

INDUCEMENT RESOLUTION OF THE ATLANTA DEVELOPMENT AUTHORITY D/B/A INVEST ATLANTA DECLARING ITS INTENTION TO ISSUE NOT TO EXCEED \$50,200,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF ATLANTA DEVELOPMENT AUTHORITY TAXABLE LEASE PURCHASE REVENUE BONDS IN ONE OR MORE SERIES TO FINANCE THE ACQUISITION AND CONSTRUCTION OF A PROPOSED MIXED-USE DEVELOPMENT FOR COHW SUMMERHILL GA AVE, LLC; AND OTHER RELATED MATTERS

WHEREAS, The Atlanta Development Authority d/b/a/ Invest Atlanta (the “**Authority**”) has been duly created and is existing under and by virtue of the Constitution and the laws of the State of Georgia (the “**State**”), in particular, the Development Authorities Law of Georgia (O.C.G.A. §36-62-1, *et seq.*, as amended) (the “**Act**”) and an activating resolution of the City Council of the City of Atlanta (the “**City**”), duly adopted on February 17, 1997, and approved by the Mayor of the City on February 20, 1997, and is now existing and operating as a public body corporate and politic and an instrumentality of the State; and

WHEREAS, the Authority was created for the purpose, among other things, of promoting and furthering the public purpose of developing trade, commerce, industry and employment opportunities, and the Act empowers the Authority to issue its revenue bonds in accordance with the applicable provisions of the Revenue Bond Law of the State, O.C.G.A. Sections 36-82-60, *et seq.*, as amended, for the purpose of financing the cost of any “project” (as defined in the Act) in furtherance of the public purpose for which it was created; and

WHEREAS, the Authority adopted and approved its “Amended and Restated Lease Purchase Bond Guidelines for Economic Development” on April 18, 2013, as amended (the “**Defined Economic Development Benefit**”), which established certain criteria for participation including the investment of new capital that leads to job creation or retention in the City or other economic benefits including the attraction of targeted industries, capital investment and infrastructure development; and

WHEREAS, the officials of the Authority have been informed by representatives of COHW Summerhill GA AVE, LLC, a Georgia limited liability company (the “**Company**”), that the Company desires for the Authority to issue its revenue bonds for the purpose of financing, in whole or in part, the acquisition, construction, installation and equipping of approximately 85,000 square feet of retail, 19,000 square feet of creative office space and 120 multifamily residential units (the “**Project**”), to be located on Georgia Avenue in downtown Atlanta; and

WHEREAS, it is estimated by the Company that the acquisition, construction, installation and equipping of the Project will require expenditures currently estimated to be approximately \$50,200,000 which will be invested in a targeted area within the City and that the availability of revenue bond financing is an important factor under consideration by the Company in determining the financial feasibility of the Project; and

WHEREAS, in addition to the capital expenditures to be made to fund the Project it is expected that the undertaking will (i) produce not fewer than 189 permanent retail jobs and 76 permanent office jobs , (ii) 160 temporary construction jobs, and (iii) will result in such other

public benefits (collectively, the “**Public Benefits**”) which commitments are to be documented and delivered contemporaneously with the undertaking herein contemplated; and

WHEREAS, the Company has requested that the Authority evidence its preliminary determination of its willingness to issue bonds to finance the acquisition, construction, installation and equipping of the Project and to evidence the Authority’s intent to confirm the applicable ad valorem tax leasehold schedule for this Project; and

WHEREAS, after preliminary inquiry as to the nature of the Project, and based upon information provided by the Company, the Authority has made, and wishes to declare, its preliminary determination that, in consideration of the Public Benefits expected to be received, assisting with the financing of the acquisition, construction, installation and equipping of the Project, will be in the best interest of the citizens of the City and will be in furtherance of the public purposes for which the Authority was created and should, therefore, move forward without delay; and

