Originator and the opinion of Riley McLendon, LLC, dated the date hereof, to the effect that the Installment Sale Agreement has been duly authorized and is a valid and binding obligation of the City. We have not been engaged to render any such opinions.

The City has designated the Installment Sale Agreement as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code.

We express no opinion as to compliance by the Originator or the City with any securities laws.

Based on the examinations, certificates, and provisions referred to above, we are of the opinion, as of the date hereof and under existing law, as follows:

(1) The Interest Payments are (a) excludable from gross income for federal income tax purposes, and (b) not an item of tax preference for purposes of the corporate or individual alternative minimum tax; provided, however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. Except as set forth in paragraph (3), we express no opinion regarding other federal income tax consequences caused by the receipt of Interest Payments or Principal Payments (as defined in the Installment Sale Agreement) or by the assignment of the Installment Sale Agreement.

(2) The Interest Payments are exempt from present State of Georgia income taxation.

(3) Based upon the representations regarding the reasonable expectations of the City and the City’s designation, the Installment Sale Agreement is a “qualified tax-exempt obligation” under Section 265(b)(3) of the Code.

We express no opinion as to the tax-exemption, State or federal, of Interest Payments paid by any party other than the City after the termination of the Installment Sale Agreement.

Very truly yours,

GRAY, PANNELL & WOODWARD LLP

By: _____
a Partner

[LETTERHEAD OF GMA]

August ____, 2016

Georgia Municipal Association, Inc.
Atlanta, Georgia

JPMorgan Chase Bank, N.A.
Albany, Georgia

Re: \$9,500,000 Installment Sale Agreement, dated as of August ____, 2016 (the "Installment Sale Agreement"), between Georgia Municipal Association, Inc. (the "Originator") and City of Dunwoody, Georgia (the "City"); the Assignment and Transfer Agreement, dated as of August ____, 2016 (the "Transfer Agreement"), between the Originator and JPMorgan Chase Bank, N.A. (the "Bank"), the Agreement Regarding Environmental Activity, dated as of August ____, 2016 (the "Environmental Agreement") from the City to the Originator and the Bank, and the Deed to Secure Debt and Security Agreement, dated as of August ____, 2016 (the "Security Deed" and together with the Installment Sale Agreement, the Transfer Agreement and the Environmental Agreement, the "Financing Documents"), from the City to the Originator

To the Addressees:

As counsel for the Originator, I have examined the Financing Documents and such other papers, laws and legal materials as I have deemed relevant to form the opinions herein expressed.

Based upon the foregoing, it is my opinion that:

1. The Originator is a Georgia non-profit corporation duly created and validly existing under the laws of the State of Georgia and has all requisite right, power and authority to execute and deliver the Financing Documents, and to perform all acts and consummate all of the transactions contemplated by the Financing Documents.

2. The Financing Documents have been duly authorized by all necessary official action on the part of the Originator, have been duly executed and delivered by the Originator, and (assuming due authorization, execution and delivery by the other parties thereto) constitute the legal, valid and binding obligations of the Originator, enforceable in accordance with their terms, except as enforcement thereof may be limited by the exercise of judicial discretion in appropriate cases, and applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

3. The execution and delivery of the Financing Documents and the compliance by the Originator with the terms thereof will not conflict with, or result in any breach of any of the provisions of, or constitute a default under, any agreement or other instrument to which the Originator is a party or by which it may be bound, or any judgment, decree, order, constitutional provision, law, statute or governmental rule or regulation applicable to the Originator.

4. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, or governmental body, pending or known to be threatened against or affecting the Originator, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by the Financing Documents, or which in any way would adversely affect the validity or enforceability of the Financing Documents.

Respectfully submitted,

Susan Moore, Esq.
General Counsel
Georgia Municipal Association, Inc.

[LETTERHEAD OF RILEY MCLENDON, LLC]

August ____, 2016

Georgia Municipal Association, Inc.
Atlanta, Georgia

JPMorgan Chase Bank, N.A.
Albany, Georgia

Gray, Pannell & Woodward LLP
Atlanta, Georgia

RE: Installment Sale Agreement, dated as of August ____, 2016 (the “Installment Sale Agreement”), between Georgia Municipal Association, Inc. (the “Originator”) and City of Dunwoody, Georgia (the “City”); the Agreement Regarding Environmental Activity, dated as of August ____, 2016 (the “Environmental Agreement”) among the City, the Originator and JPMorgan Chase Bank, N.A.; and the Deed to Secure Debt and Security Agreement, dated as of August ____, 2016 (the “Security Deed” and together with the Installment Sale Agreement, the Environmental Agreement, and the Warranty Deed, the “Financing Documents”), from the City to the Originator

To the Addressees:

As counsel for the City we have examined the Financing Documents and such other papers, laws and legal materials as we have deemed relevant to form the opinions herein expressed.

Based upon the foregoing, it is our opinion to the best of our knowledge and belief that:

1. The City is a municipal corporation duly created and validly existing under the Constitution and laws of the State of Georgia and has all requisite right, power and authority to execute and deliver the Financing Documents, and to perform all acts and consummate all of the transactions contemplated by the Financing Documents.

2. The Financing Documents have been duly authorized by all necessary official action on the part of the City, have been duly executed and delivered by the City, and (assuming due authorization, execution and delivery by the other parties thereto) constitute the legal, valid and binding obligations thereof, enforceable in accordance with their terms, except as enforcement thereof may be limited by the exercise of judicial

discretion in appropriate cases, and applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

3. The execution and delivery of the Financing Documents, and the compliance by the City with the terms thereof, will not conflict with, or result in any breach of any of the provisions of, or constitute a default under, any agreement or other instrument to which the City is a party or by which it may be bound, its charter or any judgment, decree, order, constitutional provision, law, statute or governmental rule or regulation applicable to the City.

4. To the best of our knowledge and belief, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, or governmental body, pending or known to be threatened against or affecting the City, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by the Financing Documents, or which in any way would adversely affect the validity or enforceability of the Financing Documents.

5. To the best of our knowledge and belief, all legal action required to be taken by the Mayor and Council of the City in connection with the Financing Documents have been validly taken in compliance with the provisions of law (including but not limited to compliance with O.C.G.A. Section 50-14-1), and none of the proceedings held or actions taken by the Mayor and the Council of the City with respect to any of the foregoing has been repealed, rescinded or revoked.

6. To the best of our knowledge and belief, the City has complied with such public bidding and other legal requirements as may be applicable to the Installment Sale Agreement and the acquisition, construction and installation of the Project (as defined in the Installment Sale Agreement).

7. Pursuant to the Security Deed (as defined in above), the Originator has granted to JPMorgan Chase Bank, N.A. a security interest in certain real and personal property (the "Security Interest"). The Security Interest constitutes a valid "security interest" as that term is defined in the UCC, the same has been perfected as required by the UCC, and there are no other properly indexed financing statements or liens of record affecting the property in which the Security Interest has been granted.

8. The Security Deed, as filed in the office of the Clerk of Superior Court for DeKalb County, Georgia, constitutes a valid deed to secure debt on the interest in the real property described therein, subject only to “Permitted Encumbrances” (as defined in the Security Deed”). There is no intangible tax required to be paid in connection with the filing of the Security Deed.

Respectfully submitted,

RILEY MCLENDON, LLC

By: _____
Cecil McLendon, Partner

ATTACHMENT A TO
FINANCING STATEMENT
WITH RESPECT TO
ASSIGNMENT AND TRANSFER AGREEMENT

DEBTOR: GEORGIA MUNICIPAL ASSOCIATION, INC.

SECURED PARTY: JPMORGAN CHASE BANK, N.A.

Pursuant to an Assignment and Transfer Agreement, dated as of August ____, 2016, between the Debtor and the Secured Party, the Debtor assigned, transferred, conveyed and sets over to Secured Party all the right, title and interest of Debtor (except for Debtor's right to indemnification and attorney's fees) in, under and by virtue of the Installment Sale Agreement, dated as of August ____, 2016 (the "Installment Sale Agreement"), between the Debtor and the City of Dunwoody, Georgia. The Secured Party shall be deemed the "Seller" for all purposes under the Installment Sale Agreement, and shall have all rights, powers, remedies and responsibilities of Seller thereunder.

ATTACHMENT A TO
FINANCING STATEMENT
WITH RESPECT TO
DEED TO SECURE DEBT AND SECURITY AGREEMENT

DEBTOR: GEORGIA MUNICIPAL ASSOCIATION, INC.

SECURED PARTY: JPMORGAN CHASE BANK, N.A.

The Debtor has, pursuant to a Deed to Secure Debt and Security Agreement, dated as of August ____, 2016, from the Debtor in favor of the Secured Party, granted, bargained, sold, conveyed, assigned, transferred, pledged, and set over unto Secured Party, and grant a security interest in, the following described property (collectively, the "Project"):

(a) all those certain tracts, pieces or parcels of land (and any easements or other interests in land) more particularly described in Exhibit "A" hereto (the "Land");

(b) all buildings, structures and improvements of every nature whatsoever now or hereafter situated on, under or above the Land as described in Exhibit "B" hereto; all of which foregoing items are hereby declared and shall be deemed to be fixtures and accessions to the Land and a part of the Project as between the parties hereto and all persons claiming by, through or under them, and which shall be deemed to be a portion of the security for the indebtedness herein described and to be secured by this Instrument, a portion of the above described collateral being located upon the Land;

(c) all easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights, minerals, flowers, shrubs, crops, trees, timber and other emblements now or hereafter located on the Land or under or above the same or any part or parcel thereof, and all estates, rights, titles, interests, tenements, hereditaments and appurtenances, reversions and remainders whatsoever, in any way belonging, relating or appertaining to the Project or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Debtor;

(d) all right, title and interest of Debtor in any and all leases, rental agreements and arrangements of any sort now or hereafter affecting the Project or any portion thereof and providing for or resulting in the payment of money to Debtor for the use of the Project or any part thereof, whether the user enjoys the Project or any part thereof as tenant for years, invitee, licensee, tenant at sufferance or otherwise, and irrespective of whether such leases, rental agreements and arrangements be oral or written (the "Leases") and guaranties of the performance or obligations of any tenants or lessees thereunder (the "Tenants"), together with all income, rents, issues, profits and revenues from the Leases (including all tenant security deposits and all other tenant deposits, whether held by Debtor or in a trust account and all other deposits and escrow funds

relating to any Leases), and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Debtor in and to the same;

(e) all right, title and interest of Debtor in, to and under all franchise agreements, management contracts, service contracts, utility contracts, leases of equipment, documents relating to the construction of any improvements on the Project (including any and all construction contracts, architectural contracts, engineering contracts, designs, plans, specifications, drawing, surveys, tests, reports, bonds and governmental approvals) and all other contracts, licenses and permits now or hereafter affecting the Project or any part thereof and all guaranties and warranties with respect to any of the foregoing (the "Contracts");

(f) all right, title and interest of Debtor in any insurance policies or binders now or hereafter relating to the Project, including any unearned premiums thereon;

(g) all right, title and interest of Debtor in any and all awards, payments, proceeds and the right to receive the same, either before or after any foreclosure hereunder, as a result of any temporary or permanent injury or damage to, taking of or decrease in the value of the Project by reason of casualty, condemnation or otherwise;

(h) all claims and causes of action arising from or otherwise related to any of the foregoing; and

(i) all proceeds of any of the property described above.

CLOSING STATEMENT

City of Dunwoody

\$9,500,000 Installment Sale Agreement

August ____, 2016

Source:

Proceeds of Installment Sale Agreement referenced above: \$9,500,000.00

Application:

1. Deposit to City of Dunwoody, Georgia 2016 Installment Sale Agreement Escrow Fund (held by JPMorgan Chase Bank, N.A.).
2. Wire to Gray, Pannell & Woodward LLP Escrow Account for:
 - (a) services rendered and expenses advanced by Gray, Pannell & Woodward LLP, as special tax counsel;
 - (b) services rendered and expenses advanced by Riley McLendon, LLC, as counsel for the City;
 - (c) services rendered and expenses advanced by Butler Snow LLP, as counsel to the Bank;
 - (d) title insurance policy, includes title premium and title search;
 - (e) closing fee of the Georgia Municipal Association;
 - (f) closing expenses

[See Attached Invoices]

CITY OF DUNWOODY, GEORGIA

Approved:

(Seal)

D enis L. Shortal, M ayor

ATTEST:

Approved as to Form and Content:

Sharon Lowery, C ity C lerk

Lenny Felgin, C ity A ttorney

[Closing Statement]

FORM OF REQUISITION

In accordance with the terms of the Installment Sale Agreement, dated as of August ____, 2016 (the "Installment Sale Agreement"), between City of Dunwoody, Georgia (the "City") and Georgia Municipal Association, Inc., the undersigned hereby requests that JPMorgan Chase Bank, N.A., as Escrow Agent (the "Escrow Agent") pay the following persons the following amounts from the Escrow Fund created under the Installment Sale Agreement (the "Escrow Fund") for the following purposes.

<u>Payee's Name and Address</u>	<u>Invoice Number</u>	<u>Dollar Amount</u>	<u>Purpose</u>
-------------------------------------	-----------------------	----------------------	----------------

The undersigned hereby certifies as follows:

(i) Insofar as such obligation was incurred for work, material, supplies or equipment in connection with the Project Facilities, such work was actually performed, or such material, supplies or equipment was actually installed in or about the Project Facilities were delivered at the site of the work for that purpose.

(ii) An obligation in the stated amount has been incurred by the City, and the same is a proper charge against the City's Escrow Fund and has not been paid. The bill, invoice or statement of account for such obligation, or a copy thereof, is on file with the City.

(iii) The undersigned, as Authorized City Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

This requisition contains no item representing payment on account, or any retained percentages which the City is, at the date hereof, entitled to retain.

(iv) The Project is insured in accordance with the Installment Sale Agreement.

(v) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, has occurred and is continuing at the date hereof.

Dated: _____

CITY OF DUNWOODY, GEORGIA

By: _____
Eric Linton, City Manager

DRAFT DATE: 07/18/16

After recording return to:

James R. Woodward
Gray, Pannell & Woodward LLP
3060 Peachtree Road, N.W.
Suite 730
Atlanta, Georgia 30305

INSTALLMENT SALE AGREEMENT

Dated as of August ____, 2016

between the

GEORGIA MUNICIPAL ASSOCIATION, INC.

as Seller

and

CITY OF DUNWOODY, GEORGIA

as Purchaser

THE RIGHTS OF THE GEORGIA MUNICIPAL ASSOCIATION, INC. HEREUNDER (WITH CERTAIN LIMITED EXCEPTIONS) HAVE BEEN ASSIGNED TO JPMORGAN CHASE BANK, N.A.

TABLE OF CONTENTS

ARTICLE I. DEFINITIONS AND EXHIBITS.....	2
Section 1.1. Definitions and Rules of Construction.....	2
Section 1.2. Exhibits.	6
ARTICLE II. REPRESENTATIONS, COVENANTS AND WARRANTIES.....	7
Section 2.1. Representations, Covenants and Warranties of the City.....	7
ARTICLE III. SALE OF PROJECT.....	11
Section 3.1. Sale of the Project; Title.	11
Section 3.2. Warranties.	11
Section 3.3. Escrow Fund.	11
ARTICLE IV. DEPOSIT TO THE ESCROW FUND; AGREEMENT TO ACQUIRE AND CONSTRUCT THE PROJECT; TERMINATION OF INSTALLMENT SALE AGREEMENT; INSTALLMENT PAYMENTS; APPROPRIATION	14
Section 4.1. Deposit to Escrow Fund.....	14
Section 4.2. Acquisition and Construction of Project.....	14
Section 4.3. Term of Installment Sale Agreement.....	17
Section 4.4. Installment Payments.	18
Section 4.5. Accelerated Purchase Option.....	19
Section 4.6. Covenant as to Appropriation.	19
Section 4.7. Termination of Installment Sale Agreement on Prepayment.....	20
Section 4.8. Tax Treatment of Installment Payments.	20
ARTICLE V. MAINTENANCE; TAXES; INSURANCE; AND OTHER MATTERS.....	22
Section 5.1. Maintenance, Utilities, Taxes and Assessments.	22
Section 5.2. Insurance.	23
ARTICLE VI. DISCLAIMER OF WARRANTIES; CERTAIN PAYMENT OBLIGATIONS.....	24
Section 6.1. Disclaimer of Warranties.	24
Section 6.2. City's Right to Enforce Warranties.....	24
Section 6.3. Certain Payment Obligations.	24
ARTICLE VII. SUCCESSORS, ASSIGNMENT, PLEDGING, SALE AND AMENDMENT.....	26
Section 7.1. Assignment by the Originator.....	26
Section 7.2. Assignment and Sublease by the City.....	26
ARTICLE VIII. EVENTS OF DEFAULT AND REMEDIES	27
Section 8.1. Events of Default Defined.	27
Section 8.2. Remedies on Default and Non-appropriation.	27
Section 8.3. Non-appropriation.....	29
Section 8.4. No Remedy Exclusion.	29

Section 8.5. Agreement to Pay Attorneys' Fees and Expenses.	29
Section 8.6. No Additional Waiver Implied by One Waiver.	29
ARTICLE IX. MISCELLANEOUS	30
Section 9.1. Notices.	30
Section 9.2. Binding Effect.	31
Section 9.3. Severability.	31
Section 9.4. Amendments, Changes and Modifications.	31
Section 9.5. Further Assurances and Corrective Instruments.	31
Section 9.6. Execution in Counterparts.....	31
Section 9.7. Applicable Law.....	31
Section 9.8. Waiver of Jury Trial.....	31
Section 9.9. Survival.....	31
Section 9.10. Security Agreement.	31
 Exhibit A: <u>Schedule 1</u> : Basic Terms	
<u>Schedule 2</u> : Installment Payment Amounts	
 Exhibit B: Description of Property	
 Exhibit C: Description of Project Facilities	
 Exhibit D: Certificate of Appropriation	
 Exhibit E: Requisition	

INSTALLMENT SALE AGREEMENT

THIS INSTALLMENT SALE AGREEMENT (the "Installment Sale Agreement"), dated as of August ____, 2016, by and between GEORGIA MUNICIPAL ASSOCIATION, INC., a Georgia nonprofit corporation, as seller (the "Originator"), and the CITY OF DUNWOODY, GEORGIA, a municipal corporation of the State of Georgia, as purchaser (the "City").

