**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF THE CITY'S TAXABLE GENERAL OBLIGATION HOUSING BONDS**

*WHEREAS*, the Bond Orders (as defined below) have been adopted, and it is desirable to make provision for the issuance of the Bonds (as defined below) authorized by the Bond Orders;

*WHEREAS*, the City of Charlotte, North Carolina (the "*City*") desires to issue its Taxable General Obligation Housing Bonds, Series 2025A (the "*Bonds*") in an aggregate principal amount not to exceed $75,000,000;

*WHEREAS*, the City requests that the Local Government Commission sell the Bonds through a competitive sale;

*WHEREAS*, copies of the forms of the following documents relating to the transactions described above have been filed with the City and have been made available to the City Council of the City (the "*City Council*"):

1. the Notice of Sale for the competitive sale of the Bonds (the "*Notice of Sale*"); and

2. a Preliminary Official Statement with respect to the Bonds (the "*Preliminary Official Statement*");

*NOW, THEREFORE, BE IT RESOLVED* by the City Council as follows:

***Section 1***. For purposes of this Resolution, in addition to the terms defined above, the following words have the meanings ascribed to them below:

"*Authorized Officers*" means the Mayor, the Mayor Pro Tem, the City Manager, the Chief Financial Officer, the City Treasurer, the City Debt Manager, the City Clerk and Deputy City Clerk, and their respective designees.

"*Bond Orders*" means, collectively, (1) the Bond Order authorizing the City to issue general obligation bonds to finance housing projects adopted on July 11, 2022 and approved by a majority of voters at a referendum held on November 8, 2022 and (2) the Bond Order authorizing the City to issue general obligation bonds to finance housing projects adopted on June 24, 2024 and approved by a majority of voters at a referendum held on November 5, 2024.

"*Bonds*" means the City's Taxable General Obligation Housing Bonds, Series 2025A authorized under the Bond Orders.

"*Chief Financial Officer*" means the Chief Financial Officer of the City or such other person servicing as the City's Finance Officer, as defined in Section 159-24 of the General Statutes of North Carolina, as amended, or his or her designee.

"*Commission*" means the Local Government Commission of North Carolina, or its designated representative.

"*Federal Securities*" means, to the extent permitted by laws of the State for the defeasance of local government bonds, (a) direct obligations of the United States of America for the timely payment of which the full faith and credit of the United States of America is pledged; (b) obligations, the timely payment of the principal of and interest on which is fully guaranteed as full faith and credit obligations of the United States of America (including any securities described in (a) or (b) issued or held in the name of the Trustee 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 a trustee and are not subject to redemption or purchase prior to maturity at the option of anyone other than the holder; (c) any bonds or other obligations of the State of North Carolina or of any agency, instrumentality or local governmental unit of the State of North Carolina which are (i) not callable prior to maturity or (ii) as to which irrevocable instructions have been given to the trustee or escrow agent with respect to such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified, and which are rated by Moody's, if the bonds are rated by Moody's, S&P, if the bonds are rated by S&P and Fitch Ratings, if the bonds are rated by Fitch Ratings, within the highest rating category and which are secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or bonds or other obligations of the character described in clause (a) or (b) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; (d) direct evidences of ownership of proportionate interests in future interest and principal payments on specified obligations described in (a) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (a), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated; or (e) any other obligations permitted under State law for the defeasance of local government bonds.

"*Fitch Ratings*" means Fitch, Inc., its successors and their assigns, and, if such corporation for any reason no longer performs the functions of a securities rating agency, "*Fitch Ratings*" will be deemed to refer to any other nationally recognized securities rating agency other than Moody's and S&P designated by the City.

"*Moody's*" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, "*Moody's*" will be deemed to refer to any other nationally recognized rating agency other than S&P and Fitch Ratings designated by the City.

"*Pricing Certificate*" means the certificate of the Chief Financial Officer delivered in connection with the issuance of the Bonds which establishes the final principal amounts,

the maturity dates, the interest payment dates, deposits of the proceeds of the Bonds, the provisions for redemption of the Bonds and other terms of the Bonds consistent with the pricing of the Bonds and this Resolution.

"*S&P*" means S&P Global Ratings, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, "*S&P*" will be deemed to refer to any other nationally recognized rating agency other than Moody's and Fitch Ratings designed by the City.

***Section 2***. The City shall issue its Bonds in an aggregate principal amount not to exceed $75,000,000. The final principal amount and the amount allocable to each Bond Order will be set forth in the Pricing Certificate.