WHEREAS, the most feasible method of financing the construction, installation and equipping of the Project is for the Authority to issue its lease–purchase revenue bonds, in one or more series, in the maximum aggregate principal amount not to exceed \$50,200,000, to be known as The Atlanta Development Authority Taxable Lease Purchase Revenue Bonds (Summerhill – Georgia Avenue Project), Series 2017 (the “**Bonds**”), and to apply the proceeds for that purpose, and for the Authority to lease the Project to the Company pursuant to a lease agreement (the “**Lease Agreement**”) whereby the Company shall make, or otherwise cause to be made, rental payments and other payments in amounts sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds as same become due and payable and to pay certain fees of the Authority and other amounts, fees and expenses related thereto; and

WHEREAS, in furtherance of its public purpose, the Authority wishes to declare its preliminary determination of its intention to issue the Bonds as authorized by the Act, said Bonds to be designated appropriately as approved by the Authority prior to issuance of the Bonds; and

WHEREAS, the issuance of the Bonds shall be subject to payment of (i) a non-refundable \$2,500 application fee; (ii) an Issuer’s fee equal to the greater of \$25,000 or one-eighth (1/8th) of one-percent (1%) of the aggregate principal amount of the Bonds authorized to be issued; and (iii) a \$50,000 compliance monitoring fee, \$10,000 of which shall be payable in advance on the effective date of the Lease Agreement, and the remaining portion payable annually, in advance, in \$5,000 installments, commencing on the third anniversary of the date that the Project is placed in service; and

WHEREAS, the issuance of the Bonds shall further be subject to a reasonably acceptable financing plan being implemented by the Company which would comply in all respects with the affordability standards and compliance monitoring requirements of the Authority, the laws of the State and all applicable requirements of federal law, including, without limitation, the provisions of the Act; and

WHEREAS, the Authority, after careful consideration, has preliminarily ascertained, found and determined that (i) the Bonds will constitute special and limited obligations of the

Authority payable solely from the revenue pledged to the payment thereof and shall not constitute or be deemed to constitute a debt of the Authority, the City or the State or any political subdivision thereof within the meaning of any State constitutional limitation on debt, nor a pledge of the faith and credit of the Authority, the City or the State or any political subdivision thereof, nor shall the Authority, the City or the State be subject to any pecuniary liability thereon, (ii) the Bonds will be not be payable from nor charge upon any funds other than revenue pledged to the payment thereof, (iii) no holder or holders of any Bonds will ever have the right to compel any exercise of the taxing power of the Authority, the City or the State or any political subdivision thereof to pay the Bonds or any interest thereon, nor to enforce the payment thereof against any property of the Authority, the City or the State or any political subdivision thereof, (iv) the Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of the Authority, the City or the State or any political subdivision thereof, other than the specific funds pledged therefor; the Authority has no taxing power, and (v) the Project satisfies the Defined Economic Development Benefit criteria;

NOW, THEREFORE BE IT RESOLVED, by the Board of Directors of The Atlanta Development Authority d/b/a Invest Atlanta, and it is hereby resolved by the authority of the same as follows:

1. This Inducement Resolution is adopted pursuant to the provisions of the Act; and the Board of Directors of the Authority, after careful consideration and deliberation, hereby find that the Project for which the Bonds are to be issued will develop trade, commerce, industry, and employment opportunities and that together with the other expected Public Benefits are all for the public good and general welfare of the City and promote the general welfare of the State. Therefore, the proposed Project constitutes a “project” within the meaning of O.C.G.A. § 36-62-2(6)(N).

2. In order to evidence the Authority’s willingness to issue the Bonds to finance, in whole or in part, the acquisition, construction, installation and equipping of the Project, the execution by the Authority and delivery to the Company of an inducement letter (the “**Inducement Letter**”) is hereby authorized, said Inducement Letter to be in substantially the form attached hereto as Exhibit A, subject to such changes, insertions and omissions as may be approved by the Chair, Vice Chair, President and Chief Executive Officer or Executive Vice President and Chief Operating Officer of the Authority, and the execution of said Inducement Letter by the Chair, Vice Chair, President and Chief Executive Officer or Executive Vice President and Chief Operating Officer of the Authority shall be conclusive evidence of any such approval.

