



November 7, 2017

**NOTICE TO JOINT LEGISLATIVE COMMITTEE ON LOCAL GOVERNMENT OF
PROPOSED LOCAL GOVERNMENT FINANCING**

Joint Legislative Committee on Local Government
North Carolina General Assembly
16 West Jones Street
Raleigh, North Carolina 27601
Attention Committee Chairs; Committee Assistant

Fiscal Research Division
North Carolina General Assembly
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925
Attention: Interim Director

\$23,000,000

**Housing Authority of the City of Charlotte, N.C.
Multifamily Housing Revenue Bonds
(Granite Pointe Apartments), Series 2017**

Ladies and Gentlemen:

We are bond counsel for the Housing Authority of the City of Charlotte, N.C. (the "Authority") in connection with the proposed issuance of its Multifamily Housing Revenue Bonds (Granite Pointe Apartments), Series 2017 (the "Bonds") in an aggregate principal amount not to exceed \$23,000,000. The proceeds of the Bonds will be loaned Pedcor Investments-2016-CLVII, L.P., an Indiana limited partnership (the "Borrower"), or an affiliate or subsidiary thereof, for the purpose of providing all or part of the funds with which to pay the cost of the acquisition, construction and equipping of a multifamily residential rental facility to be known as Granite Pointe Apartments, consisting of approximately 198 units in eleven buildings and located in Charlotte, Mecklenburg County, North Carolina (the "Project").

The Bonds will be issued under Chapter 157 of the North Carolina General Statutes (the "Act"). The proceeds of the Bonds will be loaned to the Borrower under a Financing Agreement among the Authority, the Borrower, P/R Mortgage & Investment Corp., International City Bank, N.A. and United Fidelity Bank, fsb. The Borrower will promise to pay amounts sufficient to pay principal, premium, if any and interest on the Bonds when due. The Borrower and the Authority will file restrictive covenants requiring that the Project be operated as a "qualified residential rental facility," under the Code and as a facility that provides housing for persons of low or moderate income under the Act for the longer of the term of the Bonds or 15 years. The Bonds do not represent or constitute a debt or pledge of the faith and credit of the Authority, the City of Charlotte, the State of North Carolina, or any political subdivision thereof. Principal of and premium (if any)

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and interest on the Bonds are payable solely from the revenues pledged pursuant to the Financing Agreement.

This notice is provided pursuant to N.C. Gen. Stat. §120-157.2(a). The Authority expects that the North Carolina Local Government Commission (the "Commission") will consider the Authority's proposal to issue the Bonds for approval at the Commission's meeting scheduled for December 5, 2017. We are delivering this notice on behalf of the Authority and the Borrower in accordance with directions provided by the Commission in Memorandum No. 2012-02 dated July 25, 2011.

Very truly yours,



Mary Nash K. Rusher, Esq.
Bond Counsel

cc: Greg C. Gaskins, Secretary
Local Government Commission
NC Department of State Treasurer
3200 Atlantic Avenue
Raleigh, NC 27604