W I T N E S S E T H

WHEREAS, the City is a municipal corporation of the State of Georgia, validly existing under the Constitution and laws of the State of Georgia; and

WHEREAS, the City has the power, pursuant to the laws of the State of Georgia, including particularly Section 36-60-13 of the Official Code of Georgia Annotated ("O.C.G.A."), as amended, to enter into purchase or lease purchase contracts of all kinds for the acquisition and construction of goods, materials, real and personal property, services and supplies; and

WHEREAS, as of the date hereof, the Originator has purchased certain real property located in the City, as more fully described in Exhibit B hereto, and a building located thereon to serve as a new city hall for the City (the "Project"); and

WHEREAS, the City agrees to purchase the Project from the Seller in accordance with this Installment Sale Agreement; and

WHEREAS, the obligations of the City to make payments hereunder shall be payable only from funds lawfully appropriated by the City for such purpose and shall not constitute a pledge of the full faith and credit of the City within the meaning of any constitutional debt limitations; and

WHEREAS, the taxing power of the City is not and may not be pledged in any way, directly, indirectly, or contingently, to secure any moneys due under this Installment Sale Agreement; and

WHEREAS, the Originator and the City have duly authorized the execution and delivery of this Installment Sale Agreement; and

WHEREAS, the term of this Installment Sale Agreement expires April 1, 2031 subject to the City's right to terminate this Installment Sale Agreement effective as of each December 31 during the term of this Installment Sale Agreement; and

WHEREAS, at the request of the City, the Originator proposes to assign this Installment Sale Agreement to JPMorgan Chase Bank, N.A., a national banking association (the "Lender");

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I.

DEFINITIONS AND EXHIBITS

Section 1.1. Definitions and Rules of Construction.

Unless the context otherwise requires, the capitalized terms used herein shall, for all purposes of this Installment Sale Agreement, have the meanings specified herein. Unless the context otherwise indicates, words importing the singular number shall include the plural number and vice versa. The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Installment Sale Agreement, refer to this Installment Sale Agreement as a whole.

“Authorized City Representative” means that person at the time designated to act on behalf of the City by written certificate furnished to the Seller and the Lender containing the specimen signature of such person or persons and signed on behalf of the City by the Mayor.

“Calendar Year” means the twelve-month period extending from January 1 to the next succeeding December 31.

“City” means City of Dunwoody, Georgia, and its successors and assigns.

“City Documents” means this Installment Sale Agreement and the Environmental Agreement.

“Closing Date” means the date of the execution and delivery of this Installment Sale Agreement.

“Completion Date” means that date determined in accordance with Section 4.2 of this Installment Sale Agreement.

“Environmental Agreement” means the Agreement Regarding Environmental Activity of even date herewith by and among the City, the Originator and the Lender.

“Escrow Agent” means JPMorgan Chase Bank, N.A., its successors and assigns.

“Escrow Fund” means the fund created pursuant to Section 3.3(a) hereof.

“Event of Non-appropriation” means a nonrenewal by the City of this Installment Sale Agreement for an Installment Sale Year for which this Installment Sale Agreement has not previously been renewed, determined by (i) the City’s failure, on or before the 20th day before each Fiscal Year, to appropriate the Minimum Annual Appropriated Amount, or (ii) actual written notice from the City to the Seller prior to the first business day of the next Calendar Year

that the City will terminate this Installment Sale Agreement at the end of the current Calendar Year. The Seller, in its sole discretion, may waive an Event of Non-appropriation upon request by the City.

“Fiscal Year” means January 1 through December 31, or such other fiscal year as the City may designate.

“Installment Payment” means a Principal Payment and the corresponding Interest Payment. The principal component of and the interest component of the Installment Payments are described in Exhibit A Schedule 2 hereto.

“Installment Sale Amount” means the amount as set forth in Exhibit A Schedule 1 attached hereto and hereby incorporated herein, representing the amount advanced by the Seller for the financing of the Project.

“Installment Sale Year” means a calendar year or portion thereof within the Term of this Installment Sale Agreement.

“Interest Payment” means a payment required by Section 4.4(a)(ii) hereof, representing interest on the Installment Sale Amount.

“Lender” means JPMorgan Chase Bank, N.A., a national banking association, and its successors and assigns.

“Minimum Annual Appropriated Amount” means an amount equal to the sum of (i) the Principal Payments coming due in such Fiscal Year as set forth in this Installment Sale Agreement; (ii) the Interest Payments coming due in such Fiscal Year as set forth in this Installment Sale Agreement; and (iii) any amounts owing or expected to come due during the Fiscal Year pursuant to Section 5.1(c) hereof.

“Originator” means Georgia Municipal Association, Inc. and its successors and assigns.

“Permitted Encumbrances” means those exceptions to title described in Exhibit D to the Security Deed, which exceptions are acceptable to the Lender.

“Principal Payment” means a payment required by Section 4.4(a)(i) hereof, representing a scheduled principal payment of the Installment Sale Amount.

“Project” means the Project Facilities and the Property.

“Project Facilities” means those facilities described in Exhibit C hereto, and by this reference incorporated herein.

“Property” means that real property more particularly described in Exhibit B hereto, and by this reference incorporated herein.

“Purchase Price” means the unpaid Principal Payments and accrued Interest Payments as set forth in Exhibit A to this Installment Sale Agreement.

“Qualified Investments” means the following:

(i) Bonds or obligations of counties, municipal corporations, school districts, political subdivisions, authorities, or bodies of the State or other states;

(ii) Bonds or other obligations of the United States or of subsidiary corporations of the United States Government which are fully guaranteed by such government;

(iii) Obligations of and obligations guaranteed by agencies or instrumentalities of the United States Government, including those issued by the Federal Land Bank, Federal Home Loan Bank, Federal Intermediate Credit Bank, Bank for Cooperatives, and any other such agency or instrumentality now or hereafter in existence; provided, however, that all such obligations shall have a current credit rating from a nationally recognized rating service of at least one of the three highest rating categories available and have a nationally recognized market;

(iv) Bonds or other obligations issued by any Public Housing Agency or Municipal Corporation in the United States, which such bonds or obligations are fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States Government, or project notes issued by any public housing agency, urban renewal agency, or municipal corporation in the United States which are fully secured as to payment of both principal and interest by a requisition, loan, or payment agreement with the United States Government;

(v) Certificates of deposit of national or state banks located within the state which have deposits insured by the Federal Deposit Insurance Corporation and certificates of deposit of federal savings and loan associations and state building and loan associations located within this state which have deposits insured by the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, including the certificates of deposit of any bank, savings and loan association, or building and loan association acting as depository, custodian, or trustee for any such bond proceeds. The portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund of the Federal Deposit Insurance Corporation or the Georgia Credit Union Deposit Insurance Corporation, if any, shall be secured by deposit, with the Federal Reserve Bank of Atlanta, Georgia, or with any national or state bank or federal savings and loan association or state building and loan or savings and loan association located within the State or with a trust office within the State, of one or more the following securities in an aggregate principal amount equal at least to the amount of such excess; direct and general obligations of the State or other states or of any county or municipal corporation in this state, obligations of the United States or subsidiary corporations included in paragraph (ii) hereof, obligations of the agencies and

instrumentalities of the United States Government included in paragraph (iii) hereof, or bonds, obligations, or project notes of public housing agencies, urban renewal agencies, or municipalities included in paragraph (iv) hereof;

(vi) Securities of or other interests in any no-load, open-end management type investment company or investment trust registered under the Investment Company Act of 1940, as from time to time amended, or any common trust fund maintained by any bank or trust company which holds such proceeds as trustee or by an affiliate thereof so long as:

(a) the portfolio of such investment company or investment trust or common trust fund is limited to the obligations referenced in paragraphs (ii) and (iii) hereof and repurchase agreements fully collateralized by any such obligations;

(b) such investment company or investment trust or common trust fund takes delivery of such collateral either directly or through an authorized custodian;

(c) such investment company or investment trust or common trust fund is managed so as to maintain its shares at a constant net asset value; and (d) securities of or other interests in such investment company or investment trust or common trust fund are purchased and redeemed only through the use of national or state banks having corporate trust powers and located within the State;

(vii) Interest-bearing time deposits, repurchase agreements, reverse repurchase agreements, rate guarantee agreements, or other similar banking arrangements with a bank or trust company having capital and surplus aggregating at least \$50 million or with any government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York having capital aggregating at least \$50 million or with any corporation which is subject to registration with the Board of Governors of the Federal Reserve System pursuant to the requirements of the Bank Holding Company Act of 1956, provided that each such interest-bearing time deposit, repurchase agreement, reverse repurchase agreement, rate guarantee agreement, or other similar banking arrangement shall permit the moneys so placed to be available for use at the time provided with respect to the investment or reinvestment of such moneys; and

(viii) the local government investment pool created in Chapter 83 of Title 36 of the Official Code of Georgia Annotated, as amended;

(ix) any other investments authorized by the laws of the State of Georgia.

“Security Deed” means the Deed to Secure Debt and Security Agreement of even date herewith with respect to the Project made by the Originator in favor of the Lender.

“Seller” means the Originator and its successors and assigns, including after the Closing Date, the Lender.

“State” means the State of Georgia.

“Term” shall have the meaning specified in Section 4.3 hereof.

“Transfer Agreement” means that certain Assignment and Transfer Agreement of even date herewith to be executed by the Originator and the Lender pursuant to which certain interests of the Originator in this Installment Sale Agreement shall be transferred to the Lender.

Section 1.2. Exhibits.

The following Exhibits are attached to, and by reference made a part of, this Installment Sale Agreement:

- Exhibit A: Schedule 1: Basic Terms
- Schedule 2: Installment Payment Amounts
- Exhibit B: Description of Property
- Exhibit C: Description of Project Facilities
- Exhibit D: Certificate of Appropriation
- Exhibit E: Requisition

ARTICLE II.

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of the City.

The City represents, covenants and warrants to the Seller as follows:

(a) Due Organization and Existence. The City is a municipal corporation of the State, duly organized and existing under the Constitution and laws of the State and will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as such.

(b) No Violations. Neither the execution and delivery of the City Documents and each of the other documents entered into by City in connection herewith, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound, or constitutes a default under any of the foregoing, or, except as provided in the City Documents, results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the City, or upon the Project. The City is not in default under any indenture, loan agreement, mortgage, deed of trust or similar document relating to the borrowing of moneys or any other material contract, lease, or commitment to which it is a party or by which it is bound.

(c) Execution and Delivery. The City has duly authorized and executed the City Documents in accordance with the Constitution and laws of the State.

(d) No Litigation. There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body pending or threatened against or affecting the City, which singly or in the aggregate, if adversely determined, would adversely affect the validity or enforceability of the City Documents or any of the other related agreements or would adversely affect the City's ability to satisfy its obligations hereunder or thereunder in a timely manner.

(e) Compliance with Laws and Regulations. The execution and delivery by the City of the City Documents, all of the other related agreements and the performance of the City's obligations hereunder and thereunder are not in contravention of any laws, orders, regulations or ordinances. The City is in compliance with all laws, orders, regulations and ordinances of all federal and state authorities, the failure to comply with would have a material adverse effect on the enforceability of the City Documents or its ability to satisfy its obligation hereunder or thereunder in a timely manner.

(f) Tax Covenants. This Installment Sale Agreement is being entered into by the City in compliance with the conditions necessary for the Interest Payments payable by the City to be excluded from the gross income of the Seller for federal income tax purposes pursuant to the provisions of Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code")

relating to obligations of the State or political subdivisions thereof. It is the intention of the City that the Interest Payments be and remain excluded from gross income for federal income tax purposes, and, to that end, the City hereby covenants as follows:

(i) It will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion of the Interest Payments from income under Section 103 of the Code.

(ii) It will not directly or indirectly take or omit to take any action in a way that would cause this Installment Sale Agreement to be a “private activity bond” within the meaning of Section 141 of the Code.

(iii) It will not directly or indirectly use or permit the use of the Installment Sale Amount, or any other funds of the City or take or omit to take any action that would cause this Installment Sale Agreement to be an “arbitrage bond” within the meaning of Section 148 of the Code. To that end, the City will comply with all requirements of Section 148 of the Code, including without limitation Section 148(f) thereof, to the extent applicable to this Installment Sale Agreement.

(iv) This Installment Sale Agreement is not and shall not be “federally guaranteed” as defined in Section 149(b) of the Code.

(v) The City does hereby designate this Installment Sale Agreement as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code. The City hereby represents, covenants and warrants to the Seller that the aggregate face amount of all tax-exempt obligations (other than private activity bonds as defined in Section 141 of the Code) issued by the City and any entities with whom aggregation is required pursuant to Section 265(b)(3)(E) of the Code during the calendar year in which this Installment Sale Agreement is entered into is not reasonably expected to exceed \$10,000,000. In the event this Installment Sale Agreement is determined not to be a “qualified tax-exempt obligation” within the meaning of Section 265(b) of the Code, the City agrees that the Interest Payments shall be adjusted as reasonably determined by the Lender as necessary to compensate the Lender for any change in its “Allowable Deduction Percentage.” The “Allowable Deduction Percentage” shall mean the percentage of interest paid on indebtedness incurred or continued (or deemed for federal income tax purposes to have been incurred or continued) to purchase or carry investments the earnings or interest on which investments is excludable from income from time to time by a financial institution for federal income tax purposes.

(g) Due Authorization. The City has duly authorized and approved all of the terms and conditions of the Transfer Agreement and the Security Deed.

(h) Reporting Requirements. The City will cause the following documents or information to be delivered to the Seller and the Lender:

(i) immediately upon becoming aware thereof, notice of the occurrence of any Event of Default specified in Section 8.1 hereof; and

(ii) within thirty (30) days of its adoption of its annual budget, which shall be in conformity with Georgia law, and in any event on or before the twentieth (20th) day before each Fiscal Year, a copy of such budget and a certificate of the City certifying that the Minimum Annual Appropriated Amount has been appropriated for the Fiscal Year; and

(iii) within 180 days of each Fiscal Year end, commencing with Fiscal Year 2016, the audited financial statements of the City, which audit shall be conducted by an accountant (or a firm thereof) acceptable to the Lender; and

(iv) such other information as the Lender shall reasonably request.

(j) No Pecuniary Interest. No employee of the City has any direct or indirect pecuniary interest in, or will receive or has agreed to receive any compensation with respect to, any contract, lease, purchase, sale, or employment made or to be made in connection with the proposed transaction contemplated by the performance of this Installment Sale Agreement.

(k) Bidding Requirements. All requirements have been, or will be, met and procedures have occurred, or will occur, in order to ensure the enforceability of this Installment Sale Agreement, and the City has complied or will comply with such public bidding requirements as may be applicable to this Installment Sale Agreement and the acquisition and construction by the City (in its capacity as agent for the Seller) of the Project.

(l) Government Use. During the term hereof, the Project will be used for the purpose of performing one or more essential governmental or proprietary functions of the City, consistent with the permissible scope of the City's authority.

(m) Party Walls. The Project Facilities are either separate or completely severable from any existing buildings or other improvements to real property owned by the City, with the result that the Project Facilities would be marketable independent from any other real or personal property.

(n) Environmental Condition of Project. The City hereby represents and warrants to the Lender and the Originator, and each of their successors and assigns, that to the best of its knowledge: (i) the Project is now or upon disbursement of any funds from the Escrow Fund of the City for the acquisition thereof will be, and will continue to be in full compliance in all material respects with all federal, state and local environmental laws and regulations, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), Public Law No. 96-510, 94 Stat. 2767, 42 USC 9601 et seq., and the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), Public Law No. 99-499, 100 Stat. 1613, and (ii)(A) as of the date hereof or the date of said disbursement, there were no hazardous materials, substances, wastes or other environmentally regulated substances (including, without limitation, any materials containing asbestos) located on, in or under the

Property or used in connection therewith, except as fully disclosed to the Lender in writing, or (B) the City has fully disclosed to the Lender in writing the existence, extent and nature of any such hazardous materials, substances, wastes or other environmentally regulated substances, which the City is legally authorized and empowered to maintain on, in or under the Project or use in connection therewith, and the City has obtained or will obtain, and will maintain, all material licenses, permits and approvals required with respect thereto, and is in all material respects in full compliance with all of the terms, conditions and requirements of such licenses, permits and approvals.

The City further warrants and represents that it will promptly notify the Lender and the Originator of any change in the nature or extent of any hazardous materials, substances or wastes maintained on, in or under the Project or used in connection therewith, and will transmit to the Lender and the Originator copies of any citations, orders, notices or other material governmental or other communication received with respect to any other hazardous materials, substances, wastes or other environmentally regulated substances affecting the Project.

(o) Obligations Under Security Deed. The City hereby covenants and agrees to perform and discharge each obligation that the Originator has agreed to cause the City to perform or discharge in the Security Deed.

(p) Compliance with O.C.G.A. Section 36-60-13. The principal amount of all contracts executed pursuant to O.C.G.A. Section 36-60-13 (the "Act"), when added to the amount of debt incurred by the City pursuant to Article IX, Section V, Paragraph I of the Constitution of the State of Georgia, does not exceed 10% of the assessed value of all taxable property within the City. The property being financed pursuant to this Installment Sale Agreement has not been the subject of a referendum which failed to receive the approval of the voters of the City within the immediately preceding four calendar years. A public hearing has been held by the City regarding the Project and the financing thereof pursuant to this Installment Sale Agreement. A notice of the public hearing was published once a week for two weeks prior to the hearing in a newspaper of general circulation within the City. The average annual payments on the aggregate of all contracts executed pursuant to the Act with respect to real property do not exceed 7.5% of the governmental fund revenues of the City for the calendar year preceding the delivery of this Installment Sale Agreement. The outstanding principal balance on the aggregate of all contracts executed pursuant to the Act with respect to real property does not exceed \$25,000,000.

ARTICLE III.

SALE OF PROJECT

Section 3.1. Sale of the Project; Title.