3. It is the Authority’s intent that an ad valorem tax leasehold valuation schedule apply to the Project, to be determined, subject to the confirmation by the Fulton County Board of Assessors (the “**Board of Assessors**”); provided that the Company shall acknowledge that failure to attain at least 70% of the committed jobs and capital investment, as applicable, within three (3) years of the issuance of the Bonds will constitute sufficient basis for the Authority or the Board of Assessors to review and revise the leasehold valuation schedule.

4. The Company may, from time to time as it may deem necessary prior to the issuance of the Bonds, advance funds necessary to begin the acquisition, construction,

installation and equipping of the Project; any such funds so advanced shall be repaid to the Company from the proceeds of the Bonds when the same are issued and delivered.

5. For the purpose of financing the costs of the Project and other costs and expenses incident thereto, funding any necessary reserves and paying all or a portion of the costs of issuance of the Bonds, the Authority hereby declares its official intention to issue the Bonds (to be designated more appropriately as approved by the Authority prior to the issuance of the Bonds) in one or more series from time to time in the maximum original aggregate principal amount of not to exceed FIFTY MILLION TWO HUNDRED THOUSAND AND NO/100 DOLLARS (\$50,200,000), or such greater amount as the Authority by a subsequent resolution may approve, on such terms and conditions as the Authority in its sole and absolute discretion by a subsequent resolution may approve under and in accordance with the applicable laws of the State, and further subject to the following: (a) a reasonably acceptable financing plan being implemented by the Company which would comply in all respects with State law and with the Defined Economic Development Benefit criteria; (b) the execution by the Company and other applicable parties of such documentation as may be required by the Authority in its sole and absolute discretion, in order to effect the financing of the Project herein contemplated; and (c) the compliance with all applicable requirements of State, local and federal law in effect at the time of issuance of the Bonds.

6. The Authority finds, considers and declares that the issuance and sale of the Bonds for the purposes set forth in this Inducement Resolution will be appropriate and consistent with the objectives of the Act and the other laws of the State.

7. The Chair, Vice Chair, President and Chief Executive Officer or Executive Vice President and Chief Operating Officer and Secretary or Assistant Secretary of the Authority (each, an “**Authorized Officer**”) are further hereby authorized to take any and all further action and execute and deliver any and all other documents as may be necessary or appropriate to proceed to work with the Company in connection with the financing of the Project through the issuance of the Bonds.

8. No declaration, obligation or agreement herein contained or contained in any of the documents authorized hereby shall be deemed to be a covenant, obligation or agreement of any director, officer, agent, attorney or employee of the Authority in his or her individual capacity, and neither the directors of the Authority nor any officer or employee executing any document authorized by this Inducement Resolution shall be liable personally thereunder or be subject to any personal liability or accountability by reason of the execution and delivery thereof.

9. The Authorized Officers are hereby authorized to execute such further documents and do such further things as they may determine to be necessary or proper to carry out the intent and purpose of this Inducement Resolution or any document herein authorized. All acts and doings of the directors, officers, agents, attorneys and employees of the Authority which are in conformity with the purposes and intent of this Inducement Resolution and in the furtherance of the proposed issuance of the Bonds and the execution, delivery and performance of any document authorized hereby, shall be, and the same hereby are, in all respects approved, ratified and confirmed.

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

11. The Authority finds, intends, and declares that this Inducement Resolution shall constitute its official action evidencing its present intent, subject to the terms and conditions hereof, to issue the Bonds pursuant to the laws of the State in an aggregate principal amount not to exceed the amount set forth hereinabove, or such greater amount as the Authority by a subsequent resolution may approve, to finance the Project in whole or in part, including, without limitation, to reimburse such original expenditures from bond proceeds within the meaning of and to the extent as may be permitted or required by the Internal Revenue Code of 1986, as amended (the "**Code**"). The Authority finds, determines and declares that the issuance and sale of the Bonds for the purposes set forth in this Inducement Resolution will be authorized by, and will be appropriate and consistent with, the provisions of the Act and the other laws of the State, and that the adoption of this Inducement Resolution is and constitutes the taking of affirmative official action by the Authority evidencing its present intent, subject to the terms and conditions hereof, to issue the Bonds within the meaning of and to the extent permitted or required by the Code, and the regulations promulgated pursuant thereto, including, without limitation, Section 1.150-2 of such regulations.

