

April 22, 2024

**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

**\$10,000,000  
City of Shelby, North Carolina  
Multifamily Housing Revenue Bonds (Laurel Hill Apartments)**

Ladies and Gentlemen:

We are bond counsel for the City of Shelby, North Carolina (the "City") in connection with the proposed issuance of its multifamily housing revenue bonds (the "Bonds") in a principal amount not to exceed \$10,000,000. The proceeds of the Bonds will be loaned to Standard Laurel Venture LP, a North Carolina limited partnership, or an affiliated or related entity (the "Borrower"), for the purpose of providing all or part of the funds with which to pay the cost of the acquisition, rehabilitation and equipping of a 100-unit multifamily residential rental facility known as Laurel Hill Apartments and located in the City of Shelby, North Carolina.

The Bonds will be issued under Section 150D-1311(b) and Article 1 of Chapter 157 of the North Carolina General Statutes, as amended (collectively, the "Act"). The proceeds of the Bonds will be loaned to the Borrower under a loan agreement with the City, pursuant to which 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 City will file restrictive covenants requiring that the Project be operated as a "qualified residential rental project," under the Internal Revenue Code of 1986, as amended, 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 Borrower will be solely responsible for repaying the Bonds, and the City will have no financial liability whatsoever for their repayment. The Bonds do not represent or constitute a debt or pledge of the faith and credit of the City, the State of North Carolina, or any political subdivision thereof. Principal of and premium (if any) and interest on the Bonds are payable solely from the revenues received from the Borrower.

Joint Legislative Committee on Local Government  
Fiscal Research Division  
April 22, 2024  
Page 2

This notice is provided pursuant to N.C. Gen. Stat. §120-157.2(a). The City expects that the North Carolina Local Government Commission (the "Commission") will consider the City's proposal to issue the Bonds for approval at the Commission's meeting scheduled for June 4, 2024 or July 9, 2024. We are delivering this notice on behalf of the City and the Borrower in accordance with directions provided by the Commission in Memorandum No. 2012-02 dated July 25, 2011.

Very truly yours,



Kristen M. Kirby, Esq.  
Bond Counsel

cc: Debbie Tomasko, Interim Secretary  
Local Government Commission  
NC Department of State Treasurer  
3200 Atlantic Avenue  
Raleigh, NC 27604