In consideration of the representations and undertakings of the City in this Installment Sale Agreement, the Seller hereby agrees to sell to the City, and the City hereby agrees to purchase from the Seller, in accordance with the provisions of this Installment Sale Agreement, all the Seller's right, title and interest in and to the Project, and each and every component thereof, as the same may be affected by Permitted Encumbrances; provided, however, that the title to the Project and every component thereof shall be subordinate and subject to the prior lien and encumbrance of the Security Deed until all Installment Payments hereunder, or the Purchase Price, shall have been paid in full, together with all other obligations arising hereunder and any other amounts secured by the Security Deed ("Payment in Full"). Until Payment in Full shall occur, title to the Project shall remain in the Seller. If an Event of Default or an Event of Non-appropriation with respect to this Installment Sale Agreement occurs, the City will then (or, in the case of an Event of Non-appropriation, on the date through which City has paid, or appropriated moneys sufficient to pay the applicable Installment Payments) surrender peaceably possession of the Project to the Seller in good condition and repair, normal wear and tear excepted. The Seller will have all legal and equitable rights and remedies to enforce its rights, including but not limited to, the right to take possession of the Project, and to sell or relet same. On request, the City shall execute and deliver to Seller such instruments as necessary or desirable to vest or confirm in the Seller or its assignee all right, title and interest of City in the Project. After Payment in Full, the Seller shall transfer the Project to the City by limited warranty deed and bill of sale. After Payment in Full, upon the request of the City, the Seller will cancel or cause to be cancelled of record the Security Deed. The City agrees that it will pay all expenses and taxes, if any, applicable to or arising from any transfer of title as herein provided. Notwithstanding anything herein to the contrary, this Installment Sale Agreement, said limited warranty deed and the rights of the City hereunder and thereunder are expressly made subject and subordinate to the prior lien and encumbrance of the Security Deed.

Section 3.2. Warranties.

THE SELLER MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AND HEREBY EXPRESSLY DISCLAIMS ANY WARRANTY, AS TO THE CONDITION OF THE PROJECT OR THAT IT WILL BE SUITABLE FOR THE CITY'S PURPOSES OR NEEDS.

Section 3.3. Escrow Fund.

(a) There is hereby created a special segregate account to be known as the "City of Dunwoody, Georgia 2016 Installment Sale Agreement Escrow Fund" (the "Escrow Fund"). The Lender is hereby designated as the custodian of the Escrow Fund. The City shall deposit the Installment Sale Amount into the Escrow Fund. The moneys and securities on deposit in the Escrow Fund shall be held separate and apart from all other funds of the City and the Lender and will be held in trust by the Escrow Agent.

(b) the Escrow Agent shall invest and reinvest moneys on deposit in the Escrow Fund in Qualified Investments in accordance with written instructions received from the City. The City shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Escrow Agent for the reinvestment of any maturing investment. Accordingly, the Escrow Agent shall not be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Escrow Fund, and the City agrees to and does hereby release the Escrow Agent, the Originator and the Lender from any such liability, cost, expenses, loss or claim. Interest on the Escrow Fund shall become part of the Escrow Fund, and gains and losses on the investment of the moneys on deposit in the Escrow Fund shall be borne by the Escrow Fund.

(c) Unless the Escrow Fund is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Fund shall be disbursed by the Escrow Agent in payment of amounts described in Section 4.2(b) hereof upon receipt of written authorization(s) from the Seller, as is more fully described in Section 4.2 hereof. If the amounts in the Escrow Fund are insufficient to pay such amounts, the City shall provide any balance of the funds needed to complete the acquisition, construction and installation of the Project. Any moneys remaining in the Escrow Fund after the Completion Date shall be applied as provided in Section 4.4(a)(i) hereof.

(d) The Escrow Fund shall be terminated at the earliest of: (i) the final distribution of amounts in the Escrow Fund; (ii) written notice given by the Seller of the occurrence of an Event of Default or an Event of Non-appropriation by the City under this Installment Sale Agreement is received by the Escrow Agent; or (iii) the termination of this Installment Sale Agreement. Upon an Event of Default or an Event of Non-appropriation, the moneys on deposit in the Escrow Fund shall, at the option of the Lender, be applied to (i) the Principal Payments or (ii) the Project.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder, the City agrees to and does hereby release and indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Installment Sale Agreement; and in connection therewith, does indemnify the Escrow

Agent against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim. The Escrow Agent shall be vested with a lien on and is hereby granted a security interest in all property deposited hereunder, for indemnification, for reasonable attorneys' fees, court costs, for any suit, interpleader or otherwise, or any other expense, fees or charges of any character or nature, which may be incurred by the Escrow Agent by reason of disputes arising between the City and the Seller as to the correct interpretation of this Installment Sale Agreement and instructions given to the Escrow Agent hereunder, or otherwise, with the right of Escrow Agent, regardless of the instructions aforesaid, to hold the said property until and unless said additional expenses, fees and charges shall be fully paid.

(g) If the City and the Seller shall be in disagreement about the interpretation of this Installment Sale Agreement, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action to resolve the disagreement. The Escrow Agent shall be reimbursed by the City for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under this Installment Sale Agreement until a final judgment in such action is received.

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(i) [Intentionally omitted.]

(j) If an amount shall be held in the Escrow Fund from and after the third anniversary of the Closing Date, the City shall direct the Escrow Agent to invest such amount only in (i) obligations described in Section 103 of the Code (excluding "private activity bonds," as defined in Section 141 of the Code) or (ii) securities for which there is an established market, including U.S. Treasury Obligations, State and Local Government Series and for which market price is paid, such securities to have a yield not in excess of the yield on this Installment Sale Agreement, unless the City receives an opinion of Bond Counsel to the effect that investment at a higher rate will not cause this Installment Sale Agreement to become an "arbitrage bond" within the meaning of Section 148 of the Code and will not otherwise adversely affect the exclusion of Interest Payments on this Installment Sale Agreement from gross income for federal income tax purposes.

(k) So long as no Event of Non-appropriation or Event of Default occurs hereunder, moneys on deposit in the City's Escrow Fund shall be subject to the interest of the Escrow Agent described in paragraph (f) above, and then to the beneficial interest of the City as provided herein.

ARTICLE IV.

DEPOSIT TO THE ESCROW FUND; AGREEMENT TO ACQUIRE AND CONSTRUCT THE PROJECT; TERMINATION OF INSTALLMENT SALE AGREEMENT; INSTALLMENT PAYMENTS; APPROPRIATION

Section 4.1. Deposit to Escrow Fund.

The Originator will transfer this Installment Sale Agreement to the Lender pursuant to the Transfer Agreement upon payment of the Installment Sale Amount, and will cause the Installment Sale Amount to be deposited in the Escrow Fund. Upon satisfaction of the requirements of Sections 4.2(c) and (f) hereof, the Escrow Agent will apply the amounts in the Escrow Fund for costs related to the Project. The City agrees to pay any such costs of the Project and costs of issuance in excess of amounts available therefor in the Escrow Fund. Neither the Lender nor the Originator have any obligation for any costs and expenses incurred by the City with respect to the Project or the financing thereof.

Section 4.2. Acquisition and Construction of Project.

(a) Acquisition and Construction Contracts. The Originator hereby appoints the City as its agent for purposes of acquiring, constructing, and installing the Project. Such appointment is irrevocable and is coupled with an interest. The City will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition, construction, and installation of the Project, with moneys available in the Escrow Fund. The City represents the estimated costs of the Project are within the funds estimated to be available therefor, and the Seller makes no warranty or representation with respect thereto. Prior to a disbursement from the Escrow Fund, there shall be filed with the Escrow Agent a requisition containing the information specified in Section 4.2(c). Neither the Originator, the Escrow Agent nor the Lender shall be liable under any of the acquisition or construction contracts, if applicable. The City shall obtain all necessary permits and approvals, if any, for the acquisition, construction, and installation of the Project, and the operation and maintenance thereof, which may hereafter become applicable to the Project.

(b) Authorized Escrow Fund Disbursements. Disbursements from the Escrow Fund may be made for the purpose of paying (said term to include the reimbursement of the City for advances from its other funds to accomplish the purposes hereinafter described) the cost of acquiring, constructing, and installing the Project, including the purchase of the Property, and shall also include:

- (i) the cost of indemnity and fidelity bonds to insure the faithful completion of any construction contract pertaining to the Project;
- (ii) fees and expenses of architects for the preparation of plans and supervising the acquisition, construction, and installation of the Project, if applicable;

(iii) all payments, including those for labor, contractors, builders and materialmen, incurred under the terms of a construction contract for the acquisition, construction, and installation of the Project;

(iv) all costs of engineering and architectural services, including the costs of the City incurred in connection with test borings and environmental assessments, if any, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or consequent to the proper construction of the Project, if applicable; and

(v) costs of issuance associated with this Installment Sale Agreement.

(c) Requisition Procedure. No disbursement from the Escrow Fund shall be made unless and until the Seller has approved such requisition. Prior to disbursement from the Escrow Fund there shall be filed with the Escrow Agent a requisition for such payment stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due in the form of Exhibit E hereto. Each such requisition submitted by the City shall include AIA Forms G-702 and G-703 or similar forms approved by the Lender itemizing all costs to be paid with the requisitioned advance and copies of bills, invoices or other documents supporting the payments requested and shall be signed by an Authorized City Representative and approved by the Lender and shall contain a certificate of the City to the effect that:

(i) insofar as such obligation was incurred for work, material, supplies or equipment in connection with the Project Facilities, such work was actually performed, or such material, supplies or equipment was actually installed in or about the Project Facilities or delivered at the site of the work for that purpose;

(ii) an obligation in the stated amount has been incurred by the City, and that the same is a proper charge against the Escrow Fund and has not been paid, and stating that the bill, invoice or statement of account for such obligation, or a copy thereof, is on file with the City;

(iii) the Authorized City Representative has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interests which should be satisfied or discharged before such payment is made;

(iv) such requisition contains no item representing payment on account, or any retained percentages which the City is, at the date of such certificate, entitled to retain; and

(v) the Project is insured in accordance with the Installment Sale Agreement.

(d) Construction. The City has entered into a construction contract, which contract has been approved by the Lender. Such construction contract shall not be revised without the prior written approval of the Lender. The City shall cause the construction to be carried on

continuously in a good and workman like manner in accordance with the plans and specifications approved by the Lender, all applicable ordinances and statutes, and in accordance with the requirements of all regularly constituted authorities having jurisdiction over the same. The City shall cause the Project Facilities to be constructed entirely on the Property and will ensure (i) that the Project Facilities do not encroach upon nor overhang any easement or right of way, and (ii) the Project Facilities, when constructed, will be wholly within the building restriction lines, however established, and will not violate applicable use or other restrictions contained in prior conveyances or applicable protective covenants, ordinances or restrictions. The City shall cause all utility lines, septic systems and streets serving the Project Facilities to be completed in accordance with health department standards and other applicable regulations of any governmental agency having jurisdiction. The City will promptly correct any structural defect in the improvements or any departure from the plans and specifications.

(e) Conditional Assignment of Construction Documents. The City shall conditionally assign to the Seller all the City's rights, title and interest in the construction contract and the plans and specifications. The City shall obtain any consent of the general contractor or the architect selected and hired by the City in connection with the construction of the Project Facilities to such assignments.

(f) Right of Entry and Inspection. The Lender and its representatives and agents shall have the right to enter upon the Property and inspect the Project and the improvements thereto from time to time, and the City will cause any contractor or sub-contractor, if any, to cooperate with the Lender and its representatives and agents during such inspections. No right of inspection or approval contained herein shall be deemed to impose upon the Lender any duty or obligation whatsoever to undertake any inspection or to make any approval. No inspection made or approval given by the Lender shall be deemed to impose upon the Lender any duty or obligation whatsoever to identify or correct any defects in the improvements or to notify any person with respect thereto, and no liability shall be imposed upon the Lender, and no warranties (either express or implied) are made by the Lender as to the quality or fitness of any improvement, any such inspection and approval being made solely for the benefit of the Lender.

(g) Completion of Project. The City shall use its best efforts to cause the acquisition, construction, and installation of the Project to be completed without undue delay, unforeseeable delays beyond the reasonable control of the City only excepted. Upon completion of the acquisition, construction, and installation of the Project, the City shall deliver to the Lender, (a) a certificate of the City stating the fact and date of such completion and stating that all of the costs of said acquisition, construction, and installation have been determined and paid (or that all of such costs have been paid less specified claims which are subject to dispute and for which a retention in the Escrow Fund is to be maintained in the full amount of such claims until such dispute is resolved), (b) a certificate of a duly authorized officer or agent of the architects, engineers or supervising contractors selected and hired by the City in connection with the construction of the Project Facilities stating the fact and date of completion, (c) a copy of the certificate(s) of occupancy, (d) an as-built survey and (e) proof of insurance coverage with respect to the Project required by this Installment Sale Agreement.

(h) Payment and Performance Bonds. Each contractor entering into a contract for the construction of the Project Facilities shall be required to furnish a performance bond and a labor and material payment bond as required by O.C.G.A. Section 36-91-1 et seq., as amended, or other applicable provisions of law, copies of which shall be provided to the Seller and the Escrow Agent. In the event of any material default by a contractor under any construction contract or in the event of a material breach of warranty with respect to any materials, workmanship or performance, the City shall promptly proceed, either separately or in conjunction with others, to pursue diligently its remedies against such contractor and/or against each surety of any bond securing the performance of such construction contract. The net proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, remaining after deduction of expenses incurred in such recovery (including, without limitation, attorney's fees and costs), and after reimbursement to the City of any amounts theretofore paid by the Lender and not previously reimbursed to the City for correcting or remedying the default or breach of warranty which gave rise to the proceedings against the contractor or surety, shall be paid to the Escrow Agent for deposit into the Escrow Fund and (i) used as agreed by the City and the Seller to remedy any damage, omission, or defect, or (ii) if the City and the Seller agree that no such remedial work is required, used as provided in Section 4.4(a)(i) hereof.

(i) Conditions to Disbursement. Without limitation of the other conditions described herein, the Seller shall not be obligated to authorize any requisition of amounts from the Escrow Fund until it has been provided with and approved (if appropriate) (A) the environmental report, (B) a survey of the Project certified to the Seller, (C) a file stamped copy of the Security Deed, (D) a mortgagee title insurance policy with respect to the Security Deed, (E) evidence that the insurance required by Section 5.2 hereof has been obtained, (F) the architect's contract and the construction contract, duly assigned to the Seller, with the consent of architect and the contractor or the Seller's form, (G) evidence of payment and performance bonds pursuant to the construction contract(s), (H) adequate assurances that there have been deposited in the Escrow Fund sufficient monies to complete the Project Facilities, (I) an independent flood certification, and (J) any other documents that the Seller may reasonably request, each in form and substance satisfactory to the Seller and its counsel. No disbursement from amounts from the Escrow Fund alone shall serve to alter these conditions.

Section 4.3. Term of Installment Sale Agreement.

The Term of this Installment Sale Agreement shall commence on the date hereof and shall end on April 1, 2031, subject to the City's right to terminate this Installment Sale Agreement. This Installment Sale Agreement shall renew automatically from year to year until there occurs an Event of Default or Event of Non-appropriation. This Installment Sale Agreement may be terminated only in accordance with the following paragraph.

The Term of this Installment Sale Agreement will terminate upon the earliest of any one of the following events:

(i) Purchase Option. Upon the exercise by the City of its option to prepay the Purchase Price of the entire Project as provided in Section 4.5 and to terminate the

Installment Sale Agreement pursuant to Section 4.8, and the payment of the Purchase Price and any other amounts owing hereunder.

(ii) Payment in Full. Payment in full of the Installment Payments on April 1, 2031.

(iii) By City's Election to Terminate the Installment Sale Agreement Upon Non-appropriation. The occurrence of an Event of Non-appropriation.

The parties intend that this Section 4.3 operate in conformity with, and not in contravention of, O.C.G.A. Section 36-60-13, as amended. In the event that any provision of this Section 4.3 is determined to conflict with O.C.G.A. Section 36-60-13, as amended, this Section 4.3 shall be interpreted and implemented in a manner consistent with said statute.

Section 4.4. Installment Payments.

(a) Obligation to Pay. Certain payments due hereunder shall be made as follows:

(i) Principal Payments. Principal Payments specified in Exhibit A Schedule 2 hereto shall be paid by the City on each date specified therein during the term of this Installment Sale Agreement to the Lender.

(ii) Interest Payments. Interest Payments specified in Exhibit A Schedule 2 hereto shall be paid by the City on each date specified therein during the term of this Installment Sale Agreement to the Lender.

(b) Unconditional Obligation. The obligations of the City to make the payments required in Section 4.4(a) hereof or otherwise due hereunder and to perform and observe the other agreements on its part contained herein shall not be affected by any abatements, reductions, set-offs, diminutions, defenses, counterclaims and recoupments for or on account of any claims which City may have, any insolvency, bankruptcy, reorganization or similar proceedings by or against the City, or any other circumstance, happening or event similar to any of the foregoing; nor except as otherwise expressly provided herein, shall this Installment Sale Agreement terminate. Until expiration or termination of the Term, the City (i) will not suspend or discontinue any payments provided for in Section 4.4(a) hereof, (ii) will perform and observe all of its other agreements contained in this Installment Sale Agreement, and (iii) will not terminate the Term for any cause, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, any defects in any component of the Project, any obsolescence of any component of the Project for any reason whatsoever, eviction or constructive eviction, destruction of or damage to the Project, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State of Georgia or any political subdivision of either or any failure of the Seller to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Installment Sale Agreement. Nothing contained in this Section shall be construed to release the Seller from the performance of any of the agreements on its part herein contained; and if the Seller should fail to perform any such agreement, the City may institute such action against the Seller as the City may deem necessary to compel performance or recover

its damages for nonperformance as long as such action shall not impair or affect the agreements on the part of the City contained in the preceding sentence and to make the payments specified in Section 4.4(a) hereof or otherwise due hereunder. The City may, however, at its own cost and expense and in its own name or in the name of the Seller, prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to insure the acquisition, construction and installation of the Project or to secure or protect its right of possession, occupancy and use hereunder, and in such event the Seller hereby agrees to cooperate fully with the City and to take all lawful action which is required to effect the substitution of City for the Seller in any such action or proceeding if the City shall so request.

(c) Sale and Transfer. The City understands and agrees that pursuant to the Transfer Agreement, the Originator will sell and transfer the Installment Sale Agreement and all of its rights, title and interest hereunder to the Lender, and the City assents to such transfer.

