



SANDY SPRINGS

GEORGIA

SANDY SPRINGS DEVELOPMENT AUTHORITY

William "Chip" Collins, Chair

Andy Bauman, Vice Chair

Toshia Battle

Hardy Dorsey

Joe Houseman

Sunny Park

Ed Ukaonu

Wednesday, August 26, 2026

Special Called Meeting

4:00 PM

The Sandy Springs Development Authority Meeting will be held in the Barfield Conference Room, 2nd Floor, at Sandy Springs City Hall (1 Galambos Way, Sandy Springs, GA 30328).

Live-stream: <https://sandyspringsga.portal.civicclerk.com/>

- I. Call to Order
- II. Roll Call
- III. Approval of Meeting Agenda
- IV. Approval of Meeting Minutes

DA2026-01 July 29, 2025 Development Authority Meeting Minutes

- V. New Business

DA2026-02 Introduction of New Staff Member

DA2026-03 Election of 2026 Development Authority Officers
The Chairperson and Vice Chairperson shall be elected at the annual meeting of the Authority from among the directors of the Authority, and shall hold office for one year or until their successors are elected and qualified.

DA2026-04 Review Development Authority Mission Statement and Guidelines
The primary mission of the Sandy Springs Development Authority is to support City-sponsored projects, redevelopment initiatives, economic development goals, educational institutions, and other nonprofit organizations within the City. The Authority accomplishes this by providing taxable and tax-exempt bond financing opportunities and other incentives pursuant to the Georgia Development Authorities Law.

Individuals with disabilities who require certain accommodations in order to allow them to observe and/or participate in a public meeting, or who have questions regarding the accessibility of the meeting or facilities should contact the City Clerk at 770-730-5600 promptly for assistance. The City will make reasonable accommodations for those persons.

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DA2026-05 A Review of a Tax Abatement Proposal for Woodfield Development, Inc., through its entity, North River Apartments Owner, LLC, related to a New Mixed-use Residential/Retail Development and City Park to be constructed at 8830 Roswell Road, Sandy Springs, Ga. 30350.

VI. Other Business

DA2026-06 Open Discussion and Q & A

VII. Adjournment

Individuals with disabilities who require certain accommodations in order to allow them to observe and/or participate in a public meeting, or who have questions regarding the accessibility of the meeting or facilities should contact the City Clerk at 770-730-5600 promptly for assistance. The City will make reasonable accommodations for those persons.

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City of Sandy Springs Development Authority Meeting was held on Tuesday, July 29, 2025 at 8:00 a.m., Chair Chip Collins presiding.

I. Call to Order

Chair Chip Collins called the meeting to order at 8:11 a.m.

II. Roll Call

Members Present: Chair Chip Collins, Vice Chair Andy Bauman (attended by Zoom), Member Sunny Park, Member Toshia Battle, Member Ed Ukaonu, Member Joe Houseman

Members Absent: Member Hardy Dorsey

Staff Present: Dan Lee, City Attorney, Chris Burnett, Director of Economic Development, Madison Melton, Economic Development Specialist, Kristin Byars Smith, Assistant City Manager, Raquel González, City Clerk, Nathifa Cunningham, Assistant City Clerk

Guest Present: James (Jim) Woodward, Partner, Gray Pannell & Woodward LLP (attended by Zoom)

III. Approval of Meeting Agenda

Motion and vote. A motion was made by **Member Joe Houseman**, seconded by **Member Toshia Battle** to approve the meeting agenda. The motion carried by unanimous vote.

IV. Approval of Meeting Minutes

DA2025-10 June 5, 2025 Development Authority Annual Meeting Minutes

Motion and vote. A motion was made by **Member Toshia Battle**, seconded by **Member Joe Houseman**, to approve the June 5, 2025 Sandy Springs Development Authority Meeting Minutes with the correction of a typo of the site at 6150 Sandy Springs Circle from 80.1 acres to 8.1 acres. The motion carried by unanimous vote.

V. New Business

DA2025-11 Authorize Execution of Legal Documentation by and between 6150 Sandy Springs Owner, LLC (the Developer of the Hillcrest Mixed-Use Project at 6150 Sandy Springs Circle) and the Sandy Springs Development Authority Pertaining to the Construction of 111 Parking Spaces for the City of Sandy Springs Public Facilities Authority and the Issuance of a Property Tax Abatement Program Associated Therewith

Chris Burnett, Director of Economic Development, said the Authority's purpose today is to ratify approval of the tax abatement for this project. This relates to a new construction development project on the site of the Hitson Center and is on 8.1 acres currently owned by the Sandy Springs Methodist Church. It is under contract to sell to a joint venture relationship between Trammell Crow Company and Third & Urban. It will be a mixed-use development of approximately 386 total units. Of those, 356 are traditional stack floor apartments and 30 are traditional town homes. There will also be 18,000 square feet of retail and restaurant space. A rendering of this project is available.

On the date of closing, the Development Authority will fund \$383,484, of which \$165,615 goes back to the Authority for the tax abatement fee. About \$20,000 will be dispersed to cover all closing costs related to the overall transaction for the buyer, which is the City, and Trammell Crow who is selling the City easement rights to 111 parking spaces. Within thirty days of that, approximately \$3,600,000 will be moved into an escrow account with Truist Bank. Those funds will be held and dispersed on a percentage of completion basis as the parking lot is built. An independent third party or a member of the City's team will do site inspections and invoice reviews, and approve those prior to the disbursement of dollars. The goal is to make sure that money is being put into the project on a prorated basis and the contractor is not getting ahead on the draw request. There is a mechanism in the agreement for disputes, for example with an overstated invoice to make sure we get what was promised. Funds will probably be disbursed over a nine or twelve month period as the garage is being completed. It depends on subsurface conditions, for instance rock issues or any unforeseen construction issues during the project.

An additional \$900,000 will be set aside towards the goal of creating downtown safety for pedestrian slowing traffic, and beautifying streetscapes and landscaping. This will be determined through a traffic study. The total cost of investment for this is capped at \$4,877,333 which includes our purchase of 111 spaces in the parking garage and for road improvements, not just this project but for City Springs in general. We have a contingency reserve for cost overruns of 5% of the project. We are also paying Trammell Crow a fair nominal development fee of 3.5% to build the parking spaces for the City.

To be approved today is a ten-year tax abate for this project under typical Fulton County rules. In year one they will receive a 50% reduction in property taxes and that reduction will decrease by 5% each year, and by the end of the tenth year the property would be back to full taxable value. The estimated savings are approaching \$4,900,000 to \$5,000,000 based on estimates. The tax savings each year for Trammell Crow will be paid to the City and we will take their property tax payments and apply them against this project and recuperate the \$4,900,000 over the term of ten years. Any funds above \$4,877,333 will go to the benefit of Trammell Crow and their partners, but they will not receive until all of the \$4,877,333 has been paid to the City.

Chip Collins, Chair, asked **Director of Economic Development Burnett** for a reminder of the road improvements for the project.

Director of Economic Development Burnett said improvements are being considered on both Mount Vernon and Sandy Spring Circle. For example, Sandy Spring Circle in that section is currently only one lane coming northbound, but it is two lanes going southbound. Traffic southbound from Mount Vernon to Hammond comes down the hill at a high rate of speed. A traffic study will determine the most logical option to slow traffic there and we will work with Kimley-Horn, one of the City's traffic engineers and also the engineer for Trammell Crow with this project.

Also, there is a stretch of sidewalk on the north side of Mount Vernon, near the graves at Sandy Spring Methodist Church, that has not been completed for many years. We want to finish that part and have a full sidewalk from Holy Innocents far west side to City Hall. That initiative will be taken by the church working with Trammell Crow and will not be funded by the City. This is also part of the streetscape and road improvements.

Chair Collins asked since these are to be used by the City, what is the connectivity between the parking deck and City Springs?

Director of Economic Development Burnett said you will be able to come out of the parking garage and walk north to the corner of Sandy Spring Circle and Mount Vernon. You can either use the crosswalk at the church and cross at Sandy Spring Circle to walk to City Springs. You can also cross Sandy Spring Circle and if going to the Williams-Payne House then walk up and cross. Also being considered is a crosswalk at Sandy Springs Place near Heritage Green. This would be a place to have a HAWK intersection and pedestrians can exit on the southern end of the garage and walk across Sandy Springs Circle at Sandy Springs Place. This is beneficial if people come to a concert at Heritage on the Green or, for example going to open a restaurant or coffee shop at Williams-Payne House. If pedestrians are coming there, they could park in the City's parking garage, cross at Sandy Springs Place, come to a concert, go to the coffee house, walk their dogs in the park behind Heritage, or they can walk on up the hill and come across the City Springs. There are at least three different pedestrian points and we must slow traffic and improve safety to get people across the streets.

Sunny Park, Member, asked what is the relationship with Trammell Crow? Are the 111 parking spaces under this contract?

Director of Economic Development Burnett said the Public Facilities Authority (PFA) will acquire those spaces under an easement acquisition agreement, where we acquire the 111 spaces. The term of that agreement is fifty years. There is a buyout provision.

Member Park asked what is the amount of the buyout?

Director of Economic Development Burnett said about \$6,624,000. This does not include two times the investment of streetscape, but it is two times the investment in the parking spaces themselves. In the budget we are currently paying \$3,312,000 for 111 spaces, slightly under \$30,000 per space. Under the agreement they would pay us about \$60,000 if they buy us out. If they buy us out, it is because their development became popular and they need more spaces. At a minimum, they will own and control about 436 spaces both in the garage and surface parking. They are building the amount of spacing required to meet their need. These 111 spaces were added to the project later. There are currently 105 spaces at the church that the City uses, especially when parking is needed for big events. We will lose access once construction begins but we are replacing what we are losing and going from 105 spaces to 111. More downtown parking will still be needed in the years to come and may be embedded in City Springs 2.0 project.

Member Park asked is the City responsible for maintenance of the parking space which includes lighting, utilities and management of gate control?

Director of Economic Development Burnett said the City and Trammell Crow will work together to select a parking management company. This may be 12 Oaks Parking, which currently manages the City's parking or another firm. The cost of maintaining the parking garage will be prorated in the agreement. The City has 17.2% of the total spaces in the garage which is 111 spaces divided by 646 total spaces. The City will adjust

each year for operating expenses for the garage which includes insurance, utilities, maintenance issue restriping, and more. Also, the City will receive revenue generated by the 111 spaces. Revenue from parking operations will probably not be enough to pay expenses and only for bigger events when we are sold out. For example, if City Springs is having a theater event, their employees and staff are currently parking at the church. Once the new garage is built, we intend for them to park there and all our theater patrons can have plenty of room to park here in the garage.

Toshia Battle, Mayor, asked will they be charged to park here?

Director of Economic Development Burnett said information about whether we validate for Theater Company employees is not available.

City Attorney Lee said currently someone does not pay if parked there. It has not been addressed with the church because we do not have the new arrangement.

Andy Bauman, Vice Chair, said having them park at the church, frees up space in the deck that can be sold. This is value and we can attract more patrons there. The only thing that pays back is the \$3,300,000 investment in the parking spaces. Is the payment in lieu of taxes, not the revenue we get?

Director of Economic Development Burnett said the revenue collected will almost assuredly go against the expenses.

Vice Chair Bauman said the only thing that goes against the obligation to buy us out double are the payments in lieu of taxes. Is that right?

Director of Economic Development Burnett said the formula is based on the total amount of revenue and tax abatements collected. It is credited against the \$6,624,000.

Vice Chair Bauman asked can we credit the revenue against expenses before it is credited against the double?

Director of Economic Development Burnett said the agreement is not drawn up like that.

Vice Chair Bauman said assuming they have paid us out over the ten years. They are paying more but only the \$3,300,000 goes to the deck. Is that true? When they have paid us \$4,800,000 over the ten years, what is their buyout at that point?

Director of Economic Development Burnett said it will be \$6,624,000.

Vice Chair Bauman asked not reduced by the monies they have previously paid the City?

Director of Economic Development Burnett said the base level before deductions or credits is \$6,624,000 minus what they have paid in taxes to date, and minus parking revenue.

Vice Chair Bauman asked regarding the \$900,000 of enhancements, would any of those be obligations of this developer? Are things being done on their behalf or are these extra?

Kristin Byars Smith, Assistant City Manager, said anything that we pull here is outside of what they are required to do. They are currently working on their traffic study for this development which will tell us what improvements they are required to make as part of their development. Then we will better determine what improvements we will make with these additional funds.

Vice Chair Bauman said we are not taking on developer responsibility for their ledgers. Is that right?

Assistant City Manager Byars Smith said correct. We are not.

Joe Houseman, Member, asked from the last meeting, what is the status of the water tower and is that going to be affected?

Director of Economic Development Burnett said the City of Atlanta's water tower has been resolved. There was a lot of back and forth where Atlanta was trying to create a buffer zone where no structures were built. The City of Atlanta has no filed easements on the water tower and have no ability to restrict development of site because of the water tower.

City Attorney Lee said we found no rule that requires that, and Atlanta has never purchased such an easement.

Director of Economic Development Burnett said the tower will remain and will not impede.

Chair Collins asked is there a temporary arrangement to make up for the loss of parking while this is under construction?

Director of Economic Development Burnett said this plan to replace all 105 may not be formalized yet. Not sure if we will be taking down two of the buildings on Hilderbrand and how many cars can be handled between the two lots. Hopefully there will be about fifty or sixty vehicles.

City Attorney Lee said one important issue for this board in deciding whether to use the abatement or not is the impact on our taxing partners. This property currently pays no property tax. This abatement is truly an incentive to develop the property in a manner that is already zoned for this kind of development. At the end of the ten year abatement, it is bringing almost \$2,000,000 a year in revenue to the taxing authorities, most of which would go to the school board.

Regarding **Vice Chair Bauman's** comments, notwithstanding the fact that all the city entities that are involved in this were striking a deal today, probably with the development authority. The PFA will strike a deal on parking. When they start constructing, they will have to adhere to all the rules which will be applicable for development, improvements of the streetscape and more.

Member Park said this is new tax money that we have not seen, however, there is a trade with six hundred more cars that we could suffer from.

Director of Economic Development Burnett said we could plan for this.

City Attorney Lee said this property is already zoned for apartments notwithstanding the abatement. They could build these apartments tomorrow and have six hundred parking spaces. The abatement does not enhance that. It is an issue mayor and council considers daily.

Ed Ukaonu, Member, asked in the unlikely event that their cost overruns due to the unforeseen causes, do we have any additional exposure, or would it cap at \$4,800,000?

Director of Economic Development Burnett said in the agreement with Trammell Crow, our total financial investment exposure is capped at \$4,877,335. For example, if during the project we uncover bad soils or heavy rock that will cost another half a million dollars, \$900,000 is there in addition to a 5% reserve or \$115,000 set aside. We do not want to use that for these spaces, but it provides a cushion. Any cost overrun that resulted as part of garage construction would have to be shared on a 83% 17% basis. It is only because of our 111 spaces that these overruns occur and we will need arbitration if they try to put all the cost back on the City.

City Attorney Lee said that is between the PFA and Trammell Crow. The Development authority, if you choose to vote on this abatement, has no liability notwithstanding any kind of cost overrun.

Chair Collins said part of our statutory authority requires us to approve projects that positively affect jobs in Sandy Springs.

Director of Economic Development Burnett said for jobs in the near term, this may be in our application to the county.

Jim Woodward, Partner, Gray Pannell & Woodward LLP, said the only role the Development Authority has in this is providing the tax incentive to Trammell Crow. This is not the parking deck in particular, but their whole development there. They have a commercial residential development which also has this parking deck. On June 5, the Development Authority approved the bond resolution and all the tax incentive documents for that project, and for all the construction jobs created by the Trammell Crow project plus the commercial stores and more. The Development Authority is not a party to the parking agreement. The PFA is buying parking spots from Trammell Crow and they will be approving an agreement later today to buy those spots. Today, the Development Authority is approving this final memorandum of agreement between the Development Authority, Public Facilities authority and Trammell Crow, and every year during the tax incentive, Trammell Crow agrees to make a reimbursement payment for some of the costs of the parking deck.

Chair Collins asked are we only discussing the memorandum agreement?

Gray Pannell & Woodward LLP Partner Woodward said correct. The Development Authority is not a party to the purchase easement agreement and the acquisition agreement. The parking spaces and management of those spots or anything else is for your information. This is between the PFA/City and Trammell Crow. The Development Authority's role is providing the tax incentive and was approved on June 5.

Chair Collins asked have the underlying tax agreements already been approved?

Gray Pannell & Woodward LLP Partner Woodward said yes. It is the memorandum agreement among the Development Authority, Public Facilities Authority, and Trammell Crow. This is the agreement where Trammell Crow will make reimbursement payments over the term.

Chair Collins asked what is the Development Authority agreeing to in the memorandum agreement?

Gray Pannell & Woodward LLP Partner Woodward said you agree to receive payments every year from Trammell Crow entity which is equal to the amount of tax incentives they are receiving on the project until the \$4,000,000 amount is met.

Chair Collins asked where is the entire agreement?

Director of Economic Development Burnett said it is in the package.

Gray Pannell & Woodward LLP Partner Woodward continued with his presentation.

The first few pages of the agreement are reps and warranties and provides information on who the parties are and why they are allowed to be part of this agreement. Section two states why we entered into the agreement. Section three is the heart of it and everything after is notices and more. This section states that the company will receive a tax incentive every year equal to this. This is part of the tax incentive deal that you approved earlier and is ready to be signed. It states, of the savings received pursuant to the tax incentive starting the first year, they will repay us a certain amount until the \$4,877,333 has been met. The agreement requires Trammell Crow entity, over a term of years, to make payments to the PFA through the Development Authority, equal to that amount until met. Once the company pays that amount, this agreement goes away.

Member Battle asked should the amount of \$4,882, 847 listed in the agreement be edited to \$4,877,333?

Gray Pannell & Woodward LLP Partner Woodward said yes. That will be the amount reimbursed to us.

City Attorney Lee said this number is an estimated cost and may vary. We will use actual numbers for construction but will not exceed.

Gray Pannell & Woodward LLP Partner Woodward said the amount is what the PFA pays the company for the purchase price. The PFA is buying the parking spots and putting an escrow of their purchase price and if the cost of the spots go higher, based on construction costs, they owe a little bit more for the purchase price. It is an estimate of what it will cost but it could increase depending on construction.

Motion and vote. A motion was made by **Member Toshia Battle**, seconded by **Member Sunny Park**, to Authorize Execution of Legal Documentation by and between 6150 Sandy Springs Owner, LLC (the Developer of the Hillcrest Mixed-Use Project at 6150 Sandy Springs Circle) and the Sandy Springs Development Authority Pertaining to the Construction of 111 Parking Spaces for the City of Sandy Springs Public Facilities Authority and the Issuance of a Property Tax Abatement Program Associated Therewith.

Vice Chair Bauman said there were a lot of complications but this is a solid deal for the City. Looking at the economics, it was not mentioned that we are not being charged for any of the underlying land. We are paying for costs and a small development fee. The money being used to repay us is taxes we do not receive anyway right now, and the taxes paid are only fifteen cents on the dollar for the City. **City Attorney Lee**, **Gray Pannell & Woodward LLP Partner Woodward**, and **Director of Economic Development Burnett** - thank you for making the details come to life and seeing this through.

City Attorney Lee said there are two major law firms involved in this discussion and they have over complicated this matter. **Gray Pannell & Woodward LLP Partner Woodward** and his firm did a great job

of clarifying, simplifying, and coordinating the different City entities we have. Thank you for your hard work.

Chair Collins said we appreciate all your efforts. Sandy Springs United Methodist Church is one of the oldest entities in this area. They were some of the first pioneers on that spot of land, and they searched a long time for the right project to do on this south side of the property they have had for years. We appreciate the church and synagogue partners and schools. This is an example of how we all work together to make the City better.

VI. Other Business

Chair Chip Collins said for the next meeting on October 9, it is my suggestion that we have an afternoon meeting at 4:30 PM followed with a social somewhere on campus. This will be a time for us to discuss things we want to do and the Authority will have some funds to do so. Staff can also bring some ideas that further our mission as an Authority.

VII. Adjournment

Motion and vote. A motion was made by **Member Ed Ukaonu**, seconded by **Member Joe Houseman**, to adjourn the meeting. The motion carried unanimously.

The meeting adjourned at 9:05 a.m.

Date approved: August 26, 2026

William 'Chip' Collins, Chair

Raquel D. González, City Clerk



SANDY SPRINGS

CITY CLERK'S OFFICE

TO: Sandy Springs Development Authority Members

FROM:

DATE: August 12, 2026 Submission for the August 26, 2026 Meeting

ITEM: Introduction of New Staff Member

Recommendation:

Discussion:

Financial Impact:

Alternatives:

Attachments:

None



SANDY SPRINGS

CITY CLERK'S OFFICE

TO: Sandy Springs Development Authority Members

FROM:

DATE: August 21, 2026 Submission for the August 26, 2026 Meeting

ITEM: Election of 2026 Development Authority Officers
The Chairperson and Vice Chairperson shall be elected at the annual meeting of the Authority from among the directors of the Authority, and shall hold office for one year or until their successors are elected and qualified.

Recommendation:

Discussion:

Financial Impact:

Alternatives:

Attachments:

None



SANDY SPRINGS

CITY CLERK'S OFFICE

TO: Sandy Springs Development Authority Members

FROM:

DATE: August 21, 2026 Submission for the August 26, 2026 Meeting

ITEM: Review Development Authority Mission Statement and Guidelines
The primary mission of the Sandy Springs Development Authority is to support City-sponsored projects, redevelopment initiatives, economic development goals, educational institutions, and other nonprofit organizations within the City. The Authority accomplishes this by providing taxable and tax-exempt bond financing opportunities and other incentives pursuant to the Georgia Development Authorities Law.

Recommendation:

Discussion:

Financial Impact:

Alternatives:

Attachments:

None



SANDY SPRINGS

CITY CLERK'S OFFICE

TO: Sandy Springs Development Authority Members

FROM:

DATE: August 21, 2026 Submission for the August 26, 2026 Meeting

ITEM: A Review of a Tax Abatement Proposal for Woodfield Development, Inc., through its entity, North River Apartments Owner, LLC, related to a New Mixed-use Residential/Retail Development and City Park to be constructed at 8830 Roswell Road, Sandy Springs, Ga. 30350.

Recommendation:

Discussion:

Financial Impact:

Alternatives:

Attachments:

1. Bond Resolution - Sandy Springs DA (North River) w Exhibits 8.19.26
2. Dev Author PowerPoint for 8-26-26 meeting
3. MCC memo on incentives 8-18-26

BOND RESOLUTION

A RESOLUTION OF THE CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY AUTHORIZING, *INTER ALIA*, THE ISSUANCE OF THE CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY TAXABLE REVENUE BONDS (NORTH RIVER APARTMENTS OWNER, LLC PROJECT), SERIES 2026, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$110,000,000.

Adopted August 26, 2026

Exhibit A -	Indenture of Trust
Exhibit B -	Lease Agreement
Exhibit C -	Bond Purchase Agreement
Exhibit D -	Deed to Secure Debt, Assignment of Rents and Leases and Security Agreement
Exhibit E -	Guaranty Agreement
Exhibit F -	Memorandum of Understanding
Exhibit G -	Memorandum of Agreement Regarding Lease Structure and Valuation of Leasehold Interest
Exhibit H -	Home Office Payment Agreement

BOND RESOLUTION

WHEREAS, the City of Sandy Springs Development Authority, a development authority and public body corporate and politic (the “**Issuer**”) created and existing pursuant to the provisions of the Development Authorities Law of the State of Georgia (O.C.G.A. § 36-62-1, *et seq.*), as heretofore and hereafter amended (the “**Act**”); and

WHEREAS, the Issuer has been created to develop and promote for the public good and general welfare, trade, commerce, industry and employment opportunities in the City of Sandy Springs, Georgia (the “**City**”) and to promote the general welfare of the State of Georgia (the “**State**”); the Issuer is authorized by the Act to issue its revenue bonds to acquire land and acquire, construct and install buildings and related personal property, which revenue bonds are required to be validated pursuant to the provisions of the Revenue Bond Law (O.C.G.A. § 36-82-60, *et seq.*); and

WHEREAS, the Act further authorizes and empowers the Issuer: (i) to lease any such projects; (ii) to pledge, mortgage, convey, assign, hypothecate or otherwise encumber such projects and the revenues therefrom as security for the Issuer’s revenue bonds; and (iii) to do any and all acts and things necessary or convenient to accomplish the purpose and powers of the Issuer; and

WHEREAS, the Issuer, in furtherance of the public purpose for which it was created, proposes to issue its City of Sandy Springs Development Authority Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026, to be issued in a maximum aggregate principal amount of \$110,000,000 (the “**Bonds**”), the proceeds of which (whether derived directly or indirectly from the issuance of the Bonds) are to be used to finance, directly or indirectly, all or a portion of the costs of the acquisition of land and the acquisition, construction and installation of improvements and related building fixtures and building equipment (the “**Project**”), to be owned by the Issuer and leased by the Issuer to, and acquired, constructed and installed by or on behalf of, North River Apartments Owner, LLC, a Delaware limited liability company (the “**Company**”), for use as an economic development project under O.C.G.A. § 36-62-2(6)(N) consisting of a multi-family housing facility located in the City, pursuant to the terms of a Lease Agreement (the “**Lease**”) between the Issuer and the Company; the Project will promote economic development and job creation and facilitate a property tax incentive for the Company; and

WHEREAS, the Bonds are to be issued under the terms of an Indenture of Trust (the “**Indenture**”), to be entered into by and between the Issuer and Pinnacle Bank, a Tennessee state banking corporation authorized to accept and execute trusts of the character set out in the Indenture, as trustee (the “**Trustee**”); and

WHEREAS, the Bonds are to be secured by a Deed to Secure Debt, Assignment of Rents and Leases and Security Agreement (the “**Security Document**”), from the Issuer in favor of the Trustee; and

WHEREAS, the Bonds are to be secured by a Guaranty Agreement (the “**Guaranty Agreement**”), from the Company in favor of the Trustee; and

WHEREAS, the Issuer, the Company and the City propose to enter into a Memorandum of Understanding (the “**Memorandum of Understanding**”), to describe the incentives and other related items regarding the Project; and

WHEREAS, the Issuer, the Company and the Fulton County Board of Assessors (the “**Board**”) propose to enter into a Memorandum of Agreement Regarding Lease Structure and Valuation of Leasehold Interest (the “**Memorandum of Agreement**”), pursuant to which the Board will agree to utilize the *ad valorem* valuation methodology set forth in the Memorandum of Agreement; and

WHEREAS, under the terms of the Lease, the Issuer will receive specified rents and other payments from the Company, which shall be assigned and pledged by the Indenture and the Security Document, together with the Lease itself, all rental payments and other payments to be received pursuant to the Lease, and all amounts on deposit from time to time in the “**Bond Fund**” and the “**Project Fund**” (as such terms are defined in the Indenture) as security for the payment of the principal of, and the redemption premium (if any) and the interest on, the Bonds; and

WHEREAS, after careful study and investigation of the nature of the Project, the Issuer hereby finds and determines that the Project may be acquired, constructed and installed as a “project” as defined in O.C.G.A. § 36-62-2(6)(N); that the Project will develop and promote trade, commerce, industry and employment opportunities for the public good and the general welfare within the City and will promote the general welfare of the State; that the Project and the issuance of the Issuer’s revenue bonds to acquire, construct and install, directly or indirectly, the Project and the leasing thereof to the Company will be in the public interest of the inhabitants of the City and of the State and will be in furtherance of the public purposes for which the Issuer was created and is existing, as provided in the Act; and that the Project and the Bonds will be sound, feasible and reasonable; and

WHEREAS, the Issuer desires to elect to waive the requirements of O.C.G.A. § 36-82-100, requiring a performance audit or performance review to be conducted with respect to the Bonds, and in connection therewith, to include language, in bold face type, in the Notice to the Public regarding the validation hearing for the Bonds stating that no performance audit or review will be conducted; and

WHEREAS, the Issuer further finds and determines that (i) the adoption of this Bond Resolution and the subsequent issuance of the Bonds to acquire, construct and install, directly or indirectly, the Project does not constitute a “business loan” or confer any other “public benefit” within the meaning of O.C.G.A. § 50-36-1 and (ii) neither the Company nor any other participant in the transaction involving the Bonds or the Project and their respective counsel constitute an “applicant for public benefits” within the meaning of O.C.G.A. § 50-36-1 in connection with the issuance of the Bonds; therefore, such persons are not subject to Systematic Alien Verification of Entitlement pursuant to such code section in connection with the issuance of the Bonds; and

WHEREAS, the Issuer further finds and determines that the Project is not a public project and is therefore not subject to the Georgia Local Government Public Works Construction Law (O.C.G.A. § 36-91-1, *et seq.*); and

WHEREAS, the Issuer further finds and determines that the economic benefits that will inure to the City and its residents from the Project and the operation thereof and the payments to be made under the Lease thereof and the related purchase option in the Lease will be equal to or greater in value than the benefits to be derived by the Company that is the lessee thereof under the Lease and, therefore, the issuance of the Bonds to directly or indirectly acquire, construct and install the Project, and the leasing of the Project to the Company and the related purchase option granted to the Company in the Lease, and the execution and delivery of the Security Document involves no gratuity to the Company that is prohibited by the Constitution of the State of Georgia of 1983; and

WHEREAS, the proposed form of the following documents related to the Bonds are attached hereto as Exhibits:

- Exhibit A - the Indenture;
- Exhibit B - the Lease;
- Exhibit C - the Bond Purchase Agreement;
- Exhibit D - the Security Document;
- Exhibit E - the Guaranty Agreement;
- Exhibit F - the Memorandum of Understanding
- Exhibit G - the Memorandum of Agreement Regarding Lease Structure and Valuation of Leasehold Interest; and
- Exhibit H - the Home Office Payment Agreement.

Exhibits A through H of this Bond Resolution and any documents attached as exhibits or schedules to such Exhibits are collectively called the “**Bond Documents**”; this Bond Resolution, the Bond Documents, the security pledged by the Indenture and Security Document to the Bonds and any amounts payable under the Guaranty Agreement are collectively called the “**Bond Security**.” The above-referenced Bond Documents, including any exhibits thereto, are incorporated herein and made a part hereof by this reference. Those of the Bond Documents to which the Issuer is to be a party signatory are herein called the “**Issuer Documents**,” and those of the Bond Documents to which the Company is to be a party signatory are called the “**Company Documents**”; and

WHEREAS, this Bond Resolution has been duly adopted and all things necessary to make the Bonds, when validated, issued and delivered as provided in this Bond Resolution, the legal, valid, binding, and enforceable limited obligation of the Issuer according to the import thereof, and to create a valid pledge of the Trust Estate (as defined in the Indenture) for such Bonds, have been done and performed, and the execution and delivery of the Issuer Documents and the execution, issuance, and delivery of the Bonds, subject to the terms hereof, have in all respects been authorized.

NOW, THEREFORE, BE IT RESOLVED by the City of Sandy Springs Development Authority, as follows:

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

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

(a) the recitals preceding Section 1 (the “**Recitals**”) are part of this Bond Resolution and constitute findings on the part of the Issuer;

(b) the acquisition, construction and installation of the Project is a lawful and valid public purpose in that it will further the public purposes intended to be served by the Act;

(c) the specified rents and other payments to be received by the Issuer under the Lease will be fully sufficient to pay the principal of, and the redemption premium (if any) and the interest on, the Bonds as the same become due and to pay certain administrative expenses in connection with the Bonds;

(d) the Company is required to maintain the Project and to carry all proper insurance with respect thereto at the expense of the Company and also to pay the Trustee’s annual fee for serving as Trustee and paying agent for the Bonds;

(e) the Bonds will constitute only limited obligations of the Issuer and will be payable solely from the revenues to be assigned and pledged to the payment thereof and will not constitute a debt or a general obligation or a pledge of the faith and credit of the State or the City and will not directly, indirectly, or contingently obligate the State, the Issuer or the City to levy or to pledge any form of taxation whatsoever for the payment thereof; and

(f) the Project will be self-liquidating and the Issuer shall not operate the Project as a business other than as a lessor.

Section 3. Authorization of Acquisition, Construction and Installation of the Project. The acquisition, construction and installation of the Project as contemplated in the Lease is hereby authorized.

Section 4. Authorization of Bonds. For the purpose of paying directly or indirectly the costs, in whole or in part, of acquiring, constructing and installing the Project in order to promote economic development and to facilitate a property tax incentive for the Company, the issuance of up to \$110,000,000 in aggregate principal amount of revenue bonds of the Issuer, known as “City of Sandy Springs Development Authority Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026,” is hereby authorized (the Bond Caption may be updated to reflect the year of issuance and/or year of purchase by the Company). The Bonds shall have a final maturity on December 1, 2038 and may be made subject to scheduled amortization payments all as may be agreed to by the Company and the official of the Issuer who executes the Bonds, such agreement to be evidenced by the Bonds when executed. The Bonds shall be issued as registered

Bonds without coupons in various denominations, with such rights of exchangeability and transfer of registration, and shall be in the form and executed and authenticated in the manner provided in the Indenture. The term “Bonds” as used herein shall be deemed to mean and include the Bonds as initially issued and delivered and Bonds issued in exchange therefor or in exchange for Bonds previously issued.

Any Bonds hereafter issued in exchange for the Bonds initially issued and delivered pursuant to the Indenture shall be executed in accordance with the provisions of the Indenture, and such execution by the Chairman or Vice Chairman and attestation by the Secretary or Assistant Secretary of the Issuer, whether present or future, is hereby authorized. A certificate of validation shall be endorsed upon the Bonds hereafter issued, and the Clerk of the Superior Court of Fulton County, Georgia, is instructed to execute such certificate of validation upon the written request of the Trustee or the Issuer, specifying that such Bond is being issued in exchange or for transfer of registration for one of the Bonds issued and delivered to the initial purchaser thereof or one of the Bonds previously issued in exchange therefor. The Bonds shall bear interest at the rate of 6.5% per annum (computed on the basis of a 365/366-day year), as provided in the Indenture. The aggregate principal and interest payable on the Bonds in any year shall not exceed \$117,150,000.

Section 5. Authorization of Indenture and Designation of Trustee Thereunder. The Bonds shall be issued under the Indenture, which shall be substantially in the form attached hereto as Exhibit A, subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Issuer; the execution of the Indenture by the Chairman or Vice Chairman and attestation by the Secretary or Assistant Secretary of the Issuer (said execution and attestation being hereby authorized) shall be conclusive evidence of any such approval. Pinnacle Bank, a Georgia state banking corporation, which is authorized to accept and execute trusts of the character set out in the Indenture, is hereby designated to serve as Trustee under the Indenture, and as Paying Agent and Bond Registrar for the Bonds.

Section 6. Authorization of Lease. The Project shall be leased under the Lease by the Issuer to the Company. The Lease shall be in substantially the form of the Lease attached hereto as Exhibit B, subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Issuer; the execution of the Lease by the Chairman or Vice Chairman and attestation by the Secretary or Assistant Secretary of the Issuer (said execution and attestation being hereby authorized) shall be conclusive evidence of any such approval.

Section 7. Authorization of Bond Purchase Agreement. In connection with the decision by the Company to purchase the Bonds rather than seek to sell the Bonds to an underwriter or another third party, the Bonds shall be sold to the Company pursuant to the Bond Purchase Agreement, which shall be in substantially the form attached hereto as Exhibit C, subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Issuer; the execution of the Bond Purchase Agreement by the Chairman or Vice Chairman of the Issuer and attestation by the Secretary or Assistant Secretary of the Issuer (said execution and attestation being hereby authorized) shall be conclusive evidence of any such approval.

Section 8. Authorization of Security Document. The Bonds shall be secured by the Security Document encumbering, among other things, the Project, rents from the Project and amounts held by the Trustee for the Bonds under the Indenture. The execution, delivery and

performance of the Security Document are hereby authorized. The Security Document shall be in substantially the form attached hereto as Exhibit D, subject to such changes, insertions or omissions as may be desirable and as, after review by the Issuer's counsel, are approved by the Chairman or Vice Chairman of the Issuer; the execution of the Security Document by the Chairman or Vice Chairman and attestation by the Secretary or Assistant Secretary of the Issuer (said execution and attestation being hereby authorized) shall be conclusive evidence of any such approval.

Section 9. Acknowledgment of Guaranty Agreement. There is to be a Guaranty Agreement for the Bonds to be executed by the Company. The Guaranty Agreement shall be in substantially the form attached hereto as Exhibit E, subject to such changes, insertions or omissions as may be approved by the Company and by the Purchaser of the Bonds.

Section 10. Authorization of Memorandum of Understanding. The Memorandum of Understanding to be entered into by and among the Issuer, the Company and the City in connection with the issuance of the Bonds shall be in substantially the form attached hereto as Exhibit F, subject to such minor changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Issuer and the execution of the Memorandum of Understanding by the Chairman or Vice Chairman of the Issuer as hereby authorized shall be conclusive evidence of any such approval.

Section 11. Authorization of Memorandum of Agreement. The Memorandum of Agreement to be entered into by and among the Issuer, the Company and the Board in connection with the issuance of the Bonds shall be in substantially the form attached hereto as Exhibit G, subject to such minor changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Issuer and the execution of the Memorandum of Agreement by the Chairman or Vice Chairman of the Issuer as hereby authorized shall be conclusive evidence of any such approval.

Section 12. Authorization of Home Office Payment Agreement. The Home Office Payment Agreement will be entered into by and among the Trustee, the Issuer and the Company, providing for payment of moneys sufficient to provide for debt service on the Bonds directly to the Company, as purchaser of the Bonds. The Home Office Payment Agreement shall be in substantially the form of the Home Office Payment Agreement attached hereto as Exhibit H, subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Issuer; the execution of the Home Office Payment Agreement by the Chairman or Vice Chairman and attestation by the Secretary or Assistant Secretary of the Issuer (said execution and attestation being hereby authorized) shall be conclusive evidence of any such approval.

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

Section 14. No Personal Liability. No stipulation, obligation or agreement contained herein, in any Bond or in the Issuer Documents relating to the Bonds shall be deemed to be a stipulation, obligation or agreement of any officer, member, director, agent or employee of the Issuer in his individual capacity, and no such officer, member, director, agent or employee shall be personally liable on any of the Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

Section 15. General Authority. From and after the execution and delivery of the documents hereinabove authorized, the proper officers, members, directors, agents and employees of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the intent of this Bond Resolution and the provisions of said documents as executed, and are further authorized to take any and all further actions and execute and deliver any and all other documents (including, but not limited to, the Memorandum of Agreement with the Company and the Board, lender documents, and assignment documents) and certificates as may be necessary or desirable in connection with the issuance of the Bonds and the execution and delivery of Issuer Documents. From and after the date of adoption of this Bond Resolution, the proper officers, members, directors, agents and employees of the Issuer are hereby authorized to execute an intercreditor agreement or non-disturbance, subordination and attornment agreement with any Lender (as defined in the Indenture) that is providing funding for the Project, including any Superior Security Document (as defined in the Indenture), and documents necessary or convenient to the permanent financing to be provided by any Lender.

Section 16. Transcript of Proceedings. The Chairman or Vice Chairman and Secretary or Assistant Secretary of the Issuer are hereby authorized and directed to prepare and furnish to the purchaser or purchasers, when the Bonds are issued, certified copies of all the proceedings and records of the Issuer relating to the Bonds, and such other affidavits and certificates as may be required to show the facts relating to the legality and marketability of the Bonds as such facts appear from the books and records in the officers' custody and control or as otherwise known to them; and all such certified copies, certificates and affidavits, including any heretofore furnished, shall constitute representations of the Issuer as to the truth of all statements contained therein.

Section 17. Actions Approved and Confirmed. All acts and doings of the officers of the Issuer which are in conformity with the purposes and intents of this Bond Resolution and in the furtherance of the issuance of the Bonds and the execution, delivery and performance of the Issuer Documents shall be, and the same hereby are, in all respects approved and confirmed.

Section 18. Severability of Invalid Provisions. If any one or more of the agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof or of the Bonds authorized hereunder.

Section 19. Repealing Clause. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 20. Effective Date. This Bond Resolution shall take effect immediately upon its adoption.

Section 21. City of Sandy Springs and Fulton County Ordinances. It is the responsibility of the Company to ensure compliance with any applicable City of Sandy Springs and Fulton County ordinances.

Section 22. Waiver of Performance Audit and Performance Review. The Issuer hereby directs that the Notice to the Public in connection with the validation of the Bonds will contain language giving notice that the Issuer is waiving the performance audit and performance review requirements of O.C.G.A. § 36-82-100, and further, that no performance audit or performance review with respect to the Bonds will be conducted

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ADOPTED this 26th day of August, 2026.

**CITY OF SANDY SPRINGS DEVELOPMENT
AUTHORITY**

By: _____
Chair

ATTEST:

Secretary

[SEAL]

EXHIBIT A
FORM OF INDENTURE OF TRUST
(ATTACHED)

INDENTURE OF TRUST

between

CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY

and

**PINNACLE BANK,
as Trustee**

Dated for purposes of reference as of _____ 1, 2026

This instrument was prepared by:
Pope Flynn, LLC
336 Hill Street
Athens, Georgia 30601

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EXHIBIT A – Form of Bond

INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this “**Indenture**”), dated as of _____ 1, 2026, is made and entered into by and between the **CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY**, a development authority and public body corporate and politic created and existing under the laws of the State of Georgia (the “**Issuer**”), and **PINNACLE BANK**, a Tennessee state banking corporation, as trustee (the “**Trustee**”).

RECITALS

WHEREAS, the Issuer is a development authority and a public body corporate and politic created by the Development Authorities Law, O.C.G.A. § 36-62-1, *et seq.* (the “**Act**”), to develop and promote trade, commerce, industry and employment opportunities in the City of Sandy Springs, Georgia (the “**City**”); and

WHEREAS, the Issuer has agreed to acquire, construct, equip and install a capital project (the “**Project**”) which consists of the land (more fully described on Exhibit A attached to the Lease (defined below) and incorporated herein by reference) in the City, improvements thereto and building fixtures and building equipment thereat; and

WHEREAS, the costs of the Project will be approximately \$110,000,000, and the Project is to be acquired, constructed, equipped and installed by the Issuer directly or indirectly, in whole or in part, with proceeds of the City of Sandy Springs Development Authority Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026 (the “**Bonds**”); and

WHEREAS, (a) North River Apartments Owner, LLC (the “**Company**”) shall convey the Project as it then exists to the Issuer and receive one of the Issuer’s Bonds, and additional Bonds may thereafter be issued if and when moneys are required to pay or reimburse costs of completing the acquisition, construction, equipping and installation of the Project; (b) the maximum principal amount of all such Bonds that are to be issued hereunder shall be determined by the Company, but shall not exceed \$110,000,000 in aggregate (the “**Maximum Principal Amount**”); and (c) the Company shall lease the Project from the Issuer under a Lease Agreement (the “**Lease**”); and

WHEREAS, the Trustee recites that a condition of its acceptance of this Indenture was the receipt of a duly authorized, executed and delivered Guaranty Agreement, dated as of even date herewith, pursuant to which the Company absolutely and unconditionally guarantees the full and prompt payment of the principal of and interest on the Bonds in accordance with the provisions of this Indenture; and

WHEREAS, all things necessary to make each Bond, when authenticated by the Trustee and issued and delivered as provided in this Indenture, the valid, binding and legal obligations of the Issuer, according to the import thereof, and to create a valid assignment and pledge of the rental payments and other payments derived from the Lease to the payment of the principal of and interest on such Bond and a valid assignment of all the right, title and interest of the Issuer (except for the Unassigned Rights) in such Lease, have been done and performed, and the execution and delivery of this Indenture and the execution, issuance and delivery of a Bond, subject to the terms hereof, have in all respects been duly authorized.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS INDENTURE WITNESSETH:

That the Issuer, in consideration of the premises and of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the owners thereof, and of the sum of One Dollar (\$1.00), lawful money of the United States of America, to it duly paid by the Trustee, at or before the execution and delivery of these presents, and for other good and valuable considerations the receipt of which is hereby acknowledged, in order to secure the payment of the principal of and interest on the Bonds according to their tenor and effect and to ensure the performance and observance by the Issuer of all the covenants expressed or implied herein and in the Bonds has, effective on the issuance of the first of the Bonds provided for herein and until retirement of all of the Bonds, there shall be deemed to be held by the Trustee, and its successors in the trusts hereby created, and to them and their assigns forever, as security for the Bonds all of the Issuer's estate, right, title and interest in, to and under any and all of the following described property, rights and interest shall serve as the Trust Estate for such Bonds.

1.

ALL right, title and interest of the Issuer in the land (the "**Leased Land**") which is a part of the Project, as described in Exhibit A to the Lease; and

2.

ALL right, title and interest of the Issuer in the Leased Improvements (as defined in the Lease) on the Leased Land from time to time; and

3.

ALL right, title and interest of the Issuer in the Leased Equipment (as defined in the Lease) that is located on the Leased Land from time to time; and

4.

ALL right, title and interest of the Issuer in and to the Lease, except for the Unassigned Rights (as defined in the Lease), including any option exercise price paid under the Lease by Lessee to the Issuer upon the exercise of the Lessee's option to purchase the entire Project, as set forth in the Lease; and

5.

ALL right, title and interest of the Issuer in and to all other leases (other than the Lease), lettings and licenses of the Project or any part thereof now or hereafter entered into by the Issuer upon expiration or termination of the Lease, and all right, title and interest of the Issuer thereunder, and the rents, issues, profits, accounts receivable and revenues realized by the Issuer from such leasing or licensing of the Project, or any part thereof, from time to time accruing (including, without limitation, all payments under leases or tenancies, lessee security deposits and escrow funds) under such leases, lettings and licenses, and all the estate, right, title, interest, property, possession, claim and demand whatsoever at law, as well as in equity, of the Issuer, in and to the same and including, without limitation, the right to receive and collect the rents, issues and profits

payable thereunder, subject, however, to rights of the Issuer that are similar in nature to the “Unassigned Rights” (as defined in the Lease); and

6.

ALL right, title and interest of the Issuer in and to the rental payments (herein called “**Basic Rent**”) described in Section 5.3 of the Lease, the term “**Lessee**” as used herein includes a lessee under the Lease and any lessee under any other lease of all or any part of the Project; and

7.

ALL right, title and interest of the Issuer in and to amounts on deposit in the Bond Fund and Project Fund, created by this Indenture, and investments, if any, from time to time held for the credit of such Bond Fund and Project Fund and investment income earned on such investments, subject to the rights of the Issuer and the Lessee under the Lease to have amounts in the Project Fund applied as provided in the Lease; and

8.

ALL right, title and interest of the Issuer in and to all product warranties, product guarantees, business and building licenses and permits, architects’ and engineers’ plans, blueprints and drawings, and books and records relating to the Project; and

9.

ALL right, title and interest of the Issuer in and to Net Proceeds (as such term is defined in the Lease) of casualty insurance received on account of damage to or destruction of the Project or any portion thereof, Net Proceeds received on account of a taking of the Project, or any portion thereof, under power of eminent domain and Net Proceeds of any sale of the Project, or any portion thereof; and

10.

ALL right, title and interest of the Issuer in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Project hereafter acquired by, or released to the Issuer, or constructed, assembled or placed by the Issuer or by others for the Issuer’s benefit on the Leased Land and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further conveyance, assignment or other act by the Issuer, shall become subject to the encumbrance of this Indenture as fully and completely, and with the same effect, as though now owned by the Issuer and specifically described herein; and

11.

ALL of the products and proceeds of the foregoing and accounts receivable relating thereto, including without limitation, investments thereof, and investment income earned thereon (except amounts payable to or on behalf of the Issuer on account of its Unassigned Rights).

TO HAVE AND HOLD all the same with all privileges and appurtenances hereby given, granted, pledged, assigned, conveyed, mortgaged and transferred, or agreed or intended to be granted to the Trustee and its successors in said trusts and to them and their assigns forever;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit, security and protection of all owners of the Bonds to be issued under and secured by this Indenture, without preference, priority or distinction as to lien or otherwise of any Bond over any of the other Bonds except as herein expressly provided;

PROVIDED, HOWEVER, should the Issuer well and truly pay unto the Trustee the amounts required hereunder according to the tenor and effect thereof when the same shall become due and payable, and should the Issuer perform, comply with and abide by each and every one of the stipulations, agreements, conditions and covenants contained herein, in the Bonds and in the Bond Resolution, then (a) this Indenture shall be discharged and satisfied, and (b) the liens and security interests hereby created on the Trust Estate shall be released and terminated, otherwise this Indenture and the pledge hereof remain in full force and effect, subject to the provisions in the immediately preceding paragraph.

THIS INDENTURE FURTHER WITNESSETH and it is expressly declared that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all property hereby given, granted, pledged, assigned, conveyed or transferred is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer has agreed and covenanted and does hereby agree and covenant with the Trustee and with the respective owners, from time to time, of the Bonds or any part thereof, as follows, that is to say:

ARTICLE I

DEFINITIONS

Section 101. Definitions.

The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations herein (terms which are not defined in this Section shall have the meaning specified in Article I of the Lease except as herein otherwise expressly provided or unless the context requires otherwise):

“Act” means the Development Authorities Law, O.C.G.A. § 36-62-1, *et seq.*, as amended.

“Affiliate” means a Person which is controlled by another Person or its corporate successor, which controls such other Person or its successor, or which is under common control with such other Person or its successor (direct or indirect ownership of more than ten percent (10%) of the voting power constituting **“control”** of a Person for such purpose).

“Bond” or **“Bonds”** shall mean any or all of the Bonds, which shall not exceed \$110,000,000 in aggregate principal amount.

“Bond Fund” means the principal and interest payment fund for the Bonds created by Section 602 hereof, and within which, there shall be established a General Account and a Special Account. A Special Account may be established by the Trustee for bookkeeping purposes only and moneys designated as being held in the Special Account may be held in any segregated account designated by the Trustee for such purpose. Any reference herein to the words “Bond Fund” without further qualification shall constitute a reference to said General Account of the Bond Fund.

“Bond Purchase Agreement” means that contract between the Issuer and the Purchaser, in substantially the form as attached to the Bond Resolution as Exhibit C, that is executed in connection with the issuance of the Bonds, in accordance with the provisions thereof.

“Company” means initially North River Apartments Owner, LLC, a Delaware limited liability company, or its successors and assignees (to the extent permitted by Lease or approved by the Issuer).

“Counsel” means an attorney or firm thereof duly admitted to practice law before the highest court of any state in the United States of America or of the District of Columbia.

“Event of Default” or **“event of default”** means the events specified in Section 1101 hereof, subject to the terms of Sections 1111 and 1112 hereof.

“Extraordinary Services” and **“Extraordinary Expenses”** means all services rendered and all expenses incurred by the Trustee under this Indenture other than Ordinary Services and Ordinary Expenses.

“Financing Statements” means any and all financing statements (including continuation statements) filed for record from time to time with respect to the Trust Estate.

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

“Guaranty Agreement” means that contract between the Company and the Trustee, in substantially the form attached to the Bond Resolution as Exhibit E, that is executed in connection with the issuance of the Bonds, in accordance with the provisions thereof.

“Indenture” means this Indenture of Trust, as it may hereafter be amended, supplemented or restated from time to time as permitted hereby.

“Independent Counsel” means an attorney, or firm thereof, duly admitted to practice law before the highest court of any state in the United States of America or of the District of Columbia and not an employee of or regularly retained by either the Issuer or the Company.

“Interest Payment Date” means, as to each Bond, each December 1 following the issuance thereof, and each date on which interest or principal is due and payable on all or part of such Bond by reason of acceleration or redemption.

“Interest Period” means, as to any Bond, the period from its date of issuance to (but not including) its first Interest Payment Date, and thereafter, the period from and including any Interest Payment Date to and including the day immediately preceding the next following Interest Payment Date.

“Issuer” means the City of Sandy Springs Development Authority, a public body corporate and politic created and existing under the Act, and its lawful successors and assigns.

“Lease” means the Lease Agreement relating to the Project in substantially the form attached to the Bond Resolution as Exhibit B, that is executed in connection with the issuance of the Bonds, in accordance with the provisions thereof.

“Leasehold Interest” means the interest of the Company, as lessee under the Lease.