***Section 3***. The Bonds shall be dated as of their date of issuance. The Bonds shall pay interest semiannually on July 1 and January 1, beginning January 1, 2026, unless the Chief Financial Officer establishes different dates in the Pricing Certificate. The Bonds are being issued to pay capital costs of housing projects in accordance with the Bond Orders and to pay the costs of issuing the Bonds.

***Section 4***. The Bonds are payable in installments on July 1 of each year beginning July 1, 2026 and ending on July 1, 2045, on an approximate level principal basis, unless the Chief Financial Officer establishes different dates in the Pricing Certificate. The maturities of the Bonds will be as set forth in the Pricing Certificate. The Bonds may be sold as term bonds and, if so, will be subject to mandatory sinking fund redemption as set forth in the Pricing Certificate. The Chief Financial Officer, in consultation with the staff of the Commission, is hereby authorized to determine the final amount of the annual installments related to the Bonds.

***Section 5.*** The Bonds are to be numbered from "RA-1" consecutively and upward. All Bonds shall bear interest from their date at a rate or rates which will be hereafter determined on the sale thereof computed on the basis of a 360-day year of twelve 30-day months.

***Section 6***. The Bonds are to be registered as to principal and interest, and the Chief Financial Officer is directed to maintain the registration records with respect thereto. The Bonds shall bear the original or facsimile signatures of the Mayor, the Mayor Pro Tem or City Manager and the City Clerk or the Deputy City Clerk.

***Section 7***. The Bonds will initially be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity of the Bonds will be issued to The Depository Trust Company ("*DTC*"), and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of $5,000 or integral multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC. Interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds in immediately available funds. The principal of and interest on the Bonds will be payable to owners of Bonds

shown on the records of DTC at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The City will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

If (1) DTC determines not to continue to act as securities depository for the Bonds or (2) the Chief Financial Officer determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the City will discontinue the book-entry system with DTC in accordance with DTC's rules and procedures. If the City fails to identify another qualified securities depository to replace DTC, the City will authenticate and deliver replacement bonds in accordance with DTC's rules and procedures.

***Section 8***. The Bonds maturing on or before July 1, 2035 will not be subject to redemption prior to maturity. The Bonds maturing on and after July 1, 2036 will be subject to redemption prior to maturity, at the option of the City, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after July 1, 2035, at the redemption price of the principal amount of Bonds to be so redeemed, plus accrued interest to the redemption date. Different redemption provisions may be established by the Pricing Certificate.

If less than all of the Bonds are called for redemption, the City shall select the maturity or maturities of the Bonds to be redeemed in such manner as the City in its discretion may determine and DTC and its participants shall determine which of the Bonds within a maturity are to be redeemed in accordance with its rules and procedures (or if the Bonds are not in book-entry, the City will select by lot); provided, however, that the portion of any Bond to be redeemed shall be in principal amount of $5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by $5,000. Whenever the City elects to redeem Bonds, notice of such redemption of Bonds, stating the redemption date, redemption price and any conditions to the redemption and identifying the Bonds or portions thereof to be redeemed and further stating that on such redemption date there shall become due and payable on each Bond or portion thereof so to be redeemed, the principal thereof and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue (or as long as DTC or its nominee is the registered owner of the Bonds, such information as may be required in accordance with DTC's rules and procedures) shall be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of the Bonds, by prepaid certified or registered United States mail (or by such other means as permitted by DTC's rules and procedures), at the address provided to the City by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC or its nominee is not the registered owner of the Bonds, the City will give notice at the time set forth above by prepaid first class United States mail, to the then-registered owners of the Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the City. The City will also mail or transmit by facsimile or in electronic submission a copy of the notice of redemption within the time set forth above

(1) to the Commission and (2) to the Municipal Securities Rulemaking Board (the "*MSRB*") through the Electronic Municipal Market Access (EMMA) system or other electronic format as prescribed by the MSRB, but any failure or defect in respect thereto will not affect the validity of the redemption.

If at the time of mailing of the notice of redemption there is not on deposit money sufficient to redeem the Bonds called for redemption, such notice may state that it is conditional on the deposit of money for the redemption on the date of redemption as set forth in the notice. Any notice, once given, may be withdrawn or modified by notice delivered in the same manner as the notice of redemption was given.