(d) Current Obligation Only. The provisions of this Section 4.4(d) apply notwithstanding any provisions to the contrary in this Installment Sale Agreement. The Installment Payments and all other payments due hereunder constitute expenses of the City, and the City's obligations hereunder are from year to year only and do not constitute a mandatory payment obligation of the City in any ensuing Installment Sale Year beyond the Installment Sale Year for which this Installment Sale Agreement has last been renewed, and are not in contravention of O.C.G.A. Section 36-60-13, as amended. No provision hereof shall be construed or interpreted as creating a general obligation or other indebtedness of the City or the State within the meaning of any constitutional or statutory debt limitation. Neither the execution, delivery, and performance of this Installment Sale Agreement nor the transfer thereof directly or indirectly obligates the City to make any payments hereunder beyond those coming due in the Installment Sale Year for which this Installment Sale Agreement has last been renewed. No judgment may be entered against the City or the State of Georgia for failure to pay any amounts due hereunder, except to the extent that the City has theretofore incurred liability to pay any such amounts through its actual use of the Project or through its lawful appropriations or budgeting of such amounts. Nothing in this Installment Sale Agreement shall require the City to levy a tax to make payments under this Installment Sale Agreement.

Section 4.5. Accelerated Purchase Option.

On or after April 1, 2026, upon five (5) days' prior written notice from the City to the Seller and the Lender, and provided that there is then existing no Event of Default or event which with notice or lapse of time, or both, could become an Event of Default or no Event of Non-appropriation, the City will have the right to prepay all (but not less than all) of the outstanding Principal Payments by paying to the Lender, as assignee of the Seller, the amount of Principal Payments to be prepaid, plus accrued interest.

Section 4.6. Covenant as to Appropriation.

In the event this Installment Sale Agreement is not otherwise terminated, the City covenants and agrees that it will cause the appropriate officers of the City (i) to request that the governing body appropriate, or determine not to appropriate, no later than the twentieth (20th)

day before the end of the then current Fiscal Year, the Minimum Annual Appropriated Amount for the succeeding Fiscal Year, and (ii) to take such further action (or cause the same to be taken) as may be necessary or desirable to assure the availability of moneys appropriated to make all payments due hereunder, including all such actions for such purpose as may be required under O.C.G.A. Section 36-60-13, as amended. The City will provide a Certificate of Appropriation in the form of Exhibit D attached hereto, or a notice that no such appropriation has been made, to the Seller by the twentieth (20th) day before the end of the Fiscal Year. To the extent permitted by law, the City hereby agrees that if it intends to terminate this Installment Sale Agreement, its governing body shall adopt a resolution specifically making a determination to terminate this Installment Sale Agreement; provided, however, failure to adopt such resolution shall not be deemed to mean that this Installment Sale Agreement has not been terminated if an Event of Non-appropriation otherwise has occurred.

Section 4.7. Termination of Installment Sale Agreement on Prepayment.

Upon the exercise by the City of its option to prepay all Principal Payments pursuant to Section 4.5 hereof with respect to the Project, the satisfaction of all conditions set forth in Section 4.5 and the payment of all other amounts due hereunder, the City shall be deemed to have terminated this Installment Sale Agreement.

Section 4.8. Tax Treatment of Installment Payments.

(a) This Installment Sale Agreement is entered into on the basis that the interest portion of the Installment Payments is not includable in the gross income of Lender for federal income tax purposes and that the Installment Sale Agreement is a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code.

(b) For the purposes of this Section 4.8, the following terms are defined as follows:

“Adjusted Rate” means that rate of interest that must be applied so as to preserve the same after-tax economic yield with respect to the interest portion of Installment Payments as Lender would have received, had the interest portion been excludable from gross income for federal income tax purposes and had the Installment Sale Agreement been a qualified tax-exempt obligation.

“Event of Taxability” means a determination by the Internal Revenue Service, any court of competent jurisdiction, or bond counsel acceptable to Lender that the interest portion of Installment Payments is includable in gross income for Federal income tax purposes or that the Installment Sale Agreement is not a qualified tax-exempt obligation.

“Federal Tax Rate” means the maximum marginal federal income tax rate applicable to corporations.

(a) Following the occurrence of an Event of Taxability: (i) the City shall pay to Lender within thirty days of billing a sum equal to (A) the increase in the Interest Payments when computed at the Adjusted Rate for the period from the effective date of the Event of Taxability to the effective date of the modification described in (ii) below, and (B) all interest,

penalties and other similar charges payable by Lender to the Internal Revenue Service as a result of the Event of Taxability; and (ii) Lender shall modify the Interest Payments component of the Installment Payments under the Payment Schedule for all future periods to reflect the Adjusted Rate, and provide notice thereof to the City, which adjusted Installment Payments the City shall thereafter pay.

(b) Should the Federal Tax Rate change from time to time following the occurrence of an Event of Taxability, Lender shall modify the Interest Payments component of the Installment Payments under the Payment Schedule for all future periods by a fraction the numerator of which is 100% minus the Federal Tax Rate as so changed and the denominator of which is 100% minus the previous Federal Tax Rate, which adjusted Installment Payments the City shall thereafter pay.

(c) Lender's determinations of adjustments or amounts under this Section 4.8 shall be conclusive.

ARTICLE V.

MAINTENANCE; TAXES; INSURANCE; AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments.

(a) Maintenance and Operation. During the term of this Installment Sale Agreement, the City shall, at its own expense, maintain, manage and operate the Project and all the improvements therein in good order, condition and repair, ordinary wear and tear excepted. The Seller shall not be responsible to provide security service, custodial service, janitor service, power, gas, telephone, light, heating, water, or any other public utility services. It is understood and agreed that in consideration of the payment by the City of the Installment Payments herein provided for, the Seller is only obligated to provide for the financing of the Project in the manner and to the extent herein provided, and neither the Lender nor the Originator shall have any obligation to incur any expense of any kind or character in connection with the management, operation or maintenance of the Project during the term of this Installment Sale Agreement.

(b) Alterations. The City will not make any alterations, additions or improvements to the Project without Seller's prior written consent; provided, however, that if such alterations, additions or improvements shall not diminish the value or utility of the Project, or impair the condition thereof, below the value, utility or condition thereof immediately prior to such alteration, addition or improvement (assuming the Project was then of the value or utility and in the condition required to be maintained by the terms of this Installment Sale Agreement), such written consent shall not be unreasonably denied. All property incorporated or installed in or attached to or added to the Project, as the result of such alteration, addition or improvement shall, without further act, be subject to the Security Deed. The City may, at any time, remove and not replace such property, if no Default or Event of Default has occurred and is continuing and such property (i) is in addition to, and not in replacement of or substitution for, any property originally incorporated or installed in or attached to the Project on the date hereof or any part in replacement of, or substitution for, any such property, (ii) is not required to be incorporated or installed in or attached or added to the Project pursuant to this Section 5.1, and (iii) can be removed from the Project without diminishing or impairing the value, utility or condition which the Project would have had at such time had such alteration, addition or improvement not occurred.

(c) Liens and Taxes. The City shall keep the Project free and clear of all levies, liens, mortgages and encumbrances except for Permitted Encumbrances and those created under this Installment Sale Agreement, the Security Deed and the Transfer Agreement. The City shall pay, when due, all charges and taxes (local, state and federal) which may now or hereafter be imposed upon the leasing, rental, sale, purchase, possession, ownership or use of the Project, whether imposed upon or payable by the Lender, the Originator or the City. If the City fails to pay said charges and taxes when due, the Seller shall have the right, but shall not be obligated, to pay said charges and taxes. If the Seller pays any charge or tax for which the City is responsible or liable under this Installment Sale Agreement, the City shall reimburse the Seller therefor plus interest on any unreimbursed amounts from the date of payment by the Seller until the date of reimbursement.

Section 5.2. Insurance.

The City will, at its expense, maintain at all times during the Term, (i) fire, vandalism, malicious mischief, and extended coverage and property damage insurance with respect to the Project in an amount equal to the full insurable value of the Project, (ii) single limit comprehensive general liability insurance in an amount satisfactory to the Seller, and (iii) flood insurance (if applicable). All such insurance policies shall have deductible amounts acceptable to the Seller, and shall be issued by such insurers as the City shall deem appropriate and satisfactory to the Seller. If in furtherance of its obligation under the preceding sentence the City procures an insurance policy, or participates in an "interlocal risk management agency," as such term is defined in O.C.G.A. Section 36-85-1, or causes the Project to be covered under an existing policy, each such insurance policy or pool will name the City as an insured and the Seller or their respective assigns as a loss payee, and will contain a clause requiring the insurer to give and the Seller at least thirty (30) days' prior written notice of any alteration in the terms of such policy or the cancellation thereof. The proceeds of any such insurance policies will be payable to the City, the Seller, or their respective assigns, as their interests may appear.

In the event of any loss, theft, destruction, damage, vandalism, injury or accident involving the Project or in the event that title to, or the temporary or permanent use of, the Project or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, prior to the payment of all the Installment Payments specified in the Installment Sale Agreement for the Project, the City will (i) promptly provide the Seller with written notice thereof and make available to the Seller all information and documentation relating thereto, (ii) promptly use the net insurance proceeds received in connection with such casualty if any, together with other funds (including the City's own funds as described in this Section) (A) to repair or restore the Project to its condition prior to such casualty; or (B) to exercise its purchase option with respect to the Project under Section 4.5 hereof and (iii) promptly upon satisfaction of the requirement set forth in clause (ii)(A) above certify to the Seller in writing that any restored facility is as valuable as the Project. In the event of any loss, damage, theft, vandalism or destruction of the Project or any part thereof prior to the payment in full of the unpaid Installment Payments specified in the Installment Sale Agreement, and the proceeds of any insurance maintained hereunder are insufficient to repair or replace the Project so damaged, the City shall (i) exercise its purchase option under Section 4.5 hereof or (ii) fully repair the Project to its condition prior to such loss, theft, damage, vandalism or destruction or replace it using its own funds. The Seller shall not be responsible for the sufficiency of any insurance herein required and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise, or settlement of any loss agreed to by the Seller.

ARTICLE VI.

DISCLAIMER OF WARRANTIES; CERTAIN PAYMENT OBLIGATIONS

Section 6.1. Disclaimer of Warranties.

NEITHER THE ORIGINATOR NOR THE LENDER MAKES ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE CITY OF THE PROJECT. In no event shall the Originator or the Lender be liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Installment Sale Agreement for the existence, furnishing, functioning of the City's use and possession of the Project.

Section 6.2. City's Right to Enforce Warranties.

The Originator hereby irrevocably appoints the City its agent and attorney-in-fact during the Term of this Installment Sale Agreement, so long as the City shall not be in default hereunder and so long as there is no Event of Non-appropriation hereunder, to assert from time to time whatever claims and rights, including without limitation, warranty claims, claims for indemnification and claims for breach of any representations respecting the Project which the Seller may have against any vendor or contractor. The City's sole remedy for the breach of any such warranty, indemnification or representation shall be against the vendor or contractor with respect thereto, and not against the Seller, nor shall such matter have any effect whatsoever on the rights and obligations of the Seller with respect to this Installment Sale Agreement, including the right to receive full and timely Installment Payments and all other payments due hereunder. The City shall be entitled to retain any and all amounts recovered as a result of the assertion of any such claims and rights, provided, that the City shall apply such amounts as may be required to the repair of defects or omissions in the Project that occasioned such claims. The Seller shall, upon the City's request and at the City's expense, do all things and take all such actions as the City may request in connection with the assertion of any such claims and rights.

Section 6.3. Certain Payment Obligations.

To the extent permitted by law, the City shall and hereby agrees to pay to the Originator, the Escrow Agent, the Lender and any successors, assigns, directors, officers, agents or subrogees the amounts of any and all claims, losses, damages, actions, proceedings, expenses, or liabilities, including reasonable legal fees and expenses and court costs, arising out of or in connection with their services in assisting with the provision or financing of the Project, but not due to the gross negligence or wrongful acts of such parties or breach of their obligations hereunder, including but not limited to claims, losses, damages, actions, proceedings, expenses, or liabilities arising out of (i) the use, maintenance, condition or management of, the Project by the City, (ii) any breach or default on the part of the City in the performance of any of its obligations under this Installment Sale Agreement, (iii) any act or negligence of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Project, (iv) any act or negligence of any assignee or sublessee of the City with respect to the Project, (v) the acquisition, construction, and installation of the Project or the authorization of payment of

the costs thereof by the City, (vi) the breach by the City of any representation or warranty of the City contained in this Installment Sale Agreement or made by the City in connection herewith, or (vii) their enforcing any covenants of the City in this Installment Sale Agreement.

In case any action is brought against any party that may be entitled to payment in connection with any matter contemplated under this Section 6.3, and it notifies the City of the commencement thereof, the City will be entitled to participate in, and, to the extent that it chooses to do so, to assume the defense thereof (including the employment of counsel), and the City shall assume the payment of all fees and expenses relating to such defense and shall have the right to negotiate and consent to settlement thereof. Notwithstanding the foregoing, if the defendants in any such action include such an indemnified party and the City, or include more than one indemnified party, and there are legal defenses available to such an indemnified party that are different from or additional to those available to the City or another defendant indemnified party, and which are likely to cause a conflict of interest between the City and such indemnified party, or between other defendant indemnified parties, such indemnified party shall have the right to employ separate counsel in such action (and the City shall not be entitled to assume the defense thereof on behalf of such indemnified party), and in such event the reasonable fees and expenses of such counsel shall be borne by the City. Nothing contained in this Section 6.3 shall preclude any indemnified party, at its own expense, if indemnity is available, from retaining additional counsel to represent such party in any action with respect to which indemnity may be sought from the City hereunder.

The provision of this Section 6.3 shall survive termination of this Installment Sale Agreement for any reason to the extent that the obligation arose during the Term hereof.

ARTICLE VII.

SUCCESSORS, ASSIGNMENT, PLEDGING, SALE AND AMENDMENT

Section 7.1. Assignment by the Originator.

Except for the absolute assignment to the Lender as provided herein, the Originator will not sell the Project and will not assign this Installment Sale Agreement, or its right to receive Installment Payments from the City, without an opinion of Bond Counsel to the effect that the proposed sale or assignment will not adversely affect the exclusion from gross income for federal income tax purposes of the Interest Payments. In addition, no such other assignment or reassignment of the right to receive payments under this Installment Sale Agreement shall be effective unless and until the City shall have received a duplicate original counterpart of the document by which the assignment or reassignment is made, disclosing the name and address of each such assignee. The City hereby acknowledges receipt of the Transfer Agreement for purposes of this Section. During the term hereof, the City shall keep, or cause to be kept, a complete and accurate record of all such assignments and reassignments received in form necessary to comply with Section 149(a) of the Code, and the regulations, proposed or existing, from time to time promulgated thereunder.

Upon the Originator's assignment of this Installment Sale Agreement to the Lender, all references herein to the Seller shall be deemed to be references to the Lender and the Lender shall have the right to proceed directly against the City for all payments due hereunder.

Section 7.2. Assignment and Sublease by the City.

Except with the consent of the Lender, this Installment Sale Agreement may not be assigned by the City, and the Originator may not sell or sublease the Project or enter into any rental agreement with respect thereto unless the Lender shall consent to such sale or sublease and the City shall deliver an opinion of Bond Counsel to the effect that such sale or sublease will not adversely affect the exclusion from gross income for federal income tax purposes of the Interest Payments.

ARTICLE VIII.

EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined.

The following shall be “Events of Default” under this Installment Sale Agreement and the terms “Events of Default” and “Default” shall mean, whenever they are used in this Installment Sale Agreement, any one or more of the following events:

(i) Failure by the City to make any payment required to be paid hereunder and to be received by the Seller on or before the date required for such payment.

(ii) Failure by the City to observe and perform any of its obligations under Sections 4.6, 5.1 or 5.2 hereof.

(iii) An Event of Non-appropriation.

(iv) Failure by the City to observe and perform any other covenant, condition or agreement on its part to be observed or performed herein or otherwise with respect hereto, other than as referred to in clause (i) or (ii) of this Section, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Seller.

(v) Failure by the City generally to pay its debts as the same become due, or the subjection of any right or interest of the City under this Installment Sale Agreement to any execution, garnishment or attachment, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the filing of a petition applicable to the City in any insolvency proceedings.

(vi) An event of default under the Security Deed.

Section 8.2. Remedies on Default and Non-appropriation.

Whenever any Event of Default referred to in Section 8.1 hereof shall have occurred and is continuing, or an Event of Non-appropriation shall have occurred, the Seller may take any one or more of the following remedial steps:

(a) The Seller may declare all unpaid installments of amounts payable under Section 4.4(a) hereof through the last Installment Sale Year for which this Installment Sale Agreement has been renewed to be immediately due and payable, whereupon the same shall become immediately due and payable. If payments are accelerated pursuant to this Section 8.2(a), subject to the provisions of Section 4.4(d) hereof, the amount then due and payable by the City shall be the sum of (1) the aggregate unpaid Principal Payments due in the last Installment Sale Year for which this Installment Sale Agreement has been renewed, (2) the aggregate unpaid Interest Payments due in the last Installment Sale Year for which this Installment Sale Agreement has been renewed, (3) any other amounts which may be owing to the Seller pursuant

to this Installment Sale Agreement for the last Installment Sale Year for which this Installment Sale Agreement has been renewed;

(b) With or without terminating this Installment Sale Agreement, retake possession of the Project wherever situated, without any court order or other process of law and without liability for entering the premises, and lease, sublease, or make other disposition of the Project for use over a term in a commercially reasonable manner; provided that the City shall remain directly liable for the amount actually appropriated for the purchase or rental of the Project and unpaid by the City during the then current Installment Sale Year; or

(c) Terminate this Installment Sale Agreement and take possession of the Project wherever situated, without any court order or other process of law and without liability for entering the premises, and sell the Project in a commercially reasonable manner. All proceeds from such sale shall be applied as described below. Notwithstanding such sale, the city shall be liable from the amount actually appropriated for the purchase or rental of the Project and unpaid by the City during the then current Installment Sale Year.

NOTWITHSTANDING ANYTHING HEREIN OR IN THE OTHER DOCUMENTS OR CLOSING DOCUMENTS TO THE CONTRARY, THE LIABILITY OF ORIGINATOR WITH RESPECT TO ITS OBLIGATIONS HEREUNDER OR THEREUNDER SHALL BE LIMITED TO ITS INTEREST IN THE PROJECT, AND NO PERSONAL LIABILITY OR RESPONSIBILITY, WHETHER EXPRESS, IMPLIED, OR ARISING BY OPERATION OF LAW, IS ASSUMED BY ORIGINATOR, NOR SHALL ANY PERSONAL LIABILITY OR RESPONSIBILITY BE ASSERTED OR ENFORCEABLE AGAINST THE ORIGINATOR, ALL SUCH PERSONAL LIABILITY OR RESPONSIBILITY BEING HEREBY EXPRESSLY WAIVED BY THE CITY AND BEING EXPRESSLY WAIVED BY THE LENDER PURSUAN TO THE SECURITY DEED.