“Leasehold Mortgage” means a mortgage or deed to secure debt pledging the Leasehold Interest held by the Company to a Lender.

“Leasehold Mortgagee” means a holder of a Leasehold Mortgage.

“Lender” means any financial institution which has advanced credit to the Company with respect to the Project.

“Loan Documents” means the loan documents with respect to the Company’s Leasehold Mortgage or a Superior Security Document.

“Maximum Principal Amount” means \$110,000,000, being the maximum aggregate principal amount of Bonds that may be issued hereunder.

“Mortgage” means, as a noun, any Superior Security Document, Leasehold Mortgage or any other deed of trust, mortgage, deed to secure debt, security agreement or similar voluntary agreement creating a lien upon or security interest in or conveying title to the Project or any part thereof or any interest therein (including without limitation the Company’s Leasehold Interest) as security for a debt or other obligation. As a verb, **“Mortgage”** means to grant any such a deed of trust, mortgage, deed to secure debt, security agreement or similar voluntary agreement creating a lien upon or security interest in or conveying title to the Project or any part thereof or any interest therein (including without limitation the Company’s Leasehold Interest) as security for a debt or other obligation.

“Mortgagee” means the holder of a Mortgage.

“Ordinary Services” and **“Ordinary Expenses”** means those services normally rendered and those expenses normally incurred by a Trustee under instruments similar to this Indenture, including without limitation, fees and expenses of the Trustee as paying agent and bond registrar, and as custodian of the Project Fund and of the Bond Fund hereunder.

“Outstanding” or **“outstanding,”** when used with reference to the Bonds at any date as of which the amount of outstanding Bonds is to be determined, means all Bonds which have been authenticated and delivered to an owner by the Trustee under this Indenture, except:

- (i) Bonds canceled at or prior to such date;
- (ii) Bonds for the payment or prepayment of which sufficient moneys and/or Government Obligations meeting the terms and conditions specified in Section 1002 hereof shall have been theretofore transferred or deposited into the Bond Fund (whether upon or prior to the maturity or prepayment date of any such Bonds); provided that if such Bonds are to be prepaid prior to the maturity thereof, notice of such prepayment shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee;
- (iii) Bonds in lieu of which other Bonds have been authenticated under Section 206 hereof; and
- (iv) For purposes of any consent or other action to be taken by the owners of a specified percentage of outstanding Bonds, or unless the Company or an affiliate of the Company shall own at such time 100% of the outstanding Bonds (determined without reference to this subparagraph (iv)), Bonds held by the Company or an affiliate of the Company.

The terms **“owner”** and **“holder,”** when used with respect to any Bond or Bonds, means the registered owner of such Bond or Bonds.

“Person” means natural persons, firms, associations, corporations and public bodies and other legal entities.

“Principal Office of the Trustee” means the corporate trust office of the Trustee in Birmingham, Alabama, or the principal corporate trust office of any successor trustee designated pursuant to the provisions of a supplemental indenture.

“Project” shall have the meaning ascribed to such term in the Lease.

“Project Fund” means the Project Fund created pursuant to Section 701 herein.

“Purchaser” means initially North River Apartments Owner, LLC, as Purchaser under the Bond Purchase Agreement, and thereafter includes its successors and assigns.

“Quitclaim Deed and Bill of Sale” means a Quitclaim Deed and Bill of Sale executed by the Issuer with respect to the Project in connection with the conveyance of the Project. The form of the Quitclaim Deed and Bill of Sale shall be as is attached to the Lease as an Exhibit.

“Record Date” means the close of business on the 15th day (whether or not a business day) of the month immediately preceding the applicable Interest Payment Date.

“Security Document” means the instrument entitled “Deed to Secure Debt, Assignment of Rents and Leases and Security Agreement” in substantially the form attached to the Bond Resolution as Exhibit D, pledging the Project as security for the Bonds.

The term **“security interest”** or **“security interests”** shall refer to the security interests created herein and by the Security Document and shall have the meaning set forth in the Uniform Commercial Code of Georgia, as now or hereafter amended.

“State” means the State of Georgia.

“Superior Encumbrances” means all encumbrances and title exceptions on the Project in existence at the time of recording of the Security Document or any encumbrances created by any Superior Security Document on the Project, on the Lease or on the Trust Estate.

“Superior Security Document” means a deed to secure debt or similar instrument or instruments in which the Company or the Issuer or both pledges the Project, its interest in the Lease, or its interest in the Trust Estate to a Lender; the Issuer may be a grantor or debtor thereunder, but the Issuer’s obligations thereunder shall be non-recourse except that recourse may be had against the Issuer’s interest in the Trust Estate.

“Trustee” means the party so named and designated in the first paragraph of this Indenture and any Co-Trustee or successor trustee hereunder and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party.

“Trust Estate” means the interests pledged as security for the Bonds described in the granting clauses hereof and in the Security Document.

“Unassigned Rights” means the rights of the Issuer in and under the Lease to be reimbursed for fees and expenses, the right of the Issuer to be indemnified, the right of the Issuer to be insured as provided under Article VI of the Lease, the right of the Issuer to inspect the Project (whichever is then owned by the Issuer), and the rights of the Issuer to receive notices and to grant or withhold the granting of consents.

Section 102. Use of Phrases.

Unless the context clearly indicates to the contrary:

(a) **“Herein,” “hereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter”** and other equivalent words refer to this Indenture and not solely to the particular portion hereof in which any such word is used.

(b) Words importing the singular number shall include the plural number and vice versa, and any pronoun used herein shall be deemed to cover all genders.

(c) All references herein to particular Articles or Sections are references to Articles or Sections of this Indenture, unless otherwise indicated.

(d) Any certificate or statement required to be delivered under the provisions of this Indenture shall, in the absence of manifest error, be deemed to be conclusive evidence of the truth, correctness and accuracy of the matters covered in such certificate or statement.

ARTICLE II

TERMS, EXECUTION AND DELIVERY OF THE BONDS

Section 201. Issuance of Bonds.

Pursuant to and in conformity with the Bond Resolution, the Act and the Revenue Bond Law, the Bonds are authorized to be issued hereunder to pay, directly or indirectly, in whole or in part, the costs of the Project in order to promote economic development and job creation and to facilitate a property tax incentive for the Company, and to pay the costs incidental thereto. This Indenture constitutes a continuing agreement between the Trustee and the Owners from time to time of the Bonds to secure the full payment of the principal of, premium, if any, and interest on the Bonds subject to the covenants, provisions and conditions contained herein.

The Bonds shall be designated “City of Sandy Springs Development Authority Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026.”

The Bonds (i) shall be issued as one or more fully registered Bonds in the denominations of at least \$100,000 or as may otherwise be necessary to pay the costs of the Project, (ii) shall be dated in the manner set forth in Section 202 hereof, (iii) shall bear interest at the rate of 6.5% per annum (computed on the basis of a 365/366-day year) from the Interest Payment Date next preceding the date of authentication of such Bond to which interest has been paid or provided for, unless: (1) the date of authentication of such Bond is an Interest Payment Date to which interest has been paid or provided for, then from the date of authentication thereof, or (2) no interest has been paid on such Bond, in which case from the date of authentication and delivery of such Bond or (3) such authentication date shall be after any Record Date and before the next succeeding Interest Payment Date, in which case interest shall be paid from the next succeeding Interest Payment Date (interest due on any Bond on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the registration books kept by the Registrar on the Record Date), with the first interest payable on the December 1 succeeding its issuance date and annually thereafter on December 1 of each year until maturity or earlier date of prepayment, and shall mature on December 1, 2038. The Bonds shall be numbered from R-1, consecutively upwards in order of authentication according to the records of the Trustee.

Section 202. Dates and Places of Payment of Bonds.

Each Bond shall be dated the date of its issuance. The principal of and interest on each of the Bonds shall be payable in lawful money of the United States of America by check to the owner thereof delivered at the address of such owner as shown on the bond register (the “**Bond Register**”) maintained by the Trustee as the “**Registrar**,” unless there shall be in effect a home office payment agreement satisfactory to the Trustee, as provided in Section 209 hereof. Such payments shall be made to the person in whose name a Bond shall be registered on the Bond Register, with respect

to payment of principal, on the date such principal is due, and, with respect to the payment of interest, as of the applicable Record Date as shown on the Bond Register. Payment of the final installment of principal of each Bond to the owner thereof shall be made upon surrender of the Bond to the Trustee. The Registrar shall maintain a record of the amount and date of all payments or prepayment of the principal of and interest on the Bonds.

Section 203. Execution; Limited Obligation.

The Bonds shall be executed on behalf of the Issuer by the manual signature of its Chairman or Vice Chairman and the Issuer's seal shall be affixed thereto and attested by the manual signature of its Secretary or Assistant Secretary. If any officer of the Issuer who shall have signed or sealed any Bonds shall cease to be such officer before such Bond so signed and/or sealed has been authenticated and delivered by the Trustee, such Bond nevertheless may be authenticated and delivered as though the person who signed and/or sealed such Bond had not ceased to be such officer, and also any Bond may be signed and sealed on behalf of the Issuer by such persons as at the actual time of execution of such Bond shall be the proper officers of the Issuer, although at the date of such Bond such persons may not have been officers of the Issuer. The obligation of the Issuer to pay the Bonds and the interest thereon shall not be a general obligation of the Issuer, the City, or the State, but shall be a limited obligation which shall be payable from, and wholly secured by, a pledge of the Trust Estate securing the Bonds.

Section 204. Authentication.

Only such Bonds as shall have endorsed thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Trustee shall be entitled to any right or benefit under this Indenture. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. Said certificate of authentication on any Bond shall be deemed to have been executed by the Trustee if signed by an authorized signatory of the Trustee, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the Bonds issued hereunder.

Prior to the authentication and delivery by the Trustee of the first of the Bonds which it will be initially ordered to authenticate and deliver hereunder, there shall be filed with the Trustee:

1. A copy, duly certified by the Secretary or Assistant Secretary of the Issuer, of the resolution by the Issuer authorizing the issuance of the Bonds and the execution, delivery and performance of this Indenture, Lease, the Security Document and the Bond Purchase Agreement;
2. An original executed counterpart of this Indenture, the Lease, the Bond Purchase Agreement, the Security Document and the Guaranty;
3. Copies of Financing Statements to be filed to perfect the security interests created herein and in the Security Document to secure the Bonds;

4. An opinion addressed to the Trustee of a firm of nationally recognized bond attorneys satisfactory to the Trustee to the effect that (i) the issuance of the Bonds has been duly authorized and the terms thereof comply with the requirements of this Indenture and the Constitution and laws of the State of Georgia; (ii) upon the issuance of the Bonds in accordance with this Indenture, the Bonds shall be valid and binding obligations of the Issuer entitled to the benefits of and secured by this Indenture; and (iii) such other matters as may be reasonably required by the Issuer and the Trustee; and

5. An order to the Trustee on behalf of the Issuer and signed by its Chairman or Vice Chairman to authenticate and deliver a fully registered Bond of a specified denomination to the purchaser named in the Bond Purchase Agreement upon payment to the Trustee, but for the account of the Issuer, of a specified sum of money or in exchange for property of the Project having a value as specified by the Company equal to such specified denomination. The cash proceeds, if any, from the sale of any such Bond shall be deposited in the Project Fund as hereinafter provided in Article VII.

Prior to the authentication and delivery by the Trustee of any Bond subsequent to the authentication and delivery of the initial Bond which it shall have been initially ordered to authenticate and deliver hereunder as hereinabove provided, there shall be filed with the Trustee a designation in substantially the form of that which is attached to the Bond Purchase Agreement as Exhibit A thereto. Unless the Trustee shall be notified in writing to the contrary by the Chairman, Vice Chairman, Secretary or Assistant Secretary of the Issuer not less than ten business days prior to the Closing Date specified in said designation, the Trustee shall conclusively presume that said designation constitutes, and said designation will constitute, an order of the Issuer to authenticate and deliver to the purchaser named in the Bond Purchase Agreement a fully registered Bond of the designated denomination in accordance with the terms of such designation upon the payment to the Trustee, but for the account of the Issuer, of a specified sum of money or in exchange for property of the Project (or previous transfer by operation of law in the case of Leased Improvements constructed on the Leased Land) having a value as specified by the Company in such designation which is equal to such specified denomination. The cash proceeds, if any, from the sale of any such Bond shall likewise be deposited in the Project Fund for the Bonds, as hereinafter provided in Article VII. Immediately following the authentication and delivery of any such Bond by the Trustee pursuant to a designation described above, the Trustee shall notify the Issuer in writing of the accomplishment of said authentication and delivery.

Section 205. Form of Bonds.

The form of each of the Bonds and the form for transfer and the validation certificate to be printed thereon, and the Trustee's certificate to be endorsed on each of the Bonds shall be in substantially the form hereinafter set forth in Exhibit A hereto with such appropriate variations (including but not limited to, among other variations, the maximum principal amount of such Bond, its Bond number and the name of its registered owner), omissions, substitutions and insertions as are permitted or required by this Indenture and may have such letters, numbers or other marks of identification and such legends and endorsements placed thereon, as may be required to comply with any applicable laws or rules or regulations, or as may, consistently herewith, be determined by the officers executing such Bonds, as evidenced by their execution of the Bonds.

Section 206. Mutilated, Lost, Stolen or Destroyed Bonds.

If a Bond is mutilated, lost, stolen, or destroyed, the Issuer may execute and deliver a new Bond of the same series, maturity, interest rate, aggregate principal amount, and tenor in lieu of and in substitution for the Bond that has been mutilated, lost, stolen, or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Registrar, and in the case of any lost, stolen, or destroyed Bond, there shall be first furnished to the Registrar a certificate as to such loss, theft, or destruction, together with an agreement to provide indemnity to the Issuer, the Trustee and the Company satisfactory to them which shall protect them against any loss which may arise as a result of any claim for payment that may be made with respect to the Bond which was purported to have been lost, stolen or destroyed, including any legal fees, legal expenses and costs they may incur with respect to any such claim. If such Bond shall have matured or been called for redemption in whole, instead of issuing a replacement Bond, the Issuer may pay and retire the same if immediately available funds are on deposit in the Sinking Fund in the amount needed to retire such Bond. A replacement Bond may also be issued to replace the Bond to reflect any amendment in the terms of the Bond. As a condition of issuing a replacement Bond under this Section, the Issuer may make a charge for the replacement of the Bond sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such replacement and for reasonable fees and expenses of counsel to the Issuer in confirming that the replacement of the Bond is a permitted replacement hereunder, but no other charge shall be made to the owner in connection with such replacement, other than the indemnity provided for in this paragraph.

Section 207. Transfer of Bonds; Persons Treated as Owners.

The Issuer shall cause the Bond Register for the transfer of the Bonds to be kept by the Trustee as the Registrar. Upon surrender for transfer of any Bond at the Principal Office of the Trustee, the Issuer shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or fully registered Bonds in the same aggregate principal amount of any authorized denomination or denominations. Fully registered Bonds may be exchanged at the Principal Office of the Trustee for an equal aggregate principal amount of fully registered Bonds of any authorized denomination or denominations.

Section 208. Transfer or Replacement of the Bond.

(a) Neither the Bonds nor the obligations of the Company embedded in the Bonds have been, and are not expected to be, registered under the federal Securities Act of 1933, as amended, or under the securities laws of any state or other jurisdiction and may not be sold, assigned, pledged, hypothecated or otherwise transferred, nor may the extent of the registration of any bond be reduced, without opinion of counsel satisfactory to the Issuer, the Trustee and the Company, as lessee of the Project, to the effect that such transfer or change in the extent of registration will not violate applicable securities laws, and this Indenture has not been, and is not expected to be, qualified under the federal Trust Indenture Act of 1939, as amended. The Bonds are to be sold in a private placement, and all of the Bonds may be transferred in whole, but not in part, only in a single transaction to an approved assignee as described in Sections 9.1 and 9.2 of the Lease. In addition, prior to the earlier of (i) the date the Maximum Principal Amount of the Bonds has been issued

under the Bond Purchase Agreement relating to the Bonds, or (ii) the date the right to have any additional Bonds issued under that Bond Purchase Agreement has expired, or the date on which the Company (or an assignee of the Lease) waives in writing filed with the Issuer and the Trustee its right to have additional Bonds issued under such Bond Purchase Agreement, the Bonds may not be transferred unless (a) the Company has consented to such transfer, and (b) the transferee has agreed in writing to assume the Purchaser's obligations under that Bond Purchase Agreement, so that the transferee shall be obligated to purchase additional Bonds under that Bond Purchase Agreement pursuant to requests executed by the Company (or an assignee of the Lease) on behalf of the Issuer; in such case, the transferee shall thereafter be deemed to be the "Purchaser" under that Bond Purchase Agreement.

The transfer of Bonds, if such transfer is permitted hereby, shall be registered in the Register upon the surrender and presentation of such Bond at the principal office of the Registrar duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or the registered owner's attorney duly authorized in writing in such form as shall be satisfactory to such Registrar, together with (1) transfer instructions containing the name and address of the transferee, (2) the federal E.I.N. of the transferee, (3) evidence that the transferee is the Company or an approved assignee as described in Sections 9/1 and 9.2 of the Lease upon which the Registrar may conclusively rely (4) a written instrument executed by the transferee, in form and in substance reasonably satisfactory to the Registrar stating, that: (i) the transferee is acquiring the Bond as an investment for its own account and not with a view to distribution or resale; (ii) the transferee understands the limited source of payment and the limited security for the Bond and has conducted its own due diligence investigation as to the Bond and sources of payment of the Bond and interest thereon and in the conduct of such investigation, the transferee has not relied on any representations of the Issuer; (iii) the transferee understands the risks involved in investing in the Bond (or in accepting the Bond as collateral security if the transferee is a pledgee of the Bond) and has the financial ability to accept such risk; (iv) the transferee understands that neither the Issuer, the Company, nor any other Person are required, by the terms of the Bond, the Bond Resolution or this Indenture, to provide continuing disclosure with respect to the Bond under Securities and Exchange Commission Rule 15c2-12; (v) the subsequent transfer of the Bond by the transferee shall also be subject to the restrictions contained in this Section; and (vi) if additional bonds may then still be issued under the Bond Purchase Agreement, the transferee agrees to comply with the obligations of the Purchaser under the Bond Purchase Agreement. Upon any such registration of transfer, the Issuer shall deliver in exchange for the Bond so surrendered, a new Bond registered in the name of the transferee of the same series, maturity, terms, and tenor and bearing a bond number one integral number higher than the number of the most recently issued Bond. Upon the issuance of a new Bond certificate pursuant to the transfer or replacement of a Bond, the Issuer hereby directs the Registrar to enter on the Payments on Account of Principal schedule appearing at the end of such new Bond certificate, the date, type and amount of each payment of principal and interest under the surrendered Bond. The Issuer and the Registrar may make a charge for the registration of transfer of a Bond sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such transfer and for reasonable fees and expenses of counsel in connection with the opinion that the transfer of the Bond is a permitted transfer hereunder, but no other charge shall be made to the transferor or transferee for the privilege of registering the transfer of the Bond under this Indenture. If a Bond is surrendered for registration of transfer, the

Bond so surrendered shall be canceled and destroyed by the Registrar at the time the replacement Bond is registered in the name of the transferee.

Section 209. Home Office Payment Agreement.

Notwithstanding any provision of this Indenture or of any Bond to the contrary, the Issuer and the Trustee may enter into a home office payment agreement with the owner of any Bond in an original principal amount of at least \$100,000, providing for the making to such owner of all payments of principal and interest on such Bond or any part thereof (other than any payment of the entire unpaid principal amount thereof) at a place and in a manner other than as provided in this Indenture and in the Bonds without presentation or surrender of such Bond, upon such conditions as shall be satisfactory to the Trustee (including the payment by Company of rental payments under the Lease directly to the owners of the Bonds in satisfaction of the principal and interest on the Bonds). As the Company would be the payer of rent and the recipient of an equal amount of debt service, unless the Company notifies the Issuer and the Trustee in writing to the contrary, such payments shall be constructively made and may be conclusively be deemed to be made when due. The Trustee agrees to make or permit to be made payments of principal and interest on the Bonds in accordance with the provisions of such home office payment agreement. The Trustee shall not be liable to any such owner or to the Issuer for any act or omission to act on the part of the Issuer, any such owner or any agent of the Issuer, in connection with any such agreement, and the Trustee shall have no obligation in connection with any payment of principal or interest made in compliance with any such agreement and shall not be deemed to have notice of any default in the making of any such payment. Upon the transfer of any registered Bond being paid in accordance with the provisions of a home office payment agreement permitted by this Section 209, the owner of such registered Bond prior to the delivery of such Bond to the transferee, shall make a notation on such Bond of the date to which interest has been paid thereon and the amount of any prepayments made on account of the principal thereof, and the Trustee shall not be deemed to have notice of any such payment. Upon any assignment or transfer of the leasehold interest permitted under the Lease and the corresponding transfer of the Bonds, the Issuer and the Trustee agree to enter into a replacement agreement in form and substance substantially similar to this Section 209, for the benefit of any such permitted assignee as of the effective date of assignment.

ARTICLE III

PREPAYMENT OF BONDS

Section 301. Prepayment Dates and Prices.

The Bonds are subject to scheduled principal amortization prepayments as set forth in the following table:

Not more than a percentage, determined as follows, of the maximum principal amount of Bonds previously issued shall remain outstanding as of January 1 of the year indicated:

Before the first day of Year*:

1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%
11 and thereafter	0%

* "Year 1" is the first calendar year after the substantial completion of the Project.

The Bonds are also subject to prepayment prior to maturity by the Issuer at any time, in whole or in part, at the option of the Company, at 100% of the principal amount to be so prepaid plus accrued interest thereon to the prepayment date. If the Bonds are redeemed only in part the Bonds are redeemed pro rata among the owners of the Bonds.

Section 302. Notice of Prepayment.

At the written direction of the Company or upon termination of the Lease pursuant to Section 5.1 of the Lease, notice of the call for any total, in the case of Lease termination, or partial prepayment of the Bonds shall be given by the Trustee by mailing a copy of the prepayment notice by first class mail at least 30 days prior to the prepayment date to the registered owners of the Bonds to be redeemed and prepaid at the addresses of such owners shown on the Bond Register. Not later than the prepayment date, sufficient moneys shall be deposited by the Company in the Bond Fund to pay the Bonds or portions thereof called for prepayment and accrued interest thereon to the prepayment date. Any portion of any Bond thus called and provided for as hereinabove specified shall not bear interest after the prepayment date. The foregoing notices shall not be required in the case of scheduled principal amortization payments required by Section 301 hereof.

Section 303. Payment of Prepayment Price and Endorsement of Bonds.

Upon the date set for any prepayment, the Trustee, as paying agent, shall pay the prepayment price in lawful moneys of the United States of America by check to the owners of the Bonds so being prepaid at the addresses of such owners shown in the Bond Register. If a home office payment agreement is in effect the payments shall be made by the Company to the owner of any Bond to which such agreement relates. By acceptance of a Bond, the owner thereof agrees that upon a partial prepayment thereof it will endorse in the space provided on the schedule attached to such Bond, the amount and date of such partial prepayment and shall immediately forward a written confirmation of such prepayment and endorsement to the Trustee.

Section 304. Pro Rata Prepayment.

With respect to any partial prepayment of Bonds (including a scheduled prepayment pursuant to Section 301 hereof), the total principal amount of Bonds to be prepaid shall be prorated among the owners of the Bonds on the basis of the outstanding principal amount of the Bonds held by each owner as related to the Outstanding principal amount of all Bonds.

ARTICLE IV

RESERVED

ARTICLE V

GENERAL COVENANTS

Section 501. Payment of Principal and Interest.

The Issuer covenants that it will promptly pay the principal of and interest on the Bonds at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning hereof and thereof. The principal and interest are payable solely from rental payments and other payments received from the Company under the Lease (except for certain Unassigned Rights) arising out of or in connection with the Issuer's ownership of the Project. The Bonds and the interest thereon shall not be deemed to constitute a debt or a general obligation of the Issuer, the City, the State or any political subdivision thereof or municipality thereof and such Bonds do not directly, indirectly or contingently obligate the City, the State or any political subdivision thereof or municipality thereof to levy or to pledge any form of taxation whatsoever for the payment of the principal of or interest on such Bonds. The Issuer has no taxing power. The principal of and interest on such Bonds are payable solely from either (i) the Bond Fund and specifically from the Special Account established therein pursuant to Section 602 hereof or (ii) by the Company pursuant to a home office payment agreement as permitted by Section 209 hereof.

Section 502. Performance of Covenants; Issuer.

The Issuer covenants that it will faithfully perform at all times any and all covenants, agreements, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond, and in all proceedings of the Issuer pertaining thereto. The Issuer covenants that it is duly authorized under the laws of the State to issue the Bonds and to execute, deliver and perform this Indenture and to pledge the Lease and the rental payments and other payments received from the tenant thereunder (except for certain Unassigned Rights) arising out of or in connection with its ownership of the Project, in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the execution, delivery and performance of this Indenture has been duly and effectively taken, and that each of the Bonds, when issued, will be valid and enforceable limited obligations of the Issuer according to the import thereof.

Section 503. Ownership; Instruments of Further Assurance.

The Issuer covenants that, to the best of its knowledge, it lawfully owns and is lawfully possessed of the Project and that it has good and marketable fee simple title therein and thereto (subject, however, to Permitted Encumbrances) that it will defend (but only at the expense of the Company, except in the event of a default by the Issuer hereunder) its title in and to the Project and every part thereof to the Trustee, and its respective successors and assigns, for the benefit of the owners of the Bonds against the claims and demands of all persons whomsoever. The foregoing covenants are subject to the limitations described in Section 3.4 of the Lease. The Issuer covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Trustee may reasonably require for the better giving, granting, pledging, assigning, conveying, transferring, assuring and confirming unto the Trustee all and singular the rents, revenues and receipts pledged hereby to the payment of the principal of and interest on the Bonds. The Issuer covenants that it will not sell, convey, encumber or otherwise dispose of any part of the Project: (i) except for the Quitclaim Deed and Bill of Sale to be executed to convey the Project pursuant to any option contained in the Lease, (ii) except for the granting of easements, licenses, rights of way, other rights and privileges in the nature of easements with respect to the Project and other matters permitted by Section 8.5 of the Lease at the request of said Company, and (iii) except that the Project may be mortgaged, pledged or conveyed by deed to secure debt, to any Lender that has made a loan to the Company in order to provide financing or refinancing for the Project, provided that the holders of all of the Bonds consent thereto.

Section 504. Payment of Taxes, Charges, etc.

In the Lease, the Company has agreed to pay all lawful taxes, assessments and charges at any time levied or assessed upon or against the Project or any part thereof, which might impair or prejudice the lien of this Indenture; provided, however, that nothing contained in this Section 504 shall require the payment of any such taxes, assessments or charges if the same are not required to be paid under the provisions of the Lease.

Section 505. Maintenance and Repair.

Pursuant to the provisions of the Lease, the Company has agreed at its own expense to keep the Leased Improvements and the Leased Equipment and all other improvements and property forming a part of the Project in as reasonably safe condition as the operation thereof will permit, subject to its discretion, under the circumstances set forth in the said Lease.

Section 506. Recordation of the Lease, Financing Statements and Continuation Statements.

The Issuer covenants that it will cooperate with the Company in causing a short form of the Lease and any related security instruments and all Financing Statements and all amendments and supplements thereto and hereto to be recorded and filed in such manner and in such places as may be required by law in order to fully protect and preserve the interest of the owners of the Bonds in the rights, privileges and options of the Trustee hereunder and the Company (or other lessee of the Project) shall be required by the Lease to cause continuation statements with respect

to said Financing Statements to be kept recorded and filed in such manner and in such places as may be required by law in order to fully protect and preserve the interest of the owners of the Bonds as aforesaid.

Section 507. Inspection of Project Books.

The Issuer covenants that all books and documents in its possession relating to the rents, revenues and receipts derived from the Project shall at all times during normal business hours be open to inspection by such accountants or other agents as the Trustee may, from time to time, designate. The Company shall be given at least 48 hours prior written notice of any such inspection and the opportunity to have a representative present during such inspection.

Section 508. Quitclaim Deed and Bill of Sale.

The Trustee agrees that it will hold in escrow the Quitclaim Deed and Bill of Sale, executed by the Issuer, as Grantor, and will deliver the Quitclaim Deed and Bill of Sale to the Company, at the written direction of the Company after there has occurred a payment in full of the Bonds.

Section 509. Rights Under Lease.

Reference is hereby made to the Lease for a detailed statement of the obligations of the parties thereunder, and the Issuer agrees that the Trustee, in its own name or in the name of the Issuer, may enforce all rights of the Issuer thereunder (except for the Unassigned Rights) for and on behalf of the owners of the Bonds, whether or not the Issuer is in default hereunder.

ARTICLE VI

REVENUES AND FUNDS

Section 601. Source of Payment of Bonds.

The obligation of the Issuer to pay the principal of and interest on the Bonds is not a general obligation of the Issuer, but is a limited obligation payable solely from the rental payments and other payments received under the Lease and Guaranty Agreement arising out of or in connection with the Issuer's ownership of the Project and as authorized and provided herein.

Unless otherwise provided in a Home Office Payment Agreement, the rental payments provided for in Section 5.3 of the Lease are to be remitted directly to the Trustee for the account of the Issuer and are to be deposited in the Bond Fund. Said rental payments are sufficient in amount and become due in a timely manner so as to ensure the prompt payment of the principal of and interest on the Bonds to which they relate.

Section 602. Creation of the Bond Fund.

There is hereby created by the Issuer and ordered established with the Trustee a trust fund to be designated "City of Sandy Springs Development Authority Revenue Bond Fund – North River Apartments Owner, LLC Project, Series 2026" (the "**Bond Fund**"), which shall be used to

pay the principal of and interest on the Bonds unless otherwise provided in a Home Office Payment Agreement. The Trustee shall establish as trust accounts within the Bond Fund a General Account and a Special Account. The Special Account may be established by the Trustee for bookkeeping purposes only and moneys designated as being held in the Special Account may be held in any segregated account designated by the Trustee for such purpose. Any reference in this Indenture to the "Bond Fund" without further qualification or explanation shall constitute a reference to said General Account of the Bond Fund.

Section 603. Payments into the Bond Fund.

There shall be paid into the Bond Fund all accrued interest, if any, derived from the sale of any Bond. In addition, there shall be paid into the Bond Fund, as and when received, (a) all rental payments from the Project (except for any moneys paid directly to the owner of a fully registered Bond pursuant to the provisions of a home office payment agreement permitted pursuant to Section 209 hereof), (b) all moneys required to be so deposited from the Project Fund, as provided in the Lease, and (c) all other moneys received by the Trustee under and pursuant to any of the provisions of the Lease, the Guaranty Agreement, or this Indenture which are required or which are accompanied by directions that such moneys are to be paid into the Bond Fund.

The Issuer covenants that, so long as any of the Bonds are outstanding, and unless otherwise provided in a Home Office Payment Agreement, it will pay, or cause to be paid, into the Bond Fund from the sources of payment described in Section 601 hereof sufficient moneys to promptly pay the principal of and interest on the Bonds as the same become due and payable. Nothing herein shall be construed as requiring the Issuer to operate the Project or to use any funds from any source to pay the principal of and interest on the Bonds or to pay the costs of maintaining and insuring the Project other than rents, revenues and receipts arising out of or in connection with its ownership of the Project.

Section 604. Use of Moneys in the Bond Fund.

(a) Except as provided in Section 609 hereof, moneys in the Bond Fund shall be used solely for the payment of the principal of and interest on the Bonds. No part of the rental payments under the Lease required to be paid into the Bond Fund (excluding prepayments under Section 9.5 of the Lease) shall be used to prepay, prior to maturity, a portion of any Bond; provided, that whenever the moneys held in the Bond Fund (in the General Account and in the Special Account) from any source whatsoever are sufficient to prepay all of the Bonds and to pay interest to accrue thereon prior to such prepayment, the Issuer agrees to take and cause to be taken the necessary steps to prepay all of the Bonds from the sources herein provided on the next succeeding prepayment date for which the required prepayment notice can be given; and, provided further, that any moneys in the Bond Fund other than rental payments may be used to prepay a portion of the Bonds so long as the Company is not in default with respect to any rental payments under the Lease.

(b) At the maturity date or prepayment date prior to maturity of each Bond, the Trustee shall transfer from the General Account in the Bond Fund to the Special Account in the Bond Fund sufficient moneys to pay all principal of and interest (if any) then due and payable with respect to each such Bond. Moneys so transferred into said Special

Account shall not thereafter be invested in any manner but shall be held by the Trustee without liability on the part of the Trustee or the Issuer for interest thereon until actually paid out for the purposes intended.

The Issuer hereby authorizes and directs the Trustee to withdraw, from time to time, sufficient moneys from the Special Account in the Bond Fund to pay the principal of and interest on the Bonds as the same become due and payable, which authorization and direction the Trustee hereby accepts.

Section 605. Custody of the Bond Fund.

The Bond Fund shall be held by the Trustee as a trust fund for the benefit of the owners of the Bonds. The General Account and the Special Account established in the Bond Fund shall also constitute trust accounts securing the Bonds.

Section 606. Non-presentment of Bonds at Maturity.

If any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or at the prepayment date, provided moneys sufficient to pay such Bond shall have been made available to the Trustee and are held in the Special Account in the Bond Fund for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys in said Special Account, without liability for interest thereon, for the benefit of the owner of such Bond, who shall thereafter be restricted exclusively to moneys held in said Special Account of the Bond Fund, for any claim of whatever nature on his part under this Indenture or on, or with respect to, such Bond. This Section 606 is subject to the provisions of Section 609 hereof.

Section 607. Trustee's Fees, Charges and Expenses.

Pursuant to the terms of the Lease the Company has agreed to pay directly to the Trustee: (i) an amount equal to the annual fee of the Trustee for its Ordinary Services rendered as Trustee, paying agent and Registrar and its Ordinary Expenses incurred under this Indenture, (ii) the reasonable and actual fees and expenses of Trustee's Counsel, as and when the same become due, and (iii) the reasonable fees and charges of the Trustee for Extraordinary Expenses incurred by it under this Indenture, as and when the same become due. The Company shall not be deemed to be in default under any Lease so long as it is contesting in good faith the necessity for any such Extraordinary Services and Extraordinary Expenses and the reasonableness of any such Extraordinary Services and Extraordinary Expense.

Section 608. Moneys to be Held in Trust.

All moneys paid over to the Trustee for the account of the Bond Fund under any provision of this Indenture shall be held in trust by the Trustee for the benefit of the owners of the Bonds entitled to be paid therefrom. This Section 608 is subject to the provisions of Section 609 hereof.

Section 609. Repayment to the Company from the Bond Fund.

(a) Any moneys remaining in the General Account in the Bond Fund after payment in full of all of the Bonds (taking into consideration that sufficient moneys or obligations such as are described in Section 1002 hereof have been transferred to and/or deposited in the Special Account in the Bond Fund to pay all principal of and interest then due and payable with respect to each Bond not yet presented for payment and to pay all principal and interest relating to each Bond which is not yet due and payable but with respect to which the lien of this Indenture has been defeased upon compliance with Article X hereof), the fees, charges and expenses of the Trustee, of the paying agent and the Registrar which have accrued and which will accrue and all other items required to be paid hereunder (other than items payable from the Special Account in the Bond Fund) shall be paid to the Company upon the expiration or sooner termination of the term of the Lease.

(b) Any moneys held by the Trustee in the Special Account in the Bond Fund for the payment of the principal of or interest on any Bond remaining unclaimed for two years after such principal or interest has become due and payable shall be paid to the Company and the owner of such Bond shall thereafter, as an unsecured general creditor of the Company, look only to the Company for the payment thereof and all liability of the Issuer and the Trustee with respect to such trust money shall thereupon cease.

ARTICLE VII

CUSTODY AND APPLICATION OF PROCEEDS OF BONDS

Section 701. Project Fund; Disbursements.

There is hereby created by the Issuer and ordered established with the Trustee a trust fund to be designated “City of Sandy Springs Development Authority Revenue Bonds Project Fund – North River Apartments Owner, LLC Project, Series 2026” (the “**Project Fund**”). Except for any accrued interest that may be received on the sale of any of the Bonds and be deposited in the Bond Fund for the Bonds, any cash proceeds derived from the sale of the Bonds and moneys received from the Company pursuant to Section 4.2 of the Lease shall be paid into the Project Fund. Moneys in the Project Fund shall be disbursed in accordance with the provisions of the Lease, and particularly Section 4.3 thereof.

The Issuer agrees promptly to take all necessary and appropriate action in approving and ordering all such disbursements. The Trustee is hereby authorized and directed to issue its checks for each disbursement required by the aforesaid provisions of the Lease and the Trustee shall be relieved of all liability with respect to making disbursements in accordance with the provisions of the Lease.

The Trustee shall maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and shall file a monthly statement with respect thereto with the Company and, upon the Issuer’s request, with the Issuer.

Section 702. Completion of Project.

The completion of the acquisition, construction and installation of the Project and the payment of all costs and expenses incident thereto shall be evidenced by the filing with the Trustee of the certificate of the Company executed on behalf of the Company by an Authorized Company Representative required by Section 4.5 of the Lease, which certificate shall state that all costs and expenses in connection with the Project and payable out of the Project Fund have been paid, except for costs and expenses not then due and payable with respect to which funds are being retained in the Project Fund with the approval of the Company for the payment of the same. As soon as practicable, and in any event not later than 60 days from the date of such certificate, any moneys remaining in the Project Fund (other than moneys retained to pay costs and expenses not then due and payable) shall, without further authorization (but subject to the fulfillment of the conditions specified in Section 4.3(j) of the Lease, relating to the transfer of moneys from such Project Fund to the Bond Fund), be deposited by the Trustee into the Bond Fund with written advice to the Issuer and the Company of such action unless the Company shall have arranged for the purchase of Bonds in the open market and shall have directed the Trustee to settle the purchase of such Bonds for the purpose of cancellation in accordance with Section 4.3(j) of the Lease.

ARTICLE VIII

INVESTMENTS

Section 801. Project Fund Investments.

Moneys held in the Project Fund or in any other trust fund or account held by the Trustee hereunder (except the Bond Fund or an account in the Bond Fund) shall be invested and reinvested by the Trustee at the written direction of an Authorized Company Representative, in accordance with the treatment prescribed for Project Fund moneys in Section 4.8 of the Lease or similar provision of the Lease. Such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Project Fund or other pertinent trust fund and the interest accruing thereon and any profit resulting therefrom shall be credited to the Project Fund or other pertinent trust fund and any loss resulting therefrom shall be charged to the Project Fund or other pertinent trust fund. The Trustee is directed to sell and convert to cash a sufficient amount of such investments whenever the cash held in the Project Fund is insufficient to pay a requisition when presented or to otherwise make a timely disbursement required to be made therefrom.

Section 802. Bond Fund Investments.

Moneys held in the Bond Fund (other than moneys held in the Special Account in the Bond Fund referred to in Section 604(b) hereof) shall be invested and reinvested by the Trustee at the written request and direction of the Authorized Company Representative, in accordance with the treatment prescribed for Project Fund moneys in Section 4.8(i)-(iv) of the Lease or similar provisions of the Lease. Such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the Bond Fund and the interest accruing thereon and any profit resulting therefrom shall be credited to the Bond Fund and any loss resulting therefrom shall be charged to the Bond Fund. The Trustee is directed to sell and convert to cash a sufficient amount

of such investments in the Bond Fund whenever the cash held in the Bond Fund is insufficient to provide for the payment of the principal of (whether at the maturity date or prepayment date prior to maturity) and interest on the Bonds as the same become due and payable.

Unless otherwise confirmed in writing, an account statement delivered by the Trustee to the Company shall be deemed written confirmation by the Company that the investment transactions identified therein accurately reflect the investment directions given to the Trustee by the Company, unless the Company notifies the Trustee in writing to the contrary within 30 days of the date of receipt of such statement.

ARTICLE IX

POSSESSION, USE AND PARTIAL RELEASE OF PROJECT

Section 901. Subordination to Rights of the Company.

So long as the Company is not in default under the Lease, this Indenture and the rights, options and privileges hereunder of the Trustee and the owners of the Bonds are specifically made subject and subordinate to the rights, options, obligations and privileges of the Company set forth in the Lease; provided, however, that the right and obligations of the Company in Article XII of the Lease may be exercised whether or not the Company is in default under the Lease. So long as not otherwise provided in this Indenture, the Company shall be suffered and permitted to possess, use and enjoy the Project and its appurtenances so as to carry out its obligations under the Lease.

Section 902. Release of Certain Land.

In the event the Company provides notice to the Issuer that it is exercising its right to withdraw any portion of the Project from the Lease, in accordance with Section 11.3 of the Lease and upon compliance with the terms and conditions of the Lease and this Section 902, and subject to the terms of any Superior Security Document while outstanding, the Trustee shall release from this Indenture and the Security Document said portion of the Project together with all rights to and liens on the revenues and receipts derived from such released property upon compliance with the provisions of the Lease. The consideration for any such release is the Company's agreement to make the scheduled principal amortization prepayments set forth in Section 301 above. The Company shall cause to be prepared for the Issuer and the Trustee to execute, and the Company shall record or cause to be properly recorded and filed, any and all instruments elsewhere specified and that may otherwise be necessary to effectuate a conveyance of the portion of the Project so released and to terminate any security interest or other lien with respect thereto and, on the written request of an Authorized Company Representative, the Trustee and the Issuer shall execute such of said documents as shall be reasonably required to effectuate a conveyance of the portion of the Project so released and to terminate any security interest, security title or other lien with respect thereto.

Section 903. Release of Leased Equipment.

To the extent the Company has reserved the right to withdraw certain items of Leased Equipment (as defined in the Lease) from the Lease upon compliance with the terms and conditions

of the Lease, the Trustee shall, at the request of the Issuer or the Company, confirm that all rights to and liens on the rents, revenues and receipts derived from such withdrawn items under this Indenture shall be relinquished upon compliance with the provisions of the Lease. The Company shall cause to be prepared for the Issuer and the Trustee to execute and (if necessary) the Company shall record or cause to be properly recorded and filed any and all instruments reasonably required to effectuate a conveyance of the items of the Leased Equipment so released and to terminate any security interest or other lien with respect thereto and, on the written request of an Authorized Company Representative, the Trustee and the Issuer shall execute such documents as shall be reasonably required to effectuate a conveyance of the items of Leased Equipment so released and to terminate any security interest or other lien with respect thereto.

Section 904. Granting or Release of Easements.

To the extent the Company has reserved, in the Lease, the right to grant or release easements, licenses, rights of way and other rights and privileges in the nature of easements with respect to the Project and take other action permitted by Section 8.5 of the Lease upon compliance with the terms and conditions of the Lease, subject to the terms of any Superior Security Document while outstanding, the Trustee shall confirm in writing any action so taken by the Company upon compliance with the applicable provisions of the Lease.

ARTICLE X

DISCHARGE OF LIEN

Section 1001. Discharge of Lien.

If the Issuer shall pay or cause to be paid the principal of and interest on all of the Bonds at the times and in the manner stipulated therein and herein, and if the Issuer shall keep, perform and observe all and singular the covenants and agreements in the Bonds and in this Indenture (with respect thereto) expressed as to be kept, performed and observed by it or on its part, then the lien of this Indenture, these presents and the Trust Estate shall cease, determine and be void, and thereupon the Trustee shall cancel and discharge this Indenture, and execute and deliver to the Issuer such instruments in writing as shall be required to cancel and discharge this Indenture and re-convey to the Issuer the Trust Estate and assign and deliver to the Issuer so much of that Trust Estate as may be in its possession or subject to its control, except for moneys and Government Obligations held in the Bond Fund for the purpose of paying any Bonds which have not yet been presented for payment and moneys and obligations in the Bond Fund required to be paid to the Company pursuant to Section 609 hereof. At the written direction of the Company and upon payment in full of all of the Bonds, the Trustee shall deliver the Quitclaim Deed and Bill of Sale to the Company pursuant to Section 11.4 of the Lease or pursuant to a similar provision of the Lease.

Section 1002. Provision for Payment of Bonds.

The Bonds shall be deemed to have been paid within the meaning of Section 1001 hereof if:

(a) the return to the Trustee of all the Bonds outstanding marked “Paid in Full” by the owners thereof (or by duly appointed attorney-in-fact of such owners), or there shall have been irrevocably deposited in the Bond Fund either (i) sufficient moneys, or (ii) Government Obligations of such maturities and interest payment dates and bearing such interest, as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon (said earnings to be held in trust also), be sufficient, together with any moneys referred to in (i) above, for the payment at their respective maturities or prepayment dates prior to maturity, of the principal thereof, together with the interest accrued and to accrue to such maturity or prepayment dates, as the case may be;

(b) there shall have been paid to the Trustee all Trustee’s fees and expenses (including its fees and expenses in connection with its duties as paying agent and bond registrar) due or to become due in connection with the payment or prepayment of such Bonds; and

(c) if any Bonds are to be prepaid on any date prior to their maturity, the Issuer shall have given to the Trustee in form satisfactory to the Trustee irrevocable instructions to prepay such Bonds on such date and either evidence satisfactory to the Trustee that all prepayment notices required by this Indenture have been given or irrevocable power authorizing the Trustee to give such prepayment notices.

Section 1003. Discharge of the Indenture.

Notwithstanding the fact that the lien of this Indenture upon the Trust Estate may have been discharged and canceled in accordance with Section 1001 hereof, this Indenture and the rights granted and duties imposed hereby, to the extent not inconsistent with the fact that the lien upon the Trust Estate may have been discharged and canceled, shall nevertheless continue and subsist until the principal of and interest on all of the Bonds shall have been fully paid or the Trustee shall have returned to the Company pursuant to this Indenture all funds theretofore held by the Trustee for payment of any Bonds not theretofore presented for payment.

ARTICLE XI

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 1101. Defaults; Events of Default.

If any of the following events occurs, subject to the terms of Section 1112 hereof, it is hereby defined as and declared to be and to constitute an “event of default” under this Indenture:

(a) default in the due and punctual payment of any interest on any Bond; or

(b) default in the due and punctual payment of the principal of any Bond, whether at the maturity thereof or any prepayment date prior to maturity, or upon maturity thereof by declaration; or

(c) default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer in this Indenture or in the Bonds; or

(d) the occurrence of an “Event of Default” under the Lease as provided in Section 10.1 of the Lease; or

(e) the Issuer shall have provided notice to the Trustee, upon which the Trustee may conclusively rely, that the Company shall have effected a transaction in violation of Section 8.3 in the Lease.

Section 1102. Acceleration.

Subject to the rights and remedies that have been granted to any Lender pursuant to any Superior Security Document which is then in effect upon the occurrence of an event of default, and subject to the waiver provisions of Section 1111 hereof, the owners of not less than 25% in principal amount of Outstanding Bonds may, by notice in writing, instruct the Trustee, to declare the principal of all Bonds and the interest accrued thereon to the date of such acceleration to be immediately due and payable, by notice in writing delivered to the Issuer, and the same shall thereupon become and be immediately due and payable. Upon any declaration of acceleration hereunder, the Trustee shall immediately declare all rental payments due under the Lease to be immediately due and payable in accordance with Section 10.2 of the Lease.

Section 1103. Other Remedies.

Subject to the rights and remedies to be granted to any Lender pursuant to any Superior Security Document which is then in effect, upon the occurrence of an event of default, and subject to the waiver provisions of Section 1111 hereof, the Trustee shall have the power to proceed with any right or remedy granted by the Constitution and laws of the State, as it may deem best, including any suit, action or special proceeding in equity or at law for the specific performance of any covenant or agreement contained herein or for the enforcement of any proper, legal or equitable remedy as the Trustee shall deem most effectual to protect the rights aforesaid, insofar as such may be authorized by law, and the right to the appointment, as a matter of right and without regard to the sufficiency of the security afforded by the Trust Estate, of a receiver for all or any part of the Trust Estate and the rents, revenues and receipts thereof; the rights herein specified are to be cumulative to all other available rights, remedies or powers and shall not exclude any such rights, remedies or powers. Without intending to limit the foregoing rights, remedies and powers by virtue of such specification, the Trustee is authorized to further assign the Issuer’s right, title and interest in the Lease to a successor trustee in the manner set forth in this Indenture.

Section 1104. Rights of Owners of the Bonds.

Upon the occurrence of an event of default and if requested to do so by the owners of a majority in principal amount of the then-Outstanding Bonds and if indemnified as provided in Section 1201(m) hereof, the Trustee shall be obliged to exercise such one or more of the rights and remedies conferred by this Article as the owners of the Bonds shall have instructed the Trustee, subject, however to the provisions of Section 1215 hereof.

No right or remedy by the terms of this Indenture conferred upon or reserved to the Trustee (or to the owners of the Bonds) is intended to be exclusive of any other right or remedy, but each and every such right and remedy shall be cumulative and shall be in addition to any other right or remedy given to the Trustee or to the owners of the Bonds or now or hereafter existing at law, in equity or by statute.

No delay or omission to exercise any right or remedy accruing upon any event of default shall impair any such right or remedy or shall be construed to be a waiver of any such event of default or acquiescence therein; and every such right and remedy may be exercised from time to time and as often as may be deemed expedient.

No waiver of any event of default hereunder, whether by the Trustee or by the owners of the Bonds shall extend to or shall affect any subsequent event of default or shall impair any rights or remedies consequent thereon.

Section 1105. Right of Owners of the Bonds to Direct Proceedings.

Anything in this Indenture to the contrary notwithstanding, the owners of a majority in principal amount of Outstanding Bonds shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture and the Trust Estate, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture. Further notwithstanding the foregoing or anything to the contrary set forth in this Indenture, at any time when all of the issued and outstanding Bonds are held by or registered with a single owner, neither the Trustee nor the Issuer shall exercise any remedies under this Indenture or with respect to the documents executed and delivered in connection with this Indenture, including the Bonds, the Guaranty Agreement, the Lease, and the Security Document, without the prior written consent of the registered owner of the Bonds; provided, however, the foregoing shall not operate to prevent the recovery of amounts owed with respect to any Unassigned Rights or other fees and expenses owed to the Trustee or Issuer; and provided, further, the Issuer has the sole and exclusive right to enforce its Unassigned Rights and does not need consent of any owners of the Bonds or any Lender to exercise any remedial steps related thereto. The registered owner of the Bonds shall have the right to enforce the provisions of this Section by injunction or suit for specific performance.

Section 1106. Appointment of Receivers.

Upon the occurrence of an event of default and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights and remedies of the Trustee and of the owners of the Bonds under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Project and of the rents, revenues and receipts thereof and therefrom, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 1107. Application of Moneys.

All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article and the Trust Estate shall, after payment of the reasonable costs and expenses of the proceedings resulting in the collection of such moneys and of the fees, expenses (including, without limitation, counsel fees), liabilities and advances incurred or made by the Trustee, be deposited in the Bond Fund and all moneys in the Bond Fund shall be applied as follows:

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

FIRST - To the payment to the persons entitled thereto of all installments of interest then due on the Bonds (other than installments of interest on Bonds with respect to the payment of which moneys and/or Government Obligations are set aside in the special account in the Bond Fund), in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND - To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due (other than principal of Bonds with respect to the payment of which moneys and/or Government Obligations are set aside in the special account in the Bond Fund), in the order of their due dates, with interest on such Bonds from the respective dates upon which they become due and, if the amount available shall not be sufficient to pay in full Bonds that are due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds (other than principal of and interest on Bonds with respect to the payment of which moneys and/or Government Obligations are set aside in the Special Account in the Bond Fund), without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all of the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

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

Whenever all Bonds and interest thereon have been paid under the provisions of this Section 1107 and all expenses and charges of the Trustee have been paid, any balance remaining in the Bond Fund shall be paid to the Company as provided in Section 609 hereof.

Section 1108. Rights and Remedies Vested in Trustee.

Subject to the provisions of Section 1104, all rights and remedies of action (including the right to file proof of claims) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto and any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any owners of the Bonds, and any recovery of judgment shall be for the equal benefit of the owners of the Bonds.

Section 1109. Rights and Remedies of Owners of the Bonds.

