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

May 10, 2018

Joint Legislative Committee on Local Government
16 West Jones Street
Raleigh, North Carolina 27601
Attention: Committee Chairs and Assistant

Fiscal Research Division
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925
Attention: Director

North Carolina Local Government Commission
3200 Atlantic Avenue
Raleigh, North Carolina 27604
Attention: Secretary

***County of Chatham, North Carolina
Limited Obligation Bonds***

In accordance with N.C. Gen. Stat. §120-157.2(a), the County of Chatham, North Carolina (the "County") hereby notifies you of its intent to enter into an installment financing contract (the "Contract") with Chatham County Public Facilities Corporation (the "Corporation") pursuant to N.C. Gen. Stat. §160A-20 in an amount not to exceed \$125,000,000. The County will use proceeds of the Contract (1) to pay the capital costs of (a) acquiring, constructing and equipping a new high school to be known as Seaforth High School, a new elementary school to be known as Chatham Grove Elementary School, and a Health Sciences building for Central Carolina Community College (collectively, the "Project"), and (2) to pay certain costs incurred in connection with the execution and delivery of the Contract.

The amount advanced under the Contract will amortize over a term of approximately 20 years. The County may pay its obligations under the Contract from any source of funds available to it in each year and appropriated for such purpose. The County's obligation to make payments under the Contract is a limited obligation of the County, subject to annual appropriation, and does not constitute a direct or indirect pledge of the faith and credit or the taxing power of the County.

To facilitate the financing, the Corporation will execute and deliver limited obligation bonds, evidencing proportionate undivided rights to receive certain revenues under the Contract. To secure its obligations under the Contract, the County will execute and deliver a deed of trust granting a lien on a portion of the real property on which the Project will be located and all improvements thereon.

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The County expects that the North Carolina Local Government Commission (the "*Commission*") will consider for approval the County's proposal to execute and deliver the Contract at the Commission's meeting scheduled for July 10, 2018 or such later meeting as the Commission may determine.

COUNTY OF CHATHAM, NORTH CAROLINA

By: Vicki McConnell
Vicki McConnell
Finance Director