If moneys sufficient to pay the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest thereon to the date fixed for redemption, are held by the City, or on the City's behalf, in trust for the registered owners of the Bonds or portions thereof to be redeemed, interest on the Bonds or portions thereof called for redemption shall cease to accrue, such Bonds or portions thereof shall cease to be entitled to any benefits or security hereunder or to be deemed outstanding, and the registered owners of such Bonds or portions thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest thereon to such redemption date. If a portion of a Bond shall have been selected for redemption, a new Bond or Bonds of the same maturity, of any authorized denomination or denominations and bearing interest at the same rate shall be delivered for the unredeemed portion of the principal amount of such Bond.

***Section 9***. The Bonds and the provisions for the registration of the Bonds and for the approval of the Bonds by the Secretary of the Commission are to be in substantially the form set forth in the Appendix A hereto.

***Section 10***. The Chief Financial Officer is hereby directed to create and establish a special fund on the City's books and records to be designated "*City of Charlotte, North Carolina General Obligation Bonds, Series 2025A Housing Projects Fund*" or such other name as the Chief Financial Officer may determine (the "*Housing Projects Fund*"). The Chief Financial Officer will deposit the proceeds from the sale of the Bonds in the Housing Projects Fund to be used to pay the capital costs of housing projects and costs of issuance of the Bonds in accordance with the respective Bond Orders. Funds on deposit in the Housing Projects Fund shall be invested and reinvested by the Chief Financial Officer as permitted by the laws of the State of North Carolina. The Chief Financial Officer shall keep and maintain adequate records pertaining to disbursements from the Housing Projects Fund so as to satisfy the requirements of the laws of the State of North Carolina.

***Section 11***. Actions taken by officials of the City to select paying and transfer agents, and a bond registrar, or alternate or successor agents and registrars pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, are hereby authorized and approved.

***Section 12***. The Commission is hereby requested to sell the Bonds through a competitive sale to the bidder whose bid results in the lowest interest cost to the City,

determined on the basis of the true interest cost method or such other basis as may be determined by the Commission.

***Section 13***. The Authorized Officers are hereby authorized and directed, individually and collectively, (1) to cause the Bonds to be prepared and (2) when they have been duly sold by the Commission, (a) to execute the Bonds and (b) to turn the Bonds over to the registrar and transfer agent of the City for delivery through the facilities of DTC to the purchaser or purchasers to whom they may be sold by the Commission.

***Section 14.*** The form and content of the Notice of Sale and the Preliminary Official Statement together with the final Official Statement (the "*Final Official Statement*") related to the Bonds are in all respects authorized, approved and confirmed, and the Authorized Officers, individually and collectively, are authorized, empowered and directed to execute and deliver the Final Official Statement in substantially the form and content made available to the City Council, but with such changes, modifications, additions or deletions therein as shall to the Authorized Officers seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the approval of the City Council of any and all changes, modifications, additions or deletions therein from the form and content of the Preliminary Official Statement made available to the City Council.

***Section 15.*** The Authorized Officers are authorized and directed to execute and deliver for and on behalf of the City any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the documents contemplated in this Resolution or as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution, including the on-going administration of the Bonds. Any provision in this Resolution that authorizes more than one officer of the City to take certain actions shall be read to permit such officers to take the authorized actions either individually or collectively.

***Section 16***. The City agrees, in accordance with Rule 15c2-12 (the "*Rule*") promulgated by the Securities and Exchange Commission (the "*SEC*") and for the benefit of the Registered Owners and beneficial owners of the Bonds, as follows:

(1) by not later than seven months after the end of each fiscal year to the MSRB in an electronic format as prescribed by the MSRB, the audited financial statements of the City for the preceding fiscal year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or if such audited financial statements are not then available, unaudited financial statements of the City for such fiscal year to be replaced subsequently by audited financial statements of the City to be delivered within 15 days after such audited financial statements become available for distribution;

(2) by not later than seven months after the end of each fiscal year to the MSRB, the financial and statistical data as of a date not earlier

than the end of the preceding fiscal year for the type of information included under the captions **"THE CITY--DEBT INFORMATION"** and **"--TAX INFORMATION"** (excluding information on overlapping units) in the Final Official Statement;

(3) in a timely manner not in excess of 10 business days after the occurrence of the event, to the MSRB, notice of any of the following events with respect to the Bonds:

(a) principal and interest payment delinquencies;

(b) non-payment related defaults, if material;

(c) unscheduled draws on the debt service reserves reflecting financial difficulties;

(d) unscheduled draws on any credit enhancements reflecting financial difficulties;

(e) substitution of any credit or liquidity providers, or their failure to perform;

(f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(g) modification of the rights of the beneficial owners of the Bonds, if material;

(h) call of any of the Bonds, other than mandatory sinking fund redemptions, if any, if material, and tender offers;

(i) defeasance of any of the Bonds;

(j) release, substitution or sale of any property securing repayment of the Bonds, if material;

(k) rating changes;

(l) bankruptcy, insolvency, receivership or similar event of the City;

(m) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such

an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material;

(n) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(o) incurrence of a financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect the beneficial owners of the Bonds, if material; and

(p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City, any of which reflect financial difficulties.