No owner of any Bonds shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture, for the execution of any trust thereof or for the appointment of a receiver or to enforce any other right or remedy hereunder, unless a default has occurred of which the Trustee has been notified as provided in subsection (h) of Section 1201 hereof, or of which by said subsection it is deemed to have notice, nor unless also such default shall have become an event of default and the owners of 25% in principal amount of Outstanding Bonds shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, nor unless also such owners have offered to the Trustee indemnity as provided in Section 1201(m) hereof, nor unless also the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its, his or their own name or names. Such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of this Indenture and the Trust Estate and to any action or cause of action for the enforcement of this Indenture or for the appointment of a receiver or for any other right or remedy hereunder; it being understood and intended that no one or more owners of the Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of this Indenture by its, his, her or their action or to enforce any right or remedy hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the

manner herein provided and for the equal benefit of the owners of all Bonds. Nothing in this Indenture contained shall, however, affect or impair the right of any owner of the Bonds to enforce the payment of the principal of and interest on any Bond at and after the maturity thereof, or the obligation of the Issuer to pay the principal of and interest on each of the Bonds issued hereunder to the respective owners thereof at the time, place, from the source and in the manner expressed in the Bonds.

Section 1110. Termination of Proceedings.

In case the Trustee shall have proceeded to enforce any right or remedy under this Indenture for the benefit of the owners of Bonds by the appointment of a receiver, by entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer and the Trustee shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 1111. Waivers of Events of Default.

The Trustee (a) may waive any event of default hereunder and its consequences and rescind any declaration of maturity of principal thereof and its consequences, if such event of default has been cured and there is no longer continuing any default hereunder, and (b) shall waive any event of default hereunder and its consequences and rescind any declaration of maturity of principal, upon the written request of the owners of a majority in principal amount of the Bonds that are Outstanding; provided, however, that there shall not be waived (i) any event of default pertaining to the payment of the principal of any Bond at its maturity date or any prepayment date prior to maturity, or (ii) any event of default pertaining to the payment when due of the interest on any Bond, unless prior to such waiver or rescission, all arrears of principal (due otherwise than by declaration) and interest, with interest (to the extent permitted by law) at the rate borne by the Bonds on overdue installments of principal and interest and all arrears of payments of principal when due, as the case may be, and all expenses of the Trustee in connection with such event of default, shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such event of default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee and the owners of the Bonds shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other event of default, or impair any right consequent thereon.

Section 1112. Notice of Defaults; Opportunity of the Issuer and Company to Cure Defaults.

No default specified in Section 1101(c) hereof shall constitute an event of default hereunder until notice of such default by registered or certified mail shall be given by the Trustee to the Issuer and the Company, and the Issuer shall have had 30 days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within the applicable period; provided, further, that if a default specified in said Section 1101(c) be such that it can be corrected but not within the period specified herein, it shall not constitute the basis of an event of default hereunder (i) if corrective action

capable of remedying such default is instituted by the Issuer within the applicable period and diligently pursued until the default is corrected, and (ii) if the Issuer shall within the applicable period furnish to the Trustee a certificate executed as provided in Section 1201(f) hereof certifying that said default is such that it can be corrected but not within the applicable period and that corrective action capable of remedying such default has been instituted and is being diligently pursued and will be diligently pursued until the default is corrected. The Issuer shall notify the Trustee by certificate executed as above when such default has been corrected. The Trustee shall be entitled to rely upon any such certificate given pursuant to this Section.

With regard to any default concerning which notice is given to the Company or the Issuer under the provisions of this Section 1112, the Issuer hereby grants to the Company full authority to perform any obligation the performance of which by the Issuer is alleged in said notice to be in default, such performance by the Company to be in the name and stead of the Issuer with full power to do any and all things and acts to the same extent that the Issuer could do and perform any such things and acts and with power of substitution.

ARTICLE XII

THE TRUSTEE

Section 1201. Acceptance of the Trusts.

The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform its duties hereunder as would an ordinarily prudent trustee, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an event of default and after the curing of all events of default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee. In case an event of default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees and shall not be liable for the conduct of the same if such attorneys, agents, receivers or employees are selected with reasonable care, and shall be entitled to rely on advice of Counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer or the Company), approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(c) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the authentication certificate of the Trustee endorsed on the Bonds), or for the recording or re-recording, filing or re-filing of this Indenture, or the Lease, or for insuring any Trust Estate or any part of the Project or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds, or for the value of or title in and to the Trust Estate or any part of the Project or otherwise as to the maintenance of the security hereof; except that if the Trustee enters into possession of a part or all of any Trust Estate pursuant to any provision of this Indenture it shall use due diligence in preserving the same, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, agreements or conditions on the part of the Issuer or on the part of the Company under the Lease, except as hereinafter set forth; but the Trustee may require of the Issuer or the Company full information and advice as to the performance of the covenants, agreements and conditions aforesaid and as to the condition of the Trust Estate. The Trustee shall not be liable for any loss suffered in connection with any investment of funds made by it in accordance with Section 801 and 802 hereof.

(d) The Trustee may become the owner of Bonds with the same rights which it would have if it were not Trustee.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or documents believed to be genuine and correct and to have been signed or sent by the proper Person or Persons. Any action taken by the Trustee, pursuant to this Indenture upon the request, authority or consent of any Person who at the time of making such request or giving such authority or consent is the owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to conclusively rely upon a certificate signed on behalf of the Issuer by the Chairman or Vice Chairman of the Issuer and attested by the Secretary or Assistant Secretary of the Issuer as sufficient evidence of the facts therein contained and prior to the occurrence of a default of which the Trustee has been notified as provided in subsection (h) of this Section, or of which by said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the Secretary or Assistant Secretary of the Issuer under its seal to the effect that a resolution in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(g) The right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its gross negligence or willful misconduct.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder or under the Lease except, to the extent hereinafter provided, failure by the Issuer to cause to be made any of the payments to the Trustee required to be made by Article V hereof and failure by the Company to make the rental payments required to be made under Section 5.3 of the Lease and except with respect to any default under the Lease, written notice as to which has been given to the Trustee pursuant to the Lease unless the Trustee shall be specifically notified in writing of such default by the Issuer or by the owners of at least 25% in principal amount of the Bonds. The Trustee shall not be deemed to have notice of any of the defaults described in the preceding sentence during any period or with respect to any Bond in respect of which a home office payment agreement permitted by Section 209 hereof is in effect, unless specifically notified in writing of such default by the owner of such Bond, by the Issuer or by the Company. All notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the Principal Office of the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no default except as aforesaid.

(i) The Trustee shall not be personally liable for any debts contracted or for damages to persons or property, or for salaries or non-fulfillment of contracts during any period in which it may be in the possession of or managing the Project as in this Indenture provided.

(j) At reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives who are acceptable to the Company, and accompanied by an official of the Company, shall have the right to inspect the Project as well as all books, papers and records of the Issuer pertaining to the Project and the Bonds, and to take copies of such memoranda from and in regard thereto only as required from the books, papers and records of the Issuer.

(k) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(l) Notwithstanding anything elsewhere in this Indenture contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions of Counsel, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee relevant to and deemed desirable in connection with the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(m) Before taking any action hereunder the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from the gross negligence or willful misconduct of the Trustee by reason of any action so taken. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur financial liability in the performance of any of its duties or the exercise of any of its rights or powers hereunder.

(n) All moneys received by the Trustee or any paying agent for the Bonds shall, until used or applied or invested as herein provided, be held in trust for the purpose for which they were received but need not be segregated from other funds except to the extent required herein or by law. Neither the Trustee nor any such paying agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

Section 1202. Fees, Charges and Expenses of Trustee.

The Trustee shall be entitled to payment and/or reimbursement for reasonable fees for its Ordinary Services rendered hereunder and all advances, Counsel fees and other Ordinary Expenses reasonably and necessarily made or incurred by the Trustee in connection with such Ordinary Services and, if it should become necessary that the Trustee perform Extraordinary Services, it shall be entitled to reasonable extra compensation therefor, and to reimbursement for reasonable and necessary Extraordinary Expenses in connection therewith; provided, that if such Extraordinary Services or Extraordinary Expenses are occasioned by its gross negligence or willful misconduct, it shall not be entitled to compensation or reimbursement therefor. Upon the occurrence of an event of default with respect the Bonds, but only upon such occurrence, the Trustee shall have a first lien on the particular Trust Estate with right of payment prior to payment of the principal of and interest on any Bond for the foregoing advances, fees, costs and expenses incurred. The first payment of the Trustee's fee for Ordinary Services (the "**Annual Fee**") shall be payable upon the issuance of the initial Bond. This Annual Fee does not include any advances, Counsel fees and other expenses mentioned above.

Section 1203. Notice to Owners of Bonds If Default Occurs.

If a default occurs of which the Trustee is by subsection (h) of Section 1201 hereof required to take notice then the Trustee shall give written notice thereof by first class mail to the registered owners of the Bonds and, as to defaults described in Section 1101(c) hereof, to the Issuer.

Section 1204. Intervention by Trustee.

In any judicial proceeding to which the Issuer is a party which, in the opinion of the Trustee and its Counsel, has a substantial bearing on the interest of the owners of the Outstanding Bonds, the Trustee may intervene on behalf of the owners of such Bonds and shall do so if requested in writing by the owners of at least 25% in principal amount of the Outstanding Bonds. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

Section 1205. Successor Trustee.

Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger, consolidation, sale or transfer to which it is a party, ipso facto, shall be and become successor Trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor,

without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 1206. Resignation by the Trustee.

The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the Issuer and the Company and by first class mail to each registered owner of Bonds, and such resignation shall take effect at the end of such 30-day period, or upon the earlier appointment of a successor Trustee by the by the Issuer or by the owners of a majority in the aggregated principal amount of the Outstanding Bonds. Such notice to the Issuer and the Company may be served personally or sent by registered or certified mail. The Trustee's right to fees and indemnity survives the resignation of the Trustee.

Section 1207. Removal of the Trustee.

The Trustee may be removed at any time, by an instrument or concurrent instruments in writing delivered to the Trustee and to the Issuer, and signed by the owners of a majority in the aggregated principal amount of the Outstanding Bonds. The Trustee's right to fees and indemnity survives the removal of the Trustee.

Section 1208. Appointment of Successor Trustee by the Owners of the Bonds; Temporary Trustee.

If the Trustee hereunder shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or shall otherwise become incapable of acting hereunder or in case it shall be taken under the control of any public officer, officers or a receiver appointed by a court, a successor may be appointed by the owners of a majority in the aggregated principal amount of the Outstanding Bonds, by an instrument or concurrent instruments in writing signed by such owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Issuer by an instrument signed by the Chairman of the Issuer and attested by the Secretary or Assistant Secretary of the Issuer under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the owners of the Bonds in the manner above provided; and any such temporary Trustee shall immediately and without further act be superseded by the Trustee so appointed by such owners of the Bonds. Every such Trustee appointed pursuant to the provisions of this Section shall be a trust company or bank (having trust powers) in good standing, within or outside the State, having an unimpaired capital and surplus of not less than fifty million dollars (\$50,000,000), if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms.

Section 1209. Concerning Any Successor Trustee.

Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of its successor, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee

shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee in order to more fully and certainly vest in such successor the estates, properties, rights, powers and trusts hereby vested or intended to be vested in the predecessor any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, may be filed and/or recorded by the successor Trustee in each recording office where the Indenture and Lease shall have been filed and/or recorded.

Section 1210. Right of Trustee to Pay Taxes and Other Charges.

If any tax, assessment or governmental or other charge upon any part of any Trust Estate or the Project is not paid as required herein, the Trustee may pay such tax, assessment or charge, without prejudice, however, to any rights of the Trustee or the owners of the Bonds hereunder arising in consequence of such failure; and any amount at any time so paid under this Section, with interest thereon from the date of payment at the rate per annum borne by the Bonds, shall become so much additional indebtedness secured by this Indenture, and the same shall be given a preference in payment over the principal of and interest on the Bonds and shall be paid out of the revenues and receipts from such particular Trust Estate, if not otherwise caused to be paid; but the Trustee shall not be under obligation to and shall not make any such payment unless it shall have been requested to do so by the owners of a majority in principal amount of the Outstanding Bonds and shall have been provided with sufficient moneys for the purpose of making such payment.

Section 1211. Trustee Protected in Relying Upon Resolutions, etc.

The resolutions, opinions, certificates and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for the release of property and the withdrawal of moneys hereunder.

Section 1212. Successor Trustee as Custodian of Funds, Paying Agent and Bond Registrar.

In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or has been removed shall cease to be the owner (in a fiduciary capacity hereunder) of the Project Fund and Bond Fund, paying agent for the principal of and interest on the Bonds and Registrar, and the successor Trustee shall become such owner (in a fiduciary capacity hereunder), paying agent and Registrar.

Section 1213. Trust Estate May Be Vested in Co-Trustee.

It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as a trustee in such jurisdiction. It is recognized that in case of litigation under this Indenture, and in particular in case of the enforcement of either the Indenture or the Lease upon the occurrence of an event of default, it may be necessary that

there be appointed an additional individual or institution as a separate Trustee or Co-Trustee as to the Bonds. The following provisions of this Section 1213 are adapted to these ends.

In the event of the incapacity or lack of authority of the Trustee, by reason of any present or future law of any jurisdiction, to exercise any of the rights, powers and trusts herein granted to the Trustee or to hold title to any Trust Estate or to take any other action which may be necessary or desirable in connection therewith, the Issuer with the consent of the Company may appoint, and at the request of the Trustee shall appoint, a separate Trustee or Co-Trustee and each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate Trustee or Co-Trustee but only to the extent necessary to enable the separate Trustee or Co-Trustee to exercise such rights, powers and trusts, and every covenant and obligation necessary to the exercise thereof by such separate Trustee or Co-Trustee shall run to and be enforceable by either of them.

Should any deed, conveyance or instrument in writing from the Issuer be required by the separate Trustee or Co-Trustee so appointed in order to more fully and certainly vest in and confirm to him or it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments shall, on request, be executed, acknowledged and delivered by the Issuer. In case any separate Trustee or Co-Trustee or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate Trustee or Co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate Trustee or Co-Trustee.

Section 1214. Continuation Statements.

The Company shall from time to time, at the sole expense of the Company, file continuation statements for the purpose of continuing without lapse the effectiveness of (i) those Financing Statements which shall have been filed at or prior to the issuance of the Bonds in connection with the security for the Bonds pursuant to the authority of the Uniform Commercial Code of Georgia or other applicable jurisdiction, and (ii) any previously filed continuation statements which shall have been filed as herein required.

Section 1215. Special Trustee Powers Due to Environmental Conditions.

Prior to exercising any remedy against the Project which requires the Trustee to re-enter and take possession of the Project, to sub-lease the Project, to terminate the Lease and use its best efforts to lease the Project to another lessee, or to exercise any remedies under the U.C.C. of the State or any similar remedy, the Trustee may cause an environmental assessment of the Project, as applicable, to be made and to take such action, based upon advice by its counsel, to safeguard the Trustee from liability and to protect the Trust Estate from liability or impairment of value.

Section 1216. This Article Controls.

Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of the Trustee shall be subject to the provisions of this Article XII.

ARTICLE XIII

SUPPLEMENTAL INDENTURES

Section 1301. Supplemental Indentures Not Requiring Consent of Owners of the Bonds.

The Issuer and the Trustee may without the consent of, or notice to, any of the owners of the Bonds, enter into an indenture or indentures supplemental to this Indenture as shall not be inconsistent with the terms and provision hereof for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Indenture;
- (b) to grant to or confer upon the Trustee for the benefit of the owners of the Bonds any additional rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the owners of the Bonds or the Trustee or either of them;
- (c) to subject to the lien and pledge of this Indenture additional rents, revenues or receipts, properties or collateral;
- (d) in connection with the issuance of the Bonds; or
- (e) in connection with any other changes in this Indenture which are not to the prejudice of the interests of any registered owner of the Bonds, or in the judgment of the Trustee, is not to the prejudice of the interests of the Trustee.

Anything herein to the contrary notwithstanding, a supplemental indenture under this Section 1301 which affects any right or obligation of the Company under the Lease shall not become effective unless and until such Company shall have consented in writing to the execution and delivery of such supplemental indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture together with a copy of the proposed supplemental indenture to be mailed by certified or registered mail or overnight delivery to such Company at least 60 days prior to the proposed date of execution and delivery of any such supplemental indenture.

The Trustee may require an opinion of counsel stating that any proposed supplemental indenture conforms to the requirements of this Section.

The Trustee shall have no obligation to execute any supplemental indenture which affects its own rights, duties, obligations or compensation.

Section 1302. Supplemental Indentures Requiring Consent of Owners of the Bonds.

Exclusive of supplemental indentures covered by Section 1301 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the owners of not less than 66 2/3% in principal amount of the Outstanding Bonds affected thereby shall have the right, from time to time, anything contained in this Indenture to the contrary notwithstanding, to consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures

supplemental hereto as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture; provided, however, that nothing in this Section contained shall permit, or be construed as permitting (a) an extension of the maturity date (or mandatory sinking fund redemption) on which the principal of or the interest on any Bond is, or is to become, due and payable, (b) a reduction in the principal amount of any Bond or the rate of interest thereon, (c) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the principal amount of the Bonds required for consent to such supplemental indenture.

If the Issuer shall request the Trustee to enter into any such supplemental indenture for any of the purposes of this Section the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplemental indenture to be given to the owners of the Bonds. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the Principal Office of the Trustee for inspection by all owners of the Bonds. If, within 60 days or such longer period as shall be prescribed by the Issuer following the giving such notice, the owners of not less than 66 2/3% in principal amount of the Outstanding Bonds shall have consented to and approved the execution of such supplemental indenture as herein provided, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture as in this Section permitted and provided, this Indenture shall be modified and amended in accordance therewith.

Anything herein to the contrary notwithstanding, a supplemental indenture under this Section 1302 which affects any right or obligation of the Company shall not become effective unless and until the Company shall have consented in writing to the execution and delivery of such supplemental indenture. In this regard, the Trustee shall cause notice of the proposed execution and delivery of any such supplemental indenture together with a copy of the proposed supplemental indenture to be mailed by certified or registered mail or overnight delivery to the Company at least 60 days prior to the proposed date of execution and delivery of any such supplemental indenture.

The Trustee may require an opinion of counsel stating that any proposed supplemental indenture conforms to the requirements of this Section, upon which the Trustee may rely.

The Trustee shall have no obligation to execute any supplemental indenture which affects its own rights, duties, obligations or compensation.

If any Lender is named as grantee or as secured party under any Superior Security Document which is then in effect, no such amendment shall become effective without the prior written consent of such Lender.

ARTICLE XIV

AMENDMENT OF LEASE

Section 1401. Amendments, etc., to Lease Not Requiring Consent of Owners of the Bonds.

The Trustee shall, without the consent of, or notice to, the owners of the Bonds, consent to any amendment, change or modification of the Lease as may be required (i) by the provisions of the Lease or this Indenture, (ii) for the purpose of curing any ambiguity or formal defect or omission in the Lease, (iii) in connection with additional real property which pursuant to the Lease is to become part of the Project leased thereunder, (iv) in connection with the Leased Equipment described in the Lease so as to more precisely identify the same or substitute additional machinery, fixtures, equipment and related property acquired, in whole or in part, with the proceeds of the Bonds (whether derived directly or indirectly from the issuance of the Bonds) in accordance with the provisions of Sections 4.1 and 4.2 of the Lease, (v) in connection with the issuance of the Bonds, or (vi) in connection with any other change therein which, in the judgment of the Trustee, does not prejudice the interests of the Trustee or the owners of the Bonds. The Trustee may require an opinion of counsel stating that any proposed amendment to the Lease conforms to the requirements of this Indenture.

Section 1402. Amendments, etc., to Lease Requiring Consent of Owners of the Bonds.

Except for the amendments, changes or modifications as provided in Section 1401 hereof, neither the Issuer nor the Trustee shall consent to any other amendment, change or modification of the Lease without the delivery of notice and the written approval or consent of the owners of not less than two-thirds (2/3) in principal amount of the Outstanding Bonds given and procured as provided in Section 1302 hereof. If at any time the Issuer and the Company shall request the consent of the Trustee to any such proposed amendment, change or modification of the Lease, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given to the holders of the Outstanding Bonds in the same manner as provided by Section 1302 hereof with respect to proposed supplemental indentures; provided, however, that the Trustee shall have no obligation to consent to the execution of any amendment, change or modification of the Lease which affects its own rights, duties, obligations or compensation. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the Principal Office of the Trustee for inspection by owners of the Bonds.

ARTICLE XV

MISCELLANEOUS

Section 1501. Consents, etc. of Owners of the Bonds.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by the owners of the Bonds may be embodied in and evidenced by one or more instruments of substantially similar

tenor signed by such owners in person or by agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee, and, where it is hereby expressly required, to the Issuer and the Company. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee, the Company and the Issuer, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by an officer of a corporation or a member of a partnership, on behalf of such corporation or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority.

(c) The fact and date of execution of any such instrument or writing may also be proved in any other manner which the Trustee deems sufficient; and the Trustee may in any instance require further proof with respect to any of the matters referred to in this Section.

(d) The ownership of Bonds shall be proved by the Bond Register kept by the Trustee as Registrar.

(e) Any request, demand, authorization, direction, notice, consent, waiver or other action by any owner of the Bonds shall bind every future owner of the same Bond in respect of anything done or suffered to be done by the Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Bond.

Section 1502. Limitation of Rights.

With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any Person other than the parties hereto, the Company and the owners of the Bonds, any legal or equitable right, remedy or claim under or in respect to this Indenture or any covenants, agreements, conditions and provisions herein contained; this Indenture and all of the covenants, agreements, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Company and the owners of the Bonds as herein provided. No breach of any of the provisions of this Indenture will result in pecuniary liability to the Issuer or any of its officers, members, directors, employees or agents.

Section 1503. Severability.

If any provision of this Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or

unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

Section 1504. Notices.

Any notice, request or other communication (a “**notice**”) required or permitted to be given hereunder shall be in writing and shall be delivered by hand or overnight courier (such as United Parcel Service or Federal Express), sent by email (provided a copy of such notice is deposited with an overnight courier for next business day delivery) or mailed by United States registered or certified mail, return receipt requested, postage prepaid and addressed to each party at its address as set forth below. Any such notice shall be considered given on the date of such hand or courier delivery, confirmed email transmission (provided a copy of such notice is deposited with an overnight courier for next business day delivery), deposit with such overnight courier for next business day delivery, or receipt via the United States mail, but the time period (if any is provided herein) in which to respond to such notice shall commence on the date of hand or overnight courier delivery or on the date received following deposit in the United States mail as provided above. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice. By giving at least five (5) days prior written notice thereof, any party may from time to time and at any time change its mailing address hereunder. Any notice of any party may be given by such party’s counsel. Notice addresses are as follows:

If to the Issuer: City of Sandy Springs Development Authority
 1 Galambos Way
 Sandy Springs, Georgia 30328
 Attention: Chris Burnett, Economic Development
 Director
 Email: cburnett@sandyspringsga.gov

with a copy to: Daniel W. Lee, Esq.
 City Attorney
 1 Galambos Way
 Sandy Springs, Georgia 30328
 Email: dlee@fmglaw.com

If to the Trustee: Pinnacle Bank
 800 Shades Creek Parkway
 Birmingham, Alabama 35209
 Attention: Corporate Trust Department

If to the Company: North River Apartments Owner, LLC
 [ADDRESS]
 Attention:
 Email:

and a copy to: Troutman Pepper Locke
600 Peachtree St. NE, Suite 3000
Atlanta, Georgia 30308
Attention: Charles F. Palmer, Esq.
E-mail: Charles.palmer@troutman.com

A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer, the Company or the Trustee shall be given to each of the others. The Issuer, the Company and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 1505. Trustee as Paying Agent and Bond Registrar.

The Trustee is hereby designated and agrees to act as paying agent and Registrar for and in respect of the Bonds.

Section 1506. Payments Due on Saturdays, Sundays and Holidays.

In any case where the date of maturity of principal of or interest on the Bonds or the date fixed for prepayment of any Bonds shall be, in the city of payment, a Saturday, Sunday or a legal holiday or a day on which banking institutions are authorized by law to close, then payment of principal or interest need not be made on such date in such city but may be made on the next succeeding business day not a Saturday, Sunday, legal holiday or day upon which banking institutions are authorized by law to close with the same force and effect as if made on the date of maturity or the date fixed for prepayment, and no interest shall accrue for the period after such date.

Section 1507. Counterparts.

This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 1508. Law Governing Indenture.

The effect and meaning of this Indenture and the rights of all parties hereunder shall be governed by, and construed according to, the laws of the State.

Section 1509. No Recourse and Limited Liability.

No recourse shall be had for the payment of the Bonds or interest thereon against any officer, director, member, employee or agent of the Issuer. Nothing herein shall be deemed to be an obligation of any officer, director, member, employee or agent of the Issuer in his or her individual capacity and neither the officers, directors, members, employees nor agents of the Issuer shall be subject to any personal liability with respect to any action taken by him or her pursuant to this Indenture or the Bonds.

Section 1510. Acknowledgement of Subordination.

Notwithstanding anything contained herein, this Indenture is subject and subordinate in all respects to any Superior Security Document, to all other liens granted by the Company to the holder of the Superior Security Document with respect to or in connection with the indebtedness secured by the Superior Security Document, and to all modifications, extensions, refinancings (where such liens continue), or renewals of such lien.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Issuer has caused these presents to be signed in its name and behalf by its Chairman or Vice Chairman and its corporate seal to be hereunto affixed and attested by its Secretary or Assistant Secretary, and to evidence its acceptance of the trusts hereby created the Trustee has caused these presents to be signed in its name and behalf and its official seal to be hereunto affixed and attested by its duly authorized officers, all as of the date first above written.

**CITY OF SANDY SPRINGS DEVELOPMENT
AUTHORITY**

By: _____
Chair

Attest:

Secretary

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

[INDENTURE OF TRUST]

PINNACLE BANK,
as Trustee

By: _____
Name: Dean D. Matthews
Title: Managing Director

EXHIBIT A

FORM OF BOND

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND IT MAY NOT BE SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED NOR MAY THE EXTENT OF ITS REGISTRATION BE REDUCED, WITHOUT OPINION OF COUNSEL SATISFACTORY TO THE TRUSTEE, THE ISSUER AND THE LESSEE OF THE PROJECT REFERRED TO IN THIS BOND TO THE EFFECT THAT SUCH TRANSFER OR CHANGE IN THE EXTENT OF REGISTRATION WILL NOT VIOLATE APPLICABLE FEDERAL AND OTHER SECURITIES LAWS.

**UNITED STATES OF AMERICA
STATE OF GEORGIA**

**CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY
TAXABLE REVENUE BOND
(NORTH RIVER APARTMENTS OWNER, LLC PROJECT),
SERIES 2026**

No. R-___

Principal Amount:

\$_____

Dated Date

Stated Interest Rate

Maturity Date

_____, 20__

6.50 %

December 1, 2038

Registered Owner: North River Apartments Owner, LLC

Principal Amount:

FOR VALUE RECEIVED, the **CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY** (the “**Issuer**”), a development authority and public body corporate and politic of the State of Georgia created by the Development Authorities Law, O.C.G.A. § 36-62-1, *et seq.* (the “**Act**”), hereby promises to pay, but solely from the fund hereinafter-described and from no other source, to the registered owner identified above, or registered assigns, the Principal Amount (stated above) on the Maturity Date (stated above), to the extent not earlier prepaid, and to pay to the Registered Owner (stated above) hereof solely from said special fund, interest hereon at the rate of 6.5% per annum calculated on the basis of a 365/366-day year, from the Dated Date hereof or from the last Interest Payment Date to which interest has been paid (interest due on any Bond

on any Interest Payment Date shall be paid to the Registered Owner of such Bond as shown on the registration books kept by the Registrar on the Record Date), with the first interest payable on the December 1 next succeeding its issuance date and annually thereafter on December 1 of each year until payment in full of the principal amount of this Bond. The principal of and the interest on this Bond shall be payable in lawful money of the United States of America by check mailed to the registered owner hereof at the address shown on the Bond Register or to the order of any subsequent registered owner hereof shown on the Bond Register, unless there shall be in effect, as provided in Section 209 of the hereinafter-mentioned Indenture, a home office payment agreement satisfactory to the Trustee. Payment of the final installment of interest on and principal of this Bond shall be made upon surrender of this Bond to the Trustee. Such payment shall be made to the person in whose name this Bond is registered on the Bond Register with respect to payment of principal, on the date such principal is due and with respect to the payment of interest.

“**Record Date**” shall mean the close of business on the 15th day (whether or not a Business Day) of the calendar month immediately preceding the applicable Interest Payment Date.

This Bond is a fully registered bond comprising one of a duly authorized series in the aggregate principal amount of not to exceed \$110,000,000 (the “**Bonds**”), of like tenor except as to issuance dates, bond numbers and principal amounts, issued under and secured by an Indenture of Trust, dated as of _____ 1, 2026, by and between the Issuer and Pinnacle Bank, as Trustee (the “**Indenture**”), and an authorizing resolution of the Issuer, adopted on August 26, 2026. Pursuant to the Indenture, each Bond is to be issued for the purpose of financing, directly or indirectly, all or a portion of the costs of the acquisition, construction and installation of land, improvements, fixtures and building equipment more particularly described in hereinafter-described Lease (the “**Project**”), in order to promote economic development and job creation and to facilitate a property tax incentive for North River Apartments Owner, LLC, a Delaware limited liability company (the “**Company**”), for lease to the Company pursuant to the Lease Agreement, dated as of _____ 1, 2026 (the “**Lease**”), between the Issuer and the Company.

The Indenture recites that the Bonds of this series may be delivered to, and paid for by, the purchaser, in multiple installments as and when moneys are required to complete the acquisition, construction and installation of the Project.

This Bond and the interest hereon shall be a special and limited obligation of the Issuer, payable solely from the sources identified herein and shall not be deemed to constitute a debt or a general obligation or a pledge of the faith and credit of the Issuer, the State of Georgia or of the city of Sandy Springs, Georgia and does not directly, indirectly or contingently obligate said State or City to levy or to pledge any form of taxation whatever for the payment of such principal and interest. The Issuer has no taxing power. This Bond is payable solely from the rental payments and other payments received under the Lease together with all other rents, revenues and receipts arising out of or in connection with the Issuer’s ownership of the Project (except for certain Unassigned Rights) and the Issuer is obligated to pay the principal of and the interest on this Bond only from the fund entitled “City of Sandy Springs Development Authority Revenue Bond Fund — North River Apartments Owner, LLC Project, Series 2026” (the “**Bond Fund**”), created in the Indenture. No recourse shall be had for the payment of the principal of and the interest on this Bond against any officer, director, employee, agent or member of the Issuer.

This Bond is issued and the Indenture was authorized, executed and delivered by the Issuer under and pursuant to the laws of the State of Georgia, including particularly the Act and the aforesaid resolution of the Issuer. Pursuant to the terms of the Lease, the Company must pay to the Issuer rental payments (“**Basic Rent**”) which are pledged to, and will be fully sufficient to provide for, the payment of the principal of and the interest on the Bonds as the same become due.

As additional security for the payment of the Bonds, the Company has unconditionally guaranteed to the Trustee, for the benefit of the owners of the Bonds, the payment of the principal of and redemption price, if any, and interest on the Bonds as the same become due.

This Bond is subject to scheduled principal amortization payments as set forth in the following table:

Before the first day of Year*:	Not more than a percentage, determined as follows, of the maximum principal amount of Bonds previously issued shall remain outstanding as of January 1 of the year indicated:
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%
11 and thereafter	0%

* “Year 1” is the first calendar year after the substantial completion of the Project.

The Bonds are subject to prepayment prior to maturity by the Issuer at any time, in whole or in part, pro rata among the owners of the Bonds as provided in the Indenture, at 100% of the principal amount to be so prepaid plus accrued interest thereon to the prepayment date.

When this Bond (or any portion hereof) is called for prepayment as aforesaid, notice thereof shall be given by mailing a copy of the prepayment notice by first class mail at least thirty days prior to the prepayment date to the registered owner of this Bond at the address of such owner shown on the registration books.

Less than the entire principal amount of this Bond may be prepaid and in such case, upon the surrender of such Bond, (a) appropriate endorsement shall be made thereon by the Trustee to reflect such partial prepayment, or (b) there shall be issued to the registered owner hereof, without charge therefor, for the unredeemed balance of the principal amount of this Bond, fully registered Bonds in any of the authorized denominations, as more fully set forth in the Indenture.

By acceptance of this Bond, the owner hereof agrees that in the event it elects not to surrender this Bond to the Trustee as described in the foregoing paragraph, upon a partial prepayment of this Bond it will endorse in the space provided on the schedule attached hereto, the amount and date of such partial prepayment and shall immediately forward a written confirmation of such prepayment and endorsement to the Trustee.

This Bond is transferable by the registered owner hereof in person or by his attorney duly authorized in writing at the principal office of the Trustee, but only in the manner, subject to the conditions and limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer, a new fully registered Bond or fully registered Bonds in the same aggregate principal amount and of any authorized denomination or denominations shall be issued to the transferee or transferees in exchange therefor.

The owner of this Bond shall have the right to enforce the payment of the principal hereof and the interest hereon at or after the maturity hereof, and the owner of this Bond shall have the right to enforce the provisions of the Indenture and to institute action to enforce the covenants therein, and to take any action with respect to any Event of Default under the Indenture, and to institute, appear in or defend any suit or other proceedings with respect thereto, as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then Outstanding may become or may be declared due and payable before the stated maturity thereof, together with the interest accrued thereon. Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

This Bond is issued with the intent that the laws of the State of Georgia shall govern its construction.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of Georgia to happen, exist and be performed precedent to and in the issuance of this Bond, the execution of the Indenture and the adoption of the aforesaid resolution by the Issuer, have happened, exist and have been performed. The issuance of this Bond and the series of which it forms a part, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

This Bond shall not be entitled to any benefit under the Indenture nor shall it become valid or obligatory for any purpose until it shall have been authenticated by execution by the Trustee of the certificate hereon endorsed.

IN WITNESS WHEREOF, the City of Sandy Springs Development Authority has caused this Bond to be executed in its name by the signature of its Chairman or Vice Chairman, and its corporate seal to be hereunto affixed and attested by the signature of its Secretary or Assistant Secretary.

**CITY OF SANDY SPRINGS
DEVELOPMENT AUTHORITY**

By: _____
Chair

Attest:

Secretary

[SEAL]

* * * * *

TRUSTEE'S AUTHENTICATION CERTIFICATE

Date of Authentication: _____, 20__

The above Bond is one of the fully registered bonds described in the above-mentioned Indenture of Trust, and is hereby authenticated on its dated date as specified above.

PINNACLE BANK,
as Trustee

By: _____
Authorized Signatory

* * * * *

VALIDATION CERTIFICATE

STATE OF GEORGIA

COUNTY OF FULTON

The undersigned Clerk of the Superior Court of Fulton County, Georgia, HEREBY CERTIFIES that the within City of Sandy Springs Development Authority Taxable Revenue Bond (North River Apartments Owner, LLC Project), Series 2026, was confirmed and validated by judgment of the Superior Court of Fulton County, Georgia, in case No. _____, rendered on the ____ day of _____, 2026, and that no exception, intervention or objection to such judgment or appeal therefrom or filing of extension of appeal has been taken.

WITNESS the manual or a duly authorized reproduced facsimile of my signature and the reproduced facsimile seal of said court.

[SEAL]

Clerk, Superior Court, Fulton County, Georgia

* * * * *

PAYMENTS ON ACCOUNT OF PRINCIPAL

Partial prepayments of the principal of this Bond have been made, as follows:

<u>Date</u>	<u>Amount Prepaid</u>	<u>Balance of Principal Amount Unpaid</u>	<u>Authorized Signature of Owner of This Bond</u>
-------------	---------------------------	---	---

* * * * *

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment
must correspond with the name as it appears
on the face of the within Bond in every
particular, without alteration, enlargement or
any change whatever

EXHIBIT B
FORM OF LEASE AGREEMENT
(ATTACHED)

LEASE AGREEMENT

between

CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY

and

NORTH RIVER APARTMENTS OWNER, LLC,

Dated as of _____ 1, 2026

This Lease Agreement and all right, title and interest of the City of Sandy Springs Development Authority in any rents, revenues and receipts derived under this Lease Agreement (but excluding the Unassigned Rights, as defined herein) have been assigned to Pinnacle Bank, as trustee under the Indenture of Trust, dated as of _____ 1, 2026, from the City of Sandy Springs Development Authority which secures the City of Sandy Springs Development Authority Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026.

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LEASE AGREEMENT

THIS LEASE AGREEMENT, dated as of _____ 1, 2026 (this “**Lease**”), by and between the **CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY** (the “**Issuer**”), a development authority and public body corporate and politic of the State of Georgia, as lessor, and **NORTH RIVER APARTMENTS OWNER, LLC** (the “**Company**”), a limited liability company organized and existing under the laws of the State of Delaware, as lessee;

WITNESSETH:

WHEREAS, the Issuer is a development authority and public body corporate and politic created pursuant to the Development Authorities Law, O.C.G.A. § 36-62-1, *et seq.* (the “**Act**”) to develop and promote trade, commerce, industry and employment opportunities in the City of Sandy Springs, Georgia (the “**City**”); and

WHEREAS, the Act provides that the Issuer is created to develop and promote trade, commerce, industry and employment opportunities for the public good and the general welfare within the City and is authorized by the Act to issue its revenue bonds to acquire, construct, equip and install land, buildings and related personal property, which revenue bonds are required to be validated pursuant to the provisions of the Revenue Bond Law (O.C.G.A. § 36-82-60, *et seq.*); and

WHEREAS, the Act further authorizes and empowers the Issuer: (i) to lease any such projects; (ii) to pledge, mortgage, convey, assign, hypothecate or otherwise encumber such projects and the revenues therefrom as security for the Issuer’s revenue bonds; and (iii) to do any and all acts and things necessary or convenient to accomplish the purpose and powers of the Issuer; and

WHEREAS, the Company desires to lease a capital project in the City consisting of land, improvements to be constructed thereon, building fixtures, and building equipment installed and to be installed thereat consisting of a multi-family housing facility (the “**Project**”), to be owned by the Issuer and leased to and acquired, constructed and installed by or on behalf of the Company for use as an economic development project under O.C.G.A. § 36-62-2(6)(N); and

WHEREAS, the Issuer has agreed to issue its City of Sandy Springs Development Authority Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026 (the “**Bonds**”), in an aggregate principal amount not to exceed \$110,000,000, to acquire, construct, equip and install, directly or indirectly, the Project in order to promote economic development, and to facilitate a property tax incentive for the Company, and to lease the Project to the Company under this Lease; and

WHEREAS, each of the Bonds is to be issued and delivered to, and paid for by, the Company, as purchaser under the Bond Purchase Agreement, from time to time as and when moneys are required to complete the acquisition, construction, equipping and installation of the Project; and

WHEREAS, the Bonds are to be issued under and secured by an Indenture of Trust (the “**Indenture**”) dated as of the date hereof, between the Issuer and Pinnacle Bank, as Trustee (the “**Trustee**”).

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, the Issuer and the Company agree as follows, provided, that in the performance of the agreements of the Issuer herein contained, any obligation it may thereby incur for the payment of money shall not be a general debt on its part but shall be payable solely out of the rents, revenues and receipts derived from this Lease, the sale of the bonds referred to in Section 4.2 hereof, the insurance and condemnation awards as herein described (except for insurance awards providing coverage for the Issuer for third party liability claims, as set forth herein) and any other rents, revenues and receipts arising out of or in connection with its ownership of the Project leased hereunder (except for the Unassigned Rights, as hereinafter defined).

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. In addition to the words and terms elsewhere defined in this Lease, the following words and terms as used in this Lease shall have the following meanings unless the context or use indicates another or different meaning or intent. Terms which are not defined in this Lease shall have the meaning specified in Article I of the Indenture except as herein otherwise expressly provided or unless the context requires otherwise.

“**Act**” means the Development Authorities Law of the State of Georgia (O.C.G.A. § 36-62-1, *et seq.*), as amended.

“**Affiliate**” means a Person which is controlled by the Company or its corporate successor, which controls the Company or its successor, or which is under common control with the Company or its successor (direct or indirect ownership of more than ten percent (10%) of the voting power constituting “**control**” of a Person for such purpose).

“**Authorized Company Representative**” means the individual who signs this Lease for the Company, who is hereby appointed by the Company to serve in such capacity, and any other person or persons at the time appointed to act in such capacity by written certificate furnished to the Issuer and the Trustee containing the specimen signature of each such person and executed on behalf of the Company by an officer or other authorized signatory of the Company. Such certificate may appoint an alternate or alternates, each of whom shall be entitled to perform all duties of the Authorized Company Representative. Each such appointment shall be effective until revoked in writing.

“**Authorized Issuer Representative**” means the Chairman or Vice Chairman of the Issuer, each of whom is hereby appointed by the Issuer to serve in such capacity, and any other person or persons at the time appointed to act in such capacity by certificate furnished to the Company and the Trustee containing the specimen signature of each such person and signed by the Chairman or Vice Chairman of the Issuer. Such certificate may appoint an alternate or alternates, each of whom

shall be entitled to perform all duties of the Authorized Issuer Representative. Each such appointment shall be effective until revoked in writing.

“Bond” or **“Bonds”** shall mean any or all of the City of Sandy Springs Development Authority Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026, which shall not exceed \$110,000,000 in aggregate principal amount.

“Bond Documents” means the documents relating to the Bonds, the forms of which are Exhibits attached to the Bond Resolution.

“Bond Fund” means the Bond principal and interest payment fund created for the Bonds by Section 602 of the Indenture and within which has been established a General Account and a Special Account. Any reference herein to the “Bond Fund” without further limitation or explanation shall be deemed to be a reference to the General Account in the Bond Fund.

“Bondholder” and **“Holder”** each means the registered owner of any Bond.

“Bond Purchase Agreement” means the document by that name dated as of the date of this Lease between the Company, as purchaser of the Bonds and in its separate capacity as lessee of the Project, and Issuer.

“Bond Resolution” means the resolution of the Issuer authorizing the Bonds.

“Closing Date” means the date of the issuance and delivery of the initial Bond issued pursuant to the Indenture.

“Company” means North River Apartments Owner, LLC, a Delaware limited liability company, and its successors and assigns, including any surviving, resulting or transferee entity as provided in Section 8.3 hereof.

“Completion Date” means the date of completion of the acquisition, construction, equipping and installation of the Project and issuance of a certificate of occupancy for the Project, as that date shall be certified as provided in Section 4.5 hereof.

“Construction Period” means the period beginning on the date on which the initial Bond is delivered to the first purchaser thereof and ending on the Completion Date.

“Counsel” means an attorney or firm thereof admitted to practice law before the highest court of any State of the United States of America or the District of Columbia. An attorney for the Issuer or the Company may be eligible for appointment as Counsel.

“Default Rate” shall mean the rate of interest borne by the Bonds.

“Environmental Contamination” means damages to persons or property or violations of state or federal environmental laws or regulations arising out of the operations at the Project or the operations of the Company at any time at the Project with respect to but not limited to air emissions, water effluent discharges, and waste generation, transportation, storage, disposal, or the handling of hazardous materials.

“Event of Default” means any of the events described in Section 10.1 hereof.

“Financing Statements” means any and all financing statements (including fixture filings and continuation statements) filed for record from time to time to perfect the security interests created by the Indenture and by the Security Document.

“Government Obligations” means (a) direct obligations of the United States of America for the payment of which the full faith and credit of the United States of America is pledged, or (b) obligations issued by any agency controlled or supervised by and acting as an instrumentality of the United States of America, the payment of the principal of and interest on which is fully and unconditionally guaranteed as a full faith and credit obligation of the United States of America (including any securities described in (a) or (b) issued or held in book entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are held in the name of the Trustee and are not subject to redemption prior to maturity by anyone other than the Holder thereof.

“Indenture” means the Indenture of Trust between the Issuer and the Trustee, of even date herewith, pursuant to which, *inter alia*, (a) the Bonds are authorized to be issued and (b) the Issuer’s interest in this Lease and the rents, revenues and receipts arising out of or in connection with the Issuer’s ownership of the Project are to be pledged and assigned to the Trustee for the benefit of the Bondholder as security for the payment of the principal of, and redemption premium (if any) and interest on, the Bonds, including any indenture supplemental thereto.

“Independent Counsel” means an attorney or firm thereof duly admitted to practice law before the highest court of any state in the United States of America or the District of Columbia and not an employee of or regularly retained by either the Issuer or the Company.

“Issuer” means the City of Sandy Springs Development Authority, a public body corporate and politic created and existing under the laws of the State of Georgia, and its lawful successors and assigns.

“Issuer Documents” means the Indenture, this Lease, the Bond Purchase Agreement, and the Security Document.

“Lease” and **“Lease Agreement”** means this instrument.

“Lease Term” means the duration of the leasehold interest created by this Lease as specified in Section 5.1 hereof.

“Leased Equipment” means building fixtures and building equipment acquired and/or installed directly or indirectly with proceeds from the sale of the Bonds or the proceeds of any payment by the Company pursuant to Section 4.6 hereof and any item of property acquired and installed in substitution therefor and renewals and replacements thereof pursuant to Sections 6.2, 7.1 and 7.2 hereof, less such property as may be released from this Lease pursuant to Section 6.2 hereof or taken by the exercise of power of eminent domain as provided in Section 7.2 hereof, but not including the Company’s or any of its subtenants’ own machinery, equipment and related property installed under the provisions of Section 6.1 hereof.

“Leased Improvements” means, collectively, the buildings, structures, fixtures and other improvements heretofore constructed or to be constructed on the Leased Land, and not constituting a part of the Leased Equipment, the acquisition, construction, equipping or installation of which or the improvements or replacement thereto, in whole or in part, is to be acquired directly or indirectly with the proceeds from the sale of the Bonds, as they may at any time exist.

“Leased Land” means, once acquired by the Issuer, the land described on Exhibit A attached hereto and by this reference made a part hereof, together with all easements, hereditaments, tenements and other rights and privileges of any kind appurtenant thereto, less such real estate and interests in real estate as may be released from this Lease pursuant to Section 8.5 or Section 11.3 hereof or taken by the exercise of the power of eminent domain as provided in Section 7.2 hereof.

“Leasehold Interest” means the interest of the Company hereunder.

“Leasehold Mortgage” means a Mortgage of the Leasehold Interest held by the Company.

“Leasehold Mortgagee” means a holder of a Leasehold Mortgage.

“Lender” means any financial institution or entity which has advanced credit to or holds the indebtedness of the Company or any administrative agent on behalf of such financial institution(s), including the Initial Lender, its successors and/or assigns.

“Loan Documents” means the loan documents with respect to any Leasehold Mortgage or a Superior Security Document.

“Memorandum of Agreement” means the Memorandum of Agreement Regarding Lease Structure and Valuation of Leasehold Interest by and among the Issuer, the Company and the Fulton County Board of Assessors, dated _____, 2026.

“Mortgage” means, as a noun, any Superior Security Document, Leasehold Mortgage or any other deed of trust, mortgage, deed to secure debt, security agreement or similar voluntary agreement creating a lien upon or security interest in or conveying title to the Project or any part thereof or any interest therein (including without limitation Company’s Leasehold Interest) as security for a debt or other obligation. As a verb, “Mortgage” means to grant any such a deed of trust, mortgage, deed to secure debt, security agreement or similar voluntary agreement creating a lien upon or security interest in or conveying title to the Project or any part thereof or any interest therein (including without limitation the Company’s Leasehold Interest) as security for a debt or other obligation.

“Mortgagee” means the holder of a Mortgage.

“Net Proceeds” when used with respect to any insurance or condemnation award, means the gross proceeds from the insurance or condemnation award with respect to which that term is used remaining after payment of all expenses (including attorneys’ fees and any Extraordinary Expenses of the Trustee as defined in the Indenture) incurred in the collection of such gross proceeds.

“Permitted Encumbrances” means, as of any particular time, (i) liens for *ad valorem* taxes and special assessments not then delinquent or permitted to exist as provided in Section 6.3 hereof, (ii) this Lease, the Indenture, and the security interests created herein and in the Indenture, (iii) utility, access or other easements and rights of way, restrictions, reservations, reversions and exceptions in the nature of easements that the Company certifies will not materially interfere with or impair the operations being conducted at the Project, (iv) unfiled and inchoate mechanics’ and materialmen’s liens for construction work in progress, (v) architects’, contractors’, subcontractors’, mechanics’, materialmen’s, suppliers’, laborers’ and vendors’ liens or other similar liens not then payable or permitted to exist as provided in Section 6.1(c) hereof, (vi) subleases and licenses of portions of the Project, (vii) such minor defects, irregularities, encumbrances, easements, rights of way and clouds on title as the Company, by an Authorized Company Representative, certifies do not, in the aggregate, materially impair the property affected thereby for the purpose for which it was acquired or is held by the Issuer, (viii) exceptions described in any owner’s policy of title insurance that may be procured by the Issuer at the request and with the consent of the Company or any leasehold policy of title insurance procured by the Company, and (ix) Superior Encumbrances.

“Prime Rate” means the index rate, base rate or reference rate from time to time published as the *Wall Street Journal* Prime Rate (being the base rate on corporate loans posted by at least 70% of the nation’s top 10 banks by assets); the Prime Rate is not necessarily the lowest available interest rate on corporate loans.

“Project” means that certain project in the City consisting of land, improvements to be constructed thereon or therein, including, without limitation, building fixtures and building equipment installed and to be installed thereat, and shall be comprised of the Leased Land, the Leased Improvements and the Leased Equipment, as they may at any time exist. The Project is a multi-family housing facility and an economic development project under O.C.G.A. § 36-62-2(6)(N).

“Project Fund” means the project fund created with respect to the Bonds by Section 701 of the Indenture and referred to in Sections 4.2 and 4.3 hereof.

“Quitclaim Deed and Bill of Sale” means a Quitclaim Deed and Bill of Sale that may be delivered by the Issuer to the Company with respect to the Project to be dated the date of actual execution and delivery. Such a Quitclaim Deed and Bill of Sale may be delivered by the Issuer to the Company in accordance with Section 11.4 hereof. The Quitclaim Deed and Bill of Sale shall be in substantially the form that is attached hereto as Exhibit B and by this reference made a part of this Lease.

“Security Document” means the instrument entitled “Deed to Secure Debt, Assignment of Rents and Leases and Security Agreement” securing the Bonds, and pledging the Project as security for the Bonds.

“Security interest” or **“security interests”** means the security interests created in the Indenture and shall have the meaning set forth in the Uniform Commercial Code of Georgia, as now or hereafter amended.

“Superior Encumbrances” means all encumbrances and title exceptions on the Project in existence at the time of recording of the Security Document or any encumbrances created by any Superior Security Document on the Project, on this Lease or on the Trust Estate.

“Superior Security Document” means a deed to secure debt or similar instrument or instruments in which the Company (and if requested by the Company, the Issuer) pledges the Project, its interest in this Lease (including without limitation a Leasehold Mortgage), or its interest in the Trust Estate to a Lender; the Issuer may be a grantor or debtor thereunder at the Company’s request, but the Issuer’s obligations thereunder shall be non-recourse except that recourse may be had against the Issuer’s interest in the Trust Estate. Initially, Superior Security Documents include (i) that certain Deed to Secure Debt dated as of the Closing Date, by and between the Company and the Initial Lender, to be recorded in the Fulton County records, and (ii) that certain Assignment of Leases and Rents dated as of the Closing Date by and between the Company and the Initial Lender, recorded in the Fulton County records.

“Trustee” means Pinnacle Bank, or any co-trustee and any successor trustee under the Indenture.

“Unassigned Rights” means the rights of the Issuer in and under this Lease to be reimbursed for fees and expenses, the right of the Issuer to be indemnified, the right of the Issuer to be insured as provided under Article VI hereof, the right of the Issuer to inspect the Project (whichever is then owned by the Issuer) and the rights of the Issuer to receive notices and to grant or withhold the granting of consents.

Section 1.2. Rules of Construction. Unless the context clearly indicates to the contrary:

(a) **“Herein,” “hereby,” “hereunder,” “hereof,” “hereinbefore,” “hereinafter”** and other equivalent words refer to this Lease and not solely to the particular portion thereof in which any such word is used.