12. This Inducement Resolution shall take effect immediately upon adoption on this 21st day of September, 2017.

Adopted and approved this 21st day of September, 2017.

**THE ATLANTA DEVELOPMENT AUTHORITY
(d/b/a “INVEST ATLANTA”)**

By: _____
Chair

[SEAL]

Attest:

By: _____
Assistant Secretary

12. This Inducement Resolution shall take effect immediately upon adoption on this 21st day of September, 2017.

Adopted and approved this 21st day of September, 2017.

**THE ATLANTA DEVELOPMENT AUTHORITY
(d/b/a “INVEST ATLANTA”)**

By: _____
Vice Chair

[SEAL]

Attest:

By: _____
Assistant Secretary

Exhibit A

Inducement Letter

THE ATLANTA DEVELOPMENT AUTHORITY

133 Peachtree Street, NE, Suite 2900
Atlanta, GA 30303
(404) 880-4100

September 21, 2017

COHW Summerhill GA AVE, LLC
171 17th Street NW
Suite 1200
Atlanta, GA 30363
Attn: David Nelson

Re: Proposed Financing of a Project by The Atlanta Development Authority d/b/a Invest Atlanta for COHW Summerhill GA AVE, LLC

Ladies and Gentlemen:

THE ATLANTA DEVELOPMENT AUTHORITY d/b/a INVEST ATLANTA (the “**Authority**”), is informed that COHW Summerhill GA AVE, LLC, a Georgia limited liability company (the “**Company**”), is considering financing the costs of the acquisition, construction, installation and equipping of approximately 85,000 square feet of retail, 19,000 square feet of office space and 120 multifamily residential units (the “**Project**”), to be located on Georgia Avenue in downtown Atlanta. The Project is expected to result in significant capital investment in a targeted area, increase jobs in the City of Atlanta (the “**City**”) and require expenditures in an amount estimated to be approximately \$50,200,000. The Authority further understands that contemporaneous with the consummation of the transactions contemplated herein that the Company has committed to and documented its commitment to provide certain other Public Benefits.

It is our understanding that the availability of revenue bond financing in the City for the purpose of facilitating the acquisition, construction, installation and equipping of the Project is an important factor under consideration by the Company in determining the financial feasibility of the Project.

Accordingly, in order to assist the Company with the financing of the proposed Project and to induce the Company to locate the same and to arrange for its operation in the City, and, in

order thereby to carry out the public purposes for which the Authority was created, we hereby make the following proposals:

1. Subject to a reasonably acceptable financing plan being implemented by the Company which would comply in all respects with Georgia law and compliance with the Authority's Amended and Restated Lease Purchase Bond Guidelines for Economic Development (the "**Defined Economic Development Benefit**") criteria, the Authority will issue its Taxable Lease Purchase Revenue Bonds (Summerhill – Georgia Avenue Project), Series 2017 (the "**Bonds**"), in an aggregate principal amount not to exceed \$50,200,000, for the purpose of financing the acquisition, construction, installation and equipping of the Project. Any advances made by the Company for the acquisition, construction, installation and equipping of the Project shall be repaid to the Company from the proceeds of the sale of the Bonds when the same are issued and delivered.

2. The terms and conditions of the purchase of the Bonds will be determined by one or more bond purchase contracts, in terms satisfactory to the Authority and subject to the approval of the Company, to be entered into between the Authority and the purchaser or purchasers of the Bonds or such underwriter or underwriters as the Company may select.