The Seller shall apply the sale proceeds or purchase moneys or other amounts paid by a buyer for the Project in the following manner on dates selected by the Seller:

FIRSTLY, to repay all proper and reasonable costs and expenses of the Seller associated with the recovery, repair, storage, and sale of the Project, including reasonable attorney's fees and expenses actually incurred by the Seller;

SECONDLY, to pay the Seller (i) the amount of all unpaid Installment Payments, if any, which are then due and owing for the current Installment Sale Year, together with interest and late charges thereon, and (ii) any other amounts due hereunder, including indemnity payments under Section 6.3, and reimbursement of any advances and other amounts payable to the Seller hereunder; and

THIRDLY, to pay the remainder of the sale proceeds, purchase moneys, or other amounts paid by a buyer of the Project, to the City.

(a) The Seller may exercise its remedies under the Security Deed;

(b) The Seller may require the City to furnish copies of all books and records of the City pertaining to the Project; and

(c) The Seller may take whatever action at law or in equity which may appear necessary or desirable to collect the amounts due, or to enforce performance and observance of any obligation, agreement or covenant of the City under this Installment Sale Agreement.

In the event that a Default or an Event of Default shall occur, the interest shall accrue on the outstanding principal balance and any other amounts owed hereunder at the "Default Rate." The Default Rate is the "Base Rate" plus 4.00%. The Base Rate is the higher of (i) the Lender's "Prime Rate" and (ii) 2.5% plus one month LIBOR. The Lender's Prime Rate is the rate of interest so denominated and set by the Lender from time to time as an interest rate basis for borrowing. For purposes of calculating the Prime Rate in connection with a Default or an Event of Default, such interest rate shall be adjusted automatically on the effective date of any change in the Prime Rate.

Section 8.3. Non-appropriation.

Upon an Event of Non-appropriation, the City shall not be obligated to make the Installment Payments and other payments provided for herein beyond the last day of the last Installment Sale Year for which this Installment Sale Agreement has been renewed.

Section 8.4. No Remedy Exclusion.

No remedy conferred herein upon or reserved to the Seller is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Installment Sale Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Seller to exercise any remedy reserved to them in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article or by law.

Section 8.5. Agreement to Pay Attorneys' Fees and Expenses.

In the event that the City should default under any of the provisions hereof and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement of performance or observance of any obligation or agreement on the part of the City contained herein, the City agrees that it will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party.

Section 8.6. No Additional Waiver Implied by One Waiver.

In the event any agreement contained in this Installment Sale Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE IX.**MISCELLANEOUS****Section 9.1. Notices.**

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received five (5) days after deposit in the United States mail in certified form, postage prepaid, at the following addresses:

If to the City:	City of Dunwoody 41 Perimeter Center East, Suite 250 Dunwoody, GA 30346 Attention: City Manager
with a copy to:	Riley McLendon, LLC 315 Washington Ave. Marietta, Georgia 30060 Attention: Cecil McLendon, Esq.
If to the Originator:	Georgia Municipal Association, Inc. 201 Pryor Street Atlanta, Georgia 30303 Attention: Lease Program Administrator
with a copy to:	Counsel to Georgia Municipal Association, Inc. 201 Pryor Street Atlanta, Georgia 30303 Attention: Susan Moore, Esq.
If to the Lender:	JPMorgan Chase Bank, N.A. 3475 Piedmont Road, N.E., 18th Floor Atlanta, GA 30305 Attention: _____
with a copy to:	Butler Snow LLP 435 Second Street, Suite 204 Macon, Georgia 31201 Attention: Blake C. Sharpton, Esq.

Any party, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 9.2. Binding Effect.

This Installment Sale Agreement shall inure to the benefit of and shall be binding upon the Seller and the City and their respective successors and the assigns of Seller.

Section 9.3. Severability.

In the event any provision of this Installment Sale Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.4. Amendments, Changes and Modifications.

This Installment Sale Agreement may not be amended or any of its terms modified without the written consent of the Lender.

Section 9.5. Further Assurances and Corrective Instruments.

The Seller and the City agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto or to the Security Deed and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project hereby agreed to be sold or intended so to be or for carrying out the expressed intention of this Installment Sale Agreement.

Section 9.6. Execution in Counterparts.

This Installment Sale Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

Section 9.7. Applicable Law.

This Installment Sale Agreement shall be governed by and construed in accordance with the laws of the State.

Section 9.8. Waiver of Jury Trial.

To the extent permitted by law, the Seller, the Lender and the City irrevocably waive their rights to trial by jury in any action or proceeding arising out of or relating to this Installment Sale Agreement or the transactions relating to its subject matter.

Section 9.9. Survival.

The provisions of this Installment Sale Agreement shall survive the Closing Date and the transfer and sale of the Project.

Section 9.10. Security Agreement.

The City hereby grants the Seller a security interest in its right under this Installment Sale Agreement and the architect contracts and construction contracts relating to the Project. Upon an Event of Default or any Event of Non-appropriation (but only upon such events), the Lender shall be entitled to exercise the City's rights under this Installment Sale Agreement.

IN WITNESS WHEREOF, the City and the Originator have caused this Installment Sale Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

Signed, sealed and delivered
in the presence of:

GEORGIA MUNICIPAL ASSOCIATION, INC.

Unofficial Witness

By: _____
Executive Director

Notary Public

[SEAL]

My Commission Expires:

Attest:

[NOTARIAL SEAL]

By: _____
Director of Local Government Services

Signed, sealed and delivered
in the presence of:

CITY OF DUNWOODY, GEORGIA

Unofficial Witness

By: _____
Denis L. Shortal, Mayor

Notary Public

[SEAL]

My Commission Expires:

Attest:

[NOTARIAL SEAL]

By: _____
Sharon Lowery, City Clerk

Approved as to Form and Content:

By: _____
Lenny Felgin, City Attorney

EXHIBIT A

SCHEDULE 1

BASIC TERMS:

INSTALLMENT SALE AMOUNT: \$9,500,000

INTEREST RATE: _____ %*

* Based upon a 360-day year comprised of twelve thirty-day months.

EXHIBIT C

DESCRIPTION OF PROJECT FACILITIES

The Project Facilities will consist of the following:

A building to be used as a new city hall for the City.

EXHIBIT D

CERTIFICATE OF APPROPRIATION

Re: Installment Sale Agreement, dated as of August ____, 2016 (the "Installment Sale Agreement") between City of Dunwoody, Georgia and Georgia Municipal Association, Inc.

The undersigned officers of City of Dunwoody, Georgia (the "City") hereby certify that the Minimum Annual Appropriated Amount for the current fiscal year, that is, Installment Payments of \$_____, (as such terms are defined in the referenced Installment Sale Agreement), are within such City's operating budget or budgets for the fiscal year ending December 31, 20____, and an appropriation of funds for such fiscal year has been made and is available therefor.

Dated: _____

CITY OF DUNWOODY, GEORGIA

By: _____
 Denis L. Shortal, Mayor

By: _____
 Sharon Lowery, City Clerk

EXHIBIT E

FORM OF REQUISITION

In accordance with the terms of the Installment Sale Agreement, dated as of August ____, 2016 (the "Installment Sale Agreement"), between City of Dunwoody, Georgia (the "City") and Georgia Municipal Association, Inc., the undersigned hereby requests that JPMorgan Chase Bank, N.A., as Escrow Agent (the "Escrow Agent") pay the following persons the following amounts from the Escrow Fund created under the Installment Sale Agreement (the "Escrow Fund") for the following purposes.

<u>Payee's Name and Address</u>	<u>Invoice Number</u>	<u>Dollar Amount</u>	<u>Purpose</u>
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The undersigned hereby certifies as follows:

(i) Insofar as such obligation was incurred for work, material, supplies or equipment in connection with the Project Facilities, such work was actually performed, or such material, supplies or equipment was actually installed in or about the Project Facilities were delivered at the site of the work for that purpose.

(ii) An obligation in the stated amount has been incurred by the City, and the same is a proper charge against the City's Escrow Fund and has not been paid. The bill, invoice or statement of account for such obligation, or a copy thereof, is on file with the City.

(iii) The undersigned, as Authorized City Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

This requisition contains no item representing payment on account, or any retained percentages which the City is, at the date hereof, entitled to retain.

(iv) The Project is insured in accordance with the Installment Sale Agreement.

(v) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, has occurred and is continuing at the date hereof.

#19.

Dated: _____

CITY OF DUNWOODY, GEORGIA

By: _____
Eric Linton, City Manager

DRAFT DATE: 07/18/16

After recording return to:

James R. Woodward
Gray, Pannell & Woodward LLP
3060 Peachtree Road, N.W.
Suite 730
Atlanta, Georgia 30305

DEED TO SECURE DEBT AND SECURITY AGREEMENT

THIS INSTRUMENT, made and entered into as of this ____ day of August, 2016, by and between GEORGIA MUNICIPAL ASSOCIATION, INC., a Georgia nonprofit corporation (“ORIGINATOR”), and JPMORGAN CHASE BANK, N.A., a national banking association (“SECURED PARTY”), having an address at 3475 Piedmont Road, N.E., 18th Floor, Atlanta, Georgia 30305.

WITNESSETH:

1.01 THAT FOR AND IN CONSIDERATION of the sum of \$10.00 and other valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, and in order to secure the indebtedness and other obligations of Originator hereinafter set forth, Originator does hereby grant, bargain, sell, convey, assign, transfer, pledge, and set over unto Secured Party, and grant a security interest in, the following described property (collectively, the “Project”): (a) all those certain tracts, pieces or parcels of land (and any easements or other interests in land) more particularly described in Exhibit “A” hereto (the “Land”); and (b) all buildings, structures and improvements of every nature whatsoever now or hereafter situated on, under or above the Land as described in Exhibit “B” hereto; all of which foregoing items are hereby declared and shall be deemed to be fixtures and accessions to the Land and a part of the Project as between the parties hereto and all persons claiming by, through or under them, and

THIS INSTRUMENT DOES NOT SECURE A “LONG TERM NOTE” AS DEFINED IN OFFICIAL CODE OF GEORGIA ANNOTATED SECTION 48-6-60(3) AND DOES NOT SECURE A NOTE; THEREFORE, IT IS NOT SUBJECT TO THE INTANGIBLE RECORDING TAX, AS PROVIDED IN OFFICIAL CODE OF GEORGIA ANNOTATED SECTION 48-6-61 AND RULE 560-11-8-0.14 OF THE GEORGIA DEPARTMENT OF REVENUE. THIS INSTRUMENT SECURES AN INSTALLMENT SALE AGREEMENT THAT MAY BE TERMINATED EACH YEAR.

which shall be deemed to be a portion of the security for the indebtedness herein described and to be secured by this Instrument, a portion of the above described collateral being located upon the Land; (c) all easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights, minerals, flowers, shrubs, crops, trees, timber and other emblements now or hereafter located on the Land or under or above the same or any part or parcel thereof, and all estates, rights, titles, interests, tenements, hereditaments and appurtenances, reversions and remainders whatsoever, in any way belonging, relating or appertaining to the Project or any part thereof, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Originator; (d) all right, title and interest of Originator in any and all leases, rental agreements and arrangements of any sort now or hereafter affecting the Project or any portion thereof and providing for or resulting in the payment of money to Originator for the use of the Project or any part thereof, whether the user enjoys the Project or any part thereof as tenant for years, invitee, licensee, tenant at sufferance or otherwise, and irrespective of whether such leases, rental agreements and arrangements be oral or written (the "Leases") and guaranties of the performance or obligations of any tenants or lessees thereunder (the "Tenants"), together with all income, rents, issues, profits and revenues from the Leases (including all tenant security deposits and all other tenant deposits, whether held by Originator or in a trust account and all other deposits and escrow funds relating to any Leases), and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of Originator in and to the same; (e) all right, title and interest of Originator in, to and under all franchise agreements, management contracts, service contracts, utility contracts, leases of equipment, documents relating to the construction of any improvements on the Project (including any and all construction contracts, architectural contracts, engineering contracts, designs, plans, specifications, drawing, surveys, tests, reports, bonds and governmental approvals) and all other contracts, licenses and permits now or hereafter affecting the Project or any part thereof and all guaranties and warranties with respect to any of the foregoing (the "Contracts"); (f) all right, title and interest of Originator in any insurance policies or binders now or hereafter relating to the Project, including any unearned premiums thereon; (g) all right, title and interest of Originator in any and all awards, payments, proceeds and the right to receive the same, either before or after any foreclosure hereunder, as a result of any temporary or permanent injury or damage to, taking of or decrease in the value of the Project by reason of casualty, condemnation or otherwise; (h) all claims and causes of action arising from or otherwise related to any of the foregoing; and (i) all proceeds of any of the property described above.

1.02 TO HAVE AND TO HOLD the Project and all parts, rights, members and appurtenances thereof, to the use, benefit and behoof of Secured Party, IN FEE SIMPLE forever; and Originator covenants that Originator is lawfully seized of the Project as aforesaid and has good right to convey the same, that the same are unencumbered except for those matters expressly set forth as exceptions in Exhibit "C" hereto, and Originator does warrant and will forever defend the title thereto against the claims of all persons claiming through it, except as to the matters set forth as exceptions in Exhibit "C" hereto.

1.03 THIS INSTRUMENT is a deed passing the title to the Project to Secured Party and is made under the laws of the State of Georgia relating to deeds to secure debt, and is not a mortgage, and is given to secure the payment of the following described obligations

(collectively, the "Obligations"): (a) the payment of all the obligations of City of Dunwoody, Georgia, a municipal corporation of the State of Georgia (the "City") described in the Installment Sale Agreement (defined below in this paragraph), notwithstanding the termination of the Installment Sale Agreement or the invalidity of the Installment Sale Agreement as to the City in whole or in part; the Installment Sale Agreement is in the principal amount of NINE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$9,500,000) and may be renewed on an annual basis for a term through April 1, 2031, together with all renewals, modifications, consolidations, replacements and extensions thereof; and (b) any and all additional advances made or costs or expenses incurred by Secured Party to protect or preserve the Project or the security interest created hereby, or for taxes, assessments or insurance premiums as provided in the Installment Sale Agreement, or for performance of any of Originator's obligations hereunder or for any purpose referred to in Section 2.03 hereof, or for any other purpose provided herein (whether or not the original Originator remains the owner of the Project at the time of such advances are made or costs or expenses incurred). For purposes of this Instrument, the term "Installment Sale Agreement" shall mean the Installment Sale Agreement of even date herewith by and between Originator and the City, which has been assigned by Originator to Secured Party pursuant to the Assignment and Transfer Agreement of even date herewith by and between the Originator and the Secured Party (the "Transfer Agreement"); and the term "Documents" shall mean this Instrument, the Transfer Agreement, the Installment Sale Agreement, the Agreement Regarding Environmental Activity of even date herewith by the City in favor of the Originator and the Secured Party (the "Environmental Agreement") and any other documents to or of which Secured Party, the Originator or the City is a party or beneficiary now or hereafter evidencing, securing or otherwise relating to the Obligations or the Project. This Instrument is expressly made prior and senior to the Installment Sale Agreement and to the conveyance of the Project made pursuant thereto.

1.04 SHOULD THE OBLIGATIONS BE PAID according to the tenor and effect thereof when the same shall become due and payable, and should Originator perform all covenants herein contained in a timely manner, then this Instrument shall be canceled and surrendered.

1.05 NOTWITHSTANDING ANYTHING HEREIN OR IN THE OTHER DOCUMENTS OR CLOSING DOCUMENTS TO THE CONTRARY, THE LIABILITY OF ORIGINATOR WITH RESPECT TO ITS OBLIGATIONS HEREUNDER OR THEREUNDER SHALL BE LIMITED TO ITS INTEREST IN THE PROJECT, AND NO PERSONAL LIABILITY OR RESPONSIBILITY, WHETHER EXPRESS, IMPLIED, OR ARISING BY OPERATION OF LAW, IS ASSUMED BY ORIGINATOR, NOR SHALL ANY PERSONAL LIABILITY OR RESPONSIBILITY BE ASSERTED OR ENFORCEABLE AGAINST THE UNDERSIGNED, ALL SUCH PERSONAL LIABILITY OR RESPONSIBILITY BEING HEREBY EXPRESSLY WAIVED BY SECURED PARTY.

COVENANTS AND AGREEMENTS

2.01 Security Agreement. This Instrument is hereby made and declared to be a security agreement encumbering each and every item of personal property included herein as a

part of the Project, in compliance with the provisions of the Uniform Commercial Code as enacted in the jurisdiction applicable thereto (the "Code"). The remedies for any violation of the covenants, terms and conditions of the security agreement contained in this Instrument shall be as prescribed herein, or as prescribed by general law, or as prescribed by the Code, all at Secured Party's election in the discretion of Secured Party. Any notice of sale, disposition or other action by Secured Party with respect to personal property which is a part of the Project sent to Originator in accordance with the provisions hereof relating to communications at least ten (10) days prior to such action shall constitute adequate and reasonable notice to Originator of such action. The mention in any financing statement or statements of rights in and to (a) the proceeds of any insurance policy, or (b) any award in eminent domain proceedings for a taking or for loss of value, or (c) Originator's interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the Project, whether pursuant to a lease or otherwise, shall not in any way limit any of the rights of Secured Party as determined by this Instrument or affect the priority of Secured Party's security interest granted hereby or by any other recorded document, it being understood and agreed that such mention in such financing statement or statements is solely for the protection of Secured Party in the event any court shall at any time hold with respect thereto, that notice of Secured Party's priority of interest, to be effective against all persons or against a particular class of persons, must be filed in the Code records. The names of the "Debtor" and the "Secured Party" (which are Originator and Secured Party, respectively), the address of the "Secured Party" from which information concerning the security interest may be obtained, and the address of "Debtor," are as set forth in Section 4.04, hereof; and a statement indicating the types, or describing the items, of collateral is set forth hereinabove. Originator agrees to furnish Secured Party with notice of any change in the name, identity, residence, principal place of business or mailing address of Originator within ten (10) days of the effective date of any such change.