(b) Words importing the singular number shall include the plural number and vice versa, and any pronoun used herein shall be deemed to cover all genders.

(c) All references herein to particular Articles or Sections are references to Articles or Sections of this Lease.

(d) Any certificate or statement required to be delivered under the provisions of this Lease or the Indenture shall, in the absence of manifest error, be deemed to be conclusive evidence of the truth, correctness and accuracy of the matters covered in such certificate or statement.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties by the Issuer. The Issuer makes the following representations and warranties:

(a) Organization and Authority. The Issuer is a public body corporate and politic, created and validly existing pursuant to the Constitution and laws of the State of Georgia, including particularly the provisions of the Act. Under the provisions of the Act, the Issuer has the power to execute and deliver the Issuer Documents, to enter into the transactions contemplated thereby and to perform and observe its obligations contained therein in accordance with the terms thereof. By proper corporate action, the Issuer has duly authorized the execution and delivery of the Issuer Documents.

(b) Qualification of Project Under Act. The Project constitutes a “project” within the meaning of the Act and is located within the corporate limits of Sandy Springs, Georgia.

(c) Public Purpose. The Issuer has found and hereby declares that the issuance of the Bonds and the use of the proceeds of the Bonds (derived directly or indirectly from the issuance of the Bonds) to acquire, construct, equip and install the Project in order to promote economic development, and to facilitate a property tax incentive for the Company, and the leasing of the Project hereunder to the Company and the sale of the Project to the Company, or its successor and assigns pursuant to the purchase option contained herein, are in furtherance of the public purposes for which the Issuer was created.

(d) Agreements are Legal and Authorized. The Issuer is not subject to any charter, by law or contractual limitation or provision of any nature whatsoever which in any way limits, restricts or prevents the Issuer from entering into the Issuer Documents or performing any of its obligations thereunder, except to the extent that such performance may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors’ rights.

(e) Limited Obligations. Notwithstanding anything herein contained to the contrary, any obligation the Issuer may hereby incur for the payment of money shall not be a general debt on its part but shall be obligations which are payable solely from rents, revenues and receipts derived from this Lease, the sale of the Bonds and any other rents, revenues and receipts derived by the Issuer arising out of or in connection with its ownership of the Project (except for Unassigned Rights). The obligations hereunder shall not be obligations of Fulton County, the State of Georgia or any municipality or political subdivision thereof. The Issuer has no taxing power.

(f) Issuance of Bonds. To accomplish the foregoing, the Issuer has authorized the issuance of not to exceed \$110,000,000 in aggregate principal amount of its Bonds. The date, denominations, interest rate, maturity date, redemption provisions and other pertinent provisions with respect to the Bonds are to be established by or as provided in the Indenture (particularly Articles II and III thereof) and by this reference thereto they are incorporated herein.

(g) Security for Bonds. The Bonds will be secured by the Trust Estate for the Bonds, as provided in the Indenture.

(h) No Prior Pledge. Neither this Lease nor the receipts and revenues generated hereunder have been pledged or hypothecated in any manner or for any purpose, other than as provided in the Indenture or any Superior Security Document.

(i) Governmental Consents. Neither the nature of the Issuer nor any of its activities or properties, nor any relationship between the Issuer and any other Person, nor any

circumstance in connection with the offer, issue, sale or delivery of any of the Bonds is such as to require the consent, approval or authorization of, or the filing, registration or qualification with, any governmental authority on the part of the Issuer in connection with the execution, delivery and performance of any of the Issuer Documents or the offer, issue, sale or delivery of the Bonds, other than those already obtained or filed; provided, however, no representation is made herein as to compliance with the securities or “blue sky” laws of any jurisdiction, and the Issuer shall not be required to consent to service of process in any jurisdiction or submit to the general jurisdiction of any state.

(j) No Defaults. Except for certain limited obligation bond issues which may be in default, but would not adversely affect payment on the Bonds, no event has occurred and no condition exists with respect to the Issuer which would constitute an event of default, as defined therein, under any of the Issuer Documents or which, with the lapse of time or with the giving of notice or both, would become an event of default under any of the Issuer Documents.

(k) Enforceability. This Lease is a legal, valid and binding limited obligation of the Issuer enforceable in accordance with its terms, except to the extent the enforceability hereof may be subject to (i) the exercise of judicial discretion in accordance with general principles of equity, and (ii) bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors’ rights heretofore or hereinafter enacted to the extent constitutionally applicable.

(l) No Warranty by Issuer of Condition or Suitability of the Project. The Issuer makes no warranty, either express or implied, as to the suitability or utility of the Project as to the condition of the Project or that it is or will be suitable for the Company’s purposes or needs.

(m) Superior Security Document. If prior to conveying the Project to the Issuer the Company pledges the same to a Lender and provides the Issuer with written notification or evidence of such pledge, the Lender’s interest shall be a Superior Encumbrance. The Issuer hereby acknowledges receipt of notice of the Company’s grant of security title to the Project to Initial Lender, as lender, as administrative agent, and agrees that such Lender’s interest in the Project is a Superior Encumbrance (except for the Unassigned Rights of the Issuer). Further, upon the written request of the Company, the Issuer shall execute and deliver (or join the Company in the execution and delivery of) an appropriate Superior Security Document to any Lender as directed by the Company, as well as any other documentation reasonably requested by any Lender or Company. If a Superior Security Document is executed in favor of a Lender and that Lender is replaced by a subsequent Lender and such Superior Security Document is cancelled or otherwise terminated, a new Superior Security Document may pledge the Project to such subsequent Lender and upon the written request of the Company, the Issuer shall execute and deliver a new Superior Security Document subordinating the Issuer’s interest (excluding its Unassigned Rights) in the Project to the Superior Security Document to such subsequent Lender and will cooperate with the preparation of such other documentation reasonably required or requested by such Lender. The Issuer’s liability under any Superior Security Document shall be non-recourse except against its interest in the Project, its interest in this Lease, and its interest in the Trust Estate. Any Superior Security Document shall by its terms be senior and superior to the interests of the Company hereunder and to the interests of the Holders of the Bonds.

Section 2.2. Representations and Warranties by the Company. The Company makes the following representations and warranties:

(a) Organization and Power. The Company is a limited liability company duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of Georgia and has the power and authority to enter into this Lease and to perform and observe its obligations contained herein in accordance with the terms hereof, and has, by proper action, been duly authorized to execute, deliver and perform this Lease in accordance with the terms hereof.

(b) Pending Litigation. There are no actions, suits, proceedings, inquiries or investigations pending, or to the knowledge of the Company threatened, against or affecting the Company in any court or before any governmental authority or arbitration board or tribunal which is reasonably anticipated to materially and adversely affect the transactions contemplated by this Lease or which is reasonably anticipated to adversely affect the validity or enforceability of the Bonds or of any Lease or the ability of the Company to perform its obligations under any of the foregoing.

(c) Agreements Are Valid and Authorized. The execution and delivery by the Company of this Lease and the compliance by the Company with all of the provisions hereof and the consummation of the transactions contemplated hereby: (A)(i) are within the power of the Company, (ii) will not conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, its organic documents, or any commitment, agreement or instrument of whatever nature to which the Company is a party or by which it may be bound, or to which any of its properties may be subject, or any license, judgment, decree, law, statute, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its activities or properties, or (iii) result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Company under the terms of any instrument or agreement, and (B) have been duly authorized by all necessary action on the part of the Company.

(d) Governmental Consents. Neither the Company nor any of its business or properties, nor any relationship between the Company and any other Person, nor any circumstance in connection with the execution, delivery and performance by the Company of this Lease, or the offer, issue, sale or delivery by the Issuer of the Bonds, is such as to require the consent, approval or authorization of, or the filing, registration or qualification with, any governmental authority on the part of the Company, other than those already obtained as of the Closing Date; provided, however, no representation is made herein as to compliance with the securities or “blue sky” laws of any jurisdiction.

(e) No Defaults. No event has occurred and no condition exists with respect to the Company that would constitute an Event of Default, as defined therein, under this Lease or which, with the lapse of time or with the giving of notice or both, would become an Event of Default hereunder.

(f) Governmental Approvals. The Project has been or will be acquired, constructed, equipped and installed in such manner as to conform in all material respects with all

applicable zoning, planning, building and other regulations of governmental authorities having jurisdiction over the Project and all necessary utilities will be available in all material respects to the Project.

(g) Enforceability. This Lease is a legal, valid and binding obligation of the Company enforceable in accordance with its terms, except to the extent the enforceability hereof may be subject to (i) the exercise of judicial discretion in accordance with general principles of equity, and (ii) bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights heretofore or hereinafter enacted to the extent constitutionally applicable.

(h) Operation of the Project. As of the date hereof, the Company intends to operate the Project or cause it to be operated in a manner consistent with the Act.

ARTICLE III

LEASING CLAUSES AND WARRANTY OF TITLE

Section 3.1. Lease of the Project. This instrument shall become effective on execution and delivery. The Issuer hereby initially grants to the Company a temporary license of the Project for the purpose of acquiring, constructing, equipping, installing, and maintaining the Project, as set forth in Section 4.1 below. Such temporary license shall expire on the earlier of (a) the end of the fourth year following delivery hereof or (b) the Completion Date, whereupon the Company shall have possession of the Project, and the Term of this Lease and the Leasehold Interest (an "estate for years") shall commence. The Issuer hereby agrees that third parties shall be entitled to rely on the authorization and appointment set forth in this paragraph.

Section 3.2. Title. In accordance with and subject to the terms hereof, the Issuer hereby agrees to accept ownership of and title to the property that is to comprise the Project, when the same is conveyed to the Issuer by, or on behalf of, the Company, subject to Permitted Encumbrances, including without limitation Superior Encumbrances. The Issuer disclaims any interest in any items of equipment and related personal property that are neither paid for with proceeds of the Bond nor additions or alterations, replacements or substitutions therefor. The Issuer warrants and covenants that, except for this Lease, the Security Document and any Superior Security Document, the Issuer shall not otherwise encumber the Project or any part thereof, except at the written request of the Company. The Issuer covenants to take all acts necessary to defend its title to the Project and will do no act to impair such title, provided that the cost of such action is paid for in advance by the Company, or the Issuer is indemnified for such costs by the Company to the Issuer's satisfaction. The Issuer makes no warranty as to the design, suitability, condition or fitness for purpose of the Project. The Issuer agrees that it shall, upon request of the Company, join where necessary in any proceeding to protect and defend the Issuer's title in and to the Project, provided that the Company shall pay the entire cost of any such proceeding, and reimburse and indemnify and hold harmless the Issuer from any cost or liability whatsoever. So long as there shall not have occurred and be continuing an Event of Default under this Lease, the Issuer hereby agrees to enter into from time to time, upon the prior written request of the Company, any Non-Disturbance and Attornment Agreement benefiting tenants of the Project ensuring that the termination of this Lease will not terminate or adversely impact such tenant's lease from the Company in form reasonably requested by Company and acceptable to the Issuer.

Section 3.3. Quiet Enjoyment. The Issuer warrants and covenants that it will defend the Company, at the sole cost and expense of the Company, in the quiet enjoyment and peaceable possession of the Project, free from all claims of all persons whomsoever acting by, through or under the Issuer, throughout the Lease Term. In addition to the foregoing warranty, the Issuer agrees that it will not take or cause another party to take any action to interfere with the Company's peaceful and quiet enjoyment of the Project. The Issuer agrees that in the event the peaceful and quiet enjoyment of the Project shall otherwise be denied to the Company or contested by anyone, the Issuer shall upon request of the Company join where necessary in any proceeding to protect and defend the quiet enjoyment of the Company, provided that, unless such denial or contest shall result from the gross negligence or willful misconduct of the Issuer, the Company shall pay the entire cost of any such proceeding, and reimburse and indemnify and hold harmless the Issuer from any cost or liability whatsoever.

Section 3.4. Limitations of Warranties. The warranties and covenants and any obligation of the Issuer hereunder shall be limited to the extent of the Issuer's interest in the Project and such amounts as may be collected from time to time from the Company under this Lease; provided, however that nothing contained in this Section shall restrict the Issuer's liability resulting from the Issuer's tortious acts or gross negligence.

Section 3.5. Agreement of the Issuer to Subordinate to any Leasehold Mortgage; Superior Security Documents. At the Company's request and with the prior written consent of the owners of a majority in principal amount of the Bonds Outstanding, the Issuer shall subordinate its fee simple interest and estate in the Project (excluding the Unassigned Rights of the Issuer) to any Leasehold Mortgage or shall execute a Superior Security Document with respect to the Project in favor of a Lender.

Section 3.6. Acknowledgement of Subordination. Notwithstanding anything contained herein, this Lease (excluding the Unassigned Rights of the Issuer) is subject and subordinate in all respects to any Superior Security Document, to all other liens granted by Company to the holder of any Superior Security Document with respect to or in connection with the indebtedness secured by any Superior Security Document, and to all modifications, extensions, refinancings (where such liens continue) or renewals of such lien.

ARTICLE IV

COMMENCEMENT AND COMPLETION OF THE PROJECT; ISSUANCE OF THE BONDS

Section 4.1. Agreement to Acquire, Construct, Equip and Install Project. If the acquisition, construction, equipping and installation of the Project has not been completed as of the effective date hereof, the Company agrees that, as principal, and not as agent for the Issuer, it will cause the acquisition of the Leased Land and the construction and installation of the Leased Improvements to be completed and will cause the Leased Equipment to be acquired and installed and that it will complete the acquisition, construction, equipping and installation of the Project as promptly as practicable after the date of the execution and delivery of this Lease, delays incident to strikes, riots, acts of God or the public enemy beyond the reasonable control of the Company only excepted, but if said acquisition, construction, equipping and installation is not completed

within the time herein contemplated there shall be no resulting diminution in or postponement of the rents required in Section 5.3 hereof to be paid by the Company and, notwithstanding any provision of this Lease to the contrary, the sole rights and remedies of the Issuer for the failure to so complete the Project are set forth in Section 10.2(c). The Leased Equipment shall be adequately identified in bills of sale conveying the same to Issuer and in the records of the Company in such manner so as to permit its identification as part of the Leased Equipment.

Section 4.2. Agreement to Issue Bonds; Application of Bond Proceeds. In order to provide funds for payment of the cost of the acquisition, construction, equipping and installation of the Project, the Issuer has authorized the issuance and delivery of the Bonds. The initial Bond has been issued, and additional Bonds of the same series shall be issued to the Company at its request to pay or reimburse additional costs of the Project, provided that the maximum aggregate principal amount of the Bonds of such series so issued shall not exceed \$110,000,000. Upon receipt of any cash proceeds derived from the sale of the Bonds, as provided in the Indenture, the Trustee will deposit principal proceeds received upon said sale in the Project Fund for the Bonds and any accrued interest in the Bond Fund for the Bonds.

Section 4.3. Disbursements from the Project Fund. The Issuer will in the Indenture authorize and direct the Trustee to use the moneys in the Project Fund for the following purposes:

(a) the payment of any initial or acceptance fee of the Trustee and customary and reasonable fees and expenses of the Trustee (including reasonable counsel fees actually incurred and reasonable expenses of counsel); the fees and expenses for recording or filing the deed whereby fee simple title in and to the Leased Land has been or is to be conveyed to the Issuer; the fees and expenses for recording or filing this Lease (or a related Short Form Lease or Memorandum of Lease), any amendment hereto or thereto, the Indenture and any other documents by which this Lease is assigned as security for the Bonds; the fees and expenses for recording or filing any documents that the Company may deem desirable to file for record in order to protect the title of the Issuer to the Project, or any part thereof; and the fees and expenses in connection with any actions or proceedings that the Company may deem desirable to bring in order to perfect or protect the title of the Issuer to the Project;

(b) payment to the Company and the Issuer, as the case may be, of such amounts, if any, as shall be necessary to reimburse the Company and the Issuer in full for all advances and payments made by them or either of them prior to or after the delivery of the Bonds for expenditures in connection with the acquisition by the Issuer or the Company of fee simple title to the Leased Land (including the cost of the Leased Land and of any options to purchase the Leased Land and rights of way for the purpose of providing access to and from the Leased Land), clearing the Leased Land, site improvement, the preparation of the plans and specifications for the Project (including any preliminary study or planning of the Project or any aspect thereof), the acquisition, construction, equipping and installation of the Project, the acquisition, construction and installation necessary to provide utility services or other facilities to connect the Project with public transportation facilities, and the acquisition, construction, equipping and installation of all real or personal properties deemed necessary in connection with the Project, and any architectural, engineering and supervisory services with respect to any of the foregoing;

(c) payment of, or reimbursement of the Issuer or the Company for, the customary and reasonable legal and accounting fees and expenses (including the fees of counsel to the Issuer), the Issuer's financing fee, financial consultants' fees, rating agencies' fees, financing charges (including underwriting or placement fees) and printing and engraving costs incurred in connection with the authorization, sale and issuance of the Bonds, the preparation of this Lease, the Indenture, the Financing Statements and all other documents in connection therewith and in connection with the acquisition of title to the Project;

(d) payment for labor, services, materials and supplies used or furnished in site improvement and in the acquisition, construction, equipping and installation of the Project, all as provided in the plans and specifications therefor; payment for the cost of the acquisition, construction, equipping and installation of utility services or other facilities to connect the Project with public transportation facilities, and payment for the cost of all real and personal property deemed necessary in connection with the Project; and payment for the miscellaneous expenses incidental to any of the foregoing;

(e) payment of the fees, if any, for architectural, engineering and supervisory services with respect to the Project;

(f) payment, as such payments become due, of the fees and expenses of the Trustee and the fees and expenses of its counsel properly incurred under the Indenture that may become due during the Construction Period;

(g) to such extent as they shall not be paid by a contractor for acquisition, construction, equipping or installation with respect to any part of the Project, payment of the premiums on all insurance required to be taken out and maintained during the Construction Period under this Lease, or reimbursement thereof if paid by the Company under Section 6.4 hereof;

(h) payment of the taxes, assessments and other charges, if any, referred to in Section 6.3 hereof that may become payable during the Construction Period;

(i) payment of expenses incurred with approval of the Company in seeking to enforce any remedy against any contractor or subcontractor in respect of any default under a contract relating to the Project;

(j) all moneys remaining in the Project Fund (including moneys earned on investments made pursuant to the provisions of Section 4.8 hereof) after the Completion Date and payment in full of the costs of the acquisition, construction, equipping and installation of the Project, and after payment of all other items provided for in the preceding subsections of this Section then due and payable shall, at the written direction of the Authorized Company Representative, be (i) used for the purchase of Bonds for the purpose of cancellation, or (ii) paid into the Bond Fund, or (iii) a combination of (i) and (ii) as is provided in such direction, provided that amounts approved by the Company and the Authorized Issuer Representative shall be retained by the Trustee in the Project Fund for payment of costs of the Project not then due and payable. Any balance remaining of such retained funds after full payment of all such costs shall be used by the Trustee as directed by the Company in the manner specified in clauses (i), (ii) and (iii) of this subsection.

The payments specified in subsections (a) through (j), above, of this Section shall be made by the Trustee only upon receipt of the following:

(a) A written Requisition for such payment signed by the Company by an Authorized Company Representative in the form contained as Exhibit C hereto;

(b) A certification by the Company certifying:

(1) that an obligation in the stated amount has been incurred by or on behalf of the Issuer or the Company in connection with the issuance of the Bonds or the acquisition, construction, equipping and installation of the Project;

(2) that such obligation is a proper charge against the Project Fund and has not been the basis of any previous withdrawal from the Project Fund, and specifying the purpose and circumstances of such obligation in reasonable detail and to whom such obligation is owed;

(3) that the Company has no notice of any vendor's, mechanic's, or other liens or right to liens, chattel mortgages or conditional sales contracts, or other contracts or obligations (other than those being contested in good faith as permitted in Section 6.1(c) hereof) which should be satisfied or discharged before such payment is made; and

(4) that such requisition contains no item representing payment on account of any retained percentages which the Issuer or the Company is, as of the date of such requisition, entitled to retain under retained percentage agreements.

(c) With respect to any such requisition for payment for labor, services, material, supplies or equipment, a certificate, signed on behalf of the Company by an Authorized Company Representative, certifying that insofar as such obligation was incurred for labor, services, material, supplies or equipment in connection with the acquisition, construction, equipping and installation of the Project, such labor and services were to the Company's knowledge performed and such material, supplies or equipment were or are to be used in connection with the acquisition, construction, equipping and installation of the Project or delivered at the site of the Project for that purpose. If any such requisition for materials, supplies or equipment requires reimbursement for such item to the Company where title is not in the Issuer, such requisition shall so state and shall include any bill of sale necessary to convey title in and to such item to the Issuer. Such certificate shall be given without prejudice against any rights of the Issuer or the Company against third parties which exist on the date thereof.

In making any such payment from the Project Fund, the Trustee may rely on any such requisitions and certificates delivered to it pursuant to this Section and the Trustee shall be relieved of all liability with respect to making such payments in accordance with such requisitions and such certificates without inspection of the Project or any other investigation.

Section 4.4. Obligation of the Parties to Cooperate in Furnishing Documents to Trustee. The Issuer and the Company agree to cooperate with each other in furnishing to the Trustee the documents referred to in Section 4.3 hereof that are required to effect payments out of

the Project Fund, and to cause such requisitions and certificates to be directed by the Authorized Issuer Representative and the Authorized Company Representative to the Trustee as may be necessary to effect payment out of the Project Fund in accordance with Section 4.3 hereof. Such obligation of the Issuer and the Company is subject to any provisions of this Lease or the Indenture requiring additional documentation with respect to payments and shall not extend beyond the moneys in the Project Fund available for payment under the terms of the Indenture.

Section 4.5. Establishment of Completion Date. If the Project has not been completed prior to the delivery of this Lease, the Completion Date of the Project shall be evidenced to the Trustee by a certificate signed on behalf of the Company by an Authorized Company Representative stating that, except for amounts retained by the Trustee for Project costs not then due and payable as provided in Section 4.3(j) hereof, (i) the acquisition, construction, equipping and installation of the Project has been substantially completed and a temporary or final certificate of occupancy has been issued therefor and all labor, services, materials and supplies used in such acquisition, construction, equipping and installation have been paid for, (ii) the Project has been acquired, constructed, equipped and installed to the Company's satisfaction and all costs and expenses incurred in connection therewith have been paid, and (iii) all permissions required of governmental authorities for the occupancy of the Project have been obtained, including a temporary or final certificate of occupancy. Notwithstanding the foregoing, such certificate of the Company shall state that it is given without prejudice to any rights against third parties which exist on the date of such certificate or which may subsequently come into being. The Issuer and the Company agree to cooperate one with the other in causing such certificate to be furnished to the Trustee.

Section 4.6. Company Required to Pay Costs in Event Project Fund Insufficient. In the event that moneys in the Project Fund available for payment of the costs of the Project should not be sufficient to pay the costs thereof in full, the Company agrees to complete the Project and to pay all that portion of the costs of the Project as may be in excess of the moneys available therefor in the Project Fund. The Issuer does not make any warranty, either express or implied, that the moneys which will be paid into the Project Fund and which, under the provisions of this Lease, will be available for payment of the costs of the Project will be sufficient to pay all the costs which will be incurred in that connection. The Company agrees that if after exhaustion of the moneys in the Project Fund, the Company should pay any portion of the costs of the Project pursuant to the provisions of this Section, the Company shall not be entitled to any reimbursement therefor from the Issuer or from the Trustee or from the holders of any of the Bonds nor shall it be entitled to any diminution in or postponement of the rental payments required in Section 5.3 hereof to be paid by the Company.

Section 4.7. Remedies Against Suppliers, Contractors and Subcontractors and Their Sureties. All contracts and warranties will be in the name of the Company. In the event of any default of any supplier, contractor or subcontractor under any contract made by it in connection with the Project or in the event of breach of warranty with respect to any material, workmanship or performance guaranty, the Company (or the Issuer at the direction and sole cost of the Company), either separately or in conjunction with others, will promptly proceed to exhaust the remedies of the Issuer or of the Company, as applicable, against any defaulting supplier, contractor or subcontractor and against any surety therefor, for the performance of any contract made in

connection with the Project. Any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing shall be paid to the Company.

Section 4.8. Investment of Project Fund Moneys Permitted. Any moneys held as part of the Project Fund shall be invested or reinvested by the Trustee upon the written request and direction of the Authorized Company Representative in authorized investments permitted from time to time by the laws of the State of Georgia for proceeds of the Bonds as described in O.C.G.A. § 36-82-7. Such investments shall mature or shall be subject to sale prior to maturity in such amounts and at such times as may be necessary to provide funds when needed to make payments from such Project Fund. The Trustee may make any and all such investments through its own bond department. Any interest or gain received from such investments of the moneys in the Project Fund shall be credited to and held in the Project Fund and any loss from such investments shall be charged against the Project Fund.

ARTICLE V

EFFECTIVE DATE OF THIS LEASE; DURATION OF LEASE TERM; RENTAL PROVISIONS

Section 5.1. Effective Date of this Lease; Duration of Lease Term. This Lease shall become effective upon its delivery and the Leasehold Interest created hereby shall begin as provided in Section 3.1 hereof, following the Completion Date, subject to the other provisions of this Lease (including particularly Articles X, XI, and XII hereof), and shall expire at 11:59 p.m., Atlanta, Georgia time on December 1, 2038, or if at said time and on said date payment in full of the Bonds shall not have been made or the Project has not been re-conveyed to the Company, then on such date as such payment shall have been made or such Project has been re-conveyed to the Company, but in no event later than December 1, 2040.

Section 5.2. Delivery and Acceptance of Possession. The Issuer agrees to deliver to the Company sole and exclusive possession of the Project (subject to the right of the Trustee to enter thereon for inspection and other purposes as set forth in Section 8.2 hereof) on the Completion Date and the Company agrees to accept possession of the Project upon such delivery; provided, however, that the Company shall be permitted full use of the Project prior to the Completion Date and the Company may install and maintain its own equipment during the Construction Period.

Section 5.3. Rents and Other Amounts Payable. Subject to Section 209 of the Indenture, on or before December 1, 20__ and on or before each December 1 thereafter until payment in full of the Bonds, the Company shall pay or cause to be paid to the Trustee for the account of the Issuer, as rent for the Project (“**Basic Rent**”), a sum equal to the amount payable on such date as principal of and interest on the Bonds, as provided in the Indenture. Each rental payment under this Section shall be sufficient to pay the total amount of principal and interest payable on such annual interest payment date, and if at any annual interest payment date the balance in the Bond Fund for the Bonds is insufficient to make required payments of principal and interest on such date, the Company shall forthwith pay any such deficiency, the right of the Trustee to receive Basic Rent subject, if and when executed and delivered, to any Superior Security Document.

Anything herein to the contrary notwithstanding, any amount at any time held by the Trustee in the Bond Fund shall be credited against the next succeeding rental payment relating to the Bonds and such credit shall reduce the payment to be then made by the Company; and further, if the amount held by the Trustee in the Bond Fund should be sufficient to pay at the times required the principal of and interest on all Bonds then remaining unpaid, the Company shall not be obligated to make any further rental payments under the provisions of this Section with respect to the Bonds.

The Company agrees to pay to the Trustee until payment in full of the Bonds (i) at least once a year an amount equal to the annual fee of the Trustee for the Ordinary Services of the Trustee rendered and its Ordinary Expenses incurred under the Indenture, (ii) the reasonable and actual fees of Trustee's counsel as provided herein and in the Indenture, as and when the same become due, and (iii) the reasonable fees and charges of the Trustee for Extraordinary Services rendered by it and Extraordinary Expenses incurred by it as such terms are defined in the Indenture, as and when the same become due; provided, that the Company may, without creating a default hereunder, withhold such payment to contest in good faith the necessity for any such Extraordinary Services and Extraordinary Expenses and the reasonableness of any such Extraordinary Services and Extraordinary Expenses.

If the Company should fail to make any of the payments required in this Section, the item or installment so in default shall continue as an obligation of the Company until the same shall have been fully paid, and the Company agrees to pay the same with interest thereon, to the extent legally enforceable, at the Default Rate per annum until paid. The provisions of this Section shall be subject to the provisions of Sections 9.6 and 9.7 hereof and shall survive the termination of this Lease and payment in full of the Bonds.

Notwithstanding any provision of this Lease to the contrary, as long as the Company is both tenant of the Project under this Lease and the holder of the Bonds, all Basic Rent shall be deemed to have been made as and when due.

Section 5.4. Place of Rental Payments. The rents provided for in the first paragraph of Section 5.3 hereof and the interest on delinquent rents shall be paid directly to the Trustee for the account of the Issuer and will be deposited in the Bond Fund, subject to the provisions of Section 208 of the Indenture. The other payments provided for in Section 5.3 hereof shall be paid directly to the Trustee for its own use or for disbursement to any other paying agent on the Bonds, as the case may be.

Section 5.5. Obligations of Company Hereunder Absolute and Unconditional. Subject to the provisions of Sections 9.6 and 9.7 hereof, the obligations of the Company to make the payments required in Section 5.3 hereof and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional and with no right of setoff. Until such time as payment in full of the Bonds shall have been made, the Company (i) will not suspend or discontinue any payments provided for in Section 5.3 hereof except to the extent the same have been prepaid, (ii) will perform and observe all of its other agreements contained in this Lease, and (iii) except as provided in Section 11.1 hereof, will not terminate the Lease Term for any cause, including, without limiting the generality of the foregoing, failure of the Company to complete the Project, failure of the Issuer's title in and to the Project or any part thereof, any acts or

circumstances that may constitute failure of consideration, 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 thereof or any failure of the Issuer to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Lease or the Indenture. Nothing contained in this Section shall be construed to release the Issuer from the performance of any of the agreements on its part herein contained; and if the Issuer should fail to perform any such agreement, the Company may institute such action against the Issuer as the Company may deem necessary to compel performance so long as such action shall not conflict with the agreements on the part of the Company contained in the preceding sentence. The Company may, however, at its own cost and expense and in its own name or in the name of the Issuer, prosecute or defend any action or proceeding or take any other action involving third persons which the Company deems reasonably necessary or in order to ensure the acquisition, construction, equipping, installation and completion of the Project or to secure or protect its right of possession, occupancy and use of the Project, and in such event the Issuer hereby agrees to cooperate fully with the Company and to take all lawful action which is required to effect the substitution of the Company for the Issuer in any such action or proceeding if the Company shall so request.

Section 5.6. Company's Performance under Indenture. The Company agrees, for the benefit of the Holders from time to time of the Bonds, to do and perform all acts and things contemplated in the Indenture to be done or performed by it.

Section 5.7. Extension. Notwithstanding the provisions of Section 5.1, provided no Event of Default exists under this Lease, the Company may elect to extend the Lease Term for an additional term of up to two (2) years by delivering written notice of such election to the Issuer at least six (6) months prior to the expiration of the then-current Lease Term. Such notice shall specify the period of time Company elects to extend the Lease Term, which in no event shall exceed two (2) years. In the event Company makes such election, the Lease Term shall be extended for the time period specified in Company's notice. Base Rent for such extended term shall be \$1.00 per year to be paid in advance at the time such notice is given. All of the provisions of this Lease shall apply during such extended term.

ARTICLE VI

MAINTENANCE AND MODIFICATIONS, TAXES AND INSURANCE

Section 6.1. Maintenance and Modifications of Project by Company.

(a) The Company will cause the Project to be maintained, preserved and kept in a good, safe and sightly condition during the terms of this Lease, subject to Article VII. The Company covenants that as long as the Company or one of its subsidiaries or affiliates operates the Project, it or one of its subsidiaries or affiliates will cause the same to be maintained and operated as a "project" within the meaning of the Act as in effect on the date hereof. The Company may comply with the foregoing obligations, in whole or in part, by causing them to be performed by the sub-lessees, tenants and property managers of the Project.

(b) The Company may from time to time, in its sole discretion, at its own expense and not from the proceeds of the Bonds, make any additions, modifications or improvements to the Project, including installation of additional machinery, equipment and related property in the Leased Improvements or on the Leased Land, which it may deem desirable for its business purposes. All machinery, equipment and related property so installed by the Company shall remain the sole property of the Company in which neither the Issuer nor the Trustee shall have any interest. All such machinery, equipment and other related property may be modified or removed at any time; provided that any damage to the Project occasioned by such modification or removal shall be repaired by the Company at its own expense.

(c) The Company shall not permit any mechanics' liens, materialmen's liens or other liens to be established and remain against the Project for labor or materials furnished or services rendered in connection with any additions, modifications, improvements, repairs, renewals or replacements so made by it; provided, that the Company may in good faith contest any mechanics' liens, materialmen's liens or other liens filed or established against the Project, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless the Issuer or the Trustee shall notify the Company that, in the opinion of Independent Counsel, by nonpayment of any such items, the Project or any material part thereof or the revenues from the Project will be subject to loss or forfeiture, in which event the Company shall promptly pay and cause to be satisfied and discharged all such unpaid items. The Issuer will cooperate fully with the Company in any such contest.

Section 6.2. Removal of Leased Equipment. The Issuer shall not be under any obligation to renew, repair or replace any inadequate, obsolete, worn out, unsuitable, undesirable, inappropriate or unnecessary Leased Equipment. In any instance where the Company in its sole discretion determines that any such items have become inadequate, obsolete, worn out, unsuitable, undesirable, inappropriate or unnecessary for their purposes at such time, the Company may remove such items of Leased Equipment and (on behalf of the Issuer) sell, trade in, exchange or otherwise dispose of them (as a whole or in part) without any responsibility or accountability to the Issuer or the Trustee therefore and may, if it elects to do so, install other equipment in substitution therefor.

At the option of the Company, at any time prior to the Completion Date, the Company may pay the proceeds of any such sale, trade in or other disposition of such items of Leased Equipment to the Trustee with written instructions to deposit such moneys into the Project Fund whereupon such moneys shall become a part of the Project Fund and used in the manner set forth in Article IV hereof.

The removal from the Project of any portion of the Leased Equipment pursuant to the provisions of this Section shall not entitle the Company to any abatement or diminution in amount of the rents payable under Section 5.3 hereof. Any building fixtures or equipment installed in the Project in substitution of any Leased Equipment so removed shall automatically and without the necessity of any further action, be deemed Leased Equipment and a part of the Project.

Upon the request of the Company, the Issuer shall deliver and cause or direct the Trustee to deliver to the Company a bill of sale or other appropriate documents conveying to the Company

title to any property removed from the Project pursuant to this Section 6.2 and releasing the same from the provisions of this Lease.

Section 6.3. Taxes, Other Governmental Charges and Utility Charges.

(a) The Issuer and the Company further acknowledge that under present law no part of the Issuer's interest in the Project will be subject to *ad valorem* taxation by the State of Georgia or by any political or taxing subdivision thereof, and that under present law the income and profits (if any) of the Issuer from the Project are not subject to either Federal or Georgia taxation and these factors have induced the Company to enter into this Lease. However, subject to the Memorandum of Agreement, the Company shall pay, as the same become lawfully due and payable, (i) all taxes and governmental charges of any kind whatsoever upon or with respect to the interest held by the Company under this Lease, (ii) all taxes and governmental charges of any kind whatsoever upon or with respect to the Project or any machinery, equipment or related property installed or brought by the Company therein or thereon (including, without limiting the generality of the foregoing, any taxes levied upon or with respect to the income or profits of the Issuer from the Project which, if not paid, will become a charge on the rents, revenues and receipts from the Project prior to or on a parity with the pledge or assignment thereof created and made in the Indenture), (iii) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project and (iv) all assessments and charges lawfully made by any governmental body for public improvements that may be secured by a lien on the Project; provided, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Company shall be obligated to pay only such installments as are required to be paid during the Lease Term.

(b) The Company may, at its own expense and in its own name and behalf or in the name and behalf of the Issuer, in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, may permit the taxes, assessments and other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Issuer or the Trustee shall notify the Company that, in the opinion of Independent Counsel, by nonpayment of any such items the rents, revenues or receipts derived from the Project will be materially endangered or the Project (or any material part of either) will be subject to loss or forfeiture, in which event such taxes, assessments or charges shall be paid promptly. The Issuer shall cooperate fully with the Company in any such contest. If the Company shall fail to pay any of the foregoing items required by this Section to be paid by the Company, the Issuer or the Trustee may (but shall be under no obligation to) pay the same and any amounts so advanced therefor by the Issuer or the Trustee shall become an additional obligation of the Company to the one making the advancement, which amounts, together with interest thereon at the Default Rate the date thereof, the Company agrees to pay.

Section 6.4. Insurance Required. Throughout the Lease Term, the Company shall insure or shall cause to be insured, the Project against such casualties and personal injury risks as is consistent with its insurance practices in effect from time to time, in any event. In lieu of separate insurance policies, such insurance may be in the form of a blanket insurance policy or policies of the Company. Insurance policies may be written with deductible amounts and exceptions and exclusions as the Company deems necessary in the normal course of its business and coverages may be provided by any combination of the underlying and umbrella insurance policies. The

Company, the Issuer, the Trustee and (if required by any Lender) the Lender shall be named additional insureds on any such general liability and umbrella/excess liability insurance policy or policies and as co-loss payees, as their respective interests may appear. The Issuer must be provided 30 days written notice of any cancellation of such policies. So long as the Company or an Affiliate is the owner of the Bonds the Company shall, however, have the exclusive right to make all elections, determinations, settlements, or decisions with respect to any hazard and casualty insurance policy or the proceeds thereof that may be affected by the provisions of this Section 6.4 (except for insurance awards providing coverage for the Issuer for third party liability claims). So long as the Company or an Affiliate is the owner of the Bonds and without limiting the foregoing, the Company shall have the right to make all settlements as to any casualties that affect the Project without the consent of the Issuer. Furthermore, so long as the Company or an Affiliate is the owner of the Bonds, the Company shall have the right to pledge to a Lender all of the hazard and casualty insurance proceeds with respect to a casualty affecting the Project (except for insurance awards providing coverage for the Issuer for third party liability claims) and to grant to the Lender the right to govern the distribution of such funds, which shall be superior to the rights of the Issuer and the Holder thereto. The Issuer acknowledges and agrees that, so long as the Company or an Affiliate is the owner of the Bonds, the Lender may require the application of the hazard and casualty insurance proceeds to the indebtedness owed to the Lender by the Company and, in such event, the insurance proceeds may not be applied in their entirety to the restoration of the Project. Company's compliance with this Section 6.5 and obtaining the insurance described herein shall not effect or reduce Company's obligations under the Unassigned Rights.

Section 6.5. Application of Net Proceeds of Insurance. The Net Proceeds of the liability insurance carried pursuant to the provisions of Section 6.4 hereof shall be applied to pay the liability with respect to which the insurance payment is made and shall be paid to the Company, subject to any provisions regarding Net Proceeds contained in any Superior Security Document. The Issuer's Unassigned Right to receive insurance proceeds with regard to third party liability claims shall be superior to any provision contained in a Superior Security Document. Nothing contained in this Section 6.5 shall relieve the Company of its obligations contained in Section 7.1 hereof.

Section 6.6. Additional Provisions Respecting Insurance. All claims made under any insurance policies carried pursuant to the requirements of Section 6.4 hereof, regardless of amount, may be adjusted by the Company with the insurers or by the holder of any Superior Security Document in accordance with the terms thereof. The Company shall furnish to the Issuer at closing and thereafter, at its request which shall not be made more often than annually, a certificate of insurance or other evidence satisfactory to the Issuer that it is in compliance with the requirements of Section 6.4 hereof and that such insurance provides coverage of at least \$5,000,000 for third party liability.

Section 6.7. Other Issuer Expenses. Anything to the contrary herein notwithstanding, the Company shall pay any reasonable expenses, including reasonable Attorney's fees, not specifically mentioned herein which are reasonably incurred by the Issuer in connection with the Project, this Lease, the Indenture or any of the Bonds, and which are not paid from the Project Fund pursuant to Section 4.3 hereof.

Section 6.8. Advances by Issuer or Trustee. If the Company fails to maintain the full insurance coverage required by this Lease or fails to maintain the Project in accordance with Section 6.1 above, the Issuer or the Trustee may (but unless satisfactorily indemnified shall be under no obligation to) take out the required policies of insurance and pay the premiums on the same or make the required repairs, renewals and replacements if the Company shall fail to do so within 15 days after written notice of failure to do so has been delivered to Company by the Trustee or the Issuer; and all amounts so advanced therefor by the Issuer or the Trustee will become an additional obligation of the Company to the one making the advancement, which amounts, together with interest thereon at the Default Rate from the date thereof, the Company agrees to pay.

Section 6.9. Indemnification of Issuer and the Trustee. The Company shall, to the extent permitted by applicable law, indemnify and save the Issuer and the Trustee and the officers, directors, members, agents, employees and attorneys of each harmless against and from all claims by or on behalf of any person, firm or corporation or governmental entity arising, directly or indirectly, from the conduct or management of, or from any work or thing done on, the Project during the Lease Term that is applicable thereto, and against and from all claims arising during such Lease Term from (a) any condition whatsoever of the Project (b) any sale or resale of the Bonds, (c) any breach or default on the part of the Company in the performance of any of its obligations under this Lease, (d) any contract entered into in compliance with the provisions of Section 4.1 hereof in connection with the acquisition, construction, equipping and installation of the Project, (e) any act of negligence of the Company or of any of its agents, contractors, servants, employees or licensees, (f) any act of negligence of any assignee or sublessee of the Company, or of any agents, contractors, servants, employees or licensees of any assignee or sublessee of the Company, (g) in the case of the Issuer and the Trustee and the respective officers, directors, members, agents, employees and attorneys of each, against and from any loss, liability, expense or claim arising under or in connection with the acceptance or administration of the Trust Estate for the Bonds or the performance by the Trustee of its duties and obligations under the Indenture, and (h) including without limiting the generality of the foregoing, any loss, liability or expense arising under the Comprehensive Environmental Response Compensation and Liability Act of 1980 as amended, and any other environmental statute, rule or regulation. The Company shall indemnify and save the Issuer and the Trustee and the officers, directors, members, agents, employees and attorneys of each harmless from and against all costs and expenses incurred in or in connection with any action or proceeding brought on such claims, and upon notice from the Issuer or the Trustee, the Company shall defend them or either of them in any such action or proceeding. Nothing contained herein shall require the Company to indemnify the Issuer, the Trustee or the officers, directors, members, agents, employees and attorneys of each for any claim or liability resulting from the Issuer's or the Trustee's or any such officer, director, member, agent, employee or attorney for its own willful misconduct or gross negligence. The Issuer or the Trustee shall reimburse the Company for payments made by the Company pursuant to this Section 6.9 to the extent of any Net Proceeds, actually received by either such party from any insurance covering such claims with respect to the losses sustained. The Issuer or the Trustee, as applicable, shall promptly claim any such insurance proceeds and shall assign its rights to such proceeds, to the extent of such required reimbursement, to the Company. In case any action shall be brought against the Issuer or the Trustee in respect of which indemnity may be sought against the Company, the Issuer or the Trustee, as applicable shall promptly notify the Company in writing and the Company shall have the right to assume the investigation and defense thereof including the employment of counsel and the payment of all expenses. Failure to give any such notice shall not affect the right

of the Issuer or Trustee, as applicable, to receive the indemnification provided herein; unless such failure resulted from the gross negligence or willful misconduct of the Issuer or the Trustee, such failure could not be remedied and the result of such failure is that the interests of the Company were materially and adversely affected as a direct result of such failure. The Issuer or the Trustee, as applicable shall have the right to employ separate counsel in any such action and participate in the investigation and defense thereof, but the fees and expenses of such counsel shall be paid by the Issuer or the Trustee unless (i) the employment of such counsel has been authorized by the Company or, (ii) the Company shall have failed promptly after receiving notice of such action from the Issuer or the Trustee, as applicable, to assume the defense of such action and employ counsel reasonably satisfactory to the Issuer or the Trustee, as applicable, or (iii) the named parties to any such action (including any impleaded parties) include both the Issuer or the Trustee, as applicable, and the Company or an affiliate of the Company, and the Issuer or the Trustee, as applicable, shall have been advised by counsel that there may be one or more legal defenses available to such party which are different from or in addition to those available to the Company or affiliate of the Company or (iv) the Issuer or the Trustee, as applicable, shall have been advised by counsel that there is a conflict on any legal issue between the Issuer or the Trustee, as applicable, and the Company (in which case, if the Issuer or the Trustee, as applicable, notifies the Company in writing that it elects to employ separate counsel at the expense of the Company, the Company shall not have the right to assume the defense of such action or proceeding on behalf of the Issuer or the Trustee, as applicable). The Company shall not be liable for any settlement of any such action without its consent but, if any such action is settled with the consent of the Company or if there be a final unappealable judgment for the plaintiff in any such action, the Company agrees to indemnify and hold harmless the Issuer and the Trustee and the officers, directors, members, agents, employees and attorneys of each from and against any loss by reason of such settlement or judgment. Nothing herein shall be construed as requiring the Issuer or the Trustee to acquire or maintain insurance of any form or nature with respect to the Project or with respect to any phrase, term, provision, condition or obligation of this Lease or any other matter in connection herewith. The obligations of the Company under this Section 6.9 shall survive the termination of this Lease and the satisfaction and discharge of the Indenture and shall continue in full force and effect, binding the Company to the provisions of this Section 6.9 without regard to the manner of termination of this Lease.

ARTICLE VII

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 7.1. Damage and Destruction. Subject to the rights of any Lender that holds a Superior Security Document, unless the Company shall have exercised its options to prepay the Bonds in whole, terminate this Lease and purchase the Project if prior to payment in full of the Bonds, the Project is damaged or destroyed by fire or other casualty, the Company shall be obligated to continue to make the rental payments specified in Section 5.3 hereof with respect to the Project, and at the written direction of 100% of the holders of the Bonds outstanding, shall promptly replace, repair, rebuild or restore the property damaged to substantially the same condition as existed prior to the event causing such damage, with such changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Company and as will not impair operating unity of the Project, or change its character to such an extent that its ownership by the Issuer would not be permitted under the laws pursuant to which

the Issuer was created. The Issuer hereby acknowledges and agrees that Issuer shall have no right to settle any claim with regard to any damage or destruction of the Project and all Net Proceeds of any casualty insurance policy shall be paid to the Company or as provided in any Superior Security Document.

Section 7.2. Condemnation. Subject to the rights of any Lender that holds a Superior Security Document, unless the Company shall have exercised its options to prepay the Bonds in whole, terminate the Lease Term of this Lease and purchase the Project, if the title in and to, or the temporary use of, the Project (or any part of either) 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, the Company shall be obligated to continue to make the rental payments specified in Section 5.3 hereof with respect to the Project, as applicable, and shall, at the written direction of 100% of the holders of the Outstanding Bonds, cause the restoration of the Project, as applicable, to substantially the same condition as it existed prior to the exercise of the said power of eminent domain, or shall acquire and install other machinery, equipment or related property suitable for the Company's operations thereat title to which machinery, equipment or related property will be conveyed to the Issuer by bill of sale and shall be deemed a part of the Project, as applicable, and available for use and occupancy by the Company without the payment of any rent other than the payments specified in Section 5.3 hereof. The Issuer hereby acknowledges and agrees that Issuer shall have no right to convey the Project, in lieu of condemnation or settle any claim with regard to condemnation without written approval of the Company and the holder of any Superior Security Document, which approval may be granted or withheld in any of such parties' sole and absolute discretion. All condemnation proceeds and proceeds received in lieu of condemnation shall be paid to Company or as provided in any Leasehold Mortgage or Superior Security Document.

ARTICLE VIII

SPECIAL COVENANTS

Section 8.1. No Warranty of Condition or Suitability by the Issuer. THE ISSUER MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE PROJECT OR ANY PORTION LEASED HEREUNDER OR THAT IT WILL BE SUITABLE FOR THE COMPANY'S PURPOSES OR NEEDS. The Company releases the Issuer from, agrees that the Issuer shall not be liable for and agrees, to the extent permitted by applicable law, to hold the Issuer harmless against, any loss that may be occasioned by the condition of the Project or its suitability for the Company's purposes or needs.

Section 8.2. Inspection of Project; Right of Access by the Issuer. The Company agrees that the Issuer, the Trustee or either of their duly authorized agents who are acceptable to the Company shall have the right, at all reasonable times during business hours on advance written notice and accompanied by a representative of the Company, to enter upon the Leased Land and to examine and inspect the Project provided that this does not result in any interference or prejudice to the Company's operations or those of any subtenant of the Company's thereat and is conducted in compliance with the safety and security policies of the Company and those of any tenants or subtenants. Such inspection shall only be made with at least 48 hours' prior notice to Company and in the presence of an official of the Company.

Section 8.3. Company to Maintain Its Existence; Exceptions Permitted. The Company agrees that as long as the Bonds, or any portion thereof shall remain outstanding, it shall maintain its existence and shall not transfer or convey all or substantially all of its property (other than the assignment of its interest under this Lease as permitted under the terms of this Lease), assets and licenses; provided however, the Company may without violating any provisions of this Lease consolidate with or merge into another domestic entity or permit one or more domestic legal entities to consolidate with or merge into or transfer or convey all or substantially all of its assets to another domestic legal entity, but only on the condition that the assignee legal entity or the legal entity resulting from or surviving such merger (if other than the Company) or consolidation or legal entity to which such transfer is made is then solvent and shall expressly assume in writing and agree to pay and to perform all of the Company's obligations under this Lease. If the Company is the surviving entity in such a merger the express assumption shall not be required.

Section 8.4. Good Standing in the State. The Company agrees that it will be in good standing in the State while this Lease is in effect.

Section 8.5. Granting and Release of Easements. The Company may at any time or times cause to be granted, modified, amended, released or terminated easements, declarations, restrictions, covenants, licenses, rights of way (temporary or perpetual and including the dedication of public highways), other rights or privileges in the nature of easements, declarations, restrictions, or covenants with respect to any property included in the Project and other contracts or agreements helpful in effecting the development, construction, maintenance, operation or restoration of the Project and such grant will be free from the lien or security interests created by the Indenture, the security deed granted by the Issuer to the Trustee, or this Lease, and the Issuer agrees that it shall execute and deliver and will cause the Trustee to execute and deliver any instrument necessary or appropriate to confirm, grant, amend, modify, terminate or release any such easement, declaration, restriction, covenant, license, right of way, other right or privilege or other document within ten (10) business days upon receipt of: (i) a copy of the subject instrument, and (ii) a written application of the Company signed by an Authorized Company Representative requesting such instrument and stating (1) that such instrument is not detrimental to the proper conduct of the business of the Company, and (2) that such instrument will not impair the effective use or materially interfere with the operation of the Project and will not weaken, diminish or impair the security intended to be given by or under the Indenture. The Company shall have and retain all rights as declarant, controlling party, appointed property owner, or any other designation, rights, and powers under any easements, covenants, declarations, or restrictions encumbering the Project, all to the same extent the Company would have if it were the owner of the fee simple interest in the Project, including the right to appoint committee members and to give approvals under such instruments.

Section 8.6. Preservation of Rights of Lenders. The Issuer and Company acknowledge and agree that Issuer holds fee simple title to the Project, subject to any Permitted Encumbrances and, in addition, that this Lease (including all rights and obligations under Articles XI and XII hereof) is and shall remain at all times subject to and subordinate in all respects to the Loan Documents and the rights of the holder of any Superior Security Document or any Leasehold Mortgage (but excluding the Unassigned Rights). The Issuer and the Company also covenant and agree as follows with respect to the Loan Documents:

(a) In the event of a foreclosure sale of the Project pursuant to the power of sale contained in the Loan Documents, then Mortgagee shall have the right, at its option, to either assume the duties and obligations of the Company under this Lease for the duration of the Lease term (including any prior obligations of the Company), or conduct the foreclosure sale of the Project subject to the Lease and affirm the Lease, in which event the Issuer, the Company and the purchaser at the foreclosure sale, as successor Company, shall execute, upon request of such purchaser, such reasonable documentation as is necessary to effectuate the affirmation of the Lease pursuant to Section 9.1.