3. Simultaneously with the delivery of the Bonds, the Authority will enter into a lease agreement with the Company pursuant to which the Company will lease the Project from the Authority and will make payments in amounts sufficient to timely pay the principal of, the redemption premium (if any) and the interest on the Bonds and certain other amounts, fees and expenses and the terms and provisions of the lease agreement shall be substantially in the form generally utilized in connection with such financial undertakings by the Authority, as agreed upon by the Authority and the Company. Such lease agreement (hereinafter referred to as "basic security document") shall contain, in substance, the following provisions:

- (a) The term of the basic security document will coincide with the term of the Bond issue.
- (b) The amounts payable under the basic security document will be paid directly to the bondholders or to a corporate trustee to be named by the Authority and subject to the approval of the Company for the benefit of the bondholders, as the case may be, at such times and in such amounts as shall be timely and sufficient to pay the principal of, and the redemption premium (if any) and the interest on, the Bonds as the same become due and payable and certain other amounts, fees and expenses. The obligation of the Company to make all payments required under the basic security document shall be absolute and unconditional after the delivery of the Bonds.
- (c) The Company will be permitted to replace or substitute obsolete or worn out machinery, equipment and related personal property in accordance with the basic security document.
- (d) The Company will pay any taxes, assessments or utility charges which may be lawfully levied, assessed or charged upon the Company, the Authority, the

proposed Project or the payments derived from the basic security document if failure to pay would result in a lien or charge upon the proposed Project or the revenues of the Authority therefrom.

- (e) At the Company's expense, the Company will keep the Project insured against loss or damage or perils generally insured against by industries or businesses similar to the Company, and will carry public liability insurance covering personal injury, death or property damage with respect to the proposed Project and will name Authority as an additional insured. The amount of such insurance shall be in an amount customarily obtained for projects of similar size and scope acceptable to the Authority.
- (f) The basic security document shall provide that, in the performance of the agreements contained therein on the part of the Authority, any obligations it may incur for the payment of money shall not be a general debt on its part or of the City or of the State of Georgia (the "**State**"), but shall be payable solely from the payments received under such basic security document or from Bond proceeds, and, under certain circumstances, insurance proceeds and condemnation awards.
- (g) The basic security document shall contain agreements providing for the indemnification of the Authority and said corporate trustee and the individual directors, members, officers, agents and employees thereof for all costs, charges, or expenses incurred by them and for any claim of loss suffered or damage to property or any injury or death of any person occurring in connection with the acquisition, construction, installation, equipping, expansion and improvement of the Project.
- (h) So long as any principal amount of the Bonds is outstanding, the Project shall not be sold, transferred or conveyed to any other entity without prior written consent of the Authority, which consent shall not otherwise unreasonably be withheld; provided, however, that the Authority must be satisfied that the transferee and the business which would be operated at the Project would qualify under the Development Authorities Law of the State, and further, that the transferee's financial condition shall be sufficient to pay the indebtedness as the same becomes due.
- (i) The basic security document shall provide that the subleasing of any portion of the Project will require the consent of the Authority, or its designated agent, which consent may not be unreasonably withheld.

4. It is the intent of the Authority that an ad valorem leasehold valuation schedule apply to this Project, subject to confirmation by the Fulton County Board of Assessors (the "**Board of Assessors**") provided, however, the Company shall acknowledge that failure to attain at least 70% of the committed jobs and capital investment, as applicable, within three (3) years of the issuance of the Bonds will constitute sufficient basis for the Authority or the Board of Assessors to review and revise the leasehold valuation schedule.

5. If requested by the Authority, the Company will enter into one or more guaranty agreements under the terms of which the Company (or such other related entities if requested by the Authority) will absolutely and unconditionally guarantee payment of (a) the principal of, and the redemption premium (if any) and the interest on, the Bonds as the same become due and payable, and (b) all other amounts payable by the Authority under the terms of the Bonds and/or the trust indenture.

6. The Company may advance any interim funds required in connection with the acquisition, construction, installation and equipping of the Project and be reimbursed from the proceeds of the sale of the Bonds when the same are issued and delivered.

7. The Authority will assist in the prompt preparation of the basic security document, when required, and, where requested, any security agreement, promissory note or guaranty agreement, and will proceed with the validation of the Bonds in the Superior Court of Fulton County as appropriate.