2.02 Further Assurances: After-Acquired Property. Originator shall, and shall cause the City to, execute and/or deliver (and pay the costs of preparation and recording thereof) to Secured Party, upon demand, any further instrument or instruments so as to evidence, reaffirm, correct, perfect, continue or preserve the obligations of Originator or the City under the Documents, the collateral at any time securing or intended to secure the Documents, and the first and prior legal security title and interest of Secured Party to all or any part of the Project, whether now owned or hereafter acquired by Originator or the City. Upon any failure of Originator or the City so to do, Secured Party may make, execute, record, file, re-record and/or re-file any and all such instruments for and in the name of Originator or the City, and Originator hereby, and shall cause the City to, irrevocably appoint Secured Party agent and attorney-in-fact to do so. The security title of this Instrument and the security title created hereby will automatically attach, without further act, to all after-acquired property attached to or used in the operation of the Project or any part thereof.

2.03 Expenses. There shall be included in the Obligations secured hereby all costs and expenses of any kind (including fees of attorneys, auditors, appraisers and inspectors) paid or incurred by Secured Party relating to the Obligations or the Documents, including those paid or incurred in connection with the commitment, negotiation, documentation, preparation, closing, disbursement, or administration of the Obligations or any one or more of the Documents, or in connection with the collection of any insurance or other proceeds or enforcement of any rights of

Secured Party under or relating to this Instrument or the other Documents, including the costs of any suits or proceedings or disputes of any kind in which Secured Party is made or appears as a party plaintiff or defendant or which are, in the judgment of Secured Party, expedient to preserve or protect its interest in the Project (including condemnation, insolvency, bankruptcy or probate proceedings, administrative proceedings, proceedings relating to enforcement of laws or regulations, forfeiture proceedings, and appeals at all levels of appeal, whether before or after entry of judgment or other determination). There shall be included in the Obligations secured hereby all interest and penalties owing on account of the Obligations or any one or more of the Documents, including any interest or penalties arising on account of failure or delay in payment of any of the items referred to in this provision. There shall be included in the Obligations secured hereby all costs and expenses (including reasonable attorney's fees and fees of auditors, appraisers and inspectors) in connection with the collection of the Obligations, or any portion thereof, after maturity (whether in due course or by acceleration). All such costs, expenses, penalties and interest paid or incurred by Secured Party shall be considered due and payable immediately upon their incurrence.

2.04 Conveyance or Encumbrance. The Originator (except to the City as contemplated by the Installment Sale Agreement) shall not encumber, pledge, convey, transfer or assign any or all of its interests in the Project, or execute or consent to any instrument or matter which might affect the title to the Project, or acquire any portion of the personal property covered by this Instrument subject to any charge or lien, without the prior written consent of Secured Party, which consent shall be given or withheld by Secured Party at its discretion.

DEFAULT AND REMEDIES

3.01 Defaults. The term "Default," wherever used in this Instrument, shall mean any one or more of the following events: (a) a failure in payment of any portion of the Obligations; or (b) the breach or failure by Originator or the City to perform, observe and satisfy all other terms, covenants, conditions and agreements contained in this Instrument or in any of the other Documents and the continuance thereof for a period of thirty (30) days after the giving of notice thereof by the Originator to the Secured Party and the City (which notice may be given as provided in the Installment Sale Agreement); or (c) any warranty or representation of Originator or the City contained in this Instrument or in any other of the Documents, or any material information relating to the Obligations or the Documents given to Secured Party by the City or Originator, or by any other party on behalf of or at the request of Originator or the City, being untrue or misleading in any material respect; or (d) a levy shall be made under any process on the Project or any part thereof; or (e) the assertion of any claim of priority to this Instrument, by title, lien or otherwise in any legal or equitable proceeding; or (f) the City commences the process of liquidation or dissolution, or its statutory authority is revoked; or (g) the subjection of the Project to actual or threatened waste, or the removal, demolition, or alteration of any part thereof without the prior written consent of Secured Party; or (h) any mechanic's, materialmen's, laborer's, statutory or other lien is filed against the Project or any portion thereof and not totally released or removed as a lien against the Project and every part thereof (by bonding, payment or otherwise) within thirty (30) days after the date of filing thereof; or (i) any suit shall be filed against Originator or the City which, if adversely determined, could reasonably be expected substantially

to impair the ability of Originator to perform each and every one of its obligations under the Documents; or (j) all or any substantial portion of the Project shall be taken through condemnation, or any portion of the Project shall be damaged by or taken through condemnation and the value thereof shall, in the discretion of Secured Party, be materially diminished, either temporarily or permanently; or (k) the occurrence of an Event of Default or an Event of Nonappropriation under the Installment Sale Agreement; or (l) the failure of this Instrument to grant to Secured Party a valid, binding and enforceable first lien on and/or security title in and to the Project, or the failure of any one or more of the Documents to be legal, valid, binding upon and enforceable against all parties thereto (other than Secured Party), or the claim by any party (other than Secured Party) to any one or more of the Documents that any one or more of the Documents is not legal, valid, binding upon and enforceable against all parties thereto (other than Secured Party).

3.02 Rights of Lender Upon Default. If a Default shall have occurred, then all of the Obligations shall, at the option of Secured Party, immediately be deemed due and payable without notice or demand, time being of the essence, and Secured Party, at its option, may do any one or more of the following (and, if more than one, either concurrently or independently, and in such order as Secured Party may determine in its discretion), in addition to its other remedies under the Documents, all without regard to the adequacy or value of the security for the Obligations:

(a) Enter upon and take possession of the Project without the appointment of a receiver, or an application therefor; at its option, operate the Project; at its option, exclude Originator, the City and its agents, employees and assigns wholly therefrom; at its option, employ a managing agent of the Project; and at its option, exercise any one or more of the rights and powers of Originator to the same extent as Originator could, either in its own name, or in the name of Originator; and receive the rents, incomes, issues and profits of the Project. Secured Party shall have no obligation to discharge any duties of a landlord to any Tenant or to incur any liability as a result of any exercise by Secured Party of any rights hereunder; and Secured Party shall not be liable for any failure to collect rents, issues, profits or revenues, nor liable to account for any rents, issues, profits or revenues unless actually received by Secured Party.

(b) Apply, as a matter of strict right, without notice and without regard to the solvency of any party bound for its payment, for the appointment of a receiver to take possession of and to operate the Project and to collect and apply the incomes, rents, issues, profits and revenues thereof.

(c) Pay, perform or observe any term, covenant or condition of this Instrument and any of the other Documents and all payments made or costs or expenses incurred by Secured Party in connection therewith shall be secured hereby. The necessity for any such actions and the amounts to be paid shall be determined by Secured Party in its discretion. Secured Party is hereby empowered to enter and to authorize others to enter upon the Project or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without thereby becoming liable to Originator, the City or any person in possession holding under Originator or the City. Originator hereby acknowledges and agrees that the remedies set forth in this Paragraph 3.02(c) shall be exercisable by Secured Party, and any and

all payments made or costs or expenses incurred by Secured Party in connection therewith shall be secured hereby.

(d) Sell the Project or any part of the Project at one or more public sale or sales at the usual place for conducting sales of the City in which the Land or any part of the Land is situated, to the highest bidder for cash, in order to pay the Obligations, and all expenses of sale and of all proceedings in connection therewith, including reasonable attorney's fees, after advertising the time, place and terms of sale once a week for four (4) weeks immediately preceding such sale (but without regard to the number of days) in a newspaper in which sheriff's sales are advertised in said City, all other notice being hereby waived by Originator. At any such public sale, Secured Party may execute and deliver to the purchaser a conveyance of the Project or any part of the Project in fee simple, with full warranties of title, and to this end Originator hereby constitutes and appoints Secured Party the agent and attorney-in-fact of Originator to make such sale and conveyance, and thereby to divest Originator and the City of all right, title and equity that Originator or the City may have in and to the Project and to vest the same in the purchaser or purchasers at such sale or sales, and all the acts and doings of said agent and attorney-in-fact are hereby ratified and confirmed, and any recitals in said conveyance or conveyances as to facts essential to a valid sale shall be binding upon Originator. The aforesaid power of sale and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise, and shall not be exhausted by one exercise thereof but may be exercised until full payment of all of the Obligations. In the event of any sale under this Instrument by virtue of the exercise of the powers herein granted, or pursuant to any order in any judicial proceeding or otherwise, the Project may be sold as an entirety or in separate parcels and in such manner or order as Secured Party in its discretion may elect, and if Secured Party so elects, Secured Party may sell the personal property covered by this Instrument at one or more separate sales in any manner permitted by the Code, and one or more exercises of the powers herein granted shall not extinguish nor exhaust such powers, until the entire Project is sold or the Obligations are paid in full. Secured Party may, at its option, sell the Project subject to the rights of any tenants of the Project, and the failure to make any such tenants parties to any foreclosure proceedings and to foreclose their rights will not be asserted by Originator to be a defense to any proceedings instituted by Secured Party to collect the Obligations. If the Obligations are now or hereafter further secured by any chattel mortgages, pledges, contracts of guaranty, assignments of lease or other security instruments, Secured Party may at its option exhaust the remedies granted under any of said security either concurrently or independently, and in such order as Secured Party may determine in its discretion. Upon any foreclosure sale, Secured Party may bid for and purchase the Project and shall be entitled to apply all or any part of the Obligations as a credit to the purchase price. In the event of any such foreclosure sale by Secured Party, Originator shall be deemed a tenant holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of law applicable to tenants holding over. In case Secured Party shall have proceeded to enforce any right, power or remedy under this Instrument by foreclosure, entry or otherwise or in the event Secured Party commences advertising of the intended exercise of the sale under power provided hereunder, and such proceeding or advertisement shall have been withdrawn, discontinued or abandoned for any reason, then in every such case (i) Originator and Secured Party shall be restored to their former positions and rights, (ii) all rights, powers and remedies of Secured Party shall continue as if no such proceeding had been taken, (iii) each and every Default declared or occurring prior or

subsequent to such withdrawal, discontinuance or abandonment shall be deemed to be a continuing Default, and (iv) neither this Instrument, nor the Obligations, nor any other Document shall be or shall be deemed to have been reinstated or otherwise affected by such withdrawal, discontinuance or abandonment; and Originator hereby expressly waives the benefit of any statute or rule of law now provided, or which may hereafter be provided, which would produce a result contrary to or in conflict with this sentence.

(e) Secured Party may apply any moneys and proceeds received by Secured Party as a result of the exercise by Secured Party of any right conferred under this Section 3.02 in such order as Secured Party in its discretion may elect against (i) all costs and expenses, including reasonable attorneys' fees, incurred in connection with the operation of the Project, the performance of the lessor's obligations under the Leases and the collection of the rents thereunder; (ii) all costs and expenses, including reasonable attorneys' fees, incurred in the collection of any or all of the Obligations, including those incurred in seeking to realize on or to protect or preserve Secured Party's interest in any other collateral securing any or all of the Obligations; (iii) any or all unpaid principal on the Obligations; (iv) any other amounts owing under the Documents; and (v) accrued interest and charges on any or all of the foregoing. Any residual after such application shall be paid to the City.

GENERAL CONDITIONS

4.01 No Waiver: Remedies Cumulative. No delay or omission by Secured Party to exercise any right, power or remedy accruing upon any Default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such Default, or acquiescence therein, and every right, power and remedy given by this instrument to Secured Party may be exercised from time to time and as often as may be deemed expedient by Secured Party. No consent or waiver, expressed or implied, by Secured Party to or of any Default shall be deemed or construed to be a consent or waiver to or of any other Default. No delay, indulgence, departure, act or omission by Secured Party shall release, discharge, modify, change or otherwise affect the obligations of Originator or the City or any subsequent purchaser of the Project or any part thereof, or preclude Secured Party from exercising any right, privilege or power granted herein or alter the security title, security interest or lien hereof. No right, power or remedy conferred upon or reserved to Secured Party hereunder is intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or under the other Documents or now or hereafter existing at law, in equity or by statute.

4.02 No Obligation to Third Parties. The Documents are made solely for the benefit of Secured Party. No tenant nor any party involved with the construction of any improvements on any part of the Project nor any other party whatsoever shall have standing to bring any action against Secured Party as the result of the Documents, or to assume that Secured Party will exercise any remedies provided herein, and no party other than Secured Party shall be deemed to be a beneficiary of any provision of the Documents, any and all of which may be freely waived in whole or in part by Secured Party in its discretion at any time. Nothing contained in the Documents shall be deemed to impose upon Secured Party any liability for the performance of

any obligation of Originator under any of the Documents, Leases or Contracts. Nothing contained in this Section 4.02 is intended to deprive Originator or the City of the benefit of any covenant by Secured Party in favor of Originator or the City contained in the Documents.

4.03 Miscellaneous. This Instrument shall inure to the benefit of and be binding upon Originator and Secured Party and their respective heirs, executors, legal representatives, successors, successors-in-title and assigns, subject to all restrictions on transfers herein. The Documents (and any interest therein) are assignable by Secured Party, and any assignment of the Documents by Secured Party shall operate to vest in the assignee all rights and powers conferred upon and granted to Secured Party by the Documents; and, in the event of any such assignment of the entire interest of Secured Party in the Documents, Secured Party shall be relieved of all obligations and liabilities under the Documents; the Documents may not be assigned by Originator without the prior consent of Secured Party, which may be given or withheld at the discretion of Secured Party. Reasonable notice of such assignment shall be given to the City. The Documents may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge or termination is sought. The Documents contain the entire agreement between Originator and Secured Party and between the Originator and the City relating to the transactions contemplated hereby and supersede entirely any and all prior written or oral agreements with respect thereto; and Originator and Secured Party hereto acknowledge and agree that there are no contemporaneous oral agreements with respect to the subject matter hereof. Nothing contained in the Documents shall be construed to create an agency, partnership or joint venture between Originator, the City and Secured Party. All personal pronouns used in the Documents whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles of articles and sections in the Documents are for convenience only and in no way define, limit, amplify or describe the scope or intent of any provisions thereof. If more than one person or entity constitutes Originator, all of the provisions of the Documents referring to Originator shall be construed to refer to each such person or entity individually as well as collectively. When anything is described in the Documents in general terms and one or more examples or components of what has been described generally is associated with that description (whether or not following the word "including"), the examples or components shall be deemed illustrative only and shall not be construed as limiting the generality of the description in any way. Wherever in the Documents the approval or consent of Secured Party is required or permitted, or wherever a requirement of Secured Party or the standard of acceptability or satisfaction of Secured Party must be determined, such approval, consent or determination of Secured Party shall not be unreasonably exercised; provided, however, that wherever it is indicated that such approval, consent or determination is to be given or made at the option or in the discretion or judgment of Secured Party, then Secured Party may grant or withhold such approval or consent or make such determination without restriction in its sole and absolute discretion. If any provisions of the Documents or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of each of the Documents and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law. Time is of the essence with respect to each and every covenant, agreement and obligation of Originator under the Documents. All exhibits referred to in the Documents are by such reference incorporated into the Documents as if fully set forth therein.

4.04 Communications. Unless and except as otherwise specifically provided herein, any and all notices, elections, approvals, consents, demands, requests and responses thereto ("Communications") permitted or required to be given under the Documents shall be in writing, signed by or on behalf of the party giving the same, and shall be deemed to have been properly given and shall be effective upon the earlier of receipt thereof or deposit in the United States mail, postage prepaid, certified with return receipt requested to the other party at the address of such other party set forth hereinbelow or at such other address within the continental United States as such other party may designate by notice specifically designated as a notice of change of address and given in accordance herewith; provided, however, that the time period in which a response to any such Communication must be given shall commence on the date of receipt thereof; and provided further that no notice of change of address shall be effective with respect to Communications sent prior to the time of receipt thereof. Receipt of Communications under the Documents shall occur upon actual delivery (whether by mail, telecopy transmission, messenger, courier service, or otherwise) to any person who is Originator or an officer or general partner of Originator at any location where such person may be found, or to an officer, partner, agent or employee of Originator or Secured Party, at the address of such party set forth hereinbelow, subject to change as provided hereinabove. An attempted delivery in accordance with the foregoing, acceptance of which is refused or rejected, shall be deemed to be and shall constitute delivery; and an attempted delivery in accordance with the foregoing by mail, messenger, or courier service (whichever is chosen by the sender) which is not completed because of changed address of which no notice has been received by the sender in accordance with this provision shall also be deemed to be and constitute receipt. Any such Communication, if given to Secured Party, shall be addressed as follows, subject to change as provided hereinabove:

JPMorgan Chase Bank, N.A.
3475 Piedmont Road, N.E., 18th Floor
Atlanta, GA 30305
Attention: _____

and, if given to Originator, must be addressed as follows, subject to change as provided hereinabove:

Georgia Municipal Association, Inc.
201 Pryor Street
Atlanta, Georgia 30303
(678) 686-6364 (Fax)
Attention: Lease Program Administrator

With a copy to:

Counsel to Georgia Municipal Association, Inc.
 201 Pryor Street
 Atlanta, Georgia 30303
 (678) 686-6364 (Fax)
 Attention: Susan Moore, Esq.

With a copy to:

City of Dunwoody
 41 Perimeter Center East, Suite 250
 Dunwoody, GA 30346
 Attention: City Manager

4.05 Additional Obligations. There shall be included in the Obligations secured hereby all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including attorneys' fees and expenses) imposed upon or incurred by Secured Party by reason of (a) any claim for brokerage fees or other such commissions relating to the Project or the Obligations, or (b) the condition of the Project, or (c) failure to pay recording, mortgage, intangibles or similar taxes, fees or charges relating to the Installment Sale Agreement or any one or more of the Documents, or (d) the Documents or any claim or demand whatsoever which may be asserted against Secured Party by reason of any alleged action, obligation or undertaking of Secured Party relating in any way to the Obligations or to any matter contemplated by the Documents. In the event Secured Party incurs any liability, loss or damage arising out of or in any way relating to the transaction contemplated by the Documents (including any of the matters referred to in this section), the amounts of such liability, loss or damage shall be added to the Obligations, shall bear interest at the interest rate specified in the Installment Sale Agreement from the date incurred until paid and shall be deemed payable and due on its incurrence.

4.06 Greater Estate. In the event that Originator is the owner of a leasehold estate with respect to any portion of the Project and Originator obtains a fee estate in such portion of the Project, then, such fee estate shall automatically, and without further action of any kind on the part of Originator, be and become subject to the security title and lien hereof.

4.07 Applicable Law. This Instrument shall be interpreted, construed and enforced according to the laws of the State of Georgia.