(b) The Issuer acknowledges and agrees that the Company (including, without limitation, any successors or assigns to North River Apartments Owner, LLC, as the Company) shall have the right to refinance the Project with successor leasehold lenders from time to time, in which event such successor lender shall have the identical rights and priorities as the rights and priorities held by Leasehold Mortgagee with respect to the Project at the date hereof. All documentation evidencing or securing such loan with the successor lender shall thereafter constitute the Loan Documents and such successor lender shall have identical rights, privileges and priorities as those of Leasehold Mortgagee and the Loan Documents hereunder. Issuer agrees to execute documentation from time to time as is necessary to effectuate the foregoing, including without limitation, subordination agreements confirming the rights of a successor lender under paragraph (a) above and confirming that the title held by Issuer to the Project (excluding the Unassigned Rights) shall be subject to such Loan Documents of the successor lender and that this Lease (excluding the Unassigned Rights) is likewise subject to and subordinate to such successor Loan Documents.

Section 8.7. Reserved.

Section 8.8. Reserved.

Section 8.9. Filing of Certain Continuation Statements. Pursuant to Section 1214 of the Indenture, from time to time, the Trustee, at the sole expense of the Company, shall duly file or cause to be filed continuation statements for the purpose of continuing without lapse the effectiveness of (i) those Financing Statements which shall have been filed at or prior to the issuance of the Bonds in connection with the security for the Bonds pursuant to the authority of the Uniform Commercial Code of Georgia, and (ii) any previously filed continuation statements which shall have been filed as herein required. Upon the filing of any such continuation statement the Trustee shall immediately notify the Company and the Issuer that the same has been accomplished if so requested.

Section 8.10. Special Environmental Indemnification.

(a) The Company agrees to and shall indemnify, hold harmless, and defend the Issuer and Trustee, its officers, members, directors, agents, and employees from and against any and all claims, losses, damages, expenses, causes of action, lawsuits, government regulatory enforcement actions, and liability (individually, a “**Claim,**” collectively, “**Claims**”) asserted against the Issuer arising out of alleged or actual Environmental Contamination (hereinafter defined) arising from the Company’s leasing and operation of the Project.

(b) The Issuer shall notify the Company in writing within 30 days after any Claim is made, brought, or asserted, in any event, in writing, against the Issuer, and as to which the Issuer has actual knowledge by receipt of such written notification. The Company shall similarly notify the Issuer in writing within 30 days after any Claim is made, brought, or asserted against the Company.

(c) The Issuer shall fully cooperate with the Company, including but not limited to, assisting the Company in the preparation of a defense to Claims when and as the Company fulfills its obligations under this Section of the Lease. In the event the Issuer provides notice to the Company under subsection (b) above, the Company shall handle and control the defense of all Claims and the Company's decision on litigation and settlement and all other such aspects shall be final; provided, however, no settlement or decision shall impose upon the Issuer by apportionment or otherwise, any loss, damage or liability as a result thereof.

(d) The Issuer shall use its best efforts to deliver the notice specified in subsection (c) above within a period of 30 days after the Issuer has direct knowledge (by receipt of written notice or otherwise) of a Claim.

(e) The provisions of this Section 8.10 shall survive the termination of this Lease and shall continue in full force and effect, binding the Company to the provisions of this Section 8.10 without regard to the manner of termination of this Lease.

Section 8.11. Compliance with Laws. The Company agrees that it will comply with any applicable law, ordinance, rule or regulation of any governmental authority with respect to its use of the Project; provided, however, the Company shall have the right to contest the application of any such law, rule, ordinance, or regulation in good faith without causing any default hereunder.

The Issuer expressly authorizes the Company and its agents, including without limitation, attorneys engaged by the Company, to prepare, file, pursue and resolve any application(s) with the City of Sandy Springs, Georgia as may be reasonably necessary to enable the construction, operation, renovation and maintenance of the Project on the Leased Land including, without limitation, any zoning or other land use entitlement applications including those for site plan or condition modification or variance and including all land disturbance and building permits in connection therewith. The Issuer shall, upon request from the Company, sign any documents reasonably required in connection with any such application. The Company's indemnification of the Issuer under this Lease shall also provide for indemnification of the Issuer for any such agreements, contract, documents or easements signed by the Issuer in connection with any such application described herein.

Section 8.12. Resolution of Disputes. The Company agrees that it will respond to the Issuer within 15 days after written notice from the Issuer of any dispute, lawsuit or lien relating in any way to the Project and will cooperate fully with the Issuer to resolve such dispute. If any lien placed on the Project is not contested by the Company and not removed within 90 days, the Company, upon the written request of the Issuer, shall dissolve such lien by the filing of lien dissolution bond pursuant to O.C.G.A. § 44-14-364, unless such lien is being contested through proper proceedings and the Project is not subject to immediate sale or foreclosure.

Section 8.13. Limitation of Liability of Directors, Officers, Members, Agents and Employees of the Issuer. Nothing herein shall be deemed to be an obligation of any director, officer, member, agent or employee of the Issuer in his or her individual capacity, and neither the directors of the Issuer nor any officer thereof executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No director, officer, member, agent or employee of the Issuer shall incur any personal liability with respect to any other action taken by him or her pursuant to this Lease or the Indenture.

Section 8.14. Information for Tax Valuation Purposes. In order to permit the Fulton County Board of Assessors to fulfill its property valuation responsibility generally and pursuant to the Memorandum of Agreement, the Company agrees to promptly provide the Fulton County Board of Assessors with all such relevant information as the Fulton County Board of Assessors may request, either directly or through or with the assistance of the Issuer, relating to the Project and the Company's interest therein, including, without limitation, financial information regarding capital expenditures for the acquisition, construction, development, installation and equipping of the Project, as well as specific information relating to any leases or subleases entered into by the Company relating to the Project or any portion thereof.

Section 8.15. Economic Development Goals. The Company projects that following commencement of the Project and by December 31, 2028 (the "**Compliance Determination Date**"), it would make or cause to be made aggregate capital expenditures of approximately \$110,000,000, towards the acquisition, construction, and equipping of the Project.

ARTICLE IX

ASSIGNMENT, PLEDGING AND SELLING; REDEMPTION; RENT PREPAYMENT AND OFFSET

Section 9.1. Assignment and Subleasing.

(a) **Subleasing.** The Company may sublease the Project, as a whole or in part, without the approval of the Issuer, Trustee or holders of the Bonds. No sublease shall relieve the Company from primary liability for any of its obligations hereunder, and in the event of any such sublease, the Company shall continue to remain primarily liable for payment of the rents specified in Section 5.3 hereof and for the payment, performance, and observance of the other obligations and agreements on its part herein provided to be performed and observed by it.

(b) **Assignment.** Except as set forth in Sections 9.2 and 9.3 below, this Lease may not be assigned, in whole or in part, by the Company without the consent of (i) the Issuer and (ii) the owners of a majority in principal amount of the Bonds outstanding; provided, however, that this Lease may be assigned in whole or in part without such consents, to any entity controlled, controlling or under common control with the Company or to any successor to substantially all of the business of the Company. Any assignment of this Lease is further subject to the following conditions:

(1) no assignment shall relieve the Company from primary liability for any payment of rent or other obligations hereunder accruing prior to the date of such

assignment unless the Company shall have obtained the consent of the (i) Issuer and (ii) the Holder of the Bond; provided, however, in connection with an assignment of this Lease, Company shall be automatically released from all liabilities and obligations accruing hereunder after the effective date of such assignment if (x) the Issuer approves any such assignment or (y) such assignment or other transactions are otherwise permitted hereunder; and

(2) the Company shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Issuer and to the Holder of the Bond a true and complete copy of each such assignment, together with any instrument of assumption.

Notwithstanding the foregoing, this Lease may only be assigned to a Person that is also the Holder of the Bond, so at all times the lessee under the Lease and the Holder of the Bond will be the same Person (except for a pledge of this Lease, as permitted below). Nothing herein or in any of the other Bond Documents shall be deemed to prohibit the transfer of the Company's interest in this Lease to any Affiliate, so long as the Bond is also transferred to such Affiliate. Nothing herein or in any of the other Bond Documents shall be deemed to place any restriction on transfers of any ownership or equity interest in the Company.

Section 9.2. Exempt Assignment. Notwithstanding anything to the contrary set forth in this Lease, the Company may assign its interest in this Lease pursuant to an Exempt Assignment (hereinafter defined) without the approval of the Issuer or the Holder of the Bond; provided that, any such assignee of the Company (other than the holder of a Leasehold Mortgage that has not foreclosed its interest or accepted an assignment in lieu thereof) shall (i) agree to fully and unconditionally assume all obligations of the Company under this Lease, including, without limitation, all indemnity provisions contained in the Lease occurring prior to, on or after the Closing Date, and (ii) unless the Lease has expired or is otherwise terminated, agree to make good faith efforts to meet the Economic Development Goals for the Project, as originally agreed upon by the Issuer and the Company (to the extent the Economic Development Goals are not yet achieved), (iii) furnish the Issuer and the Fulton County Board of Assessors, not more than seven (7) days following such assignment, an executed Notice of Assignment and Certificate of Address Change (in such form as has been approved by the Fulton County Board of Assessors) and, to the extent not already included therein, written notification of the name, address and appropriate contact person for such assignee, together with a description of such assignment transaction including any consideration received by the Company in connection therewith and (iv) furnish the Issuer, not more than seven (7) days following such assignment, certificates of insurance as required under Article VI hereof, a status report on the Project, including but not limited to, the status of fulfilling the Economic Development Goals, MBE and FBE (as defined herein) participation, and such other information as may be reasonably requested by the Issuer, and a securities law opinion as required in the Bonds.

(a) An "Exempt Assignment" means any of the following assignments (as used herein, "Leasehold Mortgage" and derivatives thereof include "deeds to secure debt" and derivatives thereof):

(1) Any bona fide Leasehold Mortgage;

(2) The acquisition by any Leasehold Mortgagee or its designee of a leasehold interest through the exercise of any right or remedy of such Leasehold Mortgagee under a bona fide Leasehold Mortgage, including any assignment of such Leasehold Interest to the Leasehold Mortgagee or its designee made in lieu of foreclosure;

(3) Any foreclosure sale by any Leasehold Mortgagee pursuant to any power of sale contained in a bona fide Leasehold Mortgage;

(4) Any sale or assignment of the Leasehold Interest by any Leasehold Mortgagee (or its designee) which has acquired the Leasehold Interest by means of any transaction described above;

(5) Any sale or assignment of the Leasehold Interest to any Qualified Real Estate Investor (hereinafter defined); and

(6) Any sale or assignment of the Leasehold Interest to any person if (a) the Company or the proposed assignee provides Adequate Financial Assurance (hereinafter defined) of the payment of rent and other financial obligations under the Lease for the period the proposed assignee is the lessee under this Lease, and (b) the proposed assignee has sufficient experience with respect to projects similar to the Project to properly manage, or oversee the ownership or management of, developments similar to the Project.

(b) "Institutional Investor" means any of the following persons:

(1) Any savings bank, savings and loan association, commercial bank, or trust company having shareholder equity (as determined in accordance with GAAP accounting) of at least \$50,000,000;

(2) Any college, university, credit union, trust or insurance company having assets of at least \$50,000,000;

(3) Any employment benefit plan subject to ERISA having assets held in trust of \$50,000,000 or more;

(4) Any pension plan established for the benefit of the employees of any state or local government, or any governmental authority, having assets of at least \$50,000,000;

(5) Any limited partnership, limited liability company or other investment entity having committed capital of \$50,000,000 or more;

(6) Any corporation, limited liability company, partnership or other Person having shareholder equity (or its equivalent for non-corporate entities) of at least \$50,000,000;

(7) Any lender of substance which performs real estate lending functions similar to any of the foregoing, and which has assets of at least \$50,000,000; and

(8) Any partnership having as a general partner any person or entity described in this Section 9.2(b) above, or any corporation, limited liability company, partnership or other person or entity, directly or indirectly, controlling, controlled by or controlled with any person or entity described in this Section 9.2(b) above.

(c) “Qualified Real Estate Investor” means any of the following:

(1) Any Institutional Investor; or

(2) Any person or entity domiciled within the United States of America and having a minimum net worth of \$10,000,000, as certified by a reputable firm of certified public accountants, provided such person or entity has sufficient commercial real estate experience with respect to developments similar to the Project to properly manage, or oversee the management of, the Project (which experience requirement may be satisfied through the engagement of a third party management company).

(d) “Adequate Financial Assurance” means a guaranty of payment of the rent and other financial obligations of the Company under this Lease made by a Qualified Real Estate Investor for the period of time that the proposed assignee is the lessee under this Lease.

Notwithstanding the foregoing, this Lease may only be assigned to a Person that is also the Holder of the Bond, so at all times the lessee under the Lease and the Holder of the Bond will be the same Person (except for a pledge of this Lease, as permitted below). Nothing herein or in any of the other Bond Documents shall be deemed to prohibit the transfer of the Company’s interest in this Lease to any Affiliate, so long as the Bond is also transferred to such Affiliate. Nothing herein or in any of the other Bond Documents shall be deemed to place any restriction on transfers of any ownership or equity interest in the Company.

Section 9.3. Assignment of Lease to Trustee. The Issuer shall assign its interest in and pledge all rents, revenues and receipts derived under this Lease or otherwise arising out of or in connection with its ownership of the Project (except for the Unassigned Rights) pursuant to the Indenture, to the Trustee as security for the payment of the principal of and interest on the Bonds, but such assignment shall be subject and subordinate to this Lease.

Section 9.4. Restrictions on Sale of the Project by Issuer. Except pursuant to the Security Document or a Superior Security Document, and except for any sale under threat of a taking by eminent domain or a sale pursuant to Article VI hereof, the Issuer agrees that, during the Lease Term, it shall not, except pursuant to or as permitted by the Security Document or a Superior Security Document, (1) directly, indirectly, or beneficially sell, convey, or otherwise dispose of any part of its interest in the Project, (2) permit any part of the Project to become subject to any lien, claim of title, encumbrance, security interest, conditional sale contract, title retention arrangement, finance lease, or other charge or any other matter affecting title to the Project of any kind, without the written consent of the Company and any Leasehold Mortgagee, or (3) assign, transfer, or hypothecate (other than pursuant to the Bond Resolution, the Security Document or a Superior Security Document) any payment of rent (or analogous payment) then due or to accrue in the future under any lease of the Project, except that if the laws of the State at the time shall permit, nothing contained in this Section shall prevent the consolidation of the Issuer with, or

merger of the Issuer into, or transfer of the Project as an entirety to, any public body of the State whose property and income are not subject to taxation and which has authority to own and lease the Project, provided, that upon any such consolidation, merger, or transfer, the due and punctual payment of the principal of, premium, if any, and interest on the Bond according to its tenor, and the due and punctual performance and observance of all the agreements of the Issuer under the Bond Documents and any Superior Security Document to which the Issuer is a party to be kept and performed by the Issuer, shall be expressly assumed in writing by the public body resulting from such consolidation or surviving such merger or to which the Project shall be transferred as an entirety. It is hereby recognized and acknowledged by both the Company and the Issuer that the Issuer, at the written request of the Company, shall (provided the Issuer incurs no liabilities or obligations in connection therewith) execute a Superior Security Document which encumbers the Issuer's fee interest and execute any related documents in connection with the Company's financing or refinancing of the Project.

Section 9.5. Prepayment of Bonds. The Issuer shall forthwith take all steps that may be necessary under the applicable prepayment provisions of the Indenture to effect prepayment of all or any portion of the Bonds, as may be specified by the Company in the case of optional redemption, on the earliest prepayment date on which such prepayment may be made under such applicable provisions. So long as the Company is not in default hereunder and the Issuer is not obligated to prepay the Bonds pursuant to the terms of the Indenture, the Issuer shall not redeem any Bonds prior to their maturity unless requested in writing by the Company. The Company agrees to give notice to the Issuer and the Trustee of any prepayment at least 45 days prior to the prepayment date or such shorter period of time as may be acceptable to the Issuer and the Trustee.

Section 9.6. Prepayment of Rents. There is expressly reserved to the Company the right, and the Company is authorized and permitted, at any time it may choose, so long as it is not in default hereunder, to prepay all or any part of the rents payable under Section 5.3 hereof, and the Issuer agrees that the Trustee may accept such prepayment when the same is tendered by the Company. All prepaid rents shall be credited on the rents specified in Section 5.3, in the chronological order of their due dates.

Section 9.7. Rent Offset if Bonds Paid Prior to Maturity. If at any time either (i) all Outstanding Bonds have been cancelled or the aggregate moneys in the Bond Fund are sufficient to retire, in accordance with the terms of the Indenture, all of the Outstanding Bonds and (ii) all Ordinary Expenses of the Trustee relating to the Bonds due or to become due through the date on which the last of the Bonds is to be retired or cancelled have been paid or arrangements for the payment thereof acceptable to the Trustee have been made, under circumstances not resulting in termination of the Lease Term hereunder, and the Company shall be entitled to use and occupy the Project from the date on which such aggregate moneys are in the Bond Fund to and including 11:59 p.m., Atlanta, Georgia time, on December 1, 2038 without the payment of rent during that interval (but otherwise on the terms and conditions hereof).

Section 9.8. Reference to Bonds Ineffective After Bonds Paid. Upon payment in full of the Bonds and all fees, charges and expenses of the Trustee relating thereto, all references in this Lease to the Bonds and to the Trustee shall be ineffective and neither the Trustee nor the holders of any of the Bonds shall thereafter have any rights hereunder, saving and excepting those that shall have theretofore vested. Reference is hereby made to Section 1002 of the Indenture which

sets forth the conditions upon the existence or occurrence of which payment in full of the Bonds shall be deemed to have been made.

Section 9.9. Permitted Transfers. Notwithstanding anything to the contrary contained in this Section 9.9 or otherwise in this Lease, the Issuer acknowledges and agrees that the direct and indirect constituent entities or owners of the Company may make any transfer, assignment or other conveyance of non-controlling or controlling interests in the Company permitted under the governing documents of such entities, as such governing documents may be amended from time to time. The Company may sublease all or any part of the Project, in whole or in part, at any time and from time to time, without the approval of the Issuer, but no such sublease shall relieve the Company of any of its obligations hereunder.

ARTICLE X

EVENTS OF DEFAULT AND REMEDIES

Section 10.1. Events of Default Defined. The following shall be Events of Default under this Lease:

(a) failure by the Company to make any rental payments required under Section 5.3 hereof on or before the date that the payment is due and continuance of such failure for a period of thirty (30) business days after written notice thereof has been given to the Company; provided however, if the Company is then the Holder of the Bonds, such Basic Rent shall be deemed to have been paid and the corresponding debt service on the Bonds shall be deemed to have also been paid as and when due, as provided by Section 5.3 hereof; or

(b) failure by the Company to observe and perform any other material covenant, condition or agreement on its part under this Lease (other than as referred to in subsection (a) of this Section), for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, shall be given to the Company by the Trustee, unless the Issuer and the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Issuer and the Trustee will not unreasonably withhold their consent to an extension of such time if it is possible to correct such failure and corrective action is instituted by the Company within the applicable period and diligently pursued until the default is corrected;

(c) the entry of a decree or order by a court having jurisdiction in the premises for relief in respect of the Company or adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under Title 11 of the United States Code, as now constituted or as amended or any other applicable Federal or state bankruptcy or other similar law, and such decree or order shall have continued undischarged or unstayed for a period of 90 days; or the entry of a decree or order of a court having jurisdiction of the premises for the appointment of a receiver or liquidator or trustee or custodian or assignee in bankruptcy or insolvency of the Company or of all or a major part of its property, or for the winding up or liquidation of its affairs and such decree or order shall have remained in force undischarged or unstayed for a period of 90 days;

(d) the Company shall institute proceedings to be adjudicated a bankrupt or insolvent, or shall consent to the filing of a bankruptcy or insolvency proceeding against it, or shall file a petition or answer or consent seeking relief under Title 11 of the United States Code, as now constituted or as amended, or any other applicable Federal or state bankruptcy or other similar law, or shall consent to the institution of proceedings thereunder or to the filing of any such petition, or shall consent to the appointment or taking possession of a receiver or liquidator or trustee or custodian or assignee in bankruptcy or insolvency of it or of all or a major part of its property, or shall make an assignment for the benefit of its creditors, or shall admit in writing its inability to pay its debts generally as they become due, or the failure of the Company generally to pay its debts as such debts become due, or the taking of action by the Company in furtherance of any such action; or

(e) The sale, transfer, assignment or other disposal of the Project or the Company's interest in the Project other than a sale, transfer, assignment or disposal which is permitted under the provisions of Article IX hereof.

The foregoing provisions of this Section are subject to the following limitations. If by reason of *force majeure* the Company is unable in whole or in part to carry out the agreements on its part herein contained, other than the obligations on the part of the Company contained in Sections 5.3, 6.3, 6.4, 6.9 and 8.3 hereof, the Company shall not be deemed in default during the continuance of such inability. The term "*force majeure*" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; terrorism; orders of any kind of the government of the United States of America or of the State of Georgia or any of their departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; riots; epidemics; pandemics; landslides; lightning; earthquakes; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Company. The Company agrees, however, to use its commercially reasonable efforts to remedy with all reasonable dispatch the cause or causes preventing the Company from carrying out its agreements; provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Company, and the Company shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the Company, unfavorable to the Company.

The Issuer will grant any consents or waivers of any Event of Default by the Company, except for Events of Default related to the Unassigned Rights, upon the written direction by the owners of a majority in principal amount of the Bonds outstanding, subject to such actions being consistent with any law applicable to the Issuer.

Section 10.2. Remedies on Default. Whenever any Event of Default shall have happened and be subsisting, beyond any notice and cure period, the Issuer or Bondholder shall have the following remedies:

(a) With respect to a monetary Event of Default, the Issuer may from time to time, take whatever action at law or in equity or under the terms of this Lease may appear necessary or desirable to collect the rents and other amounts payable by the Company hereunder then due or thereafter to become due; and

(b) With respect to a non-monetary Event of Default that is not the failure of the Company to cause the Project to be completed by the Compliance Determination Date, the Issuer may from time to time take whatever action at law or in equity under the terms of this Lease may appear necessary or desirable to cause the Company to perform the covenant or obligation, including specific performance; and

(c) With respect to the Company's failure to pay taxes or make any payments required by the Memorandum of Understanding, the Issuer may elect to terminate this Lease on 60 days prior, written notice, provided that as a condition to the termination the Issuer shall simultaneously with the termination of this Lease convey to the Company title to the Project under and pursuant to the option in Article XII, and the Company shall be obligated to accept title to the Project.

Any amounts of Basic Rent collected pursuant to action taken under this Section shall be applied in payment of the then-outstanding Bonds. Any amounts collected as Additional Rent shall be paid to the Person or Persons to whom such Additional Rent is due and owing hereunder.

Notwithstanding that this Lease (except for Unassigned Rights) is to be assigned to the Holder, the Issuer shall be entitled to enforce this Lease if any Event of Default relates to such Unassigned Rights or exposes the Issuer, its assets or its members, officers, directors, employees or agents to any liability. The Issuer has the sole and exclusive right to enforce its Unassigned Rights and does not need consent of any owners of the Bonds or any Lender to exercise any remedial steps set forth herein related thereto. The Holder shall be entitled to enforce the provisions hereof that affect its interests hereunder.

Any amounts collected pursuant to action taken under this Section shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture and after payment in full of the Bonds and the payment of any costs occasioned by an Event of Default hereunder, any excess moneys in the Bond Fund shall be returned to the Company as an overpayment of rent. Any enforcement of recovery under this Section shall be limited from and against the Company (including the Company's interest in the Project) only and no claim or recovery may be made against any member, partner, officer, director or other beneficial owner of the Company.

Section 10.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer or the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon the occurrence of any Event of 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 Issuer or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice or notices as may be herein expressly required.

Such remedies as are given to the Issuer hereunder shall also extend to the Trustee, and the Trustee and the holders of the Bonds shall be deemed third party beneficiaries of all covenants and agreements herein contained.

Section 10.4. Agreement to Pay Attorneys' Fees and Expenses. Should an Event of Default occur and the Issuer and/or the Trustee should employ attorneys or incur other expenses for collection of rents or the enforcement of performance or observance of any obligation or agreement on the part of the Company herein contained, the Company agrees that it shall on demand therefor pay to the Issuer and/or the Trustee the reasonable fees actually incurred of such attorneys and such other reasonable expenses so incurred by the Issuer and/or the Trustee. In the event that Company provides written authorization for the Issuer to execute certain documentation in connection with the Project on or after the Closing Date, Company further agrees to pay Issuer's attorneys' fees and reasonable expenses for the review of such documentation. The obligations set forth in this Section 10.4 shall survive the termination of this Lease.

Section 10.5. No Additional Waiver Implied by One Waiver. If any agreement contained in this Lease 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.

Section 10.6. Waiver of Appraisalment, Valuation, Etc. If the Company should default under any of the provisions of this Lease, the Company agrees to waive, to the extent it may lawfully do so, the benefit of all appraisalment, valuation, stay, extension or redemption laws now or hereafter in force, and all right of appraisalment and redemption to which it may be entitled.

Section 10.7. Reinstatement of Lease. Notwithstanding any termination of this Lease in accordance with the provisions of Section 10.2, the Company may at any time after such termination pay all accrued unpaid rent, except rent accelerated pursuant to Section 10.2(a) of this Lease, plus any costs to the Issuer and the Trustee occasioned by the default, including all interest required to be paid in accordance with the Indenture on overdue principal and, to the extent lawful, on any overdue interest, or on the principal of Bonds not redeemed in accordance with the Indenture by reason of any default by the Company in the payment of rent, and fully cure all other defaults then capable of being cured. Upon such payment and cure and the rescission and annulment of acceleration as provided in Section 1111 of the Indenture, this Lease shall be fully reinstated, as if it had never been terminated, and the Company shall be restored to the use, occupancy and possession of the Project and any acceleration pursuant to Section 10.2(a) of this Lease shall thereupon be rescinded and annulled.

ARTICLE XI

OPTIONS IN FAVOR OF LESSEE

Section 11.1. Options to Terminate the Lease Term. The Company shall have the following options to terminate the Lease Term which may be exercised whether or not there exists a Default or Event of Default hereunder:

(a) At any time simultaneously with payment in full of the Bonds, the Company may terminate the Lease Term by giving the Issuer and the Trustee notice in writing of such termination and by the return to the Trustee of all the Outstanding Bonds marked "Paid in Full" by the owners thereof (or by duly appointed attorney-in-fact of such owners); or

(b) At any time after payment in full of the Bonds (which may be evidenced by the return to the Trustee of all the Outstanding Bonds marked "Paid in Full" by the owners thereof (or by duly appointed attorney-in-fact of such owners)), the Company may terminate the Lease Term by giving the Issuer notice in writing of such termination and such termination shall forthwith become effective.

Section 11.2. Reserved.

Section 11.3. Release of Portions of the Project. Notwithstanding any other provision of this Lease, upon the written request of the Company, the Issuer agrees at any time and from time to time, to amend this Lease for the purpose of effecting the release of and removal from this Lease of any portion of the Project and conveying any such portion of the Project to the Company or its designee, as requested by the Company. The consideration for any such release is the Company's agreement to make the scheduled principal amortization prepayments set forth in Section 301 of the Indenture. If at the time any such amendment is made any of the Bonds are outstanding and unpaid, there shall be deposited with the Trustee the following:

(a) A copy of said amendment, as executed by the Issuer and the Company.

(b) An adequate legal description of the portion of the Project to be released.

(c) A certificate of an Authorized Company Representative, dated not more than sixty days prior to the date of the release and stating that, in the opinion of the person signing such certificate, (i) the portion of the Project so proposed to be released is not otherwise needed for the operation of the Project for the purposes hereinabove stated, and (ii) the release so proposed to be made will not materially impair the utility of the Project and will not destroy the means of ingress thereto and egress therefrom, (iii) all necessary action required under the Company's governing documents has been taken to authorize and approve such amendment and (iv) the Company is not in default under any of the provisions of this Lease.

Upon depositing the above with the Trustee, the Issuer shall convey the portion of the Project to be released to the Company by a Quitclaim Deed and Bill of Sale. The Issuer shall comply with the provisions of Section 11.4 below in its conveyance of the property to the Company. No release effected under the provisions hereof shall entitle the Company to any abatement or diminution of the rents payable under Section 5.3 hereof. If at any time the Company exercises its right to cause portions of the Project to be released hereunder and such release would cause the entire remainder of the Project to be released, the exercise of such right shall be deemed to be an exercise of the Company's option to terminate the Lease Term under Section 11.1 above.

Section 11.4. Conveyance on Purchase. At the closing of any purchase pursuant to Article XII hereof, or pursuant to the exercise of any other option to purchase granted herein, the Trustee shall deliver to the Company or its designee the Quitclaim Deed and Bill of Sale or similar documents satisfactory to the Company conveying to the Company or its designee all of its right,

title and interest in and to the property with respect to which such option or other right was exercised, by quitclaim deed, subject to the following, (i) those liens and encumbrances (if any) to which such title in and to said property was subject when conveyed to the Issuer, (ii) those liens and encumbrances created by the Company or to the creation or suffering of which the Company consented in writing, (iii) those liens, security interests and encumbrances resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Lease and (iv) Permitted Encumbrances other than the Indenture and this Lease. The Indenture, the Security Document from the Issuer to the Trustee and the Guaranty of the Lease shall all be terminated and released upon any such conveyance pursuant to this Section 11.4. Notwithstanding the above, in the event only a portion of the Project is released pursuant to Section 11.3 above, such documents shall not be terminated but instead shall be amended to reflect the release of such portion of the Project.

Section 11.5. Relative Position of Options and Indenture. The options respectively granted to the Company in this Article shall be and remain prior and superior to the Indenture and may be exercised whether or not the Company is in default hereunder, provided that such default will not result in nonfulfillment of any condition to the exercise of any such option.

Section 11.6. Collateral Assignment of Options. The Issuer acknowledges and agrees that the Company may collaterally assign the options granted to the Company in this Article pursuant to any Loan Documents and hereby consents to any such collateral assignment of such options. In furtherance of such acknowledgement and agreement, the Issuer shall execute such documents as may be reasonably required by any Lender to evidence such consent.

ARTICLE XII

OPTION TO AND OBLIGATION OF COMPANY TO PURCHASE PROJECT

Section 12.1. Option to and Obligation to Purchase. The Company hereby agrees to purchase, and the Issuer hereby agrees to sell, to the Company (or its designee) and grants Company the exclusive right and option to buy, the Project for ten dollars (\$10.00) at any time during the Term of this Lease and following the expiration or sooner termination of the Lease Term evidenced by either (1) the return to the Trustee of all the Bonds outstanding marked “paid in full” by the owners thereof (or by duly appointed attorney-in-fact of such owners), or (2) payment in full of the Bonds. At any time subsequent to the expiration or sooner termination of this Lease as aforesaid upon notice to the Issuer by the Company, the Issuer shall upon receipt of the purchase price deliver to the Company or cause the Trustee, as the assignee of the Issuer to deliver to the Company those documents set forth in Section 11.4 hereof. The option and obligation specified in this Section shall be and remain prior and superior to the Indenture and may be exercised whether or not the Company is in default hereunder. The provisions of this Section 12.1 shall survive the expiration or sooner termination of this Lease.

ARTICLE XIII

MISCELLANEOUS

Section 13.1. Notices. Any notice, request or other communication (a “notice”) required or permitted to be given hereunder shall be in writing and shall be delivered by hand or overnight courier (such as United Parcel Service or Federal Express), sent by email (provided a copy of such notice is deposited with an overnight courier for next business day delivery) or mailed by United States registered or certified mail, return receipt requested, postage prepaid and addressed to each party at its address as set forth below. Any such notice shall be considered given on the date of such hand or courier delivery, confirmed email transmission (provided a copy of such notice is deposited with an overnight courier for next business day delivery), deposit with such overnight courier for next business day delivery, or receipt via the United States mail, but the time period (if any is provided herein) in which to respond to such notice shall commence on the date of hand or overnight courier delivery or on the date received following deposit in the United States mail as provided above. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice. By giving at least five (5) days’ prior written notice thereof, any party may from time to time and at any time change its mailing address hereunder. Any notice of any party may be given by such party’s counsel. Notice addresses are as follows:

If to the Issuer: City of Sandy Springs Development Authority
1 Galambos Way
Sandy Springs, Georgia 30328
Attention: Chris Burnett, Economic Development
Director
Email: cburnett@sandyspringsga.gov

with a copy to: Daniel W. Lee, Esq.
City Attorney
1 Galambos Way
Sandy Springs, Georgia 30328
Email: dlee@fmglaw.com

If to the Company: North River Apartments Owner, LLC
[ADDRESS]
Attention:
Email:

and a copy to: Troutman Pepper Locke
600 Peachtree St. NE, Suite 3000
Atlanta, Georgia 30308
Attention: Charles F. Palmer, Esq.
E-mail: Charles.palmer@troutman.com

If to the Trustee: Pinnacle Bank
800 Shades Creek Parkway
Birmingham, Alabama 35209
Attention: Corporate Trust Department

A duplicate copy of each notice, certificate or other communication given hereunder by either the Issuer, the Company or the Trustee shall be given to each of the others. The Issuer, the Company and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 13.2. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Issuer, the Company and their respective successors and assigns.

Section 13.3. Severability. If any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.4. Amounts Remaining in Bond Fund. It is agreed by the parties hereto that, subject to and in accordance with the terms and conditions of Section 609 of the Indenture certain surplus moneys remaining in the Bond Fund shall belong to and be paid to the Company by the Trustee as an overpayment of rents.

Section 13.5. Amendments, Changes and Modifications. Except as otherwise provided in this Lease or in the Indenture, subsequent to the initial issuance of any of the Bonds and prior to payment in full of the Bonds, this Lease may only be amended, changed, modified, altered or terminated by the written agreement of the Issuer and the Company and may not be effectively amended, changed, modified, altered or terminated without the concurring written consent of the Trustee in accordance with the Indenture.

Section 13.6. Execution of Counterparts. This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.7. Captions. The captions and headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions of this Lease.

Section 13.8. Recording of Lease. This Lease (or a short form or memorandum hereof) and every assignment and modification hereof may, at the election and expense of the Company, be recorded in the office of the Clerk of the Superior Court of Fulton County, Georgia, or in such other office as may be at the time provided by law as the proper place for such recordation.

Section 13.9. Law Governing Construction of Lease. This Lease shall be governed by, and construed in accordance with, the laws of the State of Georgia.

Section 13.10. Net Lease. This Lease shall be deemed a “net lease,” and the Company shall pay absolutely net during the Lease Term the rents, revenues and receipts pledged hereunder, without abatement, deduction or set off other than those herein expressly provided.

Section 13.11. Negation of Partnership. Nothing in this Lease shall be construed to render or constitute Issuer in any way or for any purpose a partner, joint venturer or associate in any relationship with Company, or vice versa, other than that as lessor and lessee or landlord and tenant, nor shall this Lease be construed to authorize Issuer as agent for Company.

Section 13.12. Required Consent of Leasehold Mortgagee. Notwithstanding anything contained herein to the contrary, whenever the provisions of this Lease require the Company's consent, the consent of each Leasehold Mortgagee must also be obtained.

Section 13.13. Estoppel Certificates. Upon ten (10) business days written request of the Company, the Issuer will provide (or direct the Trustee to provide) a statement in a form acceptable to the Issuer to (a) the holder or potential holder of any Superior Security Document or any Leasehold Mortgage or (b) a proposed assignee of this Lease concerning, to the Issuer's knowledge (or the Trustee's knowledge, if applicable) (i) the outstanding amount of the Bonds that have been issued to the Company; (ii) whether a default exists under this Lease or the other Bond Documents, and if so specifying the nature of such default; (iii) whether this Lease or the Bond Documents have been amended, and if so, specifying the amendments; and (iv) any other matter concerning this Lease or the Bond Documents reasonably requested by such holder or proposed assignee.

Section 13.14. Acknowledgement of Subordination. Notwithstanding anything contained herein, this Lease, excluding the Unassigned Rights of the Issuer, is subject and subordinate in all respects to any Superior Security Document, to all other liens granted by Company to the holder of such Superior Security Document with respect to or in connection with the indebtedness secured by any Superior Security Document, and to all modifications, extensions, refinancings (where such liens continue) or renewals of such lien.

Section 13.15. City of Sandy Springs and Fulton County Ordinances. It is the responsibility of the Company to ensure compliance with any applicable City of Sandy Springs or Fulton County ordinances.

Section 13.16. Additional Lender Provisions; Cooperation of Issuer. In addition to the other provisions of the Lease relating to Leasehold Mortgagee or any other Lender, including, without limitation, Section 8.6 hereof, and without limitation upon same, the Issuer agrees that, with respect to any Leasehold Mortgagee or any other Lender, the following provisions shall apply with respect to this Lease:

(a) No termination, cancellation, surrender or modification of this Lease by the Company, including, without limitation, any amendment, supplement or modification to the Lease, nor the waiver by the Company of any of the provisions of this Lease, nor the giving by the Company of any consent, shall be effective against any Lender unless consented to in writing by such Lender.

(b) So long as the Leasehold Mortgage is in effect and has not been canceled, unless each Lender shall otherwise expressly consent in writing, the fee simple title in and to the Project held by the Issuer and the Leasehold Interest of the Company created by this Lease shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee simple

title and said Leasehold Interest by the Issuer or by the Company or by a third party, by purchase or otherwise.

(c) The Issuer shall have no rights in and to the rentals payable to the Company under any sublease(s) of all or any part of the Project, which rentals Issuer acknowledges may be assigned by the Company to the holder of a Superior Security Document or a Leasehold Mortgagee (or both).

(d) The Issuer acknowledges that, in the event of damage to or taking of the improvements that are part of the Project due to casualty or condemnation, the Net Proceeds of casualty insurance or condemnation, as the case may be, may be required by the Leasehold Mortgagee to be applied to reduce the then balance of the indebtedness secured by the Leasehold Mortgage or may be required by Leasehold Mortgagee to be used for the restoration or replacement of such improvements. In the event of any conflict between the provisions of this Lease and the provisions of a Leasehold Mortgage with respect to application of the Net Proceeds of casualty insurance and condemnation, the provisions of the Leasehold Mortgage shall control.

(e) The Issuer or the Trustee shall give written notice to each Lender of (i) the occurrence or existence of any default under this Lease or (ii) the occurrence of any event or matter on which the Issuer or the Trustee may predicate or claim a default or an Event of Default under the Lease, which notice shall be given concurrently with any notice given to the Company thereof or, if the Issuer or Trustee is not obligated to give the Company notice of such default or matter, within ten (10) days after Issuer or Trustee shall have obtained actual knowledge of the occurrence of such default or matter. The Issuer and the Trustee shall have no liability for the failure to give any such notice, except that no such notice by the Issuer or by the Trustee to the Company shall be deemed to have been duly given to the Company, Leasehold Mortgagee, or any other Lender unless and until a copy thereof has been so provided to the Leasehold Mortgagee and each other Lender. Notwithstanding the foregoing, Issuer and Trustee shall not be required to give notice to a Lender unless the Issuer and the Trustee have been furnished with the name and mailing address of such Lender and have actual knowledge of the occurrence or existence of any default under this Lease.

(f) Notices from the Issuer or from the Trustee to a Lender shall be mailed to the address furnished to the Issuer and Trustee, as aforesaid, and those from a Leasehold Mortgagee or any other Lender to the Issuer or to the Trustee shall be mailed to the address designated pursuant to the provisions of this Lease. Such notices, demands and requests shall be given in the manner described in this Lease.

(g) Notwithstanding any provisions of this Lease to the contrary, no default or event of default under a Superior Security Document, a Mortgage, or any other Loan Document will, in and of itself, constitute a default or Event of Default under this Lease unless the applicable Lender directs that the same be treated as an Event of Default under this Lease.

(h) As long as a Leasehold Mortgagee (including any successor or assign) holds a Leasehold Mortgage:

(1) That Leasehold Mortgagee or its designee may, but shall not be obligated to, cure any default or Event of Default by the Company under this Lease within sixty (60) days after Leasehold Mortgagee's receipt of Issuer's or Trustee's notice thereof; provided, however, that if any non-monetary default reasonably cannot be cured within such sixty (60) day-period, the same shall be deemed to have been timely cured if that Leasehold Mortgagee or its designee commences reasonably appropriate curative action within such sixty (60) day-period and diligently prosecutes same to completion thereafter. If any such non-monetary default reasonably cannot be cured by Leasehold Mortgagee without Leasehold Mortgagee obtaining possession of the Project, such sixty (60) day cure period shall not commence until Leasehold Mortgagee or its designee obtains possession of the Project, as long as all rent payments are made and all other defaults which reasonably can be cured by Leasehold Mortgagee without Leasehold Mortgagee obtaining possession of the Project are so cured, and provided that Leasehold Mortgagee or its designee commences to exercise any rights under its Leasehold Mortgage to obtain possession or to effect foreclosure on the Project, and diligently pursues the exercise of such rights thereafter.

(2) Notwithstanding anything in this Lease to the contrary, if any, default by the Company under this Lease is of such a nature that it reasonably cannot be cured by such Leasehold Mortgagee or its designee, or reasonably cannot be cured by such Leasehold Mortgagee without such Leasehold Mortgagee obtaining possession of the Project, neither the Issuer nor the Trustee shall terminate this Lease as long as all rent payments are made with respect to the Project and all other defaults which reasonably can be cured by such Leasehold Mortgagee without obtaining possession of the Project are so cured.

(3) Subject to the terms of the applicable Loan Documents, such Leasehold Mortgagee or its designee may exercise any renewal option or any purchase option relating to the Project to which the Company under the Lease is now or hereafter entitled under this Lease.

(4) Neither the Issuer nor the Trustee shall terminate this Lease as to the Project without first giving each Lender (i) written notice of its intent to terminate this Lease pursuant to Section 13.16(e) and (ii) a reasonable period after such notice in which to obtain possession of the Project or to effect foreclosure or otherwise acquire the Leasehold Interest from the Company and, within a reasonable time thereafter, to cure any default which is capable of being cured by such Lender without such Lender obtaining possession of the Project. If such Lender cures those defaults which reasonably can be cured by such Lender without obtaining possession of the Project, then Issuer will not terminate this Lease. Further, neither the Issuer nor the Trustee shall exercise any remedies for a default under this Lease as it relates to any property pledged under any Mortgage without the prior written consent of the Mortgagee which is the holder thereof.

(5) In addition to the rights of any Leasehold Mortgagee set forth in this Lease, if the Lease is terminated due to an Event of Default under this Lease or if this Lease is otherwise terminated without the consent of Leasehold Mortgagee, whether by rejection in a bankruptcy or insolvency proceeding concerning the Company or otherwise, Issuer

shall enter into a new lease (the “**New Lease**”), with Leasehold Mortgagee or its designee for the remainder of the term which was theretofore terminated at the same rent and having the same other provisions as this Lease, as theretofore amended, so long as Leasehold Mortgagee or its designee agrees to assume all obligations of the Company under the Lease, including indemnification of the Issuer. Such right may be exercised (whether under the provisions of this subsection or under the provisions of this Lease) by written notice from Leasehold Mortgagee to Issuer on or before the expiration of thirty (30) days after the receipt by Leasehold Mortgagee of a written notice from Issuer of such termination, which notice shall advise such Leasehold Mortgagee of such termination and expressly refer to the New Lease rights of such Leasehold Mortgagee under the provisions of this Lease (a “**New Lease Notice**”). After any termination of this Lease after which such Leasehold Mortgagee has the right to obtain a New Lease as provided in this Section 13.16, for so long as such Leasehold Mortgagee has such right, Issuer shall not terminate any tenant subleases or the rights of any subtenant.

(6) Within twenty (20) days after request by such Leasehold Mortgagee from time to time made, Issuer will execute and deliver to such Leasehold Mortgagee or to such other person or entity as may be specified by such Leasehold Mortgagee a ground lessor agreement and an estoppel certificate, each in a form reasonably acceptable to the Issuer, setting forth the rights of Leasehold Mortgagee contained in this Section and containing such information, to the Issuer’s knowledge, concerning this Lease as such Leasehold Mortgagee may reasonably request.

(i) In the event of any proceeding by either the Issuer or the Company under the United States Bankruptcy Code (Title 11 U.S.C.) as now or hereafter in effect:

(1) If this Lease is rejected as to the Project in connection with a bankruptcy proceeding by the Company or a trustee in bankruptcy for the Company, (i) such rejection shall be deemed an assignment by the Company to the Leasehold Mortgagee of the Leasehold Interest in the Project and all of the Company’s interest under this Lease, (ii) this Lease shall not terminate, and (iii) the Leasehold Mortgagee shall have all rights and obligations of the Company as if such bankruptcy proceeding had not occurred, unless the Leasehold Mortgagee shall reject such deemed assignment by notice in writing to the Issuer and to the Trustee within thirty (30) days following rejection of this Lease by the Company or the Company’s trustee in bankruptcy. If any court of competent jurisdiction shall determine that this Lease shall have been terminated notwithstanding the terms of the preceding sentence as a result of rejection by the Company or the trustee in bankruptcy in connection with any such proceeding, the Issuer shall promptly, within a reasonable time, provide a New Lease Notice to Leasehold Mortgagee and enter into a New Lease of the Project with the Leasehold Mortgagee on the same terms and conditions provided in Section 13.16(h) above.

(2) If this Lease is rejected by the Issuer or by the Issuer’s trustee in bankruptcy:

(A) The Company shall not have the right to treat this Lease as terminated except with the prior written consent of the Leasehold Mortgagee, and

the right to treat this Lease as terminated in such event shall be deemed assigned to the Leasehold Mortgagee, whether or not specifically set forth in the Leasehold Mortgage, so that the concurrence in writing of the Company and such Leasehold Mortgagee shall be required as a condition to treating this Lease as terminated in connection with such proceeding.

(B) Unless this Lease is treated as terminated in accordance with subsection (2)(A) above, then this Lease shall continue in effect upon all the terms and conditions set forth herein, but excluding requirements that are not then applicable or pertinent to the remainder of the Lease Term.

(j) Issuer acknowledges that, if the Leasehold Mortgagee or any other party succeeds to the interest of the Company in the Project under this Lease as a result of foreclosure proceedings or sale under a power of sale or the granting of a deed in lieu of foreclosure, the Leasehold Mortgagee or any such other party (each, a “**Successor Tenant**”), shall become a substituted lessee under this Lease without necessity of any consent of or approval by Issuer or Trustee, provided that the Successor Tenant shall be required to assume such the Company's obligations under this Lease (including indemnification of Issuer) and shall be deemed to have agreed to perform all of such the Company's obligations hereunder. Without the consent of Issuer or the Trustee, the Successor Tenant shall have the right to sell and assign its Leasehold Interest in the Project or sublease the Project as provided in Section 9.2 hereof without necessity of any consent of or approval by Issuer or Trustee. Unless otherwise agreed, so long as any Successor Tenant is the owner of the Leasehold Interest, the Issuer and the Trustee shall look solely to the interest of such Successor Tenant in the Project in the event of the breach or default by such Successor Tenant under the terms of this Lease and any judgment or decree to enforce the obligations of such Successor Tenant shall be enforceable only to the extent of the interest of such Successor Tenant (excluding the Issuer's Unassigned Rights) in the Project. Upon the request of the Successor Tenant, Issuer agrees to enter into a new, separate direct lease for the Project with the Successor Tenant for the remainder of the Lease Term at the same rent and having the same other provisions as this Lease, as theretofore amended.

Section 13.17. Obligations of Company Non-Recourse. Notwithstanding any provision herein or in the Indenture or any Bond Document to the contrary, none of the officers, shareholders, partners or members of the Company shall be personally liable for the payment or performance of any of Company's obligations hereunder, it being understood that the recourse of the Issuer, the owners of the Bonds and the Trustee and each of their successors and assigns under or in connection with this Lease, the Indenture and any Security Document, as amended or supplemented from time to time, shall be limited to the Company (including the Company's interest in the Project) and the Issuer, the owners of the Bonds and the Trustee and any of their successors and assigns hereby waive any such liability.

Section 13.18. Issuer's Obligations Limited. No recourse under or upon any obligation, or agreement contained in this Lease or under any judgment obtained against the Issuer, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute to otherwise or under any circumstances, under or independent of this Lease, shall be had against the Issuer or any director, member, officer, agent, attorney or employee, as such, in its individual capacity, past, present or future, of the Issuer or any successor entity.

Anything in this Lease to the contrary notwithstanding, it is expressly understood and agreed by the parties hereto that (a) the Issuer may rely conclusively on the truth and accuracy of any certificate, notice or other instrument furnished to the Issuer by the Trustee or the Lessee as to the existence of any fact or state of affairs required hereunder to be noticed by the Issuer; (b) the Issuer shall not be under any obligation hereunder to perform any record-keeping or to provide any legal services, it being understood that such services shall be performed either by the Trustee or the Lessee; and (c) none of the provisions of this Lease shall require the Issuer to expend or risk its own funds or to otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless it shall first have been adequately indemnified to its satisfaction against the cost, expenses and liability which may be incurred thereby.

The obligations hereunder are the special limited obligations of the Issuer and not obligations of the City of Sandy Springs, Fulton County, the State of Georgia or any political subdivision thereof. Notwithstanding anything herein contained to the contrary, any obligation the Issuer may hereby incur for the payment of money shall not be a general debt on its part but shall be payable solely from rents, revenues and receipts derived from this Lease, the sale of the Bonds and any other rents, revenues and receipts derived by the Issuer arising out of or in connection with its ownership of the Project (except for Unassigned Rights). The Issuer has no taxing power.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Issuer and the Company have caused this Lease to be executed in their respective names and their respective seals to be hereunto affixed and attested by their duly authorized representatives, all as of the date first above written.

**CITY OF SANDY SPRINGS DEVELOPMENT
AUTHORITY**

By: _____
Chair

ATTEST:

Secretary

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

NORTH RIVER APARTMENTS OWNER, LLC,
a Delaware limited liability company

By:_____

EXHIBIT A

DESCRIPTION OF LEASED LAND

EXHIBIT B

FORM OF QUITCLAIM DEED AND BILL OF SALE

[ATTACHED]

SPACE ABOVE THIS LINE FOR RECORDER'S USE

After recording, please return to:

James R. Woodward, Esq.
Pope Flynn, LLC
336 Hill Street
Athens, Georgia 30601

QUITCLAIM DEED AND BILL OF SALE

This **QUITCLAIM DEED AND BILL OF SALE** (this “**Deed**”) is from the **CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY**, a development authority and public body corporate and politic (the “**Grantor**”) to **NORTH RIVER APARTMENTS OWNER, LLC**, a Delaware limited liability company, as grantee (the “**Grantee**”).

W I T N E S S E T H:

WHEREAS, the Grantor and the Grantee have entered into a Lease Agreement, dated as of _____ 1, 2026 (the “**Lease**”); and

WHEREAS, the Grantor, pursuant to the terms of the Lease, has agreed to execute and deliver this Deed; and

WHEREAS, all capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Lease; and

WHEREAS, the Grantor desires to convey and assign its right, title and interest in and to the property that is leased under the Lease, being more particularly described in Schedule 1 hereto (the “**Leased Property**”) to the Grantee and to execute this Deed with respect to all property rights it has in and to the Leased Property.

NOW THEREFORE, the Grantor, in consideration of the sum of Ten Dollars (\$10.00) by it in hand paid at and before the sealing of these presents (the receipt whereof is hereby acknowledged), has granted, bargained, sold, released and quitclaimed and by these presents does grant, bargain, sell, release and quitclaim, unto the said Grantee, its successors and assigns, whatever right, title, and interest the Grantor does possess, if any, in and to the Leased Property without warranty as to title or condition,

TOGETHER, with all and singular the rights, tenements, hereditaments and appurtenances to the said Leased Property belonging or in anywise incident or appertaining.

TO HAVE AND TO HOLD, all and singular the said premises before mentioned unto the said Grantee, its successors and assigns forever.

IN WITNESS WHEREOF, the City of Sandy Springs Development Authority has caused these presents to be executed in its name and its corporate seal to be hereto affixed this ____ day of _____, ____.