(4) in a timely manner to the MSRB, notice of the failure by the City to provide the required annual financial information described in (1) and (2) above on or before the date specified.

For purposes of this undertaking, "*financial obligation*" means (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either clause (a) or (b) above. The term "*financial obligation*" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

The City agrees that its undertaking under this section is intended to be for the benefit of the beneficial owners of the Bonds and is enforceable by any of the beneficial owners of the Bonds, including an action for specific performance of the City's obligations under this section, but a failure to comply will not be an event of default and will not result in acceleration of the payment of the Bonds. An action must be instituted, had and maintained in the manner provided in this section for the benefit of all of the beneficial owners of the Bonds.

All documents provided to the MSRB as described in this section shall be provided in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB. The City may discharge its undertaking described above by providing such information in a manner the SEC subsequently authorizes in lieu of the manner described above.

The City may modify from time to time, consistent with the Rule, the information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the City, but:

(1) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the City;

(2) the information to be provided, as modified, would have complied with the requirements of the Rule as of the date of each Official Statement, after taking into account any amendments or interpretations of the Rule as well as any changes in circumstances;

(3) any such modification does not materially impair the interest of the beneficial owners of the Bonds, as determined by nationally recognized bond counsel or by the approving vote of the registered owners of a majority in principal amount of the Bonds at the time of the amendment.

Any annual financial information containing modified operating data or financial information will explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this section terminate on payment, or provision having been made for payment in a manner consistent with the Rule, in full of the principal of and interest on the Bonds.

***Section 17***. Those portions of this Resolution other than Section 16 may be amended or supplemented, from time to time, without the consent of the owners of the Bonds if in the opinion of nationally recognized bond counsel, such amendment or supplement would not materially adversely affect the interests of the owners of such Bonds. This Resolution may be amended or supplemented with the consent of the owners of a majority in aggregate principal amount of the Bonds then outstanding, exclusive of such Bonds, if any, owned by the City, but a modification or amendment (1) may not, without the express consent of any owner of affected Bonds, reduce the principal amount of any such Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest, change the monetary medium in which principal and interest is payable, or reduce the percentage of consent required for amendment or modification and (2) as to an amendment to Section 16, must be limited as described therein.

Any act done pursuant to a modification or amendment consented to by the owners of the Bonds is binding on all owners of such Bonds and will not be deemed an infringement of any of the provisions of this Resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent has been given, no owner of such Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the City from taking any action pursuant to a modification or amendment.

If the City proposes an amendment or supplemental resolution to this Resolution requiring the consent of the owners of the Bonds, the registrar of the Bonds shall, on being satisfactorily indemnified with respect to expenses, cause notice of the proposed amendment to be sent to each owner of such Bonds then outstanding by first-class mail,

postage prepaid, to the address of such owner as it appears on the registration books (or by such other means acceptable to the registered owner); but the failure to receive such notice by mailing by any owner, or any defect in the mailing thereof, will not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal office of the registrar of the Bonds for inspection by all owners of such Bonds. If, within 60 days or such longer period as shall be prescribed by the City following the giving of such notice, the owners of a majority in aggregate principal amount of such Bonds then outstanding have consented to the proposed amendment, the amendment will be effective as of the date stated in the notice.

***Section 18***. Nothing in this Resolution precludes (a) the payment of the Bonds from the proceeds of refunding bonds or (b) the payment of the Bonds from any legally available funds.

If the City causes to be paid, or has made provisions to pay, on maturity or on redemption before maturity, to the owners of any of the Bonds the principal of such Bonds (including interest to become due thereon) and, premium, if any, on such Bonds, through setting aside trust funds or setting apart in a reserve fund or special trust account created pursuant to this Resolution or otherwise, or through the irrevocable segregation for that purpose in some sinking fund or other fund or trust account with an escrow agent or otherwise, moneys sufficient therefor, including, but not limited to, interest earned or to be earned on Federal Securities, and then, to the extent permitted by law, such Bonds shall be considered to have been discharged and satisfied, and the principal of such Bonds (including premium, if any, and interest thereon) shall no longer be deemed to be outstanding and unpaid; *provided, however*, that nothing in this Resolution requires the deposit of more than such Federal Securities as may be sufficient, taking into account both the principal amount of such Federal Securities and the interest to become due thereon, to implement any such defeasance.