8. The Company shall be responsible for, and shall promptly pay all approved fees, costs and expenses, including fees, costs and expenses of counsel and any required leasehold valuation expert, related to the issuance of the Bonds. The Authority will receive any additional payments based upon the final structure of the Bonds. The Company acknowledges that it is responsible for the payment of all fees and costs associated with the issuance of the Bonds, including reasonable fees and expenses for the Authority's issuer counsel, Hunton & Williams LLP ("Issuer Counsel"), bond counsel, Dentons US LLP ("Bond Counsel"), leasehold valuation expert and other costs reasonably incurred by the Authority in validating or otherwise proceeding with the issuance of the Bonds. The Company acknowledges that it has been advised of the amount of the Issuer Counsel's fees for the lease purchase bonds and that the same are acceptable to the Company. In the event the Project does not close, the Bonds are not sold, or if for any other reason the transaction terminates, the Company agrees to pay all reasonably incurred fees, costs, and expenses of the Authority and its counsel. The Company acknowledges that the legal cost associated with preparing and negotiating the Inducement Resolution, appearing before the Fulton County Superior Court and obtaining a memorandum of understanding from the Board of Assessors is not less than \$25,000. In the event that Bonds are not issued as described in paragraph 12 or the Company abandons the financing as described in paragraph 15, it agrees to pay, as a "break-up" fee to the Issuer Counsel an amount equal to the lesser of its actual fees or \$25,000.

9. Upon the delivery of the Bonds, except for the indemnification provisions and provisions relating to the payment of the fees, costs and expenses of the Authority set out herein, the other provisions of this proposal and the agreement resulting from its acceptance by the Company shall have no further effect and, in the event of any inconsistency between the terms of this proposal and the terms of any basic security document, trust indenture, bond purchase contract, and any security agreement, promissory note or guaranty agreement, the provisions of such basic security document, bond purchase contract and any security agreement, promissory note or guaranty agreement or any other security documents shall control.

10. If for any reason the Bonds are not issued within twelve (12) months of the date of this proposal, the provisions of this proposal and the agreement resulting from its acceptance

by the Company shall, at the option of either the Company or the Authority to be evidenced in writing, be canceled and neither party shall have any rights against the other and no third parties shall have any rights against either party, except the Company (subject to paragraph 8) will pay all reasonable expenses of the Authority, including attorneys' fees and expenses incurred in connection with the proposed Project and the proposed issuance of the Bonds.

11. The Company will apply for, use its best efforts to obtain, and pay for, if applicable, all permits, licenses, authorizations and approvals required by all governmental authorities in connection with the acquisition, construction, installation and equipping of the proposed Project; provided, however, that neither the Company nor any user of the Project shall apply for tax allocation district financing for any portion of the Project without the Authority's prior written consent. Further the Company shall agree to use its best efforts to afford minority and female business enterprises the maximum practicable opportunity to participate in business opportunities that relate to the acquisition, design and construction of the Project, including using best efforts to comply with the Atlanta Workforce Development Agency's First Source Program in connection with the acquisition, design and construction of the Project. The Company represents that it is in compliance and current on all obligations owed to the City of Atlanta and any of its departments, including the watershed department and the office of buildings. Further, the Company agrees to install permanent and temporary signage acknowledging Invest Atlanta as a part of the financing syndicate on the same basis, size and in a comparable location as any and all other signage recognizing debt or equity partners in the Project.

12. The Company, in accepting this proposal, does thereby agree to indemnify, defend and hold the Authority and the individual directors, members, officers, agents and employees thereof harmless against any claim of loss or damage to property or any injury or death of any person or persons occurring in connection with the acquisition, construction, installation and equipping of the Project. The Company also agrees to reimburse or otherwise pay, on behalf of the Authority, any and all reasonable costs, claims, charges or expenses not hereinbefore mentioned actually incurred by the Authority in connection with the proposed Project. This indemnity shall be superseded by a similar indemnity in the basic security document, and, if the Bonds are not issued and delivered, this indemnity shall survive the termination of the agreement resulting from the Company's acceptance of this proposal. Nothing herein contained shall require the Company to provide indemnification against any claim, liability or loss resulting from any act of gross negligence or willful or intentional misconduct on the part of or attributable to the indemnitee.