Signed and sealed in the presence of:

**CITY OF SANDY SPRINGS DEVELOPMENT
AUTHORITY**

Unofficial Witness

By: _____
Chairman

Notary Public

ATTEST:

My Commission Expires:

Secretary

[NOTARY SEAL]

[AUTHORITY SEAL]

SCHEDULE 1
DESCRIPTION OF LEASED PROPERTY

EXHIBIT C
REQUISITION AND CERTIFICATE

Requisition and Certificate No. ____
Date: _____, 20__
Amount of Requisition: \$_____

Pinnacle Bank, as Trustee under the Indenture of Trust, dated as of _____ 1, 2026, relating to the City of Sandy Springs Development Authority Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026 (the “**Bonds**”), issued in a maximum aggregate principal amount of \$110,000,000

Gentlemen:

All capitalized terms used but not defined herein shall have the meanings assigned to them in that certain Lease Agreement, dated as of _____ 1, 2026, by and between the City of Sandy Springs Development Authority (the “**Issuer**”) and North River Apartments Owner, LLC (the “**Company**”), as amended from time to time (the “**Lease**”).

This is a requisition for payment from the City of Sandy Springs Development Authority Revenue Bonds Project Fund – North River Apartments Owner, LLC Project, Series 2026 (the “**Project Fund**”), of an obligation in the stated amount incurred by or on behalf of the Issuer in connection with the issuance of the Bonds or the acquisition, construction, equipping and installation of the Project.

1. This obligation is a proper charge against the Project Fund, the payment thereof is being made in connection with the Project to which the Bonds relate, and has not been the basis of any previous withdrawal from the Project Fund.

2. No other certificate in respect of the foregoing obligation is being or has been previously delivered to the Trustee.

3. The Company has no notice of any vendor’s, mechanic’s, or other liens or right to liens, chattel mortgages or conditional sales contracts, or other contracts or obligations (other than those being contested in good faith as permitted in Section 6.1(c) of the Lease) which should be satisfied or discharged before such payment is made; and

4. Such requisition contains no item representing payment on account of any retained percentages which the Issuer or the Company is, as of the date of such requisition, entitled to retain under retained percentage agreements.

5. The purpose and circumstances of such obligation are:

Reimbursement of costs of the Project.

Owing to: _____

6. A bill or statement of account for such obligation is available upon request made to the Company.

All of the foregoing is hereby certified.

North River Apartments Owner, LLC

By: _____
Authorized Company Representative

Insofar as the disbursement requested hereby is to pay obligations incurred for labor, services, material, supplies or equipment in connection with the acquisition, construction, equipping and installation of the Project, such labor and services were to the Company's knowledge performed and such material, supplies or equipment were or are to be used in connection with such acquisition, construction, equipping and installation or delivered at the site thereof for such purpose. This requisition includes by attachment hereto the [quitclaim deed and bill of sale] [bill of sale] necessary to convey title in and to the [Leased Land] [items of Leased Equipment] for which reimbursement is sought to the Issuer.

This requisition is given without prejudice against any rights of the Issuer or the Company against third parties which exist on the date hereof.

North River Apartments Owner, LLC

By: _____
Authorized Company Representative

EXHIBIT C
FORM OF BOND PURCHASE AGREEMENT

(ATTACHED)

BOND PURCHASE AGREEMENT

City of Sandy Springs Development Authority
Taxable Revenue Bonds
(North River Apartments Owner, LLC Project),
Series 2026

THIS BOND PURCHASE AGREEMENT, dated for purposes of reference as of _____ 1, 2026 (this “**Bond Purchase Agreement**”), is by and among the City of Sandy Springs Development Authority, a development authority and public body corporate and politic of the State of Georgia (the “**Issuer**”), North River Apartments Owner, LLC, a Delaware limited liability company, in its capacity as lessee (the “**Company**”) of the property referred to herein, and in its separate capacity as Purchaser hereunder (the “**Purchaser**”).

1. Background.

(a) The Issuer proposes to issue and sell not to exceed \$110,000,000 in aggregate principal amount of its Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026 (the “**Bonds**”), the proceeds of which (whether derived directly or indirectly from the issuance of the Bonds) shall be used to acquire, construct and equip, in whole or in part, a capital project (the “**Project**”), in order to promote economic development, and to facilitate a property tax incentive for the Company. The Project will be leased by the Issuer to the Company under the terms of a Lease Agreement (the “**Lease**”), requiring the Company to pay to the Issuer rental payments in such amounts and at such times as shall be required to pay the principal of and interest on the Bonds as and when the same become due. The Bonds shall be issued under and secured by an Indenture of Trust, dated as of _____ 1, 2026 (the “**Indenture**”), between the Issuer and Pinnacle Bank, as trustee (the “**Trustee**”), under the terms of which the Issuer’s interest in the Lease and the rents, revenues and receipts to be derived by the Issuer under the Lease will be assigned and pledged to the Trustee as security for the payment of the Bonds. As additional security for the payment of the Bonds, the Company will enter into a Guaranty Agreement with the Trustee, under the terms of which the Company will unconditionally guarantee to the Trustee, for the benefit of the owners of the Bonds, the payment of the principal of and redemption price, if any, and interest on the Bonds as the same become due.

(b) In accordance with the decision of the Purchaser to purchase the Bonds, rather than seek to sell the Bonds to an underwriter or third party, the Issuer proposes to sell the Bonds to the Purchaser and the Purchaser proposes to purchase the Bonds for its own investment purposes and not with a view towards any resale or public distribution thereof.

(c) The proceeds of the Bonds (whether derived directly or indirectly from the issuance of the Bonds) are to be applied to pay, directly or indirectly, all or a portion of the costs incurred in connection with the acquisition, construction and equipping of the Project, in order to promote economic development, and to facilitate a property tax incentive for the Company.

(d) The parties hereto contemplate that the interest paid on the Bonds will be includable in gross income of the recipient or recipients thereof for Federal income tax purposes because of the application of certain provisions of the Internal Revenue Code of 1986, as amended,

and that, as such and subject to Section 3 hereof, the Bonds may not be offered for sale to the public without registration under the Securities Act of 1933, as amended, unless the Trustee has received an opinion of counsel satisfactory to the Trustee and the Company to the effect that failure to register the Bonds will not violate the Securities Act of 1933, as amended. The Issuer will cooperate fully at the request and the expense of the Company in effecting such registration and in taking such other steps as may be deemed necessary or appropriate with respect to the Bonds, the Lease, the Indenture or this Bond Purchase Agreement to effect such registration in the event of any future public sale or disposition of the Bonds.

(e) The parties hereby acknowledge that in connection with the financing of the Project, the Company may obtain a loan and further acknowledge that, in connection therewith, the Company and the Purchaser may further restrict the transfer of the Bonds notwithstanding anything to the contrary contained in the Bonds, the Indenture, the Lease of this Bond Purchase Agreement.

2. Purchase, Sale and Closing. Subject to the terms and conditions and in reliance on the representations, warranties and covenants herein set forth, the Purchaser agrees to purchase from the Issuer all of the Bonds that are to be issued at any time and from time to time under the Indenture and the Issuer hereby agrees to sell to the Purchaser all of the Bonds that are to be issued at any time and from time to time under the Indenture at a price of 100% of the principal amount of the Bonds. The sale and purchase of the Bonds will be accomplished in one or more installments as described hereinafter and in Section 204 of the Indenture. The parties agree that the aggregate amount of the Bonds may not exceed \$110,000,000. The Bond representing the initial installment shall be in a denomination mutually agreed upon by the parties hereto and shall be authenticated and delivered simultaneously with the execution and delivery of this Bond Purchase Agreement. It shall be the sole prerogative of the Company to designate (upon at least ten (10) business days' advance notice to the Issuer and the Trustee), the principal amount of each fully-registered Bond to be delivered at any subsequent installment and the date, time and place of the delivery of and payment for such Bond (hereinafter referred to as a "Closing"). The aforesaid designation to be made by the Company in the case of a fully-registered Bond specified for authentication and delivery (after the first such installment shall have been authenticated and delivered simultaneously with the execution and delivery of this Bond Purchase Agreement) shall be substantially in the form of that which is attached hereto as Exhibit "A" and shall be executed on behalf of the Company by its duly authorized representatives. As is set forth in Section 304 of the Indenture, any such designation which the Trustee receives from the Company shall be treated the same as an order from the Issuer to authenticate the fully-registered Bond so specified therein unless the Issuer shall notify the Trustee in writing to the contrary not less than ten (10) business days prior to the Closing Date specified in such designation. At any such Closing, subject to the terms and conditions of the Indenture, the Trustee shall deliver to the Purchaser the designated fully-registered Bond in definitive form, duly executed and authenticated, in the authorized denomination requested by the Company; and the Purchaser shall accept delivery and pay the purchase price of such Bond by book entry on the Purchaser's books or, if the Purchaser is not also the Company or its affiliate, by wire transfer in immediately available funds or in kind by the transfer of property.

The obligation of the Issuer to sell the Bonds and to cause the Bonds to be delivered to the Purchaser under the provisions of this Bond Purchase Agreement shall terminate on the expiration

or earlier termination of the Lease, and after said termination date the Issuer shall have no obligation to deliver or to cause to be delivered any further Bonds hereunder or under the Indenture. All Bonds issued by the Issuer are to be sold hereunder to the Purchaser or to a successor in interest designated in writing to the Issuer and the Trustee by the Purchaser and shall not be sold to any other purchaser except as otherwise permitted under the Indenture and the Lease. Payment for Bonds can be made in cash or by the transfer to the Issuer by the Company, at the direction of the Purchaser, of property to be included in the Project at its “value,” being the Purchaser’s cost (or at its election, its federal income tax basis). Such transfers of property shall be its “value” treated as if (i) in an amount equal to the value of such property were advanced by the Purchaser to the Issuer hereunder with respect to the Bonds, (ii) the cash were deposited by the Trustee in the Project Fund under the Indenture and (iii) immediately disbursed from the Project Fund to reimburse the Company for such value. Any amounts advanced by the Purchaser in cash with respect to the Bonds shall be deposited in the Project Fund and used to pay or to reimburse the Issuer and the Company for Costs of the Project and transaction costs of issuing the Bonds.

3. Private Sale. The Purchaser agrees that (i) it is purchasing the Bonds for its own investment account and not with a view towards any resale or public distribution thereof and (ii) it has made such due diligence investigation as it deems appropriate in connection with its decision to purchase the Bonds. Any future resale of the Bond shall comply with or be exempt from the federal securities laws; and provided that in the event of any such future resale the Purchaser agrees to engage, if applicable, a qualified investment banking firm satisfactory to the Purchaser and the Issuer to assist with such resale of the Bond.

4. Issuer’s Representations and Warranties. The Issuer makes the following representations and warranties to the Purchaser:

(a) The Issuer is a development authority and public body corporate and politic created by and existing under the laws of the State of Georgia.

(b) The Issuer has full power and authority under the Constitution and laws of the State of Georgia (i) to acquire, construct and install the Project by issuing and selling the Bonds, (ii) to lease the Project to the Company as provided in the Lease, (iii) to pledge the rents, revenues and receipts derived pursuant to the Lease to the Trustee as provided in the Indenture, (iv) to execute, deliver and perform this Bond Purchase Agreement, the Lease, the Indenture and the Security Document (as defined in the Indenture), collectively called the “**Issuer Documents**,” in accordance with their respective terms, and (v) to carry out and consummate all other transactions contemplated by each of the aforesaid documents.

(c) The Issuer has duly authorized all actions and complied with all provisions of law with respect to the execution, delivery and performance of the Bonds and the Issuer Documents and has taken all actions necessary or appropriate to ensure that the Bonds and the Issuer Documents constitute valid and legally binding obligations of the Issuer in accordance with their respective terms.

(d) When delivered to and paid for by the Purchaser in accordance with the terms of this Bond Purchase Agreement, the Bonds will have been duly authorized, executed,

authenticated and issued and will constitute legal, valid and binding limited obligations of the Issuer enforceable in accordance with their terms and entitled to the benefits of the Indenture.

(e) Except for the Bonds, the Issuer has not and will not issue or sell any other bonds or obligations, the principal of and/or interest on which shall be payable from the rents, revenues and receipts derived from the Project or pledged or assigned pursuant to the Indenture or which shall be secured by any lien upon any of the properties constituting the Project.

(f) The execution and delivery of the Bonds and the Issuer Documents do not and will not conflict with or constitute on the part of the Issuer a violation of, breach of or default (with or without notice or lapse of time or both) under any constitutional provision, statute, indenture, mortgage, deed of trust, resolution, note agreement or other agreement or instrument to which the Issuer is a party or by which the Issuer or any of its assets is presently bound, or, to the knowledge of the Issuer, any existing order, rule or regulation of any court or governmental agency or body having jurisdiction over the Issuer or any of its activities and property; and all consents, approvals, authorizations and orders of governmental or regulatory authorities, if any, which are required for the consummation of the transactions contemplated in this Bond Purchase Agreement have been obtained.

(g) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, known to be pending or threatened against or affecting the Issuer, nor to the best of the knowledge of the Issuer is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Bond Purchase Agreement, or which in any way would adversely affect the validity or enforceability of the Bonds, the Issuer Documents or any agreement or instrument to which the Issuer is a party and which is used or contemplated for use in the consummation of the transactions contemplated by this Bond Purchase Agreement.

(h) Neither the Issuer nor anyone acting on its behalf (including the Company) has directly or indirectly offered for sale or sold any of the Bonds to, or solicited any offer to buy any of the same from, anyone other than the Purchaser.

(i) No representation is made herein as to compliance with the securities or “Blue Sky” laws of any jurisdiction. The Issuer shall not be required to consent to service of process in any jurisdiction or be required to submit to the general jurisdiction of any state.

5. Company’s Representations and Warranties. The Company makes the following representations and warranties to the Issuer:

(a) The Company is a limited liability company duly organized, existing and in good standing under the laws of the State of Delaware and authorized to transact business in the State of Georgia. The Company has full power, authority and legal right to engage in the business and activities conducted or proposed to be conducted by it with respect to the Project, to execute, deliver and perform the Lease, the Guaranty and this Bond Purchase Agreement (collectively called the “**Company Documents**”) and to perform its obligations thereunder and hereunder, including the making of payments as provided in the Lease.

(b) The Company has duly authorized all action for the execution, delivery and performance of the Company Documents and has taken all actions necessary or appropriate to ensure that the Company Documents, when executed and delivered by the Company, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their respective terms, except to the extent that their enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights, and subject to the application of principles of equity, if equitable remedies are sought.

(c) The execution and delivery of the Company Documents and the compliance with the provisions hereof and thereof by the Company, do not conflict with or constitute on the part of the Company, a material violation of, breach of or default under (i) the organizational documents of the Company, (ii) any indenture, mortgage, deed of trust, lease, note agreement or other agreement or instrument to which the Company is a party or by which the Company is presently bound, or (iii) any constitutional provision or statute or any order, rule or regulation of any court or governmental or regulatory authorities, applicable to the Company.

(d) 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 Company's knowledge, threatened against the Company which could reasonably be expected to result in a decision which would materially adversely affect the transactions contemplated by the Company Documents or the validity or enforceability of the Bonds, or any of the Company Documents.

6. Company's Covenants. The Company covenants and agrees that it will:

(a) Indemnify and hold harmless to the extent permitted by applicable law, the Issuer, the Trustee and their officers, members, directors, agents, servants and employees (each an "**Indemnified Person**") against any and all losses, claims, damages, expenses or liabilities, joint or several, to which they or any of them may become subject under any current or future Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, or the Trust Indenture Act of 1939, as amended, the rules or regulations under said Acts, or any amendments of said Acts, insofar as such losses, claims, damages, expenses, liabilities or actions arise out of or are based upon the failure to register the Bonds under the Securities Act of 1933, as amended, or to qualify the Indenture under the Trust Indenture Act of 1939, as amended. Promptly after receipt of notice of the commencement of any action in respect of which indemnity may be sought against the Company under this Paragraph 6, the Indemnified Person seeking such indemnification shall notify the Company in writing of the commencement thereof, and, subject to the provisions hereinafter stated, the Company shall assume the defense of such action (including the employment of counsel, who shall be counsel reasonably satisfactory to the Issuer, the Trustee or such Indemnified Person, as the case may be, and the payment of expenses) insofar as such action shall relate to any alleged liability in respect of which indemnity may be sought against the Company. The Issuer, the Trustee or such Indemnified Person shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall not be at the expense of the Company unless the employment of such counsel has been specifically authorized by the Company, or in the event that the Issuer or the Trustee is required to employ separate counsel as a result of the Issuer's determination or the Trustee's determination, as the case may be, in its sole discretion, expressed in writing to the Company, that a conflict of interest exists

among the indemnified parties hereunder. The Company shall not be liable to indemnify any person for any settlement of any such action effected without its consent.

(b) Refrain from taking or omitting to take any action which action or omission would in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that provided for in the Lease or the Indenture, as in effect from time to time.

(c) Pay or cause to be paid, all reasonable expenses and costs incident to the authorization, issuance, printing, sale and delivery, as the case may be, of the Bonds, the Lease, the Indenture, the Guaranty and this Bond Purchase Agreement, including without limitation (i) all filing, registration and recording fees and expenses; (ii) Trustees' fees and expenses; and (iii) fees and expenses of the Issuer, Bond Counsel and Counsel to the Issuer.

(d) Neither the Company nor anyone else acting on its behalf will after the date hereof directly or indirectly offer any of the Bonds under circumstances which would subject this issue and sale of the Bonds to the provisions of Section 5 of the Securities Act of 1933, as amended.

7. Conditions of Purchaser's Obligations.

The Purchaser's obligation to purchase and pay for the Bond which is to be delivered as the initial installment hereunder is subject to the fulfillment of the following conditions at or before such delivery:

(a) The Company Documents and the Issuer Documents (collectively called the "**Bond Documents**") shall have been duly authorized, executed and delivered by the respective parties thereto, in substantially the forms heretofore approved by the Purchaser, with only such changes therein as the Purchaser, the Issuer and the Company shall mutually agree upon;

(b) Each of the Bonds to be delivered shall have been duly authorized, executed and authenticated in accordance with the provisions of the Indenture;

(c) The Purchaser shall have received the following documents:

(i) Executed counterparts of the Bond Documents;

(ii) Opinions dated as of the date of delivery of the Bond to be initially delivered, of Counsel for the Issuer, Bond Counsel and Counsel for the Company, as lessee and as guarantor, in forms reasonably satisfactory to the Purchaser; and

(iii) Such additional opinions, certificates, instruments and other documents as the Purchaser or its counsel may reasonably request to evidence compliance with applicable law, as of the date of delivery of the Bond to be initially delivered.

The Purchaser's obligation to purchase and pay for any of the Bonds at any time or from time to time after the delivery of the Bond to be initially delivered, as herein provided, is subject to the due execution, authentication and delivery to the Purchaser of such pertinent Bond.

8. Home Office Payment. The Issuer agrees that all amounts payable to the Purchaser with respect to any Bond held by the Purchaser or its nominee shall be made to the Purchaser (without any presentment thereof, except upon payment of the final installment of principal, and without any notation of such payment being made thereon) in such manner or at such address in the United States as may be designated by the Purchaser in writing. Any payment made in accordance with the provisions of this Section shall be accompanied by sufficient information to identify the source and proper application of such payment. The Purchaser may notify the Trustee of any failure of the Company to make any payment of principal of or interest on the Bonds when due, and the Trustee shall not be deemed to have any notice of such failure unless it has received such notice in writing. The Purchaser agrees that if any Bonds are sold or transferred it will notify the Issuer, the Trustee and the Company of the name and address of the transferee, and it will, prior to delivery of such Bonds, make a notation on such Bonds of the date to which interest has been paid thereon and of the amount of any prepayments made on account of the principal thereof. So long as a home office payment agreement is in effect as to any Bond, the Trustee shall have no obligations as paying agent in respect to such Bond, nor shall it be obligated to collect rental payments or to take any other action in respect thereof, except at the express written direction of the Purchaser.

9. Notices and Other Actions. Any notice, request or other communication (a “**notice**”) required or permitted to be given hereunder shall be in writing and shall be delivered by hand or overnight courier (such as United Parcel Service or Federal Express), sent by email (provided a copy of such notice is deposited with an overnight courier for next business day delivery) or mailed by United States registered or certified mail, return receipt requested, postage prepaid and addressed to each party at its address as set forth below. Any such notice shall be considered given on the date of such hand or courier delivery, confirmed email transmission (provided a copy of such notice is deposited with an overnight courier for next business day delivery), deposit with such overnight courier for next business day delivery, or receipt via the United States mail, but the time period (if any is provided herein) in which to respond to such notice shall commence on the date of hand or overnight courier delivery or on the date received following deposit in the United States mail as provided above. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice. By giving at least five (5) days’ prior written notice thereof, any party may from time to time and at any time change its mailing address hereunder. Any notice of any party may be given by such party’s counsel. Notice addresses are as follows:

If to the Issuer:	City of Sandy Springs Development Authority 1 Galambos Way Sandy Springs, Georgia 30328 Attention: Chris Burnett, Economic Development Director Email: cburnett@sandyspringsga.gov
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with a copy to: Daniel W. Lee, Esq.
City Attorney
1 Galambos Way
Sandy Springs, Georgia 30328
Email: dlee@fmglaw.com

If to the Company: North River Apartments Owner, LLC
[ADDRESS]
Attention:
Email:

and a copy to: Troutman Pepper Locke
600 Peachtree St. NE, Suite 3000
Atlanta, Georgia 30308
Attention: Charles F. Palmer, Esq.
E-mail: Charles.palmer@troutman.com

If to the Trustee: Pinnacle Bank
800 Shades Creek Parkway
Birmingham, Alabama 35209
Attention: Corporate Trust Department

The Issuer, the Company, the Purchaser and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certifications or other communications shall be sent.

10. Survival of Representations and Agreements. All representations, warranties, covenants and agreements of the Issuer and the Company contained herein shall remain operative and in full force and shall survive (a) the execution and delivery of this Bond Purchase Agreement, and (b) the purchase of any or all of the Bonds hereunder.

11. Counterparts. This Bond Purchase Agreement may be executed in any number of counterparts with each executed counterpart constituting an original but all of which together shall constitute one and the same instrument.

12. Successors; Governing Law. This Bond Purchase Agreement will inure to the benefit of and be binding upon the parties hereto and their successors (including, without limitation, transferees of the Bonds permitted by Section 208 of the Indenture), but shall not otherwise be assignable or confer any rights on any other person. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Georgia.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each of the parties have caused this Bond Purchase Agreement to be duly executed and delivered by its respective duly authorized officers.

**CITY OF SANDY SPRINGS DEVELOPMENT
AUTHORITY**

By: _____
Chair

ATTEST:

Secretary

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

[BOND PURCHASE AGREEMENT]

NORTH RIVER APARTMENTS OWNER, LLC,
a Delaware limited liability company

By: _____

(CORPORATE SEAL)

EXHIBIT A

**DESIGNATION OF BOND TO BE
DELIVERED TO UNDERSIGNED
PURCHASER AND RELATED CERTIFICATES**

City of Sandy Springs Development Authority
1 Galambos Way
Sandy Springs, Georgia 30328
Attention: Chris Burnett, Economic Development Director

Pinnacle Bank
800 Shades Creek Parkway
Birmingham, Alabama 35209
Attention: Corporate Trust Department

RE: City of Sandy Springs Development Authority Taxable Revenue Bonds
(North River Apartments Owner, LLC Project), Series 2026

Gentlemen:

Pursuant to that certain Bond Purchase Agreement, dated for purpose of reference as of _____ 1, 2026 (the “**Bond Purchase Agreement**”), between the City of Sandy Springs Development Authority, a development authority and public body corporate and politic of the State of Georgia (the “**Issuer**”) and North River Apartments Owner, LLC, a Delaware limited liability company (the “**Purchaser**” and the “**Company**”), as purchaser of the captioned bonds (each a “**Bond**” and collectively the “**Bonds**”), and as lessee under that certain Lease Agreement (the “**Lease**”), dated for purposes of reference as of _____ 1, 2026, between the Issuer and the Company relating to the property (the “**Project**”) acquired directly or indirectly, in whole or in part, with proceeds of the Bonds, the Purchaser hereby notifies you that it desires to take delivery of a fully registered Bond in the principal amount of \$ _____ upon payment by it of the purchase price specified in Paragraph 2 of the Bond Purchase Agreement, as well as applicable transactional expenses paid at closing relating to the issuance and sale of the Bonds.

The Company designates the following particulars with respect to the Closing of such purchase and sale:

Closing Date: _____, 2026

Closing Time: 10:00 a.m.

The Company hereby certifies that there exists no event of default under the Lease as of the date hereof and that the Company will give immediate notice to each of the addressees shown above if to its knowledge any such event of default should occur prior to the delivery to the Purchaser of the Bond designated for delivery hereinabove.

The Company hereby further certifies that the principal amount of the Bond designated for delivery hereinabove when added to the principal amount of any Bond or Bonds heretofore delivered to the Purchaser will not exceed the anticipated total cost to acquire, construct and install the Project and will not exceed the aggregate principal amount of the Bonds authorized by the Indenture (as defined in the aforesaid Lease).

IN WITNESS WHEREOF, the Company has caused this instrument to be executed on its behalf by its duly authorized representative, this ____ day of _____, 2026.

NORTH RIVER APARTMENTS OWNER, LLC,
a Delaware limited liability company

By:_____

EXHIBIT D

**FORM OF DEED TO SECURE DEBT,
ASSIGNMENT OF RENTS AND LEASES AND SECURITY AGREEMENT**

(ATTACHED)

CLERK'S COVER SHEET/ HB 974 DISCLOSURES

After recording,
please return to:

Pope Flynn, LLC
336 Hill Street
Athens, Georgia 30601
(678) 705-6280
Attn: James R. Woodward, Esq.

- | | | |
|----|--|--|
| 1. | Date of the Documents: | _____ 1, 2026 |
| 2. | Grantor, Signatory and Mailing Address: | City of Sandy Springs Development
Authority
1 Galambos Way
Sandy Springs, Georgia 30328
Attention: Chris Burnett, Economic
Development Director |
| | Grantee Mailing Address: | Pinnacle Bank
800 Shades Creek Parkway
Birmingham, Alabama 35209
Attention: Corporate Trust Department |
| 3. | Parcel ID Numbers: | [INSERT PARCEL IDS] |
| 4. | Original Loan Amount: | \$110,000,000 |
| 5. | Initial Maturity Date: | December 1, 2038 |
| 6. | Intangible Recording Tax: | \$0.00 |
| 7. | Intangible Recording Tax Exemption Authority
(if applicable): | 560-11-8.14(A) |

NOTE: THIS COVER SHEET DOES NOT MODIFY THE TERMS OF THE ATTACHED
INSTRUMENT

TAX PARCEL IDS:

After recording,
please return to:

Pope Flynn, LLC
336 Hill Street
Athens, Georgia
(678) 705-6280
Attn: James R. Woodward, Esq.

THIS INSTRUMENT IS TO BE FILED AND INDEXED IN THE REAL ESTATE RECORDS OF FULTON COUNTY, GEORGIA.

A PUBLIC AUTHORITY IS A PARTY TO THIS INSTRUMENT; CONSEQUENTLY, PURSUANT TO SUBSECTION (a) OF RULE 560-11-8-.14 OF THE RULES OF THE GEORGIA DEPARTMENT OF REVENUE, NO GEORGIA INTANGIBLES RECORDING TAX IS DUE IN CONNECTION WITH THE RECORDING OF THIS INSTRUMENT UNDER O.C.G.A § 48-6-61.

THIS INSTRUMENT IS A "CONSTRUCTION MORTGAGE" AS THAT TERM IS DEFINED IN ARTICLE 9 § 11-2A-309(1)(d) AND § 11-9-334(h) OF THE OFFICIAL CODE OF GEORGIA ANNOTATED, AND SECURES AN OBLIGATION INCURRED FOR THE CONSTRUCTION OF IMPROVEMENTS UPON LAND.

STATE OF GEORGIA)

FULTON COUNTY)

**DEED TO SECURE DEBT, ASSIGNMENT
OF RENTS AND LEASES AND SECURITY AGREEMENT**

THIS DEED TO SECURE DEBT, ASSIGNMENT OF RENTS AND LEASES AND SECURITY AGREEMENT (this "**Security Document**"), dated for purposes of reference as of _____ 1, 2026, is from the **CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY** (the "**Grantor**" and "**Debtor**"), a development authority and public body corporate and politic of the State of Georgia, the address of which is set forth below, to **PINNACLE BANK**, as Trustee for the Bonds (described below), the address of which is set forth below, its successors and assigns that from time to time shall be the Trustee for such Bonds (the "**Grantee**" and "**Secured Party**").

W I T N E S S E T H:

WHEREAS, the Grantor is a public body corporate and politic created by the Development Authorities Law, O.C.G.A. § 36-62-1, *et seq.* (the “**Act**”) to develop and promote trade, commerce, industry and employment opportunities in the city of Sandy Springs, Georgia (the “**City**”) and, in furtherance of such public purposes, Grantor has entered into a Lease Agreement (the “**Lease**”) dated as of _____ 1, 2026, between Grantor as lessor and North River Apartments Owner, LLC, a Delaware limited liability company (the “**Company**” and the “**Lessee**”), as lessee, under the terms of which the Grantor agreed to acquire a capital project (the “**Project**”) that is located in the City;

WHEREAS, in the Lease, the Company agrees to pay (or to cause to be paid) to the Grantor such rents and other payments which will be fully sufficient to pay the principal of, premium, if any, and the interest on, the Bonds (hereinafter defined) as the same become due and to pay certain administrative expenses in connection with Bonds; and

WHEREAS, the costs of the Project will be approximately \$110,000,000, and the Project is to be acquired in whole or in part with proceeds derived directly or indirectly from the City of Sandy Springs Development Authority Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026 (the “**Bonds**”) to be issued in an aggregate principal amount not to exceed \$110,000,000, in order to promote economic development and job creation, and to facilitate a property tax incentive for the Company; and

WHEREAS, the Bonds are to be issued, delivered to, and paid for by, the Company, as purchaser, at one or more times as and when moneys are required to pay costs of acquiring, constructing and installing the Project; and

WHEREAS, the Bonds have been authorized by a resolution (the “**Bond Resolution**”) of the Grantor and are to be issued under an Indenture of Trust (the “**Indenture**”), dated for purposes of reference as of _____ 1, 2026, which has been entered into by and between the Grantor and the Grantee named herein; under which the Bonds are secured by, among other collateral, the Project and the Lease; and

NOW THEREFORE, FOR AND IN CONSIDERATION of the sum of TEN AND NO/100THS DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, and in order to secure the indebtedness and other obligations of Grantor hereinafter set forth, Grantor does hereby grant, bargain, sell, convey, assign, transfer and set over unto Grantee, its successors and assigns, all of the following described land and interests in land, estates, easements, rights, improvements, fixtures and appurtenances, moneys, and other property and rights (hereinafter collectively referred to as the “**Pledged Security**”):

ALL right, title and interest of Grantor in the land (the “**Leased Land**”) which is a part of the Project, as described in Exhibit A hereto and incorporated herein by reference; and

ALL right, title and interest of the Grantor in the **Leased Improvements** (as defined in the Lease) on the Leased Land from time to time; and

ALL right, title and interest of the Grantor in the **Leased Equipment** (as defined in the Lease) that is located on the Leased Land from time to time; and

ALL right, title and interest of Grantor in and to the Lease, except for the Unassigned Rights (as defined in the Lease); and

ALL right, title and interest of Grantor in and to any other lettings and licenses of the Project or any part thereof hereafter entered into by the Grantor upon expiration, termination or replacement of the Lease, and all right, title and interest of the Grantor, subject, however, to rights of Grantor that are similar in nature to the Unassigned Rights (as defined in the Lease); and

ALL right, title and interest of Grantor in and to the rental payments (herein called “**Basic Rent**”) described in Section 5.3 of the Lease; and

ALL right, title and interest of Grantor in and to amounts on deposit in the Bond Fund and Project Fund, created by the Indenture, and investments, if any, from time held for the credit of the Bond Fund and Project Fund and investment income earned on such investments, subject to the rights of the Grantor and the Lessee under such Lease to have amounts in the Project Fund applied as provided in the Lease; and

ALL right, title and interest of Grantor in and to all product warranties, product guarantees, business and building licenses and permits, architects’ and engineers’ plans, blueprints and drawings, and books and records relating to the Project; and

ALL right, title and interest of Grantor in and to Net Proceeds (as such term is defined in the Lease) of casualty insurance received on account of damage to or destruction of the Project or any part thereof, Net Proceeds received on account of a taking of the Project, or any part thereof, under power of eminent domain and Net Proceeds of any sale of the Project, or any part thereof; and

ALL right, title and interest of Grantor in and to all extensions, improvements, betterments, renewals, substitutes and replacements of, and all additions and appurtenances to, the Project hereafter acquired by, or released to Grantor, or constructed, assembled or placed by Grantor or by others for Grantor’s benefit on the Leased Land and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further conveyance, assignment or other act by Grantor, shall become subject to the encumbrance of this Security Document as fully and completely, and with the same effect, as though now owned by Grantor and specifically described herein; and

ALL of the products and proceeds of the foregoing and accounts receivable relating thereto, including without limitation, investments thereof, and investment income earned thereon (except amounts payable to or on behalf of the Grantor on account of its Unassigned Rights).

TO HAVE AND TO HOLD the Pledged Security unto Grantee, its successors and assigns forever,

PROVIDED, HOWEVER, should Grantor well and truly pay unto Grantee the Indebtedness (hereinafter defined) according to the tenor and effect thereof when the same shall become due and payable, and should Grantor perform, comply with and abide by each and every one of the stipulations, agreements, conditions and covenants contained herein, and in the Bond and in the Indenture, then (a) this Security Document shall be canceled and surrendered, it being intended by the parties that this instrument shall operate as a deed passing title to the Leased Land and Leased Improvements and any of the other of the Pledged Security that is determined to constitute real property under the laws of the State of Georgia (collectively herein called the “**Premises**”), to the Grantee and is made under those provisions of the existing laws of the State of Georgia relating to deeds to secure debt, and not as a mortgage, and is given to secure payment of the Indebtedness; and (b) the liens and security interests hereby created on the Pledged Security (to the extent the same is not real property) shall be released and terminated, otherwise this Security Document and the title, security interests and liens hereby created shall remain in full force and effect, subject to the provision in the immediately preceding paragraph.

THIS SECURITY DOCUMENT is intended to operate and is to be construed: (a) as a deed to secure debt passing title to the Premises to the Grantee, subject to Permitted Encumbrances and is not intended to operate or to be construed as a mortgage; (b) as an assignment of leases and rents relating to the Lease; and (c) as a security agreement that grants to Grantee a security interest in the other Pledged Security, and is made under those provisions of the existing laws of the State of Georgia relating to deeds to secure debt, assignments of leases and rents and security agreements. The term “**Permitted Encumbrances**” has the meaning provided for in the Lease.

THIS INSTRUMENT is given to secure the following described indebtedness, liabilities and obligations of the Grantor (the “**Indebtedness**”):

(a) The Indebtedness evidenced by the Bonds in the maximum principal amount of ONE HUNDRED TEN MILLION DOLLARS (\$110,000,000), the final payment of debt service on which is due on December 1, 2038, together with any and all renewal or renewals, modification or modifications and extension or extensions of the indebtedness evidenced by the Bonds, and together with any and all accrued and unpaid interest on the Bonds in accordance with the terms of the Bonds and the Indenture;

(b) Any and all advances made by Grantee to protect or preserve the Pledged Security or the Grantee’s interest therein, including, but not limited to advances made by Grantee to pay taxes, to pay insurance premiums on insurance relating to the Project or the activities conducted thereat, to repair or maintain the Project, or to complete improvements to the Project;

(c) Any and all expenses incident to the collection of the Indebtedness secured hereby, the foreclosure hereof by action in any court, or by exercise of the power of sale herein contained; and

(d) The full and prompt payment and performance of any and all obligations or covenants of Grantor to Grantee under the terms of any other agreements, assignments or other instruments now or hereafter evidencing, securing or otherwise relating to the Indebtedness, including without limitation, the Bonds, the Lease and the Indenture.

AND Grantor covenants and agrees with Grantee as follows:

ARTICLE I Covenants of Grantor

Section 1.01. Payment of the Indebtedness. Grantor shall punctually pay, or cause to be paid, but solely from the Pledged Security, the Indebtedness as provided herein, in the Bonds and in the Indenture in the coin and currency of the United States of America which is legal tender for the payment of public and private debts.

Section 1.02. Title to the Pledged Security. The Grantor warrants (i) it has full power and lawful authority to convey and encumber the Pledged Security in the manner and form set forth herein and this Security Document constitutes a valid and enforceable deed to secure debt as to the Premises, and the assignment of any security interest in the Pledged Security; (ii) it has not conveyed, assigned or pledged any of the Pledged Security, except to the Grantee pursuant hereto and pursuant to the Indenture and has the right to convey, assign and pledge its interest therein to the Grantee hereunder, but makes no other representations or warranties as to any prior encumbrances on the Project; and (iii) it will preserve such security title and security interest, and the lien created by such assignment, and will forever warrant and defend the validity and priority hereof against the claims of all persons and parties claiming by, through or under Grantor.

Section 1.03. Enforcement of Lease. So long as the Lease is in effect, the Grantee, as well as the Grantor, shall be entitled to enforce the Lessee's obligations under the Lease, pursuant to the express provisions of the Lease, provided, however, that only the Grantor shall be entitled to enforce the Grantor's Unassigned Rights (by seeking monetary damages, but in the enforcement of such Unassigned Rights, the Grantor shall not exercise the remedy of terminating the Lease without the prior written consent of the Grantee). Grantor shall permit Grantee to enter upon the Project and inspect the Project at all reasonable hours and with reasonable prior notice. Grantor shall not, without the prior written consent of the Grantee, threaten, commit, permit or suffer to occur any waste, material alteration or demolition or removal of any material portion of the Project.

Section 1.04. Insurance. The Lease shall require the Lessee to carry certain insurance relating to the Project and the operations thereat. The Grantor and the Grantee shall each have the right to enforce the provisions of the Lease relating to insurance.

Section 1.05. Eminent Domain. If the Grantor obtains knowledge of the institution or threat of institution of any proceedings for the taking of the Project or any portion thereof by exercise of the power of eminent domain, the Grantor shall immediately notify the Lessee and the Grantee of the pendency of such proceedings. Grantee may participate in any such proceedings and Grantor from time to time will deliver to Grantee all instruments requested by it to permit such participation. The terms of the Lease govern these proceedings.

Section 1.06. Use of Net Proceeds. The Net Proceeds of casualty insurance relating to the Project, the Net Proceeds of any taking by eminent domain, or sale in lieu thereof, of the Project or the Net Proceeds of any other sale of the Project, or any part thereof, shall, upon receipt, be deposited in the Project Fund and shall be applied as provided in Article VII of the Lease. The

Grantor and the Grantee shall each be entitled to enforce the provisions of the Lease relating to the use of such Net Proceeds.

Section 1.07. Maintenance of Existence. The Grantor, so long as it has any interest in any of the Pledged Security, shall to the extent permitted by law, do all things necessary to preserve and keep in full force and effect its existence, rights and privileges under the laws of the State of Georgia.

Section 1.08. Taxes and Other Charges. So long as the Lease is in effect, the Grantee, as well as Grantor, shall be entitled to enforce the covenants therein of the Lessee thereunder relating to the payment of all taxes of every kind and nature, and assessments, levies, permits, inspection and license fees and all other charges imposed upon or assessed against the Project or any part thereof or upon the revenues, rents, issues, income and profits of the Project or arising in respect of the occupancy, use or possession thereof.

Section 1.09. Mechanics' and Other Liens. So long as the Lease is in effect, the Grantee, as well as the Grantor, shall be entitled to enforce the covenants therein of the Lessee thereunder relating to mechanics' and other liens.

Section 1.10. This Security Document Authorized. The Grantor hereby warrants and represents that: the execution and delivery of this Security Document, the Bond Purchase Agreement, the Lease, the Bonds and the other Issuer Documents (as defined in the Bond Resolution) have been duly authorized and that there is no provision in the Act or other provisions of applicable law, as the same may have been amended, requiring further consent for such action by any other entity or person; it is duly created, activated, validly existing and in good standing under the laws of the State of Georgia and has (a) all necessary licenses, authorizations, registrations and approvals and (b) full power and authority to own its properties and carry on its activities as presently conducted; and the execution and delivery by and performance of its obligations under this Security Document, the Indenture, the Bond Purchase Agreement, the Lease, the Bonds and other Issuer Documents will not result in the Grantor being in default under any provision of the Act or other provisions of Georgia law, as the same may have been amended, or of any deed to secure debt, mortgage, indenture, contract or other agreement to which it is a party.

Section 1.11. Additional Covenants. Without the prior written consent of Grantee, the Grantor shall not, except as expressly permitted pursuant to the terms of the Indenture or the Lease, sell, lease, exchange, assign, convey, transfer or otherwise dispose of (or enter into any agreement to do so), the Pledged Security or any part thereof or any interest therein, including, without limitation, the Lease, rents or income thereof.

Section 1.12. Security Agreement.

(a) Insofar as the Pledged Security consists of rights and property (the “**UCC Property**”) in which the Grantor can grant a security interest under the Uniform Commercial Code as enacted in the State of Georgia (the “**UCC**”), this Security Document is hereby made and declared to be a security agreement, encumbering each and every item of the UCC Property, in compliance with the provisions of the UCC. Financing statements, describing the UCC Property and amendments thereto, and naming Grantee as “secured party” and the Grantor as “debtor,” may

be prepared by the Grantee and appropriately filed. The remedies for any violation of the covenants, terms and conditions of the security agreement herein contained shall be (i) as prescribed herein, or (ii) as prescribed by general law, or (iii) as prescribed by the specific statutory consequences now or hereafter enacted and specified in the UCC, all at Grantee's sole election. The Grantor and Grantee agree that the filing of such financing statement(s) in the records normally having to do with personal property shall never be construed as in any ways derogating from or impairing this declaration and hereby stated intention of Grantor and Grantee that any item that is physically attached to the Premises, at all times and for all purposes and in all proceedings both legal or equitable shall be, regarded as part of the Leased Improvements irrespective of whether (a) serial numbers are used for the better identification of certain items capable of being thus identified in a recital contained herein, or (b) any such item is referred to or reflected in any such financing statement(s) so filed at any time. Similarly, the mention in any such financing statement(s) of the rights in and to (A) the proceeds of any fire, casualty and/or hazard insurance policy, or (B) any award in condemnation proceedings for a taking or for loss of value, or (C) any of Grantor'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 lease or otherwise, shall never be construed as in any ways altering any of the rights of Grantee as determined by this Security Document or impugning the priority of the interest granted hereby or by any other recorded document, but such mention in such financing statement(s) is declared to be for the protection of Grantee in the event any court shall at any time hold with respect to the foregoing (A), (B) or (C), that notice of Grantee's priority of interest to be effective against a particular class of persons, must be filed in the UCC records.

(b) Grantor shall execute and deliver to Grantee, in form and substance satisfactory to Grantee, such further assurances as Grantee may from time to time reasonably consider necessary to create, perfect and preserve Grantee's security interest herein granted, and Grantee may cause such statements and assurances to be recorded and filed at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest.

(c) The assignment and security interest herein granted shall not be deemed or construed to constitute Grantee as a "mortgagee in possession" of the Project, and the Grantee shall not be obligated to lease the Project or attempt to do same, or to take any action, incur any expense or perform or discharge any obligation, duty or liability whatsoever under the Lease or otherwise.

ARTICLE II

Default and Remedies

Section 2.01. Events of Default. Any one or more of the following events or conditions shall constitute Events of Default under this Security Document:

(a) an Event of Default, as such term is therein defined, should occur under the Lease or the Indenture; or

(b) failure by Grantor to observe or perform any of the other terms, covenants or conditions contained in this Security Document, for ten (10) days after receipt from Grantee of

written notice of such failure, provided, such ten (10) day grace period set forth in this subsection (b) shall not apply to any other Event of Default expressly set forth in this Section 2.01 or to any other covenant or condition with respect to which a limitation as to time or grace period or right to cure is expressly provided in this Security Document; or

(c) if any disposition of the Pledged Security or any part thereof prohibited hereby is made by the Grantor; or

(d) if there is an attachment or sequestration of or relating to a material part of the Pledged Security and the same is not promptly discharged.

Section 2.02. Remedies.

(a) Upon the occurrence of any Event of Default, Grantee may take such action, without notice or demand, as it deems advisable to protect and enforce its rights against Grantor and in and to the Pledged Security, including, but not limited to, the following actions, each of which may be pursued concurrently or otherwise, at such time and in such order as Grantee may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Grantee: (1) declare the entire unpaid Indebtedness to be immediately due and payable; or (2) notify Lessee of the Project that all rents and other sums owing on the Lease have been assigned to Grantee and are to be paid directly to Grantee, and to enforce payment of all obligations owing on leases, by suit, ejectment, cancellation, releasing, reletting or otherwise, whether or not Grantee has taken possession of the Project, and to exercise whatever rights and remedies Grantee may have under any assignment of rents and leases; or (3) enter into or upon the project, either personally or by or its agents, nominees or attorneys and dispossess Grantor and their agents and servants therefrom, and thereupon Grantee may (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Project and conduct the activities thereat; (ii) complete any construction on the Project in such manner and form as Grantee deems advisable; (iii) exercise all rights and powers of the Grantor with respect to the Project, whether in the name of Grantor, or otherwise, including, without limitation, the right to make, cancel, enforce or modify leases, obtain and evict tenants, and demand, sue for, collect and receive all earnings, revenues, rents, issues, profits and other income of the Project and every part thereof, which rights shall not be in limitation of Grantee's rights under any assignment of rents and leases securing the loan; and (iv) apply the receipts from the Project to the payment of the Indebtedness, after deducting therefrom all reasonable expenses (including reasonable attorneys' fees) incurred in connection with the aforesaid operations and all amounts necessary to pay the taxes, assessments, insurance and other charges in connection with the Project, as well as just and reasonable compensation for the services of Grantee, its counsel, agents and employees; or (4) institute proceedings for the complete foreclosure of this Security Document either at law, in equity or pursuant to Section 2.02(b) herein, in which case the Project may be sold for cash or upon credit in one or more parcels; or (5) with or without entry, to the extent permitted and pursuant to the procedures provided by applicable law, institute proceedings for the partial foreclosure of this Security Document for the portion of the Indebtedness then due and payable (if Grantee shall have elected not to declare the entire Indebtedness to be immediately due and owing), subject to the continuing encumbrance of this Security Document for the balance of the Indebtedness not then due; or (6) sell for cash or upon credit the Pledged Security or any part thereof and all estate, claim, demand, right, title and interest of Grantor therein and rights of redemption thereof, pursuant to

power of sale or otherwise, at one or more sales, as an entity or in parcels, at such time and place, upon such terms and after such notice thereof as may be required or permitted by law, and in the event of a sale, by foreclosure or otherwise, of less than all of the Pledged Security, this Security Document shall continue as an encumbrance on the remaining portion of the Pledged Security; or (7) institute an action, suit or proceeding in equity for the specific performance of any covenant, condition or agreement contained herein or in the Lease or the Bonds; or (8) recover judgment on the Lease or the Bonds either before, during or after any proceedings for the enforcement of this Security Document; or (9) apply for the appointment of a trustee, receiver, liquidator or conservator of the Pledged Security, without regard for the adequacy of the security for the Indebtedness and without regard for the solvency of the Grantor, any guarantor, or any other person, firm or other entity liable for the payment of the Indebtedness; or (10) pay or perform any default in the payment, performance or observance of any term, covenant or condition of this Security Document, and all payments made or costs or expenses incurred by Grantee in connection therewith, shall be secured hereby and shall be, without demand, immediately repaid by the Grantor to Grantee with interest thereon as provided in the Bonds, the Indenture and the other Issuer Documents, as applicable, the necessity for any such actions and of the amounts to be paid to be in the sole judgment of Grantee, and Grantee may (subject to the terms of the Lease) enter and 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 Grantor or any person in possession holding under Grantor; or (11) pursue such other remedies as Grantee may have under applicable law, in equity or under the Bonds, the Lease, the Indenture or this Security Document.

(b) If an Event of Default shall have occurred, Grantee, at its option, may sell the Project or any part of the Project at public sale or sales at the usual place for conducting sales in the county in which the Project is situated, to the highest bidder for cash, in order to pay the Indebtedness secured hereby and accrued interest thereon and insurance premiums, liens, assessments, taxes and charges, including utility charges, if any, with accrued interest thereon, and all expenses of the sale and of all proceedings in connection therewith, including reasonable attorneys' fees, actually incurred, 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 the City, all other notice being hereby waived by Grantor. At any such public sale, Grantee may execute and deliver to the purchaser a conveyance of the Project or any part of the Project, with full warranties of title (or without warranties if Grantee shall so elect), which sale shall be expressly subject to the Lease, and to this end, Grantor hereby constitutes and appoints Grantee the agent and attorney-in-fact of Grantor to make such sale and conveyance, and thereby to divest Grantor of all right, title, interest, equity and equity of redemption that Grantor 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 Grantor. The aforesaid power of sale and agency hereby granted are coupled with an interest and are irrevocable, are granted as cumulative of the other remedies provided hereby or by law for collection of the Indebtedness secured hereby and shall not be exhausted by one exercise thereof but may be exercised until full payment of all Indebtedness is secured hereby. In the event of any such foreclosure sale by Grantee, Grantor 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.

(c) The purchase money proceeds or avails of any sale made under or by virtue of this Article II, together with any other sums which then may be held by Grantee under this Security Document, whether under the provisions of this Article II or otherwise, shall be applied as follows:

First: To the payment of the costs and expenses of any such sale, including reasonable compensation to Grantee, its agents and counsel, and of any judicial proceedings wherein the same may be made, and of all expenses, liabilities and advances made or incurred by Grantee under this Security Document, together with interest as provided herein on all advances made by Grantee and all taxes or assessments, except any taxes, assessments or other charges subject to which the Pledged Security shall have been sold.

Second: To the payment of the whole amount then due, owing or unpaid upon the Bonds for principal, together with any and all applicable interest.

Third: To the payment of any other sums required to be paid by Grantor pursuant to any provision of this Security Document or of the Bonds or of the Lease.

Fourth: To the payment of the surplus, if any after the payment of all the Indebtedness, to whomsoever may be lawfully entitled to receive the same. Grantee and any receiver of the Pledged Security, or any part thereof, shall be liable to account for only those rents, issues and profits actually received by it.

(d) Grantee may adjourn from time to time any sale by it to be made under or by virtue of this Security Document by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, except as otherwise provided by any applicable provision of law, Grantee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

(e) Upon the completion of any sale or sales made by Grantee under or by virtue of this Article II, Grantee, or an officer of any court empowered to do so, shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument, or good and sufficient instruments, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold. Grantee is hereby irrevocably appointed the true and lawful attorney of Grantor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Pledged Security and rights so sold and for that purpose Grantee may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power, Grantor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Any such sale or sales made under or by virtue of this Article II, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Grantor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against Grantor and against any and all persons claiming or who may claim the same, or

any part thereof from, through or under Grantor (but subject to the Lease and parties claiming by, through or under the Lessee under the Lease).

(f) In the event of any sale made under or by virtue of this Article II (whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale) the entire Indebtedness, if not previously due and payable, immediately thereupon shall, anything in the Bonds, in the Lease or in this Security Document to the contrary notwithstanding, become due and payable.

(g) Upon any sale made under or by virtue of this Article II (whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale), Grantee may bid for and acquire the Pledged Security or any part thereof and in lieu of paying cash therefore may make settlement for the purchase price by crediting upon the Indebtedness the net sales price after deducting therefrom the expenses of the sale and the costs of the action and any other sums which Grantee is authorized to deduct under this Security Document.

(h) No recovery of any judgment by Grantee and no levy of an execution under any judgment upon the Pledged Security or upon any other property of Grantor shall affect in any manner or to any extent, the lien and title of this Security Document upon the Pledged Security or any part thereof, or any liens, titles, rights, powers or remedies of Grantee hereunder, but such liens, titles, rights, powers and remedies of Grantee shall continue unimpaired as before.

(i) Grantor agrees, to the fullest extent permitted by law, that upon the occurrence of an Event of Default, neither the Grantor nor anyone claiming through or under the Grantor or any of them shall or will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension, homestead, exemption or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Security Document, or the absolute sale of the Pledged Security, or the final and absolute putting into possession thereof, immediately after such sale, of the purchasers thereat, and each Grantor, for itself and all who may at any time claim through or under it, hereby waives to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets comprised in the security intended to be created hereby marshaled upon any foreclosure hereof or sale pursuant hereto.