IN WITNESS WHEREOF, Originator has executed this Instrument under seal, as of the day and year first above written.

Signed, sealed and delivered
in the presence of:

GEORGIA MUNICIPAL ASSOCIATION, INC.

By: _____
Lamar Norton, Executive Director

Unofficial Witness

[SEAL]

Notary Public

My Commission Expires:

Attest:

By: _____
Director of Local Government Services

[NOTARIAL SEAL]

Secured Party has executed this Instrument for the purpose of becoming a signatory to the security agreement set forth herein.

JPMORGAN CHASE BANK, N.A.

By: _____
Name:
Title:

DRAFT DATE: 07/18/16

After recording return to:

James R. Woodward
 Gray, Pannell & Woodward LLP
 3060 Peachtree Road, N.W.
 Suite 730
 Atlanta, Georgia 30305

STATE OF GEORGIA

COUNTY OF DEKALB

ASSIGNMENT AND TRANSFER AGREEMENT

THIS ASSIGNMENT AND TRANSFER AGREEMENT (hereinafter referred to as this "Agreement") is made as of this ____ day of August, 2016, by and between GEORGIA MUNICIPAL ASSOCIATION, INC., a Georgia nonprofit corporation (hereinafter referred to as "Originator"), and JPMORGAN CHASE BANK, N.A., a national banking association (hereinafter referred to as "Lender").

W I T N E S S E T H:

WHEREAS, Originator has entered into an Installment Sale Agreement (the "Installment Sale Agreement") of even date herewith with the City of Dunwoody, Georgia (the "City") with respect to a certain project (the "Project"); and

WHEREAS, Lender has agreed to purchase and service the Installment Sale Agreement;

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt and adequacy thereof being hereby acknowledged, Originator and Lender hereby covenant and agree as follows:

(a) Originator hereby absolutely assigns, transfers, conveys and sets over to Lender all the right, title and interest of Originator in, under, by virtue of the Installment Sale Agreement without recourse to the Originator (except for Originator's right to indemnification and attorney's fees). The Lender shall be deemed for all purposes the "Seller" under the Installment Sale Agreement, and shall have all rights, powers, remedies and responsibilities of Seller thereunder.

(b) In addition to the Installment Sale Agreement, Originator hereby transfers to Lender the following original documents given in connection with the closing of the Installment Sale Agreement:

(i) a certified copy of the Ordinance approving the Installment Sale Agreement adopted by the Mayor and Council of the City;

(ii) an Execution, Signature and No-Litigation Certificate of the City;

(iii) opinion of Riley McLendon, LLC;

(iv) a Deed to Secure Debt and Security Agreement from Originator to the Lender with respect to the Project securing all obligations scheduled under the Installment Sale Agreement (the "Security Deed");

(v) opinion of Gray, Pannell & Woodward LLP;

(vi) an Agreement Regarding Environmental Activity with respect to the Project from the City in favor of Originator and Lender; and

(vii) all construction contracts and architect contracts related to the Project.

(c) In consideration of the assignment contemplated by Paragraph (a) hereof, the Lender shall fund the Installment Sale Amount referred to in the Installment Sale Agreement in the amount of \$9,500,000 on the date hereof. No further payment or advance from Lender to Originator or the City shall be required and the purchase and sale of the Installment Sale Agreement will be immediately effective.

(d) Originator hereby irrevocably directs the City under the Installment Sale Agreement to pay to Lender all installment payments, receipts and other amounts accruing or due under the Installment Sale Agreement and to otherwise regard Lender as "Seller" under the Installment Sale Agreement.

(e) This Agreement shall not operate to place upon Originator or Lender any responsibility for the operation, control, care, management, ownership or repair of the Project.

(f) Originator covenants, agrees, represents and warrants that Originator will not sell, assign, transfer, mortgage or pledge the Installment Sale Agreement or any of the installment payments, receipts and other amounts arising with respect to the Project to any

person, firm or corporation other than Lender; that no installment payments, receipts and other amounts arising with respect to the Project or under the Installment Sale Agreement or any part thereof, has been or will be anticipated, waived, released, discounted or otherwise discharged or compromised. Originator agrees that it will cooperate to enforce or secure the performance of each and every obligation, covenant, condition and agreement to be performed by the City under the Installment Sale Agreement.

(g) Originator agrees to execute and deliver to Lender, at any time or times during which this Agreement shall be in effect, such further instruments as Lender may reasonably require to make effective this Agreement or any Assignment and the several covenants of Originator herein or therein contained.

(h) Lender shall have the right to further assign and transfer the Installment Sale Agreement and all collateral therefor, and to enter into participations with respect thereto; provided, reasonable notice of such assignment or transfer shall be given to the City.

(i) No change, amendment, modification or cancellation or discharge hereof, or of any part hereof, shall be valid unless Lender and Originator shall have consented thereto in writing. This Agreement contains the entire agreement of the parties.

(j) The terms, covenants and conditions contained herein shall inure to the benefit of, and bind, Lender and Originator and their respective legal representatives, successors and assigns. There shall be no third party beneficiaries of this Agreement.

(k) This Agreement shall be construed and enforced in accordance with the laws of the State of Georgia.

(l) Unless the context requires otherwise, capitalized terms used herein shall have the meanings ascribed thereto in the Installment Sale Agreement.

IN WITNESS WHEREOF, Originator and Lender have executed this Agreement,
the day and year first above written.

Signed, sealed and delivered
in the presence of:

Unofficial Witness

Notary Public

My Commission Expires:

[NOTARIAL SEAL]

GEORGIA MUNICIPAL ASSOCIATION, INC.

By: _____
Lamar Norton, Executive Director

[SEAL]

Attest:

By: _____
Director of Local Government Services

JPMORGAN CHASE BANK, N.A.

Signed, sealed and delivered
in the presence of:

Unofficial Witness

By: _____
Name:
Title:

Notary Public

My Commission Expires:

[NOTARIAL SEAL]

DRAFT DATE: 07/18/16

AGREEMENT REGARDING ENVIRONMENTAL ACTIVITY

THIS AGREEMENT REGARDING ENVIRONMENTAL ACTIVITY (this “Agreement”) is made as of this ____ day of August, 2016, by the **CITY OF DUNWOODY, GEORGIA**, a municipal corporation of the State of Georgia (“City”), in favor of **JPMORGAN CHASE BANK, N.A.**, a national banking association (“Lender”), and **GEORGIA MUNICIPAL ASSOCIATION, INC.**, a Georgia nonprofit corporation (“Originator”) (Lender and Originator being referred to as “Seller” herein, each individually having full benefit of the obligations of the City hereunder).

ARTICLE 1**BACKGROUND AND AGREEMENT**

A. Background. Seller has agreed to extend credit to the City in the principal amount of \$9,500,000 evidenced by an Installment Sale Agreement (the “Installment Sale Agreement”) in the aforesaid principal amount, which has been assigned by Originator to Lender. Lender’s rights under the Installment Sale Agreement are secured by a Deed to Secure Debt and Security Agreement (the “Security Deed”) made by Originator in favor of Lender, of even date herewith, conveying an interest in certain real property (the “Project”) located in the City of Dunwoody, Georgia and described in Exhibit A attached hereto. The Installment Sale Agreement, the Security Deed and all other documents evidencing, securing or otherwise relating to the Installment Sale Agreement are herein referred to collectively as the “Documents.” Due to the concerns of Seller relating to Hazardous Substances, Seller is unwilling to enter into or fund the Installment Sale Agreement without the receipt by Seller of this Agreement, which is given by the City as an agreement, separate and distinct from the Documents, to induce Seller to enter into the Documents.

B. Statement of Agreement. For and in consideration of the sum of \$10.00 and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the City, the City does hereby make the following certifications, representations and warranties to, and covenants and agreements with, Seller.

ARTICLE 2**DEFINITIONS**

In addition to the other terms defined herein, the following terms shall have the meanings set forth in this Article II.

A. Affected Property. Any property other than the Project which is affected by the Use of the Project or by any Environmental Activity related to the Project.

B. Environmental Activity. Any actual, proposed or threatened use, storage, holding, existence, release, emission, discharge, generation, processing, abatement, removal, disposition, handling or transportation of any Hazardous Substance from, to, upon, in, under or above the Project or otherwise relating to the Project or the Use of the Project or relating to any Affected Property, or any other activity or occurrence that causes or would cause any such event to exist.

C. Environmental Requirements. All “Super Fund” or “Super Lien” laws relating to any Hazardous Substance or Environmental Activity, and all other present and future federal, state and local laws, statutes, authorizations, judgments, decrees, concessions, grants, franchises, agreements, ordinances, codes, rules, regulations, orders and other governmental restrictions and requirements regulating, relating to or imposing liability or a standard of conduct concerning the environment or any Hazardous Substances or Environmental Activity including, without limitation, the following, as the same may be amended from time to time, and all regulations promulgated thereunder or in connection therewith:

Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Super Fund Amendments and Reauthorization Act of 1986, 42 U.S.C. 9601 et seq. (“CERCLA”).

Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901 et seq.

Clean Air Act, 42 U.S.C. 7401-7626.

Water Pollution Control Act (commonly referred to as the Clean Water Act), 33 U.S.C. 1251 et seq.

Federal Insecticide, Fungicide, and Rodenticide Act, as amended by the Federal Environmental Pesticide Control Act of 1972 and by the Federal Pesticide Act of 1978, 7 U.S.C. 136 et seq.

Toxic Substances Control Act, 15 U.S.C. 2601 et seq.

Safe Drinking Water Act, 42 U.S.C. 300(f) et seq.

Occupational Safety and Health Act, 42 U.S.C. 651 et seq.

National Environmental Policy Act, 42 U.S.C. 4321 et seq.

Hazardous Materials Transportation Act, 49 U.S.C. 1471 et seq.

Refuse Act, 33 U.S.C. 407 et seq.

Emergency Planning And Community Right-To-Know Act, 42 U.S.C. 1101 et seq.

Georgia Hazardous Site Response Act, O.C.G.A. § 12-8-90 et seq.

D. Hazardous Substance. Any substance which is a “hazardous substance” (as defined in CERCLA), or any other substance or material defined, designated, classified or considered as hazardous or toxic waste, hazardous or toxic material, or a hazardous, toxic, radioactive, regulated or dangerous substance or air pollutant under any Environmental Requirement.

E. Indemnitees. Seller and each of its predecessors, successors and assigns, and each past and present, direct and indirect, parent, subsidiary and affiliated entity of each of the foregoing, and each past and present employee, agent, attorney-in-fact, attorney-at-law, representative, officer, director, shareholder, partner, participant and joint venturer of each of the foregoing, and each heir, executor, administrator, successor and assign of each of the foregoing; references in this paragraph to “any” of such parties shall be deemed to mean “any one or more” of such parties; and references in this sentence to “each of the foregoing” shall mean and refer cumulatively to each party referred to in this sentence up to the point of such reference.

F. Proximate Property. Property located in such proximity to the Project that the Project might be affected by Related Activity thereon.

G. Related Activity. Any Use, activity, condition, circumstance or state of facts existing or occurring other than with respect to the Project or Affected Property which would, if existing or occurring with respect to the Project or Affected Property, constitute an Environmental Activity.

H. Use. Use, ownership, leasing, development, construction, maintenance, management, operation or occupancy.

ARTICLE 3

CERTIFICATIONS, REPRESENTATIONS AND WARRANTIES

A. Investigation. The City certifies, represents and warrants to Seller that it has duly investigated the present and past uses of the Project, as to whether the Project or any Proximate Property is or has been the site of storage of or contamination by any Hazardous Substances or the subject of any other Environmental Activity.

B. Related Liability. The City certifies, represents and warrants to Seller that the City has given no release or waiver of liability that would waive or impair any claim based on any Environmental Activity to a previous owner of the Project or to any party who may be potentially responsible for the Project; and that the City has no liability, absolute or contingent in connection with any Environmental Activity.

C. Compliance Except as previously disclosed to the Seller and the Lender in writing, the City certifies, represents and warrants to Seller that: (a) to its best knowledge, the City and the Project are in compliance in all material respects with all applicable Environmental

Requirements; and (b) no investigations, inquiries, orders, hearings, actions or other proceedings by or before any governmental agency are pending or, to the best knowledge of the City, threatened in connection with any Environmental Activity or alleged Environmental Activity; and (c) the City has no knowledge, after due investigation, of the presence of any Hazardous Substances upon the Project; and (d) the City has no knowledge, after due investigation, of any facts or circumstances existing upon, in, under or above the Project or relating to the Project which may violate any applicable Environmental Requirement; and (e) the Use of the Project for its intended purpose will not result in any Environmental Activity in violation of any applicable Environmental Requirements; and (f) to the best knowledge of the City, after due inquiry, there is no Related Activity upon, in, under or above any Proximate Property; and (g) the City has not engaged in any Environmental Activity and, to the best knowledge of the City, after due investigation, no Environmental Activity has otherwise occurred, and no notice, order, directive, complaint or other communication, written or oral, has been made or issued by any governmental agency or other person or entity alleging the occurrence of any Environmental Activity in violation of any Environmental Requirements; and (h) the City has obtained and will at all times continue to obtain and maintain all licenses, permits or other governmental or regulatory approvals or consents, if any, necessary to comply with all Environmental Requirements relating to the Project and any Affected Property, and the City is and shall continue at all times to be in compliance with said licenses, permits, approvals or consents; and (i) to the best knowledge of the City, no other property now or previously owned by the City is under investigation with respect to, or is or has been in violation of any Environmental Requirement during the period of time that the City owned such property, except as disclosed in writing to the Lender.

ARTICLE 4

COVENANTS, AGREEMENTS, AND INDEMNITY

A. Performance. The City shall at all times, at its sole expense, comply with, and cause the Project to comply with, all applicable Environmental Requirements relating to the Project or the ownership of the Project or relating to any Affected Property, and the City shall not engage in or otherwise permit the occurrence of any Environmental Activity in violation of any applicable Environmental Requirement.

B. Notice. The City shall immediately notify Seller if the City becomes aware of (a) the presence of any Hazardous Substances or other environmental problem or liability with respect to the Project, any Affected Property or any Proximate Property; or (b) any lien, action or notice resulting from violation or alleged violation of, or action pursuant to, any Environmental Regulation as the same pertains to the Project, or any other property now or previously owned by the City, or any Affected Property, or any Proximate Property; or (c) the institution of any investigation, inquiry or proceeding concerning the City or the Project or any Affected Property pursuant to any Environmental Requirement; or (d) the discovery of any occurrence, condition or state of facts which would render any representation contained in this Agreement incorrect in any respect if made at the time of such discovery.

C. Indemnity. To the extent permitted by law, the City shall indemnify, defend and save and hold harmless each Indemnitee from and against any and all claims, demands, defenses,

set-offs, counterclaims, damages, disbursements, losses, judgments, liens, liabilities, penalties, objections, injuries, fines, litigation, lawsuits and other proceedings and costs and expenses (including attorneys' fees and disbursements and the reasonable charges of the Indemnatee's internal legal counsel, including fees in appellate and bankruptcy proceedings) which accrue against or are incurred by Seller and arise directly or indirectly from or out of or in any way connected with (a) the failure of any certification, representation or warranty contained in this Agreement to be true and correct in all respects; or (b) the presence of any Hazardous Substance upon the Project or any Affected Property; or (c) the occurrence of any Environmental Activity or any failure of the City or any other person or entity to comply with all applicable Environmental Requirements relating to the Project or the Use of the Project or relating to any Affected Property; or (d) any investigation, inquiry, order, hearing, action or other proceeding by or before any governmental agency in connection with any actual or alleged Environmental Activity; or (e) the occurrence of any Related Activity or the violation of any Environmental Requirement in connection with any other property owned by the City, which occurrence or violation gives or may give rise to any rights whatsoever in any party whatsoever with respect to the Project; or (f) any failure of the City to perform any covenant set forth in this Agreement; or (g) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnatee which directly or indirectly relates to, arises from or is based on any of the matters described in clauses (a) through (f) of this section or any allegation of such matters. The foregoing indemnity is in no way conditioned upon fault on the part of the City or upon any other event, occurrence, matter or circumstance, except as specifically set forth above in this section.

ARTICLE 5

GENERAL CONDITIONS

A. Unconditional Obligations. The obligations of the City under this Agreement are unconditional. The City hereby expressly waives and renounces (to the extent it may lawfully do so) any and all claims, defenses and other rights which are dependent upon an allegation or proposition contrary to the foregoing provisions of this section.

B. Costs and Expenses. The City shall pay to each Indemnatee all costs and expenses (including attorneys' fees and disbursements and the reasonable charges of the Indemnatee's legal counsel, including fees in appellate and bankruptcy proceedings) incurred by any Indemnatee in connection with this Agreement or the enforcement of the terms of this Agreement.

C. No Waiver: Remedies Cumulative. No delay or omission by any Indemnatee to exercise any right or remedy accruing upon any default hereunder shall exhaust or impair any such right or remedy or shall be construed to be a waiver of any such default, or acquiescence therein, and every right and remedy given by this Agreement to any Indemnatee may be exercised from time to time and as often as may be deemed expedient by any Indemnatee. No consent or waiver, express or implied, by any Indemnatee to or of any default shall be deemed or construed to be a consent or waiver to or of any other default. No delay, indulgence, departure, act or omission by any Indemnatee shall release, discharge, modify, change or otherwise affect

the liability or other obligation of the City or any surety or guarantor, or preclude any Indemnatee from exercising any right, privilege or remedy granted herein. No right or remedy conferred upon or reserved to any Indemnatee hereunder is intended to be exclusive of any other right or remedy, but each and every such right and remedy shall be cumulative and concurrent and shall be in addition to every other right and remedy given hereunder or under any other agreement between the City and any Indemnatee or now or hereafter existing at law, in equity or by statute.