13. The Company, in accepting this proposal, does hereby acknowledge that for federal income tax purposes the Bonds will not be issued on a tax-exempt basis.

14. Unless the Authority and the Company shall have entered into an agreement with the Board of Assessors relating to the ad valorem taxation of the proposed Project, the Company will pay all ad valorem taxes with respect to the Project or the site thereof, as though it were the fee simple owner thereof regardless of the fact of any ownership interest of the Authority in the Project or the site thereof; provided, that the foregoing shall not preclude the Company from asserting a claim for ad valorem tax exemption to which it would be entitled under the laws of the State, as fee simple owner of the Project or the site thereof. The Authority acknowledges that it is the intent of the parties to enter into such an agreement with the Board of Assessors.

15. The Company will pay the Authority (i) a nonrefundable \$2,500 Application Fee and (ii) an Issuer's Fee equal to the greater of \$25,000 or 1/8 of 1% of the bond issuance amount, each of which is payable at closing. The Company will also pay the Authority a \$50,000 compliance monitoring fee, \$10,000 of which shall be payable at closing, and the remaining portion payable annually, in advance, in \$5,000 installments, commencing on the third anniversary of the date that the Project is placed in service. Additionally, the Company is responsible for the fees of the Trustee, leasehold valuation expert and the fees of the Issuer Counsel (subject to paragraph 8 above). Payment of these fees is contingent upon the issuance and sale of the Bonds; provided that if the Company requests the Issuer Counsel to seek validation of the Bonds, a legal challenge arises as to the validity of the Bonds and if the Company decides to abandon the financing, based on a legal challenge or for any reason which is not the cause of the Authority, the Company shall agree to pay Issuer Counsel the costs of court filings and the "break-up fee" as described in paragraph 8 above. The Company shall be responsible for the costs defending any contested bond validation and shall cooperate with the Authority in the selection of counsel should it decide to proceed following a contest.

16. All fees, including the Authority's Issuance Fee and fees and expenses of the Issuer Counsel and Bond Counsel, will be paid at closing or, with the prior written permission of the Authority, within one week of closing subject to the provisions of Paragraph 8 above.

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If the foregoing proposal is satisfactory to you, you may so indicate by having the following acceptance executed by a duly authorized officer of the Company and returning a copy to the Authority, along with the original and appropriate corporate resolution and incumbency certificate authorizing execution of this agreement. This proposal and your acceptance will then constitute an agreement in principle with respect to the matters herein contained as of the date hereof.

Yours very truly,

**THE ATLANTA DEVELOPMENT AUTHORITY
D/B/A INVEST ATLANTA**

By: _____

Name: Dr. Eloisa Klementich

Title: President and Chief Executive Officer

ACCEPTANCE

The undersigned having read and considered the foregoing letter from The Atlanta Development Authority d/b/a Invest Atlanta, dated September 21, 2017, does hereby agree to and accept the terms and conditions set forth therein.

This the ____ day of _____, 2017.

**COHW SUMMERHILL GA AVE, LLC, a
Georgia limited liability company**

By: _____
Name:
Title:

SECRETARY'S CERTIFICATE

I, _____, the duly appointed, qualified and acting Assistant Secretary of The Atlanta Development Authority d/b/a Invest Atlanta (the "Authority"), DO HEREBY CERTIFY that the foregoing pages of typewritten matter pertaining to the Authority declaring its intention to issue up to \$50,200,000 maximum aggregate principal amount of its taxable lease purchase revenue bonds, in one or more series, to finance a proposed project for COHW Summerhill GA AVE, LLC, a Georgia limited liability company, constitute a true and correct copy of the Resolution unanimously adopted on September 21, 2017, by the members of the Board of Directors of the Authority in a meeting duly called and assembled, which was open to the public and at which a quorum was present and acting throughout, and that the original of said Resolution appears of public record in the Minute Book of the Authority which is in my custody and control.

Given under my signature and seal of the Authority, this 21st day of September, 2017.

Assistant Secretary

[SEAL]