(j) Grantee, at its option, is authorized to foreclose this Security Document subject to the Lease.

Section 2.03. Payment of Indebtedness After Default. Upon the occurrence of any Event of Default and the acceleration of the maturity of the Bonds, if, at any time prior to foreclosure sale, Grantor or any other person tenders payment of the amount necessary to satisfy the Indebtedness, the same shall constitute an evasion of the payment terms of the Bonds and shall be deemed to be a voluntary prepayment thereunder.

Section 2.04. Intentionally Omitted.

Section 2.05. Grantor's Actions After Default. After the happening of any Event of Default and immediately upon the commencement of any action, suit or other legal proceedings by Grantee to obtain judgment for the Indebtedness, or of any other nature in aid of the enforcement

of the Lease, of the Bonds, of the Indenture or of this Security Document, Grantor will, if required by Grantee, consent to the appointment of a receiver or receivers of the Pledged Security and of all the earnings, revenues, rents, issues, profits and income thereof. Nothing herein shall be deemed to require the commencement of a suit or the consent of Grantor as a condition precedent for Grantee's right to the appointment of a receiver or the exercise of any other rights or remedies available to Grantee.

Section 2.06. Control by Grantee After Default. Notwithstanding the appointment of any receiver, liquidator or trustee of the Grantor, or of any of its property, or of the Pledged Security or any part thereof, Grantee shall be entitled to retain possession and control of all property now and hereafter covered by this Security Document, subject to the Lease.

ARTICLE III

Miscellaneous

Section 3.01. Nature of Obligations of Grantor.

(a) THE OBLIGATIONS OF THE GRANTOR HEREUNDER ARE NOT GENERAL OBLIGATIONS OF THE GRANTOR, BUT ARE SPECIAL AND LIMITED OBLIGATIONS OF THE GRANTOR THAT ARE PAYABLE SOLELY FROM THE PLEDGED SECURITY, AND GRANTEE SHALL NOT BE ENTITLED TO ANY DEFICIENCY JUDGMENT AGAINST THE GRANTOR OR AGAINST ANY PROPERTY OF THE GRANTOR NOT PLEDGED AND ENCUMBERED HEREBY.

(b) Grantee expressly acknowledges that no personal liability whatsoever shall attach to, or be incurred by, any member, director officer or employee, as such, past, present or future, of the Grantor or of any successor body, either directly or through such Grantor or any successor body, under or by reason of any of the obligations, covenants, promises, or agreements entered into between such Grantor and Grantee contained in this Security Document or to be implied herefrom, and that all personal liability of that character against every such member, director, officer and employee is, by the execution of this Security Document and as a condition to, and as part of the consideration for, the execution of this Security Document, expressly waived and released. The immunity of the members, directors, officers and employees of the Grantor under the provisions contained in this paragraph shall survive termination of this Security Document.

(c) Notices. Any notice, request or other communication (a “**notice**”) required or permitted to be given hereunder shall be in writing and shall be delivered by hand or overnight courier (such as United Parcel Service or Federal Express), sent by facsimile (provided a copy of such notice is deposited with an overnight courier for next business day delivery) or mailed by United States registered or certified mail, return receipt requested, postage prepaid and addressed to each party at its address as set forth below. Any such notice shall be considered given on the date of such hand or courier delivery, confirmed facsimile transmission (provided a copy of such notice is deposited with an overnight courier for next business day delivery), deposit with such overnight courier for next business day delivery, or receipt via the United States mail, but the time period (if any is provided herein) in which to respond to such notice shall commence on the date of hand or overnight courier delivery or on the date received following deposit in the United States

mail as provided above. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice. By giving at least five (5) days' prior written notice thereof, any party may from time to time and at any time change its mailing address hereunder. Any notice of any party may be given by such party's counsel. Notice addresses are as follows:

If to the Grantor: City of Sandy Springs Development Authority
1 Galambos Way
Sandy Springs, Georgia 30328
Attention: Chris Burnett, Economic Development
Director
Phone: 770-730-5600

With copy to: Daniel W. Lee, Esq.
City Attorney
1 Galambos Way
Sandy Springs, Georgia 30328
Phone: 770-951-7328

If to the Grantee: Pinnacle Bank
800 Shades Creek Parkway
Birmingham, Alabama 35209
Attention: Corporate Trust Department

provided, however, if the Grantee named herein shall have assigned this Security Document to a successor Trustee for the Bonds, notices to the Grantee shall be sent to the successor Trustee at such address as such successor trustee shall have provided to the Grantor in writing.

Section 3.02. Binding Obligations. The provisions and covenants of this Security Document shall be binding upon the Grantor and shall inure to the benefit of Grantee and any successor Trustees for the Bonds. For the purpose of this Security Document, the term "Grantor" shall mean the Grantor named herein, and its successors and assigns.

Section 3.03. Captions. The captions of the sections of this Security Document are for the purpose of convenience only and are not intended to be a part of this Security Document and shall not be deemed to modify, explain, enlarge or restrict any of the provisions hereof.

Section 3.04. Severability. Any provision of this interest which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provisions in any other jurisdiction.

Section 3.05. General Conditions.

(a) All covenants hereof shall be construed as affording to Grantee rights additional to and not exclusive of the rights conferred under the provisions of applicable laws of the State of Georgia.

(b) This Security Document cannot be altered, amended, modified or discharged orally and no agreement shall be effective to modify or discharge it in whole or in part, unless it is in writing and signed by the party against whom enforcement of the modification, alteration, amendment or discharge is sought.

(c) No remedy herein conferred upon or reserved to Grantee is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of Grantee in exercising any right or power accruing upon any Event of Default shall impair any such right or power, or shall be construed to be a waiver of any such Event of Default, or any acquiescence therein. Acceptance of any payment after the occurrence of an Event of Default shall not be deemed to waive or cure such Event of Default; and every power and remedy given by this Security Document to Grantee may be exercised from time to time as often as may be deemed expedient by Grantee. Nothing herein or in the Bonds shall affect the obligation of Grantor to pay the Indebtedness in the manner and at the time and place therein respectively expressed.

(d) No waiver by Grantee will be effective unless it is in writing and then only to the extent specifically stated. Without limiting the generality of the foregoing, any payment made by Grantee for insurance premiums, taxes, assessments, water rates, sewer rentals or any other charges affecting the Project, shall not constitute a waiver of Grantor's default in making such payments and shall not obligate Grantee to make any further payments.

(e) The Grantor acknowledges that it has received a true copy of this Security Document.

(f) For the purposes of this Security Document, all defined terms and personal pronouns contained herein shall be construed, whenever the context of this Security Document so requires, so that the singular shall be construed as the plural and vice versa and so that the masculine, feminine or neuter gender shall be construed to include all other genders.

(g) No provision of this Security Document shall be construed against or interpreted to the disadvantage of Grantor or Grantee by any court or other governmental or judicial authority by reason of such party having or being deemed to have drafted, prepared, structured or dictated such provision.

(h) Whenever any payment to be made hereunder or under the Bonds, the Indenture or the Lease shall be stated to be due on a day that is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest hereunder or under the Bonds or the Indenture (**"Business Day"** means a day which is not a Saturday, Sunday, a legal holiday, or any other day on which banking institutions are authorized to be closed in the State of Georgia).

(i) Time is of the essence with respect to each and every covenant, agreement and obligation of Grantor under this Security Document, the Bonds, the Lease and the Indenture.

Section 3.06. Legal Construction. The enforcement of this Security Document shall be governed, construed and interpreted by the laws of the State of Georgia. Nothing in this Security

Document, the Lease, the Bonds or in any other agreement between Grantor and Grantee shall require Grantor to pay, or Grantee to accept, interest in an amount which would subject Grantee to any penalty under applicable law. In the event that the payment of any interest due hereunder or under the Bonds or any such other agreement would subject Grantee to any penalty under applicable law, then automatically the obligations of Grantor to make such payment shall be reduced to the highest rate authorized under applicable law.

Section 3.07. No Partnership or Joint Venture. Nothing contained herein or in the Bonds or in the Lease, or the acts of the parties hereto, shall be construed to create a partnership or joint venture between Grantor and Grantee. The relationship between the Grantor and Grantee is the relationship of “debtor” and “creditor.”

Section 3.08. Counterparts. This Security Document may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, taken together shall constitute one and the same instrument.

Section 3.09. Commercial Transaction. The interest of Grantee hereunder and the liability and obligation of the Grantor for the payment of the Indebtedness arise from a “commercial transaction” within the meaning of O.C.G.A. § 44-14-260(1). Accordingly, pursuant to O.C.G.A. § 44-14-263, Grantor waives any and all rights which Grantor may have to notice prior to seizure by Grantee or any interest in personal property of Grantor pledged hereunder, whether such seizure is by writ of possession or otherwise.

Section 3.10. Acknowledgement of Subordination. Notwithstanding anything contained herein, this Security Document is subject and subordinate in all respects to all other liens granted by the Company or the Grantor to the holder of any Superior Encumbrances (as defined in the Indenture) and to all modifications, extensions, refinancings (where such liens continue) or renewals of such Superior Encumbrances.

Section 3.11. WAIVER OF GRANTOR'S RIGHTS. BY EXECUTION OF THIS SECURITY DOCUMENT, THE GRANTOR EXPRESSLY: (A) ACKNOWLEDGES THE RIGHT TO ACCELERATE THE INDEBTEDNESS EVIDENCED BY THE BONDS AND THE POWER OF ATTORNEY GIVEN HEREIN TO GRANTEE TO SELL THE PLEDGED SECURITY BY NONJUDICIAL FORECLOSURE AND EXERCISE ALL RIGHTS UNDER THE SECURED TRANSACTION PROVISIONS OF THE UNIFORM COMMERCIAL CODE, AS IN EFFECT IN GEORGIA, UPON THE OCCURRENCE OF AN EVENT OF DEFAULT WITHOUT ANY JUDICIAL HEARING AND WITHOUT ANY NOTICE; (B) WAIVES ANY AND ALL RIGHTS THE GRANTOR MAY HAVE UNDER THE CONSTITUTION OF THE UNITED STATES (INCLUDING THE FIFTH AND FOURTEENTH AMENDMENTS THEREOF), THE VARIOUS PROVISIONS OF THE CONSTITUTIONS FOR THE SEVERAL STATES, OR BY REASON OF ANY OTHER APPLICABLE LAW, TO NOTICE AND TO JUDICIAL HEARING PRIOR TO THE EXERCISE BY GRANTEE OF ANY RIGHT OR REMEDY HEREIN PROVIDED TO GRANTEE; (C) ACKNOWLEDGES THAT AN OFFICER OF OR LEGAL COUNSEL TO THE GRANTOR HAS READ THIS SECURITY DOCUMENT AND ITS PROVISIONS HAVE BEEN EXPLAINED FULLY TO GRANTOR AND GRANTOR HAS CONSULTED WITH COUNSEL OF GRANTOR'S CHOICE PRIOR TO EXECUTING THIS SECURITY DOCUMENT; AND (D) ACKNOWLEDGES THAT ALL WAIVERS OF THE AFORESAID RIGHTS OF SUCH GRANTOR HAVE BEEN MADE KNOWINGLY, INTENTIONALLY AND WILLINGLY BY SUCH GRANTOR AS PART OF A BARGAINED FOR LOAN TRANSACTION.

INITIALS OF OFFICER OF GRANTOR
THAT EXECUTED THIS INSTRUMENT: _____

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, this Security Document has been duly executed and delivered under seal as of the day and year first above written. The undersigned officer of the Grantor certifies that he has read and understands the waiver of Grantor's rights contained in Section 3.11 hereof and has initialed the same.

Signed and sealed in the presence of:

**CITY OF SANDY SPRINGS DEVELOPMENT
AUTHORITY**

Unofficial Witness

By: _____
Chair

Notary Public

ATTEST:

My Commission Expires:

Secretary

[NOTARY SEAL]

[AUTHORITY SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

The Grantee has executed this Security Document for the purpose of becoming a signatory to the security agreement set forth herein.

Signed and sealed in the presence of: **PINNACLE BANK,**
as Trustee

Unofficial Witness

By: _____
Name: Dean D. Matthews
Title: Managing Director

Notary Public

My Commission Expires:

[NOTARY SEAL]

EXHIBIT A
DESCRIPTION OF THE LEASED LAND

TAX PARCEL IDS:

EXHIBIT E
FORM OF GUARANTY AGREEMENT

(ATTACHED)

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT (this “**Guaranty**”) is made and entered into as of _____ 1, 2026, by and between **NORTH RIVER APARTMENTS OWNER, LLC**, a Delaware limited liability company (the “**Guarantor**”), and **PINNACLE BANK**, a Tennessee state banking corporation, together with any successor trustee or trustees at the time serving as such under the Indenture of Trust described below (the “**Trustee**”).

WITNESSETH:

WHEREAS, the City of Sandy Springs Development Authority, a development authority and public body corporate and politic created and existing under the laws of the State of Georgia (the “**Issuer**”), proposes to issue its Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2025 (the “**Bonds**”), in a maximum aggregate principal amount of \$110,000,000; and

WHEREAS, the Bonds are to be sold by the Issuer to the Guarantor under a Bond Purchase Agreement (the “**Bond Purchase Agreement**”) and are to be issued under and pursuant to an Indenture of Trust, dated as of even date herewith, by and between the Issuer and the Trustee (the “**Indenture**”), a true and correct copy of which has been delivered to the Guarantor, and the Bonds are more particularly described in Articles II and III of the Indenture; the parties agree that any capitalized terms that are used herein and which are not defined herein shall be defined as provided in the Indenture; and

WHEREAS, the cash proceeds to be derived directly or indirectly from the issuance of the Bonds are to be used to pay or reimburse all or a portion of the costs of the acquisition, construction and installation of a capital project in the City of Sandy Springs, Fulton County, Georgia (the “**Project**”) and property for the Project may be transferred to the Issuer in exchange for one or more of the Bonds; and

WHEREAS, the Project is initially to be leased to the Guarantor for the use and benefit of the Guarantor pursuant to a Lease Agreement, of even date herewith (the “**Lease**”), between the Issuer and the Guarantor (subject to “Permitted Encumbrances” as defined in the Lease); and

WHEREAS, the Guarantor desires that the Issuer issue the Bonds and apply the proceeds derived therefrom as aforesaid and is willing to enter into this Guaranty, intending to be legally bound hereby.

NOW THEREFORE, in consideration of the premises the Guarantor does hereby agree with the Trustee, intending to be legally bound hereby, as follows:

ARTICLE I REPRESENTATIONS AND WARRANTIES

Section 1.1 Representations and Warranties of Guarantor. The Guarantor represents and warrants that:

(a) It is a limited liability company duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of Georgia, has the power to enter into this Guaranty and to perform and observe its obligations contained herein in accordance with the terms hereof and has, by proper action, been duly authorized to execute, deliver and perform this Guaranty in accordance with the terms hereof.

(b) The Guarantor is not subject to any organic or contractual limitation or provision of any nature whatsoever which in any way limits, restricts or prevents it from entering into this Guaranty or performing any of its obligations hereunder.

(c) Neither the execution and delivery of this Guaranty, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions hereof, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Guarantor is a party or by which it may be bound, or constitutes a default under any of the foregoing.

(d) This Guaranty constitutes the legal, valid and binding obligation of the Guarantor in accordance with its terms, except as may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to applicable equitable principles if equitable remedies are sought.

ARTICLE II COVENANTS AND GUARANTEES

Section 2.1 Guarantee of Bonds. The Guarantor hereby absolutely and unconditionally guarantees to the Trustee for the benefit of the owners at any time and from time to time of the Bonds the full and prompt payment in accordance with the provisions of the Indenture of: (a) the principal of any Bond when and as the same shall become due and payable, whether at the stated maturity thereof, scheduled prepayment, by redemption, by acceleration or otherwise and (b) the interest on any Bond when and as the same shall become due and payable. If the owner of any Bond shall fail to receive any such payment as and when said payment becomes due, the Guarantor shall immediately pay to the Trustee for the owner of such Bond under the Home Office Payment Agreement (referred to in the Indenture), in lawful money of the United States of America, an amount equal to the required payment, provided that if the Guarantor is the owner of a Bond and if a Home Office Payment Agreement is in effect with respect to a Bond, the payment relating to that Bond shall be deemed to be constructively paid as and when due

Section 2.2 Unconditional Obligation. The obligations of the Guarantor under this Guaranty shall be absolute and unconditional and shall remain in full force and effect until Payment in full of the Bonds in accordance with the Indenture and, until payment in full of the Bonds.

Section 2.3 Waiver of Notice. The Guarantor hereby expressly waives notice in writing, or otherwise, from the Trustee or the owners at any time or from time to time of any of the Bonds of their acceptance and reliance on this Guaranty.

Section 2.4 Costs, Expenses and Fees. The Guarantor agrees to pay all reasonable costs, expenses and fees, including all reasonable and actual attorneys' fees, which may be incurred by the Trustee in connection with this Guaranty, whether the same shall be enforced by suit or otherwise.

ARTICLE III SPECIAL COVENANTS

Section 3.1 Merger, Consolidation or Sale of Assets. The Guarantor agrees that prior to payment in full of the Bonds the Guarantor shall maintain its existence and shall not merge or consolidate with any other entity and shall not transfer or convey all or substantially all of the Project. On any assignment of the Lease to a third party pursuant to the provisions of the Lease, this Guaranty will likewise be assigned to and assumed by such assignee and the Guarantor shall immediately be released of all obligations and liabilities accruing after the effective date of the assumption agreement.

ARTICLE IV WAIVERS, AMENDMENTS AND MISCELLANEOUS

Section 4.1 Waivers and Amendments. In the event any provision contained in this Guaranty should be breached by the Guarantor and thereafter duly waived by the Trustee, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver shall be established by conduct, custom or course of dealing, but solely by an instrument in writing duly executed by the Trustee. No amendment, release or modification of this Guaranty shall be established by conduct, custom or course of dealing, but solely by an instrument in writing duly executed by the Trustee and the Guarantor. The Trustee shall not consent to or join in any amendment or modification of this Guaranty or waive any of the provisions hereof without the written approval or consent of the owners of all of the Bonds at the time outstanding. If at any time, the Guarantor shall request the consent of the Trustee to any such proposed amendment, change or modification of this Guaranty or the waiver of any of the provisions hereof, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change, modification or waiver to be mailed, first class mail, postage prepaid, to all owners of outstanding Bonds. Such notice shall briefly set forth the nature of such proposed amendment, change, modification or waiver and shall state that copies of the instrument embodying the same are on file at the principal corporate trust office of the Trustee for inspection by all owners of the Bonds. If, within 60 days or such longer period as shall be prescribed by the Trustee following the mailing of such notice, the owners of all of the outstanding Bonds shall, in writing, have consented to and approved the execution of such amendment, change, modification or waiver of this Guaranty as herein provided, no owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Guarantor from executing the same or from taking any action pursuant to the provisions thereof.

Section 4.2 Effective Date. The obligations of the Guarantor hereunder shall arise absolutely and unconditionally when any Bonds shall have been initially issued, sold and delivered by the Issuer as contemplated in the Indenture.

Section 4.3 Governing Law. This Guaranty and the rights and obligations of the parties hereto (including third party beneficiaries) shall be governed, construed and interpreted according to the laws of the State of Georgia.

Section 4.4 Entire Agreement; Counterparts. This Guaranty constitutes the entire agreement, and supersedes all prior agreements, both written and oral, between the parties with respect to the subject matter hereof and may be executed simultaneously in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 4.5 Severability. If any provision of this Guaranty shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any Constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

Section 4.6 Notices. Any notice, request or other communication (a “**notice**”) required or permitted to be given hereunder shall be in writing and shall be delivered by hand or overnight courier (such as United Parcel Service or Federal Express), sent by email (provided a copy of such notice is deposited with an overnight courier for next business day delivery) or mailed by United States registered or certified mail, return receipt requested, postage prepaid and addressed to each party at its address as set forth below. Any such notice shall be considered given on the date of such hand or courier delivery, confirmed email transmission (provided a copy of such notice is deposited with an overnight courier for next business day delivery), deposit with such overnight courier for next business day delivery, or receipt via the United States mail, but the time period (if any is provided herein) in which to respond to such notice shall commence on the date of hand or overnight courier delivery or on the date received following deposit in the United States mail as provided above. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice. By giving at least five (5) days’ prior written notice thereof, any party may from time to time and at any time change its mailing address hereunder. Any notice of any party may be given by such party’s counsel. Notice addresses are as follows:

If to the Guarantor:	North River Apartments Owner, LLC
	[ADDRESS]
	Attention:
	Email:

With a copy to: Troutman Pepper Locke
600 Peachtree St. NE, Suite 3000
Atlanta, Georgia 30308
Attention: Charles F. Palmer, Esq.
E-mail: Charles.palmer@troutman.com

If to the Trustee: Pinnacle Bank
800 Shades Creek Parkway
Birmingham, Alabama 35209
Attention: Corporate Trust Department

Either party may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 4.7 Headings. The headings of the several Articles and Sections of this Guaranty are for convenience only and shall not be construed to affect the meaning or construction of any of the provisions hereof.

Section 4.8 Successors. This Guaranty shall be binding upon the undersigned Guarantor and its successors and assigns and shall inure to the benefit of, and shall be enforceable by, the Trustee and its successors and assigns and, subject to the provisions of Section 5.2 hereof, the owners of the Bonds until payment in full of the Bonds as provided in the Indenture.

Section 4.9 Acknowledgement of Subordination. Notwithstanding anything contained herein, this Guaranty and the Trustee's rights and remedies against the Guarantor are subject and subordinate in all respects to any "Superior Security Document" (as defined in the Indenture), to all other liens or security interest granted by the Guarantor to the holder of the Superior Security Document with respect to or in connection with the indebtedness secured by the Superior Security Document, and to all modifications, extensions, refinancings (where such liens or security interests continue) or renewals of such liens or security interests.

IN WITNESS WHEREOF, the Guarantor has caused this Guaranty to be executed in its name and behalf.

NORTH RIVER APARTMENTS OWNER, LLC,
a Delaware limited liability company

By: _____

(CORPORATE SEAL)

Attest:

By: _____

Name: _____

Title: _____

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

[GUARANTY AGREEMENT]

Accepted as of the date first above written:

PINNACLE BANK,
as Trustee

By: _____

Name: Dean D. Matthews

Title: Managing Director

EXHIBIT F
FORM OF MEMORANDUM OF UNDERSTANDING
(ATTACHED)

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this “**Agreement**”) is entered into as of the Effective Date set forth below by and among the **CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY** (the “**Authority**”), a development authority and public body corporate and politic duly created and existing under the Constitution and laws of the State of Georgia, the **CITY OF SANDY SPRINGS, GEORGIA** (the “**City**”), a municipal corporation created and existing under the Constitution and laws of the State of Georgia, and **NORTH RIVER APARTMENTS OWNER, LLC**, a Delaware limited liability company (the “**Company**”), each a “**Party**” and collectively the “**Parties**.”

1. THE PROJECT.

1.1 **The Project.** As used herein, references to the “**Project**” includes the Premises, the Improvements and the Equipment (each defined below), as the same may exist from time to time. The Project consists of a multi-family residential development in the City. Title to the Project will be transferred to the Authority and leased to the Company under the terms of a separate Lease Agreement (the “**Bond Lease**”) to be entered into between the Authority and the Company at the Closing (defined below).

(a) **Premises.** The “**Premises**” consist of approximately 7.3 acres of land located on a portion of the site located at 8830 Roswell Road, Sandy Springs, Georgia 30350 which is described in Schedule 1.1 attached hereto (and by reference made a part hereof). The Premises shall be owned by the Authority and leased to the Company under the terms of the Bond Lease.

(b) **Improvements.** The “**Improvements**” are to consist of the construction by the Company of certain improvements to the Premises, including, without limitation, an approximately 336 unit multi-family residential development, and leased to the Company under the Bond Lease. The Company shall be responsible for the design of the Improvements. The Bond Lease shall provide that the Company, as principal and not as agent of the Authority, shall construct the Improvements and that title to the Improvements shall vest in the Authority as the same are constructed. The Improvements shall be constructed in compliance with applicable laws, including applicable zoning laws, building codes, environmental laws and other restrictions. The parties understand that this Agreement is not subject to the Georgia Local Government Public Works Construction Law (the “**Construction Law**”), and do not intend for it to be subject thereto.

(c) **Equipment.** The “**Equipment**” consists of items of trade fixtures, machinery, equipment, furniture and furnishings proposed herein to be financed with the Project Bonds and to be owned by the Authority and leased to the Company under the Bond Lease. The Bond Lease will provide that the Company shall be responsible for the acquisition and installation of the Equipment and for conveying the same to the Authority from time to time by one or more bills of sale.

1.2 **Total Project Costs.** “**Total Project Costs**” include all reasonable costs, fees and expenses incurred by the Company in connection with the Project and the issuance of the Project Bonds (defined below). The Company will be responsible for any costs of or related to the Project (including, without limitation, those related to any change orders or cost overruns) to the extent that proceeds of the Project Bonds are not available or are not sufficient to pay such costs.

1.3 Closing. As used herein, the “**Closing**” is the event at which the Project Bonds are issued and the other transactions contemplated herein are consummated. References herein to a “**Closing Condition**” are to the optional right of a Party hereto, based on a Closing Condition, to exercise a right provided herein in its favor and to avoid the Closing and terminate this Agreement as provided in Sections 6.4 and 6.5, respectively, below.

1.4 Indemnity by the Company. The Company shall indemnify, hold harmless and defend the Authority, the City and their officials, members, officers, employees and representatives from and against any and all loss, liabilities and claims (including, without limitation, liens and encumbrances resulting from construction and installation activities) that may arise out of or relate to: (a) any act or omission by or attributable to the Company or its vendors, contractors or subcontractors, agents, employees or representatives, related to the Project; or (b) this transaction, including the Project Bonds or the issuance thereof, or the ownership or operation of the Project. The indemnity contained in this Section 1.4 shall not apply in the case of any particular indemnitee to any claim, loss or liability which is the result of the gross negligence or willful misconduct of such indemnitee. Said indemnity shall survive the expiration or earlier termination of this Agreement, but at Closing shall be superseded (provided, such supersession shall not affect any accrued liability hereunder) by the indemnities in the Definitive Documents (defined below).

2. FINANCING OF THE PROJECT.

2.1 Project Bonds. In order to establish the bond-financed sale-leaseback structure that is necessary for the provision of certain of the incentives contemplated herein, including, without limitation, *ad valorem* property tax savings for the Project, the Authority will issue the Authority’s revenue bonds (the “**Project Bonds**”) to the Company. The Authority will hold legal title to the Project. The Bond Lease and related purchase option will evidence the Company’s beneficial ownership of the Project. Upon the termination of the Bond Lease, the Company will acquire legal title to the Project as provided herein. Notwithstanding the foregoing, during the term of the Bond Lease and solely at the written request of the Company, the Authority shall sell, convey, transfer or encumber its interest in the Project or any portion thereof and shall execute any instruments, releases or other documents to effectuate such sale, conveyance, transfer or encumbrance.

2.2 Maximum Principal Amount of Project Bonds. The Project Bonds shall be issued in the aggregate principal amount not to exceed \$110,000,000.

2.3 Transaction Costs for Project Bonds. The Company shall be responsible for all transactional costs of the issuance of the Project Bonds, and other matters related thereto, provided that such costs shall be subject to the Company’s approval, which shall not be unreasonably withheld. Subject to any applicable limits of the federal tax law, cash proceeds of the Project Bonds, if any are available for such purpose, may be used to pay such costs or to reimburse the Company for transaction costs previously paid by it. Such transaction costs include, without limitation: (i) the court costs relating to validation of the Project Bonds and recording and filing fees; (ii) the Authority’s financing fee equal to 1/8 of 1% of the maximum principal amount of the Project Bonds, payable one time at Closing; (iii) the aggregate legal fees and expenses of counsel to the Authority and Bond Counsel in an amount equal to \$152,500; and (iv) trustee’s fees.

2.4 Tax Status of the Project Bonds. The interest on Project Bonds issued to the Company will not be exempt from federal income taxation. Whether or not the interest on any other series of the Project Bonds will be exempt from federal income taxation shall be as determined by the federal income tax law.

2.5 Roles of Counsel. Daniel W. Lee, Esq. shall serve as counsel to the Authority, and the law firm of Pope Flynn, LLC shall serve as the Bond Counsel in connection with the issuance of the Project Bonds and this Agreement, and their fees and expenses will be paid by the Company. The law firm of Troutman Pepper Locke shall serve as counsel to the Company, and its fees and expenses will be paid by the Company.

2.6 Repayment of the Project Bonds. The Company shall be responsible for the repayment of the Project Bonds. Without limitation, the Project Bonds shall not be a general obligation of the Authority, but shall be a special and limited obligation payable solely from the payments received under the Bond Lease and other pledged security. No public body, including the City, shall have any obligation or liability for repayment of the Project Bonds.

2.7 The Bond Lease. The Authority and the Company shall enter into the Bond Lease at the Closing. Pursuant to the Bond Lease, the Authority will lease the Project to the Company. The Bond Lease shall contain terms and provisions substantially of the type normally included in bond leases between governmental “conduit” bond issuers and users of bond-financed property. The Bond Lease will be a triple net type lease. The Bond Lease shall permit (i) subleases of the Project provided that the Company shall continue to remain obligated under the Bond Lease with respect to the property subject to any sublease and (ii) the Company to transfer or assign its interest in the Bond Lease and the other Definitive Documents (defined below), in whole or in part, to (a) any Affiliate (defined below), or (b) in connection with a collateral assignment or financing transaction, or (c) to any other party with the consent of the Authority. Notwithstanding anything to the contrary contained herein or in the Bond Lease, the Authority acknowledges and agrees that the persons or entities holding directly or indirectly through one or more other persons or entities any form of ownership interest in the Company (“**Direct or Indirect Owners**”) may, without the consent of the Authority or any other person, make any transfer, assignment or other conveyance of the stock, partnership interests, membership interests or other ownership interests in whatever form in the Company or in any of such Direct or Indirect Owners. In no event shall the Bond Lease permit the Company to transfer, assign or share, in whole or in part, the property tax savings under the Savings Schedule (defined below) with any non Affiliate (defined below).

2.8 Purchase Option. Subject to the bond purchase agreement related to the Project Bonds, the Authority, in the Bond Lease or by separate instrument, shall grant the Company the option to purchase the Project (the “**Purchase Option**”) to the extent that the Authority holds title thereto at the time, exercisable for (i) an option exercise price of \$10; (ii) plus any other amounts due to the Authority that must be paid at such time, including, without limitation, Community Recovery Payments (defined below) then due and payable; and (iii) if all of the Bonds have not theretofore been retired, the Company shall cause all of the Bonds to be retired or cancelled. Payment of the amounts so required is a condition to the closing under such purchase option. In the event the Company exercises the purchase option, this Agreement shall remain in effect. This Purchase Option shall be evidenced by a recorded memorandum of lease or option agreement.

2.9 Definitive Documents. The term “**Definitive Documents**” means and includes the Project Bonds, the Bond Lease and related purchase option, the above-mentioned bond purchase agreement, a trust indenture and any other related documents necessary to implement the transaction described herein. The Definitive Documents shall be prepared by Authority’s Bond Counsel, shall contain terms and provisions described herein and those substantially of the type normally included in documents executed in similar transactions and shall be subject to the approval of the Authority, the Company, and the purchaser of the Project Bonds. The Parties agree to negotiate in good faith to establish the terms and conditions to be included in the Definitive Documents. It shall be a Closing Condition in favor of each of the Company, and the Authority that they reach an agreement on such terms and conditions.

2.10 Transfers of this Agreement by Company. All rights and benefits of the Company under this Agreement and under the Authority’s resolution authorizing this Agreement may be transferred and assigned by the Company, in whole or in part, to: (a) any Affiliate of the Company, (b) in connection with a collateral assignment to a lender or similar financing arrangement with a third party lender, or (c) with the written approval of the Authority (but subject to the last sentence of this Section), such approval not to be unreasonably withheld, conditioned or delayed, to anyone or more persons or entities which propose to acquire the Project, or a portion thereof, in either case with the same effect as if such Affiliate or such persons or entities were named as the “Company” in this Agreement and in the Authority’s resolution authorizing this Agreement. Unless otherwise agreed in writing by the Authority, the assignment of the Company’s rights shall not release the Company from its obligations for costs and indemnification and following any such assignment, the Company and such assignee shall be jointly and severally liable for costs and indemnification hereunder. As used herein, “**Affiliate**” means any person or entity (as used herein “entity” includes, without limitation, any public body) that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, a specified person or entity. As used herein, the term “control” of a person or entity means the possession, directly or indirectly, of the power: (A) to vote 10% or more of the voting securities of such person or entity (on a fully diluted basis) having ordinary power to vote in the election of the governing body of such person or entity, or (B) to direct or cause the direction of the management or policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise. The foregoing and any other provision hereof to the contrary notwithstanding, in no event shall this Agreement be construed to permit the Company to transfer, assign or share, in whole or in part, the property tax savings under the Savings Schedule with any non-Affiliate.

3. **LOCAL INCENTIVES.**

3.1 Property Tax Incentive.

3.1.1 Basis for Abatement. It is anticipated that legal transfer of the Project to the Authority and the execution and delivery of the Lease between the Company and the Authority therefor would occur on or before December 15, 2026. The completion and/or occupancy of the Project by the Company, as determined by the Fulton County Board of Assessors (the “**Board of Assessors**”), shall constitute the completion date (the “**Completion Date**”) for purposes of this Memorandum. As to be provided in the Lease, the Company will have access to and control of the Project prior to the Completion Date in order to complete

the acquisition, construction, installation and leasing of the Project. The term of the Lease will expire on or about ten years from the date of the Completion Date.

All parties to this Agreement recognize and agree that the Authority is not subject to ad valorem taxation on its interest in the Project. The parties further understand and agree that the Company will be subject to ad valorem taxation on its leasehold interest in the Project (the “**Leasehold Interest**”). Pursuant to O.C.G.A. § 36-80-16.1(e) and the decision of the Supreme Court of Georgia in *W. C. Harris, et al. vs. DeKalb County Board of Tax Assessors*, 248 Ga. 277 (1981) (the “*Harris Case*”), which permits the Board of Assessors to agree in advance to fixed percentage, reasonable and non-arbitrary valuation methods, the parties (including any assignee of the Company pursuant to an assignment in accordance with the applicable provisions of the Lease) desire to agree upon an appropriate, reasonable and non-arbitrary methodology for valuation of the Leasehold Interest.

In order to provide the Company with sufficient information and certainty upon which it can base its decision to carry out the Project in the City, the Authority hereby agrees to enter into and submit to the Board of Assessors for consideration the Memorandum of Agreement Regarding Lease Structure and Valuation of Leasehold Interest, among the Authority, the Company and the Board of Assessors, a form of which is attached hereto as Schedule 3.1.

3.1.2 Reversion to Normal Taxability. If the option to purchase the Project or any portion thereof is exercised by the Company upon termination of the Bond Lease or earlier, in whole or in part, or if the Bond Lease is otherwise terminated or expires, the Project or the portion thereof purchased will be taxable according to normal *ad valorem* property taxation rules that are applicable to privately-owned property.

3.2 Permitting Fees. The Company shall owe no building permit fees to the City in connection with the acquisition, construction and installation of the Project.

3.3 Impact Fees. [The Company shall owe no parks and recreation development impact fees in connection with the acquisition, construction and installation of the Project.]

3.4 Expedited Permitting, Dedicated Support. To expedite permits and administrative approvals, Ginger Sottile will serve as the Company’s dedicated single point of contact to assist the Company with applying for and obtaining building permits and all other permits and approvals required to construct, equip and operate the Project in accordance with the Company’s requirements.

3.5 No Other Incentives. The preceding provisions of this Section 3 of this Agreement are a complete and exhaustive list of all incentives that the Authority and all other local governments and local authorities, respectively, have agreed to provide. There are no other Authority or other local government or local authority incentives for the Project. It is hereby acknowledged that the Authority will have no financial liability associated with the Project and will not be providing any financing or financial guarantees related to the Project.

4. INVESTMENT GOAL.

4.1 Inducement. The Company agrees to locate the Project in the City, provided, that nothing herein contained shall obligate the Company to make any particular level of investment. Rather, the Company's responsibilities regarding such matters shall be governed exclusively by the provisions hereof relating to Community Recovery Payments (provided for in Section 4.5 below). The Company's agreement to locate the Project in the City is based, in part, on the incentives being provided by the Authority in connection with the Bond Lease. Such incentives are being provided to induce the Company to locate the Project in the City, with attendant investment on the part of the Company, all of which constitutes valuable, non-cash consideration to the Authority and the citizens of the City and of the State. The Parties acknowledge that the incentives provided for in this Agreement serve a public purpose through the investment generation represented by the Project. The Parties further acknowledge that the cost/benefit requirements applicable to the Authority in the course of providing such incentives dictate that some measure of recovery must be applied in the event that the investment do not for any reason fully materialize.

4.2 Community Investment Goal. For purposes of this Agreement, the Company shall have a "Community Investment Goal" of it having invested, in the aggregate, in the Project, the amount the amount of \$110,000,000 (the "**Community Investment Goal**") by December 31, 2028 and continuing for each year for remainder of the term of the Bond Lease (the "**Community Investment Goal Period**"). For purposes of the Community Investment Goal the investment at the Project shall be calculated on a cumulative basis from the date hereof to the end of each year of the Community Investment Goal Period. Schedule 4.2 attached hereto and incorporated herein by reference provides rules that shall apply to satisfying the Community Investment Goal.

The Community Investment Goal in any year are each subject to the effect of *force majeure* as provided below, if the Company certifies to the Authority in writing in the applicable Annual Report of the dates of the commencement and, if the event of *force majeure* has abated, the date of the abatement, of such event of *force majeure*. The effect of *force majeure* for such purposes shall be that for any year in which the Company is entitled to claim, and does claim, the benefit of such provision, the Company shall be considered in compliance with its Community Investment Goal, but the Community Investment Goal Period shall be extended by another year, which shall immediately follow the *force majeure* year. The Company's Community Investment Goal requirements shall resume as scheduled beginning with the extension year, and shall continue as scheduled through the same number of remaining years as would have applied if there had been no event of *force majeure*. Without limitation, if the application of the recovery provisions of Section 4.5 below, is postponed because of the foregoing, the same shall be applied in the next year that is not affected by *force majeure*. For purposes of Section 4 of this Agreement, "*force majeure*" means any unexpected event (including, without limitation, terrorist acts and the unavailability of qualified labor) which prevents or hinders a Party from performing its obligations under this Agreement and which act or event is (i) beyond the reasonable control, and not arising out of the fault, of such Party, and (ii) such Party has been unable to overcome such act or event by the exercise of due diligence and reasonable efforts, skill and care, other than through unbudgeted expenditures of money. The foregoing notwithstanding, the Company may not claim the benefit of *force majeure* more than twice.

4.3 Community Investment Percentage. For every year in the Community Investment Goal Period, the cumulative amount of capital investment by the Company in the Project shall be

determined (the “**Community Investment**”). The amount of investment constituting the Community Investment shall be divided by the applicable Community Investment Goal and converted to a percentage to determine the “**Community Investment Percentage**” for such year.

4.4 Annual Report. On or before March 1 of each year following a year that is in the Community Investment Goal Period, the Company shall provide to the Authority an annual report, which shall include a Community Investment Report, as described below. Each annual report shall be in substantially the form of Schedule 4.4 attached hereto and incorporated herein by reference, as revised for the matters being reported (each, an “**Annual Report**”).

4.4.1 Community Investment Report. The Community Investment Report shall contain a statement as to the Company’s investment in the Project for the subject Annual Report Year, using the methodology prescribed herein.

4.4.2 Inspection Rights. No more often than once per year, the Authority and its agents shall be permitted to inspect employment and investment records of the Company, specifically related to the Project, to verify such information during normal business hours and upon reasonable notice. The Company may reasonably redact such records to protect the confidentiality of the Company and their employees or their customers.

4.4.3 Project Percentages. The Annual Report shall calculate the Community Investment Percentage. An illustration of the calculation of the Community Investment Percentage is attached hereto on Schedule 4.4.3.

4.4.4 Project Shortfall Percentage. If the Community Investment Percentage is 80% or more, the “**Project Shortfall Percentage**” shall be 0%. If the Community Investment Percentage is less than 80%, then the Community Investment Percentage shall be subtracted from 80% and the remainder shall be the Project Shortfall Percentage. An illustration of the calculation of the Project Shortfall Percentage is attached hereto on Schedule 4.4.4. The Project Shortfall Percentage shall be stated in the Annual Report.

If an Annual Report provides that the Investment Goal has been met, no additional Annual Reports shall be required for any subsequent years in the Community Investment Goal Period.

4.5 Community Recovery Payments. If an Annual Report shows that, for the immediately preceding Annual Report Year, there is a Project Shortfall Percentage, then, the Company, in such Annual Report, shall calculate the amount of the “Community Recovery Payments,” and shall pay the same. If the Project Shortfall Percentage is 20% or less, there shall be no Community Recovery Payment due. If a Project Shortfall Percentage is greater than 20%, the Company shall make a payment to the Authority equal to the product of (a) the Project Shortfall Percentage multiplied by (b) the actual amount of ad valorem property taxes saved during the previous calendar year (each payment, a “**Community Recovery Payment**,” and collectively, the “**Community Recovery Payments**”). Any Community Recovery Payment shall be paid to the Authority simultaneously with the delivery of the Annual Report for such calendar year (i.e. on or before March 1 of the year following such calendar year).

4.6 Failure to File Report and Make Required Payments. If the Company fails to pay any Community Recovery Payment when due, interest shall be paid by the Company thereon at the rate

of 1% per month (or such lesser rate as may be allowed by law) until paid. If there has been a failure which is not cured within 30 days following a written notice from the Authority that it be cured, the Authority shall be entitled to enforce its rights under this Section 4.6 and the Company shall indemnify the Authority for all costs of enforcement, including any court costs and reasonable and actual attorneys' fees and court costs. The Company shall be liable for the payment of any such interest, fees and costs.

5. CITY PARK; PARKING AND RESTROOMS

5.1 The Company hereby agrees to construct a city park, as described in Schedule 5.1 attached hereto (the "**City Park**") at an estimated cost of \$3,840,000, on an approximately 0.79 acre parcel, with an estimated value of approximately \$1,840,000, owned by North River Grove, LLC ("**Park Owner**") as described in Schedule 1.1.1 attached hereto (the "**Park Site**") within twenty (20) months from the start of construction. The Company shall work with the City's Recreation and Parks department to complete the design work for the City Park. On or prior to Closing, the Company will enter into (i) an agreement with the Park Owner pursuant to which the Park Owner shall grant the Company a usufruct in and to the Park Site and give the Company the right to construct the City Park, and (ii) an agreement with the Park Owner (the "**Park Conveyance Agreement**") which shall require the Park Owner to convey the Park Site to the City upon the Company's completion of the City Park, shall be assignable by the Company to the City, and shall otherwise be subject to the City's reasonable approval. Upon completion of the City Park, the Company shall either (a) cause the Park Owner to convey the Park Site to the City, at no cost to the City, or (b) assign all of its right, title, and interest in and to the Park Conveyance Agreement to the City, such that the City can enforce the Park Owner's obligations thereunder (and for the avoidance of doubt, all of the Company's obligations to the City with respect to the conveyance of the Park Site shall be satisfied upon the Company's satisfaction of either of the foregoing (a) or (b)). The Parties agree to negotiate in good faith to establish the terms and conditions to be included in a development agreement relating the construction of the City Park and to agree upon the form and substance of the Park Conveyance Agreement. It shall be a Closing Condition in favor of each of the Company and the Authority that they reach an agreement on such terms and conditions and the form and substance of the Park Conveyance Agreement. Notwithstanding the foregoing, the parties acknowledge that in lieu of the Lease Agreement and the Park Conveyance Agreement, the Company and the Park Owner may decide for the Park Owner to convey fee simple title to the Company at Closing, in which event the Company shall be required to convey the Park Site to the City upon completion of the City Park to the City's reasonable satisfaction.

5.2 The Company shall provide parking and restroom facilities for the City Park on the Premises. The Parties agree to negotiate in good faith to establish the terms and conditions to be included in any license agreement, lease agreement, easement or other agreements relating the parking and restroom facilities for the City Park. It shall be a Closing Condition in favor of each of the Company and the Authority that they reach agreements on such terms and conditions.

6. ENVIRONMENTAL

6.1 Environmental Phase I. At or prior to the Closing, the Company shall provide to the Authority, at the Company's expense, an environmental site assessment report (the "**Phase I Report**") that summarizes the results of an environmental site assessment (the "**Phase I**

Assessment”) of the Premises. The Phase I Assessment shall have been conducted by an environmental engineering or consulting firm reasonably acceptable to the Authority and shall be dated less than 180 days prior to the Closing. In addition, the Phase I Report and the Phase I Assessment shall comply with ASTM International Designation E1527-13, “Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process,” as the same may be amended, modified or supplemented from time to time. The Phase I Report shall expressly authorize reliance on its contents, including its conclusions and any recommendations for further assessment, by both the Company and the Authority. If the Phase I Report contains a recommendation for further assessment, or if additional assessment or investigation is reasonably requested by the Authority, the Company shall, at its own expense, commission such further assessment (the **“Phase II Assessment”**). Any Phase II Assessment shall be performed by an environmental engineering or consulting firm reasonably acceptable to the Authority; and be conducted and provided to the Authority less than 180 days prior to the Closing; and comply with ASTM International Designation E1903-11, “Standard Practice for Environmental Site Assessments: Phase II Environmental Site Assessment Process,” as the same may be amended, modified or supplemented from time to time (the **“ASTM Phase II Standard”**). Any report prepared to summarize the results of such Phase II Assessment shall be prepared in accordance with the ASTM Phase II Standard; be dated less than 180 days prior to closing; and expressly authorize both the Company and the Authority to equally rely on its contents, including its conclusions. The Authority’s satisfaction with the Phase I Assessment and any Phase II Assessment conducted pursuant to this Section 6.1, together with the Authority’s satisfaction with the environmental condition of the Premises, shall be Closing Conditions in favor of the Authority. To the extent that any environmental contaminants are present at the Premises at levels requiring reporting to any federal or state governmental agency or corrective action, such reporting or corrective action will be completed to the satisfaction of the Authority prior to Closing.

7. TERMINATION OF AGREEMENT.

7.1 Delay. If, despite the good faith efforts of the Parties, the Closing has not occurred by December 15, 2026, then the Authority or the Company may terminate this Agreement by written notice to the other Party, without any further liability except as otherwise expressly provided in this Agreement.

7.2 Approval by Governing Bodies. Upon its execution of this Agreement, each Party hereto represents and warrants that its governing body or other authorized committee or official thereof has approved and authorized its entry into such Agreement or Acknowledgment.

7.3 Closing Conditions. Any Party shall have the right to terminate this Agreement prior to the Closing, without any further liability except as otherwise expressly provided in this Agreement, effective immediately upon giving written notice to the other Parties, if:

7.3.1 Any other Party is in material breach of this Agreement.

7.3.2 There has been commenced or threatened against the Authority, the Company, or any Affiliate of the Company, any proceeding (a) involving any challenge to, or seeking damages or other relief in connection with, any of the matters that are the subjects of this Agreement, or (b) that may have the effect of preventing, delaying, making illegal, imposing

limitations or conditions on, or otherwise interfering with, any of such matters. An uncontested validation proceeding for the Project Bonds shall not be considered a proceeding within the meaning of this Section.

7.4 The Authority's Termination Rights. The Authority shall have the right to terminate this Agreement, without any further liability except as otherwise expressly provided in this Agreement, effective immediately upon giving five (5) business days' notice thereof to the Company, pursuant to any provision expressly allowing it to do so contained elsewhere in this Agreement. Without limitation, the Authority shall have the right to terminate this Agreement, effective immediately upon giving written notice to the other Party if, by the Closing (or if this Agreement specifies another time therefor, then by such time) each Closing Condition set forth herein in favor of the Authority has not been satisfied. If the Authority does not exercise any such right to terminate by Closing (or by such other time specified), then, as of the Closing, such right shall be deemed waived with respect to the subject thereof.

7.5 The Company's Termination Rights. The Company shall have the right to terminate this Agreement, without any further liability except as otherwise expressly provided in this Agreement, effective immediately upon giving written notice thereof to the other Party. Without limitation, the Company shall have the right to terminate this Agreement, effective immediately upon giving written notice to the other Party if, by the Closing (or if this Agreement specifies another time therefor, then by such time) any Closing Condition set forth herein in favor of the Company has not been satisfied or necessary governmental or third party approvals for the Project have not been received by the Company. If the Company does not exercise any such right to terminate by Closing (or by such other time specified), then, as of the Closing, such right shall be deemed waived with respect to the subject thereof.

7.6 Effect of Termination. If any Party terminates this Agreement pursuant to a right provided herein or if this Agreement expires, this Agreement shall terminate or expire as to all Parties without any further liability on the part of any Party, except as may theretofore have accrued, or except as otherwise expressly provided in this Agreement, or shall exist as a result of any prior breach hereof.

8. MISCELLANEOUS.

8.1 Notices. Any request, demand, authorization, direction, notice, consent, or other document provided or permitted by this Agreement to be made upon, given or furnished to, or filed with, the Authority, the Company, as set forth below shall be sufficient for every purpose hereunder if in writing and (except as otherwise provided in this Agreement) either (i) delivered personally to the Party or, if such Party is not an individual, to an officer or other legal representative of the Party to whom the same is directed, or (ii) mailed by registered or certified mail, return receipt requested, postage prepaid, or (iii) sent via nationally recognized overnight courier for next business day delivery, as follows:

If to the Authority: City of Sandy Springs Development Authority
1 Galambos Way
Sandy Springs, Georgia 30328
Attn: Chairman

with a copy to: Daniel W. Lee, Esq.
City of Sandy Springs, Georgia
1 Galambos Way
Sandy Springs, Georgia 30328
Email: dlee@sandyspringsga.gov

with a copy to: Pope Flynn, LLC
336 Hill Street
Athens, Georgia 30601
Attn: James R. Woodward, Esq.
Email: jwoodward@popeflynn.com

If to the City: City of Sandy Springs, Georgia
1 Galambos Way
Sandy Springs, Georgia 30328
Attn: Mayor

with a copy to: Daniel W. Lee
City of Sandy Springs, Georgia
1 Galambos Way
Sandy Springs, Georgia 30328
Email: dlee@sandyspringsga.gov

If to the Company: North River Apartments Owner, LLC
[ADDRESS]
Attention:

with a copy to: Troutman Pepper Locke
600 Peachtree St. NE, Suite 3000
Atlanta, Georgia 30308
Attention: Charles F. Palmer, Esq.
E-mail: Charles.palmer@troutman.com

8.2 Confidential Information. All confidential information acquired by the Authority relating to the Company shall be held in confidence by it, subject to its legal obligations as a public body, including, without limitation O.C.G.A. § 15-18-70, *et seq.* and § 50-14-1, *et seq.* The Company and its advisors shall, prior to the execution and delivery hereof, treat the contents of this Agreement as confidential, and, without limitation, shall not disclose such contents to competing communities or states.

8.3 Inspection Rights. The Bond Lease shall provide the Authority and its duly authorized agents who are acceptable to the Company shall have the right, at all reasonable times during business hours on advance written notice and accompanied by a representative of the Company, to enter upon the Premises and to examine and inspect the Project provided that the exercise of this right does not result in any interference or prejudice to the Company's operations or

those of any subtenant of the Company's thereat. Such inspection shall only be made with prior notice to Company and in the presence of an official of the Company.

8.4 No Partnership or Agency. No partnership or agency relationship between or among the Parties shall be created as a result of this Agreement.

8.5 Survival of MOU. Except those provisions hereof which by their terms may be superseded by the provisions of the Bond Lease, this Agreement shall survive Closing and the expiration or termination of the Bond Lease.

8.6 Governing Law: Jurisdiction and Venue. The transactions contemplated hereunder and the validity and effect of this Agreement are exclusively governed by, and shall be exclusively construed and enforced in accordance with, the laws of the State, except for the state's conflicts of law rules. The Company consent to jurisdiction over it and to venue in Fulton County, Georgia.

8.7 Amendments. Any amendments, deletions, additions, changes or corrections hereto must be in writing executed by the Parties hereto.