If such a defeasance occurs and after the City receives an opinion of a nationally recognized verification agent that the segregated moneys or Federal Securities together with interest earnings thereon are sufficient to effect a defeasance with respect to such Bonds, the City shall execute and deliver all such instruments as may be necessary to effect such a defeasance and desirable to evidence such release, discharge and satisfaction. Provisions shall be made by the City, for the mailing of a notice to the owners of such Bonds that such moneys are so available for such payment.

***Section 19.*** All acts and doings of any officer of the City that are in conformity with the purposes and intents of this Resolution and in the furtherance of the issuance of the Bonds are in all respects approved and confirmed.

***Section 20.*** If any one or more of the agreements or provisions herein contained is 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 for any reason whatsoever is held invalid, then such covenants, agreements or provisions are null and void and separable from the remaining agreements and provisions and will in no way affect the

validity of any of the other agreements and provisions hereof or of the Bonds authorized hereunder.

***Section 21.*** All resolutions or parts thereof of the City Council in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

***Section 22.*** This Bond Resolution is effective on its adoption.

*PASSED, ADOPTED AND APPROVED* this 25th day of August, 2025.

**APPENDIX A**

No. RA- $

**UNITED STATES OF AMERICA**
**STATE OF NORTH CAROLINA**
**CITY OF CHARLOTTE**

| INTEREST RATE | MATURITY DATE | DATED DATE | CUSIP |
|---|---|---|---|

**REGISTERED OWNER: CEDE & CO.**

**PRINCIPAL SUM: DOLLARS**

**TAXABLE GENERAL OBLIGATION HOUSING BOND, SERIES 2025A**

*THE CITY OF CHARLOTTE, NORTH CAROLINA* (the "*City*") acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, on the Maturity Date specified above, upon surrender hereof, the Principal Sum shown above and to pay to the Registered Owner hereof interest thereon from the date of this Bond until it shall mature at the Interest Rate per annum specified above, payable on January 1, 2026 and semiannually thereafter on July 1 and January 1 of each year. Principal of and interest on this Bond are payable in immediately available funds to The Depository Trust Company ("*DTC*") or its nominee as registered owner of the Bonds and is payable to the owner of the Bonds shown on the records of DTC at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The City is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

This Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Finance Act, a bond resolution adopted by the City Council of the City on August 25, 2025 (the "*Bond Resolution*") and the following bond orders: (1) the Bond Order authorizing the City to issue general obligation bonds to finance housing projects adopted on July 11, 2022 and approved by a majority of voters at a referendum held on November 8, 2022 and (2) the Bond Order authorizing the City to issue general obligation bonds to finance housing projects adopted on June 24, 2024 and approved by a majority of voters at a referendum held on November 5, 2024 (collectively, the "*Bond Orders*"). The Bonds will initially be issued by means of a book-entry system as described in the Bond Resolution. Capitalized terms used herein and not otherwise defined have the meaning set forth in the Bond Resolution.

The Bonds are issued to pay capital costs of housing projects in accordance with the Bond Orders and to pay the costs of issuing the Bonds.

The Bonds maturing on or before July 1, 2035 will not be subject to redemption prior to maturity. The Bonds maturing on and after July 1, 2036 will be subject to redemption prior to maturity, at the option of the City, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after July 1, 2035, at the redemption price of the principal amount of Bonds to be so redeemed, plus accrued interest to the redemption date. Provisions related to the procedures for the redemption of the Bonds are set forth in the Bond Resolution.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, and that the amount of this Bond, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution or statutes.

The faith and credit of the City are hereby pledged to the punctual payment of the principal of and interest on this Bond in accordance with its terms.

This Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

*IN WITNESS WHEREOF*, the City has caused this Bond to bear the original or facsimile of the signatures of the Mayor and the City Clerk and an original or facsimile of the seal of the City to be imprinted hereon and this Bond to be dated as of the Dated Date above.

(SEAL)

_____ _____

City Clerk Mayor

Date of Execution: _____, 2025

The issue hereof has been approved under the provisions of The Local Government Bond Act.

_____

Deputy Secretary of the Local Government Commission

**FORM OF ASSIGNMENT**

**ASSIGNMENT**

*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: _____
Signature guaranteed by:

| | |
|---|---|
| *NOTICE:* Signature must be guaranteed by a Participant in the Securities Transfer Agent Medallion Program ("*Stamp*") or similar program. | *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. |

**TRANSFER FEE MAY BE REQUIRED**