D. Communications. Any and all notices, elections, approvals, consents, demands, requests and responses thereto ("Communications") permitted or required to be given under this Agreement shall be in writing signed by or on behalf of the party giving the same, and shall be deemed to have been properly given and shall be effective upon being personally delivered, or upon being deposited in the United States mail, postage prepaid, certified with return receipt requested, to the other party at the address of such other party set forth below or at such other address within the continental United States as such other party may designate by notice specifically designated as a notice of change of address and given in accordance herewith; provided, however, that the time period in which a response to any Communication must be given shall commence on the date of receipt thereof; and provided further that no notice of change of address shall be effective until the date of receipt thereof. Personal delivery to a party or to any officer, partner, agent or employee of such party at said address shall constitute receipt. Rejection or other refusal to accept or inability to deliver because of changed address of a which no notice has been received shall also constitute receipt. Any Communication, if given to Lender, shall be addressed as follows:

JPMorgan Chase Bank, N.A.
3475 Piedmont Road, N.E., 18th Floor
Atlanta, GA 30305
Attention: _____

if given to Originator, shall be addressed as follows:

Georgia Municipal Association, Inc.
201 Pryor Street
Atlanta, Georgia 30303
Attention: Lease Program Administrator

and, if given to the City, shall be addressed as follows:

City of Dunwoody
41 Perimeter Center East, Suite 250
Dunwoody, GA 30346
Attention: City Manager

with a copy to:

Riley McLendon, LLC
315 Washington Ave.
Marietta, Georgia 30060
Attention: Cecil McLendon, Esq.

E. Miscellaneous. This Agreement shall inure to the benefit of and be binding upon the City and Seller and the other Indemnitees and their respective heirs, executors, legal representatives, successors and assigns. All personal pronouns used in this Agreement whether used in the masculine, feminine or neuter gender, shall include all other genders; the singular shall include the plural, and vice versa. Titles of articles and sections in this Agreement are for convenience only and in no way define, limit, amplify or describe the scope or intent of any provisions hereof. If any provisions hereof or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law. This Agreement is assignable by Seller, and any assignment by Seller shall operate to vest in the assignee all rights and powers conferred upon and granted to Seller hereby. Time is of the essence with respect to each and every covenant, agreement and obligation of the City hereunder. The provisions hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against whom enforcement of such change, waiver, discharge or termination is sought. This Agreement constitutes the entire agreement between the City and Seller relating to Hazardous Substances affecting the Project or any Affected Property and the indemnity set forth hereinabove. This Agreement shall be construed so that it may be enforced by either Lender or Originator, acting independently for their own account, or by Lender and Originator jointly, at their option.

F. Transfers and Survival. The parties hereto contemplate that liability may arise hereunder after full payment or termination of the Installment Sale Agreement, and that liability may arise hereunder prior to full payment of the Installment Sale Agreement and remain unpaid after full payment of the Installment Sale Agreement, and it is specifically agreed that this Agreement (including the indemnity provided hereby) shall survive the full payment of the Installment Sale Agreement, the foreclosure of the Security Deed, the transfer of the Project, and all other events relating to the Installment Sale Agreement or the Project. The City hereby acknowledges and agrees that the benefits of this Agreement (including said indemnity) shall continue in favor of Indemnitees notwithstanding any transfer or assignment hereof by the Indemnitees or any of them, and shall also run to transferees and assignees hereof as additional Indemnitees.

G. Applicable Law. This Agreement shall be interpreted, construed and enforced according to the laws of the State of Georgia.

IN WITNESS WHEREOF, the City has executed this Agreement under seal, as of the day and year first above written.

CITY OF DUNWOODY, GEORGIA

Approved:

(Seal)

Dennis L. Shortal, Mayor

ATTEST:

Approved as to Form and Content:

Sharon Lowery, City Clerk

Lenny Felgin, City Attorney

Originator and Lender have executed this Instrument for the purposes of becoming a signatory hereto and acknowledging their rights hereunder.

JPMORGAN CHASE BANK, N.A.

By: _____
Name:
Title:

DRAFT DATE: 07/18/16

TAX AND NON-ARBITRAGE CERTIFICATE

The undersigned DOES HEREBY CERTIFY that he is the duly elected, qualified and acting Mayor of City of Dunwoody, Georgia, a municipal corporation of the State of Georgia (the “Issuer”), and that he has all the corporate authority necessary to execute this Certificate on behalf of the Issuer.

THE UNDERSIGNED HEREBY FURTHER CERTIFIES for and on behalf of the Issuer as follows:

1. General.

1.1. The undersigned is familiar with the Installment Sale Agreement, dated as of August 1, 2016 (the “Installment Sale Agreement”), between Georgia Municipal Association, Inc. (the “Originator”) and the Issuer pursuant to which the Originator will lease/sell certain property (the “Property”) to the Issuer.

1.2. Under the terms of the Installment Sale Agreement, the Issuer is required to pay Principal Payments and Interest Payments (as defined in the Installment Sale Agreement and collectively, the “Installment Payments”) to the Originator. The Principal Payments represent principal payments, and the Interest Payments represent interest payments. Each Installment Payment represents an interest component and a principal component. The Issuer and the Originator are treating the Installment Sale Agreement as an installment sale for purposes of federal income taxation. The Originator’s rights in the Installment Sale Agreement have been assigned to Colony Bank (the “Bank”).

1.3. The undersigned has examined a completed copy of the Information Return for Tax Exempt Governmental Bond Issues (IRS Form 8038-G) of even date herewith filed pursuant to Section 149(e) of the Internal Revenue Code of 1986, as amended (the “Code”) on behalf of the Issuer with the Internal Revenue Service Center, Ogden, Utah, and, to the best of the undersigned’s knowledge, all information therein is true and correct as of the date of this Certificate.

2. Sources and Uses of Funds.

2.1. The total sources and uses of the moneys advanced by the Originator are set forth in Exhibit “A” attached hereto.

3. Overissuance Test.

3.1. Reasonably expected “proceeds” means the sum of (a) the “sale proceeds” (defined in Treasury Regulation § 1.148-1(b) as any amounts actually or constructively received for the right to receive Principal Payments and Interest Payments, including amounts used to pay

underwriter's discount and post-issuance accrued interest), plus (b) any "investment proceeds" (as defined in Treasury Regulation § 1.148-1(b)), plus (c) any "transferred proceeds" (as defined in Treasury Regulation § 1.148-9). The reasonably expected proceeds (i) will not exceed by more than a minor portion the amount necessary for the acquisition, construction and installation of the Property and to pay certain costs of issuance and (ii) are not in excess of the amount of sale proceeds allocated to expenditures for the governmental purposes of the issue.

4. Disbursements of Funds and Schedule of Expenditures.

4.1. Under the terms of the Installment Sale Agreement, the Bank will provide the money needed to acquire, construct and install the Property. Such money will be deposited into the Escrow Fund created in the Installment Sale Agreement.

4.2. The Issuer intends that the moneys on deposit in the Escrow Fund and the investment earnings thereon qualify for the three-year temporary period in Treasury Regulation § 1.148-2(e)(2). As of the date of this Certificate, the Issuer (or the Originator on its behalf) has incurred, or reasonably expects to incur within six months of the date of this Certificate, a substantial binding obligation to a third party or parties which is not subject to contingencies within the Issuer's or the Originator's, or a related party's, control to expend at least 5% of such moneys on the acquisition, construction and installation of the Property.

Work on the acquisition, construction and installation of the Property and the allocation of the moneys on deposit in the Escrow Fund to expenditures therefor are reasonably expected to proceed with due diligence to completion. The Issuer reasonably expects that at least 85% of the moneys on deposit in the Escrow Fund will be allocated to expenditures for the Property within three years from the date of this Certificate.

4.3. Except as described in the paragraph below, no portion of the cost of the acquisition of the Property includes reimbursement to the Issuer for any costs paid or incurred by the Issuer before it adopted a reimbursement resolution in violation of the "reimbursement regulations" (Treasury Regulation § 1.150-2). The reimbursement allocations are being made within 18 months of the date of the original expenditure or the date the asset was placed in service, whichever is later. No portion of the funds advanced by the Bank will be applied to replace any funds of the Issuer that the Issuer had committed or intended to use to finance the Property.

4.4. Any moneys remaining in the Escrow Fund after the Property has been acquired, constructed and installed will be used to prepay the Principal Payments.

5. Funds and Accounts.

5.1. The Issuer will establish a special segregate account to be known as the "City of Dunwoody, Georgia 2016 Installment Sale Agreement Escrow Fund" (the "Escrow Fund") to be held by the Escrow Agent.

5.2. No “sinking fund” or “pledged fund” (as such terms are defined in Treasury Regulation § 1.148-1(c)(2) and (3), respectively), debt service fund, redemption fund, reserve fund, revolving fund or any similar fund or account has been or will be created or established by the Issuer or will be established by any other person or entity with moneys or property derived from the Issuer or any related party from which the lease payments are reasonably expected to be paid, directly or indirectly.

5.3. The moneys on deposit in the Escrow Fund will be invested pending their disbursement at a yield higher than the yield on the Installment Sale Agreement.

5.4. For purposes of this Certificate, the “yield” is, and shall be, calculated in the manner set forth in the Code and in accordance with Treasury Regulation §1.148-4(b). Generally, the “yield” on a fixed yield issue means the discount rate which, when used in computing the present value of all unconditionally payable payments of principal, interest, and fees for a “qualified guarantee” (as defined in Treasury Regulation §1.148-4(f)), and amounts reasonably expected to be paid as fees for qualified guarantees, produces an amount equal to the present value, using the same discount rate, of the aggregate issue price of such obligation as of the issue date. In the case of the Installment Sale Agreement, the “issue price” of the Installment Sale Agreement is defined in the same manner as such term is defined under Section 1273 and 1274 of the Code.

6. Pledged and Replacement Funds.

6.1. No “investment property” (as defined in Section 148(b)(2) of the Code), or any other obligation (other than an obligation described in Section 103(a) of the Code or Section 103(a) of the Internal Revenue Code of 1954, as amended, in each case, which is not a “specified private activity bond” within the meaning of Section 57(a)(5)(C) of the Code), is expected to be or will be pledged, directly or indirectly, as security for the payment of principal of the Principal Payments or Interest Payments.

6.2. All of the funds advanced by the Bank (\$9,500,000) (including any investment proceeds) are being expended for the purpose of acquiring, constructing and installing the Property or paying costs of issuance, and no portion of the moneys is expected to be used to finance or be allocated to working capital expenditures or to create any working capital reserve, directly or indirectly.

6.3. The Installment Sale Agreement will not be outstanding longer than is reasonably necessary for the governmental purposes of the issue, as determined under Treasury Regulation § 1.148-10. The Installment Sale Agreement will not have a weighted average maturity that exceeds 120% of the reasonably expected economic life of the Property.

7. Composite Issues and Bank Qualification.

7.1. There are no other obligations heretofore issued or to be issued by or on behalf of any state, territory or possession of the United States, or any political subdivision of any of the foregoing, or of the District of Columbia, which:

(a) were sold less than 15 days prior to or after the date the Issuer accepted bids on the Installment Sale Agreement;

(b) are to be sold pursuant to the same plan of financing with the Installment Sale Agreement; and

(c) are reasonably expected to be paid from substantially the same source of funds as the Principal Payments or the Interest Payments, determined without regard to guarantees from unrelated parties.

7.2. The Issuer intends, and does hereby designate, the Installment Sale Agreement as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3)(B) of the Code. In connection therewith, the Issuer does hereby certify as follows:

(a) the reasonably anticipated amount of tax-exempt governmental or 501(c)(3) obligations which will be issued by the Issuer during calendar year 2016 will not exceed \$10,000,000;

(b) the Issuer has not previously designated for calendar year 2016 any bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code;

(c) the Issuer and all entities which issue obligations on behalf of the Issuer shall be treated as one Issuer, and no entity has been formed or availed of to avoid the \$10,000,000 limitation set forth in Section 265(b)(3) of the Code;

(d) the Installment Sale Agreement is not being issued as part of a direct or indirect composite issue within the meaning of Section 265(b)(3) of the Code; and

(e) no part of the Installment Sale Agreement is a “private activity bond” within the meaning of Section 141 of the Code.

For purposes of this Section 7.2, an issuer and all entities which issue bonds on behalf of such issuer are treated as one issuer.

8. Private Activity Bond Test.

8.1. No portion of the moneys advanced by the Bank or the Property is to be used, directly or indirectly, in a trade or business carried on by any person other than a governmental unit (other than use as a member of the general public) (a “private business use”), and no portion of the Principal Payments or the Interest Payments is, under the Installment Sale Agreement or pursuant to any underlying agreement, directly or indirectly (i) secured by any property used or to be used in a private business use or payments in respect of such property, or (ii) to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a private business use.

8.2. There is no management contract, cooperative research agreement, output contract or similar agreement with respect to the Property.

8.3. No portion of the money advanced by the Bank is being used (i) to finance or refinance any “output facility” (within the meaning of Section 141(b)(4) of the Code), (ii) to make or to finance loans to persons other than governmental units or (iii) directly or indirectly, for the acquisition by a governmental unit of nongovernmental output property (within the meaning of Section 141(d) of the Code).

9. Hedge Bonds.

9.1. As of the date hereof, the Issuer reasonably expects that (a) at least 85% of the “spendable proceeds” will be spent within three years from the date hereof, and (b) not more than 50% of the moneys advanced by the Bank will be invested in “nonpurpose investments” having a substantially guaranteed yield for four years or more.

9.2. The Installment Sale Agreement is being executed for the significant governmental purposes set forth in the Installment Sale Agreement and herein, and is not being executed to hedge against future increases in interest rates.

10. Rebate to the United States.

10.1. The Issuer hereby covenants and agrees that, at the end of each five period beginning on the date hereof, or on such other date as may be permitted by applicable temporary, proposed or final Treasury Regulations (each such date a “computation date”) it shall compute the Rebatable Arbitrage (as described in paragraph 10.2 of this Certificate) with respect to the Installment Sale Agreement and within 60 days thereafter make installment payments to the United States in an amount equal to 90% of the Rebatable arbitrage with respect to the Installment Sale Agreement. The final installment (the “Final Rebate”) shall be paid no later than the date 60 days after the final computation date, and shall be in an amount sufficient to pay all of the Rebatable Arbitrage as of the final computation date. If the Installment Sale Agreement is paid in full within three years of the date hereof, the final computation date need not occur before the end of eight months after the date hereof or during the period in which the Issuer reasonably expects that any of the spending exceptions under Treasury Regulation § 1.148-7 will apply to the Installment Sale Agreement.

10.2. The “Rebatable Arbitrage” with respect to the Installment Sale Agreement is an amount equal to the sum of:

(a) the excess of:

(i) the aggregate amount earned from the date hereof on all nonpurpose investments in which gross proceeds are invested (other than amounts attributable to the excess described in this clause) over

(ii) the amount that would have been earned if the yield on such nonpurpose investments had been equal to the yield (determined on the basis of the issue price) on the Installment Sale Agreement; plus

(b) any income attributable to the excess described in Section 10.2(a) above (whether or not such income exceeds the yield on the Installment Sale Agreement).

The amount of Rebatable Arbitrage shall be computed in accordance with Treasury Regulations §§ 1.148-0 to 1.148-11, as the same may be modified, amended or superseded from time to time with respect to the Installment Sale Agreement.

10.3. Generally, the Rebatable Arbitrage with respect to the Installment Sale Agreement as of any date of computation is the excess of (x) the future value of all nonpurpose receipts with respect to the Installment Sale Agreement; over (y) the future value of all nonpurpose payments with respect to the Installment Sale Agreement computed as required under Treasury Regulation § 1.148-3(c).

10.4. Each payment of the Rebatable Arbitrage required under the provisions of this Certificate shall be (a) filed with the Internal Revenue Service Center, Philadelphia, Pennsylvania 19255, and (b) accompanied by a copy of the IRS Form 8038-T to be filed with respect to the Rebatable Arbitrage which is being paid, except as may otherwise be provided by applicable Treasury Regulations.

10.5. Unless the Issuer shall receive an opinion of nationally recognized bond counsel experienced in matters relating to Section 148 of the Code to the effect that failure to pay any rebate under Section 148(f) of the Code will not adversely affect the exclusion of interest of the Installment Payments comprising interest from gross income for federal income tax purposes, the Issuer agrees that it shall file all reports and make all payments required to be made to the United States in accordance with Section 148(f) of the Code and Treasury Regulation §§ 1.148-0 to 1.148-11, or any successor temporary, proposed or final Treasury Regulations thereto.

11. Miscellaneous.

11.1. The Issuer has no present expectation or intention of selling or otherwise disposing of any portion of the Property or its interest therein prior to the expiration of the term of the Installment Sale Agreement.

11.2. The Installment Sale Agreement is not and will not be “federally guaranteed” within the meaning of Section 149(b) of the Code.

11.3. The Installment Sale Agreement is not being executed in connection with a transaction or a series of transactions that attempts to circumvent the provisions of Section 148 of the Code or the proposed, temporary or final Treasury Regulations applicable thereto (i) enabling the Issuer to exploit the difference between tax exempt and taxable interest rates to gain a material financial advantage and (ii) increasing the burden on the market for tax exempt obligations. The Installment Sale Agreement is not being executed sooner than is reasonably necessary.

11.4. The Issuer been notified of any listing or proposed listing of it by the Internal Revenue Service as an issuer that may not certify its bonds.

11.5. The Issuer shall retain all records relating to the Installment Sale Agreement needed to comply with Section 6001 of the Code. Without limiting the foregoing, the Issuer shall retain the following: (i) basic records relating to the transaction (including the Installment Sale Agreement, the opinion of bond counsel, etc.), (ii) documents evidencing expenditure of the proceeds, (iii) documentation evidencing the use of the financed property by public and private entities (e.g., copies of management contracts, leases and research agreements), (iv) documentation pertaining to any investment of proceeds (including the purchase and sale of securities, SLG subscriptions, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts and rebate calculations), (v) records sufficient to show that all Installment Sale Agreement-related returns submitted to the IRS are correct and (vi) records necessary to satisfy the safe harbor requirements relating to guaranteed investment contracts and yield restricted defeasance escrows. Such records shall be maintained as long as the Installment Sale Agreement is in effect, plus three years after the final payment or redemption date.

IN WITNESS WHEREOF, this Certificate has been executed on behalf of the Issuer by the undersigned this ____ day of August, 2016.

CITY OF DUNWOODY, GEORGIA

Approved:

(Seal)

D enis L. Shortal, M ayor

ATTEST:

Approved as to Form and Content:

Sharon Lowery, C ity C lerk

Lenny Felgin, C ity A ttorney

Exhibit "A"

SOURCES AND USE OF FUNDS

Sources of Funds:

Money Advanced by Bank	<u>\$9,500,000.00</u>
Total Sources	<u>\$9,500,000.00</u>

Uses of Funds:

Cost of Project	
Cost of Issuance	
Total Uses	<u>\$9,500,000.00</u>