8.8 Entire Agreement. This Agreement, together with the Definitive Documents (when executed), constitutes the entire agreement between the Parties with respect to the subject matter hereof.

8.9 Counterparts. This Agreement may be signed in counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

8.10 No Personal Liability of Representatives of Public Bodies. No official, member, director, officer, agent, or employee of the Authority, the City (including the members and staff of the Board of Assessors and the Tax Commissioner) shall have any personal liability under or relating to this Agreement. Rather, the agreements, undertakings, representations, and warranties contained herein are and shall be construed only as corporate agreements, undertakings, representations, and warranties, as appropriate, of such public bodies. Without limitation, and without implication to the contrary, all parties hereto waive and release any and all claims against each such official, member, director, officer, agent, or employee, personally, under or relating to this Agreement, in consideration of the entry of such public bodies into this Agreement.

8.11 No Personal Liability of Representatives of Company. No official, member, manager, director, officer, agent, attorney or employee of the Company or any of its Affiliates shall have any personal liability under or relating to this Agreement. Rather, the agreements, undertakings, representations, and warranties contained herein are and shall be construed only as corporate agreements, undertakings, representations, and warranties, as appropriate, of such entity. Without limitation, and without implication to the contrary, all Parties hereto waive and release any and all claims against each such official, member, manager, director, officer, agent, attorney or employee, personally, under or relating to this Agreement, in consideration of the entry of such entity into this Agreement.

8.12 Execution of Agreement. This Agreement shall not be effective until it has been fully executed by all Parties hereto.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Memorandum of Understanding and caused it to be delivered as of the following **“Effective Date”**: _____, 2026.

The “AUTHORITY”:

**CITY OF SANDY SPRINGS DEVELOPMENT
AUTHORITY**

By: _____
Chairman

ATTEST:

Secretary

[SEAL]

The “CITY”:

CITY OF SANDY SPRINGS, GEORGIA

By: _____
Mayor

ATTEST:

Secretary

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

The “COMPANY”:

NORTH RIVER APARTMENTS OWNER, LLC,
a Delaware limited liability company

By: _____

Name:

Title:

ATTEST:

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

SCHEDULE 1.1.1

DESCRIPTION OF THE PREMISES

[Attach Master Site Plan for Project and City Park]

SCHEDULE 3.1

**FORM OF MEMORANDUM OF AGREEMENT REGARDING LEASE STRUCTURE
AND VALUATION OF LEASEHOLD INTEREST**

**MEMORANDUM OF AGREEMENT
REGARDING LEASE STRUCTURE AND
VALUATION OF LEASEHOLD INTEREST**

North River Apartments Owner, LLC, a Delaware limited liability company (the “**Company**”), has evaluated the feasibility of financing, directly or indirectly, all or a portion of the costs of the development of an economic development project under O.C.G.A. § 36-62-2(6)(N) consisting of a multi-family residential development in the City of Sandy Springs, Georgia (the “**Project**”) to be owned by the City of Sandy Springs Development Authority (the “**Authority**”) and leased to the Company, in order to promote economic development and job creation and to facilitate a property tax incentive for the Company. The Project is located on a portion of the site located at 8830 Roswell Road, Sandy Springs, Georgia 30350 on land more particularly described on Exhibit A attached hereto (the “**Project Site**”). Personal property, fixtures and equipment (the “**Equipment**”) related to the Project are more particularly described on Exhibit B attached hereto and made part hereof.

The Company estimates that by December 31, 2028, it would have theretofore made or caused to be made aggregate capital expenditures of approximately \$110,000,000 towards the acquisition, construction, equipping and developing of the Project on behalf of the Authority, for lease to the Company. The Company estimates that the Project will generate or retain, directly or indirectly, approximately 4 new full time jobs and 300 new construction employment opportunities for individuals able to present the paperwork necessary to obtain legal employment. The parties agree that nothing herein contained shall be construed as an attestation by the Fulton County Board of Assessors (the “**Board**”) or the Authority as to the economic viability of the Project. The parties acknowledge that they have entered into this Memorandum in good faith, and that the Board and the Authority make no representations or warranties regarding any outcome or consequences of any future legal challenges.

In order to induce and facilitate the development of the Project within Fulton County, upon the Company’s request the Authority will make available to the Company conduit taxable revenue bond financing in an amount not to exceed \$110,000,000 (the “**Bond Financing**”), which directly or indirectly covers all or a part of the anticipated capital investment at the Project, and the Board proposes to utilize the *ad valorem* valuation methodology set forth in this Memorandum.

Under the proposed transaction and contemporaneously with, or subsequent to, the closing of the Bond Financing, the Company would transfer the Project and all components thereof, as then existing, to the Authority, or cause the same to be so transferred, and the Authority and the Company would enter into a lease agreement (the “**Lease**,” substantially in the form attached hereto as Exhibit C) under which the Authority would lease the Project as then or thereafter existing to the Company. The Company’s rental payments under the Lease would be an amount sufficient, and would be payable at such times, as would permit the Authority to pay the principal of and interest on the bonds issued as part of the Bond Financing (the “**Bonds**”) as and when the same become due and payable. The Lease would grant to the Company an option to acquire the Project at the termination of the Lease; provided that appropriate provision is made for the retirement of the Bonds prior to or in connection with any such conveyance of the Project at the termination of the Lease. The Lease contains provisions permitting the assignment of the Company’s interest thereunder pursuant to certain conditions and requirements.

The Company may purchase the Bonds itself or through one of its wholly owned subsidiaries, or would otherwise arrange for purchase of the Bonds issued by the Authority. If the Company or any affiliate of the Company is the holder of all outstanding Bonds, the Company may prepay all Lease rentals and all Bond indebtedness by surrendering the Bonds or causing the Bonds to be surrendered to the Authority for cancellation.

It is anticipated that legal transfer of the Project to the Authority and the execution and delivery of the Lease between the Company and the Authority therefor would occur on or before December 15, 2026. The completion and/or occupancy of the Project by the Company, as determined by the Board, shall constitute the completion date (the “**Completion Date**”) for purposes of this Memorandum. As to be provided in the Lease, the Company will have access to and control of the Project prior to the Completion Date in order to complete the acquisition, construction, installation and leasing of the Project. The term of the Lease will expire on or about ten years from the date of the Completion Date.

All parties to this Memorandum recognize and agree that the Authority is not subject to *ad valorem* taxation on its interest in either the real property or the personal property portions of the Project. The parties further understand and agree that the Company will be subject to *ad valorem* taxation on its leasehold interest in the Project (the “**Leasehold Interest**”). Pursuant to O.C.G.A. § 36-80-16.1(e) and the decision of the Supreme Court of Georgia in W.C. Harris, et al. vs. DeKalb County Board of Tax Assessors, 248 Ga. 277 (1981) (the “Harris Case”), which permits the Board to agree in advance to fixed or percentage, reasonable and non-arbitrary valuation methods, the parties (including any assignee of the Company pursuant to an assignment in accordance with the applicable provisions of the Lease) desire to agree upon an appropriate, reasonable and non-arbitrary methodology for valuation of the Leasehold Interest. The Board acknowledges and attests to its familiarity with the form of Lease attached hereto as Exhibit C, and expressly confirms that it will discharge its official responsibility relating to the valuation of property within Fulton County for *ad valorem* tax purposes by appraising and valuing the fair market value of the Leasehold Interest in accordance with applicable law, including specifically Sherman v. Fulton County Board of Assessors, et. al., 288 Ga. 88 (2010), SJN Properties, LLC v. Fulton County Board of Assessors, 296 Ga. 793 (2015) and the Harris Case and the valuation technique therein set forth.

In order to provide the Company with sufficient information and certainty upon which it can base its decision to carry out the Project in Fulton County, the parties agree that it is important to set forth the methodology by which it is agreed that the Leasehold Interest of the Company in the Project will be valued for *ad valorem* property purposes. That methodology, which represents the utilization by the Board of the “income approach to appraisal” with a reasonable and non-arbitrary discounted cash flow analysis for the successive years of the Lease term, is as follows:

1. It is expected that the acquisition, construction and installation of the Project will be completed by December 31, 2028. There will be no value to the Leasehold Interest of the Company in the Project prior to the Completion Date in accordance with the precedent established in the Harris Case. Thus, there will be no *ad valorem* real property or personal property taxes on any assets acquired by the Authority in connection with the Project prior to January 1 of the year immediately following the Completion Date (the “**Tax Commencement Date**”). Notwithstanding the foregoing, or anything herein to the contrary or any precedent under the Harris Case, to the extent that any property conveyed to the Authority as part of the Project was subject to *ad valorem*

taxation in Fulton County prior to such conveyance, the Company hereby agrees that such property shall remain subject to taxation in Fulton County until the Tax Commencement Date, and the Company agrees to tender timely tax payment amounts to Fulton County, based on the assessed value of such property for tax purposes immediately prior to the conveyance of such property to the Authority. However, if the zoning of the property conveyed to the Authority as part of the Project is changed or revised prior to the grant of the certificate of occupancy, the Board is authorized to utilize the changed or revised zoning in assessing such property. The value determined by the changed or revised zoning shall be the value the Company uses to tender timely tax amounts to Fulton County until a certificate of occupancy is granted.

2. Beginning on the Tax Commencement Date and during each year of the Lease following the Tax Commencement Date, the Leasehold Interest of the Company in the assets acquired and owned by the Authority will be subject to taxation by the applicable governmental jurisdiction at the fair market value of the Leasehold Interest in that year. The first step in this process is to value the fee simple interest in the underlying assets as determined by the Board in accordance with standard appraisal methodology selected by the Board. Once the fair market value of these assets is determined, the Leasehold Interest will be valued for *ad valorem* tax purposes based on the following ten (10)-year schedule, which has been determined based on the precedent established in the Harris Case and utilizes approximate percentages to reflect the discounted cash flow analysis with a seven percent (7%) discount rate over the successive years of said ten (10)-year schedule (the “**Ramp-Up Formula**”). All parties hereto understand and agree that the Board may in its discretion employ any appropriate appraisal methodology it selects to value the property and that the only appropriate methodology for determining the present value of the Company’s interest in the property is the income approach upon which the Ramp-Up Formula set forth below is based. It is agreed that the fair market value of the Leasehold Interest of the Company in such assets shall increase as the lease term progresses and for any year will equal the “applicable percentage” for such year as described above and as set forth below, multiplied by the fair market value of the fee interest of such assets in such year. The “applicable percentage” in each year during this ten (10)-year period will be as follows:

First Year	50%
Second Year	55%
Third Year	60%
Fourth Year	65%
Fifth Year	70%
Sixth Year	75%
Seventh Year	80%
Eighth Year	85%
Ninth Year	90%
Tenth Year	95%

Following the tenth (10th) year, the Leasehold Interest of the Company will be subject to taxation at 100% of the fair market value of the fee interest.

3. THE DETERMINATION OF THE FAIR MARKET VALUE OF THE FEE INTEREST IN ANY ASSET IN ANY YEAR FOLLOWING THE TAX COMMENCEMENT DATE (PRIOR TO BEING REDUCED BY THE APPLICABLE

PERCENTAGE) WILL BE SUBJECT TO PERIODIC REASSESSMENT, FOR WHICH THE BOARD WILL EMPLOY ITS STANDARD VALUATION METHODS. THE FAIR MARKET VALUE OF THE LEASEHOLD INTEREST VALUED THEREUNDER, AFTER BEING REDUCED BY THE APPLICABLE PERCENTAGE, SHALL BE MULTIPLIED BY 40% TO DETERMINE THE ASSESSED VALUE OF EACH SUCH CATEGORY FOR SUCH YEAR AND THEREAFTER MULTIPLIED BY THE MILLAGE RATE ESTABLISHED BY FULTON COUNTY AND ANY APPLICABLE MUNICIPALITY, TO THE EXTENT THE PROJECT IS LOCATED WITHIN THE GEOGRAPHICAL BOUNDARIES OF SUCH MUNICIPALITY, WITH RESPECT TO SUCH YEAR, TO DETERMINE THE *AD VALOREM* TAX FOR SUCH YEAR.

On an annual basis, the Company shall return the property comprising the Project for *ad valorem* taxation purposes in Fulton County and shall also deliver to the Authority and the Board on or before the anniversary date of this Memorandum such additional documentation and information as may be necessary in order for the Board to value the Project and portions thereof. It is the responsibility of the Company to provide to the Authority and the Board a copy of the certificate of occupancy for the Project and an appropriate personal property reporting form or return, if applicable, in order for the Board to properly value the Project and apply the above schedule.

By their signature appearing at the end of this Memorandum, all parties (including any assignee of the Company pursuant to an assignment in accordance with the applicable provisions of the Lease) acknowledge having reviewed the specific terms of the Lease and now concur in the above valuation of the Leasehold Interests for *ad valorem* tax purposes by Board.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

Dated: _____, 2026.

FULTON COUNTY BOARD OF ASSESSORS

By: _____
Name: _____
Title: _____

Project Name: North River Apartments Owner, LLC

Fulton County Parcel ID numbers:

**CITY OF SANDY SPRINGS DEVELOPMENT
AUTHORITY**

By: _____
Chairman

**NORTH RIVER APARTMENTS OWNER,
LLC,**
a Delaware limited liability company

By: _____
Name:
Title: Authorized Signatory

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B
EQUIPMENT

Bills of sale relating to personal property and equipment to be located at the Project Site (as described on Exhibit A) for use by the Company will be provided to the Board once it has been acquired by the Authority.

EXHIBIT C
FORM OF LEASE

[Attached]

SCHEDULE 4.4

RULES FOR SATISFYING THE COMMUNITY INVESTMENT GOAL

1. Only capital investments in the Project by the Company or an Affiliated shall be counted.
2. Original cost, without regard to depreciation, shall be used in calculating whether the Community Investment Goal is met, except as provided in 3, below.
3. Transferred equipment relocated by the Company from outside of the City to the Project Site to be used as part of the Project may be counted at net book value, or, if requested and substantiated by the Company to the Authority's satisfaction, and approved by the Authority, its fair market value.

FORM OF ANNUAL REPORT

SCHEDULE 4.4.3

ILLUSTRATION OF CALCULATION OF COMMUNITY INVESTMENT PERCENTAGE

The Community Investment Percentage shall be determined by the following formula:

STEP 1

$$\begin{array}{rcl} & \text{Community Investment} & \\ \div \$[& \text{Community Investment Goal} & \\ = & \text{Community Investment Percentage} & \end{array}$$

SCHEDULE 4.4.4

ILLUSTRATION OF CALCULATION OF PROJECT SHORTFALL PERCENTAGE

The Project Shortfall Percentage shall be determined by the following formula:

STEP 1

If the Community Investment Percentage is 80% or more, the Project Shortfall Percentage is 0%

STEP 2

If the Community Investment Percentage is less than 80%, $100\% - \text{Project Percentage} = \text{Project Shortfall Percentage}$.

SCHEDULE 5.1

DESCRIPTION OF CITY PARK

EXHIBIT G

**FORM OF MEMORANDUM OF AGREEMENT REGARDING
LEASE STRUCTURE AND VALUATION OF LEASEHOLD INTEREST**

(ATTACHED)

**MEMORANDUM OF AGREEMENT
REGARDING LEASE STRUCTURE AND
VALUATION OF LEASEHOLD INTEREST**

North River Apartments Owner, LLC, a Delaware limited liability company (the “**Company**”), has evaluated the feasibility of financing, directly or indirectly, all or a portion of the costs of the development of an economic development project under O.C.G.A. § 36-62-2(6)(N) consisting of a multi-family residential development in the City of Sandy Springs, Georgia (the “**Project**”) to be owned by the City of Sandy Springs Development Authority (the “**Authority**”) and leased to the Company, in order to promote economic development and job creation and to facilitate a property tax incentive for the Company. The Project is located on a portion of the site located at 8830 Roswell Road, Sandy Springs, Georgia 30350 on land more particularly described on Exhibit A attached hereto (the “**Project Site**”). Personal property, fixtures and equipment (the “**Equipment**”) related to the Project are more particularly described on Exhibit B attached hereto and made part hereof.

The Company estimates that by December 31, 2028, it would have theretofore made or caused to be made aggregate capital expenditures of approximately \$110,000,000 towards the acquisition, construction, equipping and developing of the Project on behalf of the Authority, for lease to the Company. The Company estimates that the Project will generate or retain, directly or indirectly, approximately 4 new full time jobs and 300 new construction employment opportunities for individuals able to present the paperwork necessary to obtain legal employment. The parties agree that nothing herein contained shall be construed as an attestation by the Fulton County Board of Assessors (the “**Board**”) or the Authority as to the economic viability of the Project. The parties acknowledge that they have entered into this Memorandum in good faith, and that the Board and the Authority make no representations or warranties regarding any outcome or consequences of any future legal challenges.

In order to induce and facilitate the development of the Project within Fulton County, upon the Company’s request the Authority will make available to the Company conduit taxable revenue bond financing in an amount not to exceed \$110,000,000 (the “**Bond Financing**”), which directly or indirectly covers all or a part of the anticipated capital investment at the Project, and the Board proposes to utilize the *ad valorem* valuation methodology set forth in this Memorandum.

Under the proposed transaction and contemporaneously with, or subsequent to, the closing of the Bond Financing, the Company would transfer the Project and all components thereof, as then existing, to the Authority, or cause the same to be so transferred, and the Authority and the Company would enter into a lease agreement (the “**Lease**,” substantially in the form attached hereto as Exhibit C) under which the Authority would lease the Project as then or thereafter existing to the Company. The Company’s rental payments under the Lease would be an amount sufficient, and would be payable at such times, as would permit the Authority to pay the principal of and interest on the bonds issued as part of the Bond Financing (the “**Bonds**”) as and when the same become due and payable. The Lease would grant to the Company an option to acquire the Project at the termination of the Lease; provided that appropriate provision is made for the retirement of the Bonds prior to or in connection with any such conveyance of the Project at the termination of the Lease. The Lease contains provisions permitting the assignment of the Company’s interest thereunder pursuant to certain conditions and requirements.

The Company may purchase the Bonds itself or through one of its wholly owned subsidiaries, or would otherwise arrange for purchase of the Bonds issued by the Authority. If the Company or any affiliate of the Company is the holder of all outstanding Bonds, the Company may prepay all Lease rentals and all Bond indebtedness by surrendering the Bonds or causing the Bonds to be surrendered to the Authority for cancellation.

It is anticipated that legal transfer of the Project to the Authority and the execution and delivery of the Lease between the Company and the Authority therefor would occur on or before December 15, 2026. The completion and/or occupancy of the Project by the Company, as determined by the Board, shall constitute the completion date (the “**Completion Date**”) for purposes of this Memorandum. As to be provided in the Lease, the Company will have access to and control of the Project prior to the Completion Date in order to complete the acquisition, construction, installation and leasing of the Project. The term of the Lease will expire on or about ten years from the date of the Completion Date.

All parties to this Memorandum recognize and agree that the Authority is not subject to *ad valorem* taxation on its interest in either the real property or the personal property portions of the Project. The parties further understand and agree that the Company will be subject to *ad valorem* taxation on its leasehold interest in the Project (the “**Leasehold Interest**”). Pursuant to O.C.G.A. § 36-80-16.1(e) and the decision of the Supreme Court of Georgia in W.C. Harris, et al. vs. DeKalb County Board of Tax Assessors, 248 Ga. 277 (1981) (the “Harris Case”), which permits the Board to agree in advance to fixed or percentage, reasonable and non-arbitrary valuation methods, the parties (including any assignee of the Company pursuant to an assignment in accordance with the applicable provisions of the Lease) desire to agree upon an appropriate, reasonable and non-arbitrary methodology for valuation of the Leasehold Interest. The Board acknowledges and attests to its familiarity with the form of Lease attached hereto as Exhibit C, and expressly confirms that it will discharge its official responsibility relating to the valuation of property within Fulton County for *ad valorem* tax purposes by appraising and valuing the fair market value of the Leasehold Interest in accordance with applicable law, including specifically Sherman v. Fulton County Board of Assessors, et. al., 288 Ga. 88 (2010), SJN Properties, LLC v. Fulton County Board of Assessors, 296 Ga. 793 (2015) and the Harris Case and the valuation technique therein set forth.

In order to provide the Company with sufficient information and certainty upon which it can base its decision to carry out the Project in Fulton County, the parties agree that it is important to set forth the methodology by which it is agreed that the Leasehold Interest of the Company in the Project will be valued for *ad valorem* property purposes. That methodology, which represents the utilization by the Board of the “income approach to appraisal” with a reasonable and non-arbitrary discounted cash flow analysis for the successive years of the Lease term, is as follows:

1. It is expected that the acquisition, construction and installation of the Project will be completed by December 31, 2028. There will be no value to the Leasehold Interest of the Company in the Project prior to the Completion Date in accordance with the precedent established in the Harris Case. Thus, there will be no *ad valorem* real property or personal property taxes on any assets acquired by the Authority in connection with the Project prior to January 1 of the year immediately following the Completion Date (the “**Tax Commencement Date**”). Notwithstanding the foregoing, or anything herein to the contrary or any precedent under the Harris Case, to the extent that any property conveyed to the Authority as part of the Project was subject to *ad valorem*

taxation in Fulton County prior to such conveyance, the Company hereby agrees that such property shall remain subject to taxation in Fulton County until the Tax Commencement Date, and the Company agrees to tender timely tax payment amounts to Fulton County, based on the assessed value of such property for tax purposes immediately prior to the conveyance of such property to the Authority. However, if the zoning of the property conveyed to the Authority as part of the Project is changed or revised prior to the grant of the certificate of occupancy, the Board is authorized to utilize the changed or revised zoning in assessing such property. The value determined by the changed or revised zoning shall be the value the Company uses to tender timely tax amounts to Fulton County until a certificate of occupancy is granted.

2. Beginning on the Tax Commencement Date and during each year of the Lease following the Tax Commencement Date, the Leasehold Interest of the Company in the assets acquired and owned by the Authority will be subject to taxation by the applicable governmental jurisdiction at the fair market value of the Leasehold Interest in that year. The first step in this process is to value the fee simple interest in the underlying assets as determined by the Board in accordance with standard appraisal methodology selected by the Board. Once the fair market value of these assets is determined, the Leasehold Interest will be valued for *ad valorem* tax purposes based on the following ten (10)-year schedule, which has been determined based on the precedent established in the Harris Case and utilizes approximate percentages to reflect the discounted cash flow analysis with a seven percent (7%) discount rate over the successive years of said ten (10)-year schedule (the “**Ramp-Up Formula**”). All parties hereto understand and agree that the Board may in its discretion employ any appropriate appraisal methodology it selects to value the property and that the only appropriate methodology for determining the present value of the Company’s interest in the property is the income approach upon which the Ramp-Up Formula set forth below is based. It is agreed that the fair market value of the Leasehold Interest of the Company in such assets shall increase as the lease term progresses and for any year will equal the “applicable percentage” for such year as described above and as set forth below, multiplied by the fair market value of the fee interest of such assets in such year. The “applicable percentage” in each year during this ten (10)-year period will be as follows:

First Year	50%
Second Year	55%
Third Year	60%
Fourth Year	65%
Fifth Year	70%
Sixth Year	75%
Seventh Year	80%
Eighth Year	85%
Ninth Year	90%
Tenth Year	95%

Following the tenth (10th) year, the Leasehold Interest of the Company will be subject to taxation at 100% of the fair market value of the fee interest.

3. THE DETERMINATION OF THE FAIR MARKET VALUE OF THE FEE INTEREST IN ANY ASSET IN ANY YEAR FOLLOWING THE TAX COMMENCEMENT DATE (PRIOR TO BEING REDUCED BY THE APPLICABLE

PERCENTAGE) WILL BE SUBJECT TO PERIODIC REASSESSMENT, FOR WHICH THE BOARD WILL EMPLOY ITS STANDARD VALUATION METHODS. THE FAIR MARKET VALUE OF THE LEASEHOLD INTEREST VALUED THEREUNDER, AFTER BEING REDUCED BY THE APPLICABLE PERCENTAGE, SHALL BE MULTIPLIED BY 40% TO DETERMINE THE ASSESSED VALUE OF EACH SUCH CATEGORY FOR SUCH YEAR AND THEREAFTER MULTIPLIED BY THE MILLAGE RATE ESTABLISHED BY FULTON COUNTY AND ANY APPLICABLE MUNICIPALITY, TO THE EXTENT THE PROJECT IS LOCATED WITHIN THE GEOGRAPHICAL BOUNDARIES OF SUCH MUNICIPALITY, WITH RESPECT TO SUCH YEAR, TO DETERMINE THE *AD VALOREM* TAX FOR SUCH YEAR.

On an annual basis, the Company shall return the property comprising the Project for *ad valorem* taxation purposes in Fulton County and shall also deliver to the Authority and the Board on or before the anniversary date of this Memorandum such additional documentation and information as may be necessary in order for the Board to value the Project and portions thereof. It is the responsibility of the Company to provide to the Authority and the Board a copy of the certificate of occupancy for the Project and an appropriate personal property reporting form or return, if applicable, in order for the Board to properly value the Project and apply the above schedule.

By their signature appearing at the end of this Memorandum, all parties (including any assignee of the Company pursuant to an assignment in accordance with the applicable provisions of the Lease) acknowledge having reviewed the specific terms of the Lease and now concur in the above valuation of the Leasehold Interests for *ad valorem* tax purposes by Board.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

Dated: _____, 2026.

FULTON COUNTY BOARD OF ASSESSORS

By: _____
Name: _____
Title: _____

Project Name: North River Apartments Owner, LLC

Fulton County Parcel ID numbers:

**CITY OF SANDY SPRINGS DEVELOPMENT
AUTHORITY**

By: _____
Chairman

**NORTH RIVER APARTMENTS OWNER,
LLC,**
a Delaware limited liability company

By: _____
Name:
Title: Authorized Signatory

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B
EQUIPMENT

Bills of sale relating to personal property and equipment to be located at the Project Site (as described on Exhibit A) for use by the Company will be provided to the Board once it has been acquired by the Authority.

EXHIBIT C
FORM OF LEASE

[Attached]

EXHIBIT H

FORM OF HOME OFFICE PAYMENT AGREEMENT

(ATTACHED)

HOME OFFICE PAYMENT AGREEMENT

THIS HOME OFFICE PAYMENT AGREEMENT (this “**Agreement**”), dated for purposes of reference as of _____ 1, 2026, is by and among **PINNACLE BANK**, as trustee (the “**Trustee**”), the **CITY OF SANDY SPRINGS DEVELOPMENT AUTHORITY** (the “**Issuer**”), and **NORTH RIVER APARTMENTS OWNER, LLC**, in its capacity as purchaser of the Bonds hereinafter described (in such capacity, the “**Purchaser**”) and in its separate capacity as lessee of the Project acquired with the proceeds of the Bonds (in such capacity, the “**Lessee**”).

WITNESSETH:

WHEREAS, the Issuer was duly created and is validly existing pursuant to the Development Authorities Law of the State of Georgia (O.C.G.A. § 36-62-1, *et seq.*), as amended (the “**Act**”); and

WHEREAS, under the Act, the Issuer has, among others, the power to (a) acquire, construct and install “projects” (as defined in the Act), and (b) issue revenue bonds for the purpose of paying, in whole or in part, the costs of any project or to refund any revenue bonds previously issued by the Issuer; and

WHEREAS, the Issuer has authorized its Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026, to be issued from time to time (the “**Bonds**”) pursuant to a resolution adopted by the Issuer on August 26, 2026 (the “**Resolution**”), and an Indenture of Trust, dated as of _____ 1, 2026 (the “**Indenture**”), between the Issuer and the Trustee, in order to acquire, construct and install (whether directly or indirectly from the issuance of the Bonds) a capital project (the “**Project**”) in the City of Sandy Springs, Georgia, to promote economic development, and to facilitate a property tax incentive for the Lessee, for lease by the Issuer to the Lessee pursuant to a Lease Agreement between the Issuer and the Lessee; and

WHEREAS, the Purchaser proposes to purchase the Bonds; and

WHEREAS, the Trustee, the Issuer, the Purchaser and the Lessee propose to enter into this Agreement, pursuant to which the Lessee will agree, among other things, to pay directly to the Purchaser the moneys sufficient to provide for the payment of the debt service on the Bonds; and

NOW, THEREFORE, for and in consideration of the premises and undertakings as hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Trustee, the Issuer, the Purchaser and the Lessee **DO HEREBY AGREE**, as follows:

1.

This Agreement shall become effective upon the date of issuance and delivery of the first of the Bonds and shall continue in effect until the principal and the interest on the Bonds shall have been fully paid pursuant to the provisions of the Resolution and the Indenture.

2.

The Lessee hereby agrees to provide (by ledger entry if it is also the holder of the Bonds) for the payment of the debt service on the Bonds on the due date (and which shall be deemed paid as and when due if Lessee is also the holder of the Bonds) directly to the Purchaser at the following address:

North River Apartments Owner, LLC
[ADDRESS]
Attention:

3.

The Issuer agrees that all amounts payable to the Purchaser with respect to any Bond held by the Purchaser or its nominee shall be made to the Purchaser (without any presentment thereof, except upon payment of the final installment of principal, and without any notation of such payment being made thereon) in such manner or at such address in the United States as may be designated by the Purchaser in writing to the Trustee and the Issuer. Any payment made in accordance with the provisions of this Agreement shall be accompanied by sufficient information to identify the source and proper application of such payment. The Purchaser agrees to notify the Trustee in writing of any failure of the Lessee to make any payment of principal of or interest on the Bonds when due, and the Trustee shall not be deemed to have any notice of such failure unless it has received such notice in writing. The Purchaser agrees that if any Bonds are sold or transferred it will notify the Issuer, the Trustee and the Lessee in writing of the name and address of the transferee, and it will, prior to delivery of such Bonds, make a notation on such Bonds of the date to which interest has been paid thereon and of the amount of any prepayments made on account of the principal thereof. So long as this Agreement is in effect as to any Bond, the Trustee shall have no obligations as paying agent in respect to such Bond, nor shall it be obligated to collect rental payments, to act as Bond Registrar or to take any other action in respect thereof, except at the express written direction of the Lessee or the Issuer. Upon any assignment or transfer of the leasehold interest under the Lease Agreement and the corresponding transfer of the Bonds, the Issuer and the Trustee agree to enter into a replacement agreement in form and substance substantially similar to this Agreement, for the benefit of any such assignee as of the effective date of such assignment.

4.

Should any phrase, clause, sentence or paragraph herein contained be held invalid or unconstitutional, it shall in no way affect the remaining provisions of this Agreement, which said provisions shall remain in full force and effect.

5.

This Agreement may be executed in several counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

6.

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

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto, acting by and through their duly authorized officers, have caused this Agreement to be executed as of the day and year first above written.

PINNACLE BANK,
as Trustee

By: _____
Name: Dean D. Matthews
Title: Managing Director

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

**CITY OF SANDY SPRINGS DEVELOPMENT
AUTHORITY**

By: _____
Chair

ATTEST:

Secretary

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

**NORTH RIVER APARTMENTS OWNER,
LLC, a Delaware limited liability company**

By:_____

(CORPORATE SEAL)

SECRETARY'S CERTIFICATE

The undersigned Secretary of the City of Sandy Springs Development Authority (the **"Issuer"**), **DOES HEREBY CERTIFY** that the foregoing pages pertaining to the issuance of the City of Sandy Springs Development Authority Taxable Revenue Bonds (North River Apartments Owner, LLC Project), Series 2026, to be issued in a maximum aggregate principal amount of \$110,000,000, constitute a true and correct copy of the Bond Resolution adopted by the Issuer at an open public meeting at which a quorum was present, duly called and lawfully assembled on the 26th day of August, 2026, the original of such Bond Resolution being duly recorded in the Minute Book of the Issuer, which Minute Book is in my custody and control.

I do hereby further certify that all members of the Issuer were present at said meeting except the following members who were absent:

and that the Bond Resolution was duly adopted by the following vote:

The following voted "Aye": _____;
_____;

The following voted "Nay": _____;
_____;

The following Did Not Vote: _____.
_____.

WITNESS my hand and the official seal of the City of Sandy Springs Development Authority, this 26th day of August, 2026.

Secretary

(SEAL)

North River Redevelopment

Presentation to the Sandy Springs Development Authority

August 26, 2026



SANDY SPRINGS™
GEORGIA

2021 North End Redevelopment Concepts from TSW Shopping Center Study

North River – corner of Roswell Rd. and Dunwoody Place in the city's north-end





Public Park

A one-acre public park is located between the mixed use buildings, townhouses, and a proposed food hall (retrofit of existing building). This park can include outdoor space for community events, food trucks, outdoor seating for restaurants, or displays for retail establishments. This space would be visible from Roswell Road and activated by the adjacent buildings. Public spaces with similarly sized buildings and plazas have been constructed throughout the Atlanta region, such as the main park in the Glenwood Park development in southeast Atlanta, shown to the right.



Photo: Park in Glenwood Park in Atlanta

B Public Park View

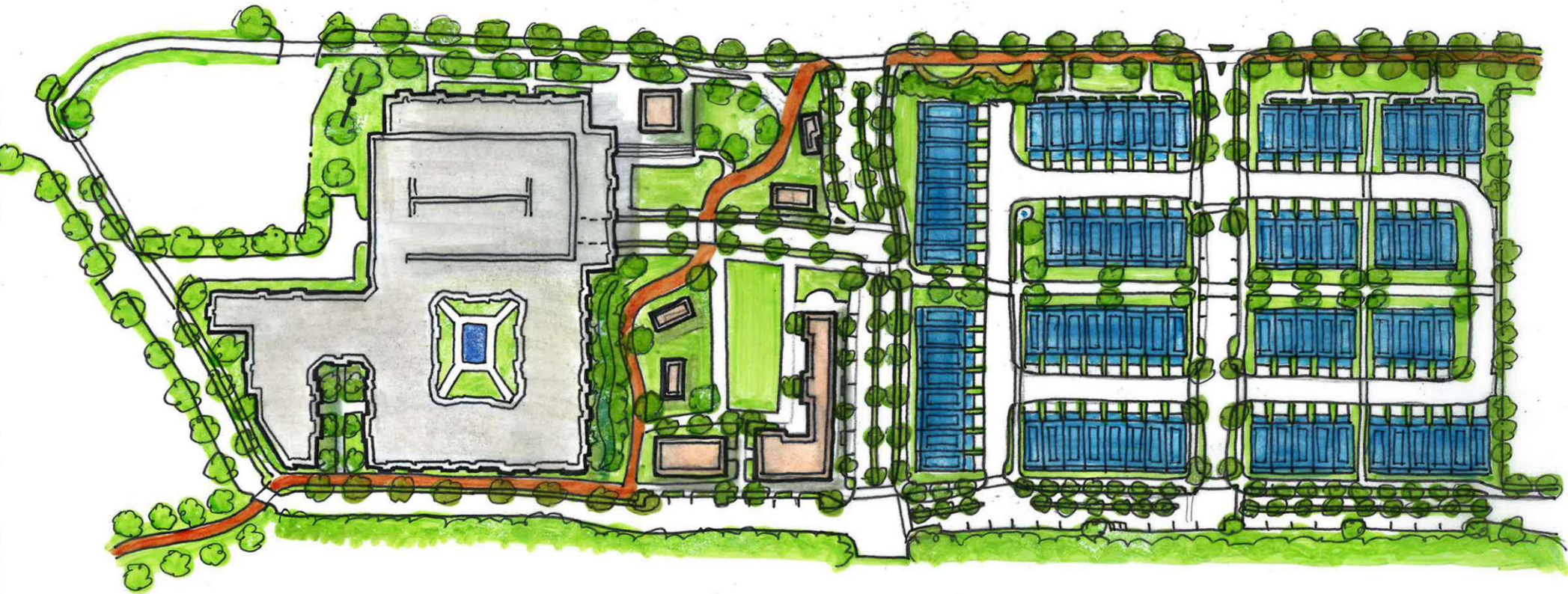
North River Redevelopment Concepts

Presented during the 2026 City Council Retreat

The site plan illustrates the proposed development layout. Key features include:

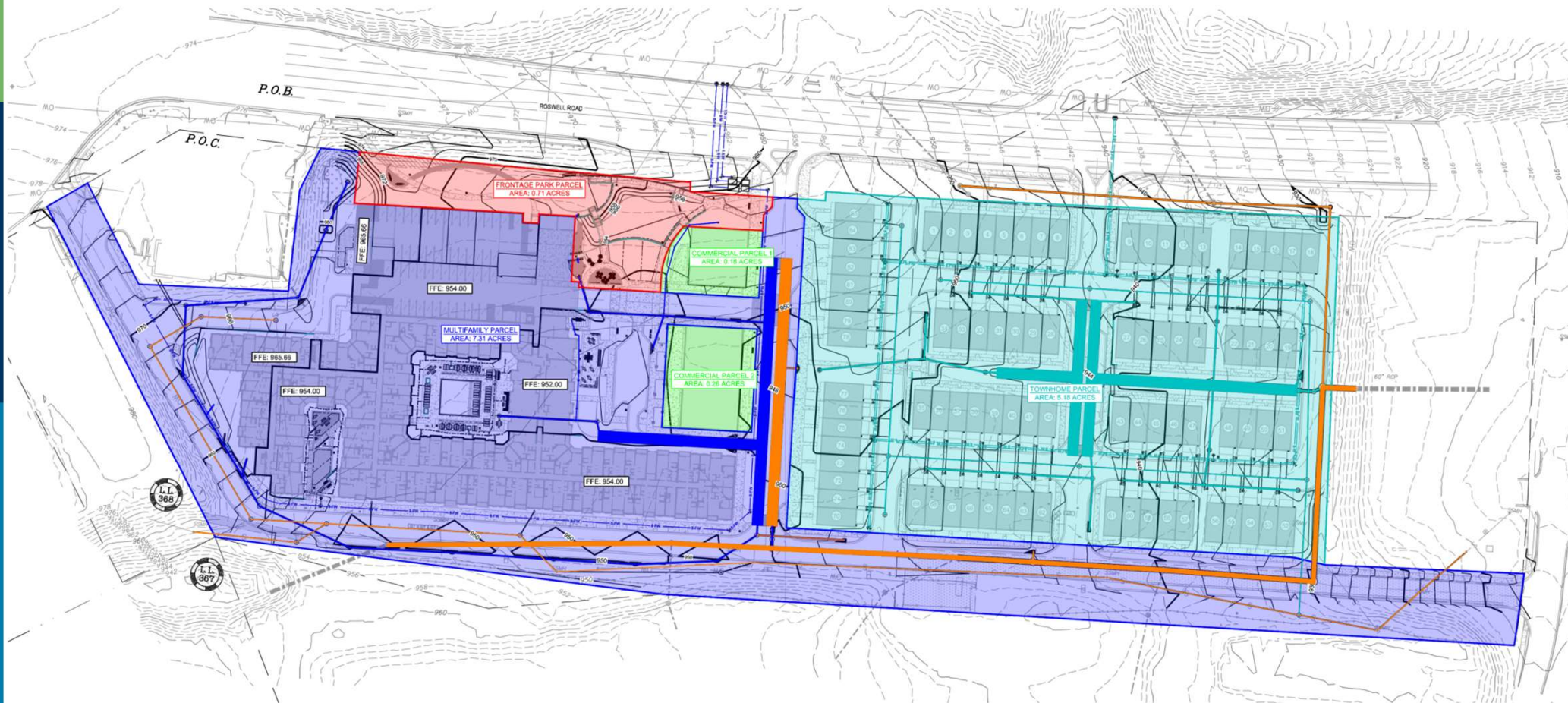
- Streets:** 100th Avenue, 100th Street, 100th Avenue, 100th Street, 100th Avenue, 100th Street.
- Buildings:** Multiple building footprints are shown, including a large central building and several smaller units.
- Parking:** A large parking deck is located in the upper left, and a parking lot is situated in the lower right.
- Courtyards:** A central amenity courtyard is highlighted in green, surrounded by building footprints.
- Other Features:** The plan includes labels for "AMENITY COURTYARD", "PARKING DECK", "RETAIL CENTER TO REMAIN", and "RETAIL TO BE UPDATED". It also shows "PRIVATE ROAD" and "PRIVATE ALLEY" areas.

Staff's Initial Concept for the Site



Current Site Plan negotiated with WF

WF's Site Plan





Approximately 0.71-acre public park fronting Roswell Road

North River Development Plan

- WF will be the site developer and build and own the apartments; Separate builders will construct the townhomes and retail
- Tenant leases will terminate and the overall 13-acre site will be scraped and prepped for new construction, including the park

Component	Overview
Proposed Apartments	336 units
For-sale Townhomes – fee simple	85 homes
Restaurants and Retail Space	10,000 s.f. + 2,000 s.f. outdoor covered pavilion
.71-acre city park fronting Roswell Rd.	Built & funded by developer; deeded to city after completion
70 Public Parking Spaces	Built, funded, and owned by developer with usage rights for park access

Park Project Budget Estimates

- Total estimated cost allocated to park of \$6.525M
 - Estimated cost for park development is \$3.9M, including allowance for playground equipment, architecture, and signage
 - Estimated land value: \$2.1M
 - Portion of the 70 public parking spaces available for the park (35%): \$525K
- To incentivize WF to make this investment, staff proposes:
 - 10-year tax abatement on the apartments, with an estimated net present value to WF of \$2.550M
 - Waiver of approximately \$1.525M in Recreation Impact Fees and \$250K permit fees (approved by MCC on 8-18-26)
 - Total estimated value of incentives is \$4.325M, which is approximately 2/3rds of WF's investment cost
 - Net estimated economic impact to the City over the next ten years in property tax collections (net of the abatement and fee waivers) and the value of the City park is \$6.7 million

Abatement Calculations Provided by Ryan Tax Consulting on behalf of WF

			Ryan Tax Consulting Projected Taxes									
TAX ABATEMENT ANALYSIS		\$1,101,988*	\$1,158,864	\$1,169,008								
Calendar Year		Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Year 2033	Year 2034	Year 2035	Year 2036	Year 2037	
Annual Real Estate Taxes		\$1,101,988	\$1,158,864	\$1,169,008	\$1,198,233	\$1,228,189	\$1,258,894	\$1,290,366	\$1,322,625	\$1,355,691	\$1,389,583	
Real Estate Taxes Growth Rate		-	5.16%	0.88%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	
% of Annual Real Estate Taxes Abated		50.00%	45.00%	40.00%	35.00%	30.00%	25.00%	20.00%	15.00%	10.00%	5.00%	
Real Estate Tax Abatement Adjustment		\$550,994	\$521,489	\$467,603	\$419,382	\$368,457	\$314,723	\$258,073	\$198,394	\$135,569	\$69,479	
Adjusted Annual Real Estate Taxes (PILOT / Abatement)		\$550,994	\$637,375	\$701,405	\$778,852	\$859,732	\$944,170	\$1,032,293	\$1,124,231	\$1,220,122	\$1,320,104	
NPV of Tax Abatement	7%	\$2,529,744	\$2,155,832	\$1,785,252	\$1,442,616	\$1,124,218	\$834,456	\$578,145	\$360,542	\$187,386	\$64,934	
*Accounting for taxes in 2026, 2027, and 2028 while North River is still under construction												
*Gross value of tax savings est. at \$3.3 million before NPV calculation												

Job and Financial Calculations for the Project

Years 1 - 3 of project: Construction jobs projected to be 700

Upon completion, apartments expected to employ 7-10 employees with 25-35 additional jobs in the restaurants & retail businesses

Total project value upon completion should exceed \$200 million

Over the next ten years, city's property tax collections expected to exceed \$2 million, net of the tax abatement

City will be deeded a park that Woodfield will invest approx. \$6.5 million in land and construction cost

Summary: Net of \$1,775,000 in city fee waivers, projected net financial impact to city in property tax receipts and the park's value is \$6.7 million over the ten-year term of the proposed abatement

First major development project in the north-end in decades and should be catalytic for redevelopment in this area of the city

Summary and Recommendation

- SSDA's mission is to support City-sponsored development projects through taxable and tax-exempt bond financing for projects that are in the "public good" of the citizens of Sandy Springs.
- Staff believes that the construction and subsequent conveyance of a new park to the City and the catalytic impact that this project should have in the north-end of our city are the epitome of "public good".
- The abatement will be structured under the customary financial and legal terms offered through the SSDA and by Fulton County.
- Therefore, Staff believes that this proposal legally meets the statutory mandate of the SSDA's mission and intent and recommends approval of the proposed abatements for this project.

Discussion, Motion and Vote



SANDY SPRINGS

CITY CLERK'S OFFICE

TO: Eden Freeman, City Manager
FROM: Chris Burnett, Director of Economic Development
DATE: August 6, 2026 Submission for the August 18, 2026 City Council Meeting
ITEM: Request for Mayor and City Council Consideration of a Resolution to Authorize the City Manager to Execute the Documents Necessary to Effectuate the Construction and Conveyance of a Public Park by North River Apartments Owner, LLC., to be constructed at 8830 Roswell Road, Sandy Springs, GA 30350

Recommendation:

Based on the incentive application filed by North River Apartments Owner, LLC, the applicant meets the requirements established in the City of Sandy Springs' Development Impact Fee Ordinance and as such, staff recommends approval.

Background:

As market conditions improved following the Great Recession, areas of Sandy Springs like downtown (City Springs) and the Perimeter experienced positive momentum in commercial real estate development, but the city's North End did not. Recognizing this, Mayor and Council focused on spreading economic success across the entire city and formed the North End Task Force, a committee of civic leaders and citizens, to evaluate strategies to stimulate new development in the North End. The City also hired the planning and architectural design firm, TSW, to conduct a study of four aging shopping centers in the North End that were potentially ripe for new mixed-use projects. The North River Shopping Center at 8830 Roswell Road is one of these four properties.

TSW's concept drawings for North River focused on mixed-use developments that included for-sale and for-rent housing, restaurants, retail, commercial spaces and parks. The study noted a variety of tools the city could use to stimulate redevelopment through zoning and entitlement changes and financial incentives such as property tax abatements and Impact and Permit Fee waivers. Staff presented initial concepts for use of such tools during the 2026 City Council Retreat.

In 2025, a local firm, Insignia Real Estate, purchased the North River Shopping Center and began evaluating development options. Insignia ultimately reached an agreement to sell the property to North River Apartments Owner, LLC, a subsidiary of Woodfield Development, with potential closing by 9/30/26. With the contract in place, the City has been working with Woodfield for months on how to best accomplish the mutual goals of the community and the developer that include apartments and for-sale town homes, new restaurants and retail, a public park, and parking to accommodate the retail and park patrons. Various design concepts have been reviewed with the most positively impactful plan requiring the scraping of all structures currently on the land, followed by a full-site redevelopment. The new project as proposed should have a market value at completion of well in excess of \$150 million and will, in the opinion of staff, clearly meet the definition of a "catalytic" project for the North End. Completing

the capital stack for a project of this magnitude is complex and as TSW's study notes, financial participation by the City may be required, particularly if the City's investment funds amenities like a public park that is a significant aesthetic addition to the project and the community.

Discussion:

Woodfield has plans for 336 new market-rate apartments and 10,000 square feet of new restaurant and retail space. A separate residential housing developer plans to build approximately 85 for-sale townhomes on the northern section of the property. As an added component, Woodfield and the City are working together to design a public park on a .71 acre land parcel that will front Roswell Road and serve as a green "gateway" into the project while measurably enhancing the aesthetics along this section of Roswell Road. Woodfield will build the park at its cost along with public restrooms and 70 public parking spaces, and will deed the park property to the City upon its completion. Upon taking ownership of the park, the City will maintain and manage it thereafter.

Financial Impact:

Woodfield has provided cost estimates for the project as follows:

Component	Estimated Cost
Land Cost/Value for a .71 acre site fronting Roswell Rd	\$2,100,000
Hard and soft cost of park design and construction	\$3,900,000
Prorated cost of public parking to be constructed	\$ 525,000
Est. legal fees and transaction cost (abatement fee)	<u>\$ 271,456</u>
Total Estimated Project Cost for Woodfield	\$6,796,456

To incentivize Woodfield to invest in the construction of this park, Mayor and Council are requested to consider the following:

1. A waiver of that portion of the City's Impact Fee assessment that relates to recreation, calculated at an estimated total of \$1,525,000 (\$4,400 per apartment unit)
2. A waiver of the Permit Fees for the apartments, estimated at \$250,000
3. **Total Requested Fee Waivers of \$1,775,000**

In addition to these fee waivers, staff will also make a request to the Sandy Springs Development Authority to authorize a 10-year property tax abatement under the “Bonds for Title” program only on the apartments to be constructed and not on the new retail space or townhomes. The projected net present value to Woodfield under the tax abatement program is estimated at \$2,540,948 using an 8% discount rate (\$3,443,396 undiscounted).

With a total park project cost of approximately \$6.8 million and City and Development Authority incentives valued together at just over \$4.3 million (discounted) or \$5.2 million undiscounted, Woodfield will still have well over \$1 million in funds in this park, understanding that their investment will benefit their project and the overall North End community for decades and the team at Woodfield along with the City staff believe that the redevelopment of the North River Shopping Center could lay the foundation for more transformative developments North Sandy Springs in the years to come.

Property Tax Revenue Assumptions:

1. The 336 new apartment units will be constructed on two land parcels:

Tract A is a .99 acre parcel currently valued by Fulton County at \$433,400 (\$173,360 at 40%) and Tract B is a 6.79 acre parcel currently valued by Fulton County at \$7,990,000 (\$3,196,000 at 40%)

2. Tract A’s current tax bill is \$5,289 of which the City of Sandy Springs receives \$782 and Tract B’s current tax bill is \$102,539 of which the City of Sandy Springs receives \$15,120, thus totaling \$15,902 in annual city taxes
3. Assuming that \$15,902 is the base year’s current tax and the taxable amount increases by 3% annually, over the next ten years, the City of Sandy Springs would receive \$182,329, in taxes on these two tracts if nothing new is developed at North River.
4. At an anticipated value of \$275,000 per apartment, the project value of the 336 new apartments to be built is \$92,400,000 (\$36,960,000 at 40%). Using an 8% net present value calculation, the proposed apartment development is projected to generate \$9,629,810 in property taxes over ten years, of which \$1,420,297 is the City of Sandy Springs portion.

Therefore, the net property tax value to the City of Sandy Springs for this project over the 10-year abatement term is:

- Proforma taxes to be collected by the City: \$1,420,397
- Less current taxes if the apartments are not built: (\$182,329)

- Net positive tax collections to the City from the apartments: \$1,238,068

If we assume 85 townhomes at \$5,000 each in first year property taxes, this equals \$425,000 in annual taxes x the City's portion (14.75%) = \$62,687 in the first year. Over a ten-year term at a 3% annual growth rate, the City's total tax earned on the townhomes would exceed \$700,000. Hence, inclusive of a 10-year abatement on the apartments, the City should net over \$2 million in property taxes over the ten-year term while at the same time being deeded a park that costs approximately \$6.5 million to build. As such, the City should expect to receive over \$8.5 million in a combination of asset value (the park) and property tax collections while foregoing \$1,775,000 in upfront revenues from Impact and Permit fee waivers. Thus, the estimated net economic value to the City of this project over a ten-year term is approximately \$6.7 million while at the same time accomplishing a major goal for the city with a catalytic new development project to spur the North End.

Alternatives:

The City could choose not to authorize the waiver of the Impact and Permit Fees, thus diminishing or eliminating the incentives to the developer to build and deed the proposed park to the city.

Review:

Kristin Byars Smith, Assistant City Manager	Created/Initiated - 8/14/2026
Chris Burnett, Director of Economic Development	Approved - 8/14/2026
Kristin Byars Smith, Assistant City Manager	Approved - 8/14/2026
Toni Carlisle, Chief Financial Officer	Approved - 8/14/2026
Dan Lee, City Attorney	Approved - 8/14/2026
Eden Freeman, City Manager	Final Approval - 8/14/2026

Attachments:

1. 2026-08-18_8830 Roswell Road Resolution
2. 2026-08-18_North River Presentation



SANDY SPRINGS

CITY CLERK'S OFFICE

TO: Sandy Springs Development Authority Members

FROM:

DATE: August 21, 2026 Submission for the August 26, 2026 Meeting

ITEM: Open Discussion and Q & A

Recommendation:

Discussion:

Financial Impact:

Alternatives:

Attachments:

None