
BOND PURCHASE AGREEMENT

by and among

KENNESAW DEVELOPMENT AUTHORITY,

WALTON RIDENOUR 2, L.P.,
a Georgia limited partnership

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
a national banking association

Dated August __, 2021

Relating to:

[\$7,600,000]
Kennesaw Development Authority
Multifamily Housing Revenue Bonds
(Walton Ridenour Apartments Project)
Series 2021B

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BOND PURCHASE AGREEMENT

WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, solely in its capacity as purchaser of the Bonds described herein (together with its designees, successors and assigns, the “Purchaser”), hereby offers to enter into the following agreement with **KENNESAW DEVELOPMENT AUTHORITY**, a public body corporate and politic of the State of Georgia (together with its successors and assigns, the “Issuer”), and **WALTON RIDENOUR 2, L.P.**, a Georgia limited partnership (together with its permitted successors and assigns, the “Borrower”). Upon your acceptance of this offer and your execution and delivery of this Bond Purchase Agreement (this “Bond Purchase Agreement”), this Bond Purchase Agreement will be binding upon each of you and the Purchaser. This offer is made subject to your acceptance, evidenced by your execution and delivery of this Bond Purchase Agreement to the Purchaser, at or prior to 10:00 a.m. Eastern Standard Time on August __, 2021, and will expire if not so accepted at or prior to such time (or such later time as the Purchaser may agree in writing).

Section 1. Introduction.

1.1 The Issuer is authorized to issue the Bonds pursuant to the provisions of the Development Authorities Law of the State of Georgia (O.C.G.A. Section 36-62-1 et seq.), as amended and the Revenue Bond Law of the State of Georgia (O.C.G.A. Section 36-82-60 et seq.), as amended (collectively, the “Act”) and pursuant to the Resolution. The Bonds shall be issued on a draw-down basis and shall be as described in and shall be issued pursuant to a Financing Agreement, dated as of August 1, 2021 (the “Financing Agreement”), by and between the Issuer, the Borrower, the Purchaser and Regions Bank, as bond registrar (the “Registrar”), pursuant to which the Issuer will use the proceeds of the Bonds to make a loan to the Borrower (the “Series 2021B Loan”) to finance a portion of the acquisition, construction, and equipping of an approximately 261-unit multifamily rental housing project in Kennesaw, Cobb County, Georgia to be known as Walton Ridenour Apartments Project. The Series 2021B Loan will be secured as described in further detail in the Financing Agreement.

1.2 Capitalized terms used in this Bond Purchase Agreement and not defined herein shall have the meanings assigned to them in the Financing Agreement.

Section 2. Purchase and Sale.

2.1 Subject to the terms and conditions set forth in this Bond Purchase Agreement, the Purchaser hereby agrees to purchase, or to cause its designee to purchase, on a draw-down basis (as described in the Financing Agreement) all (but not less than all) of the Bonds from the Issuer and the Issuer hereby agrees to sell to the Purchaser or to the Purchaser’s designee, when, as and if issued, all (but not less than all) of the Bonds identified in the Financing Agreement for a total purchase price of \$[7,600,000], which is equal to the principal amount of the Bonds set forth in the Financing Agreement.

2.2 The Bonds will (i) be issued in accordance with the Issuer’s enabling legislation and all applicable procedural and substantive requirements and the Financing Agreement and (ii) have the payment-related terms (that is, the dated date, Maturity Date, interest rates, interest payment dates, aggregate principal amount and redemption provisions) set forth in the Financing Agreement, and will otherwise correspond to the description thereof contained in the Financing Agreement.

Section 3. Closing. The closing of the Bonds (the “Closing”) will take place at 10:00 a.m. Eastern Standard Time on August __, 2021, or at such other time or on such other date as may be mutually agreed upon by the parties hereto. At or prior to the Closing, the Issuer will direct the Registrar to deliver the Bonds to or upon the order of the Purchaser or its designee, in definitive form, duly executed and authenticated by the Registrar. If the Purchaser receives the Bonds in advance of the Closing, the Purchaser

will hold the Bonds in escrow pending Closing. If Closing does not occur, the Purchaser will return the Bonds to the Registrar. Subject to the terms and conditions hereof, the Issuer will deliver or cause to be delivered at the offices of Holland & Knight LLP, 1180 West Peachtree Street, NW, Suite 1800, Atlanta, Georgia, 30309 (the “Place of Closing”), the other documents and instruments to be delivered pursuant to this Bond Purchase Agreement (the “Closing Documents”) and the Purchaser will accept delivery of the Bonds and Closing Documents and pay the purchase price for the amount of Bonds drawn-down from time to time as set forth in Section 2.1 hereof by wire transfer, to the Registrar, in immediately available federal funds, for the account of the Issuer or as the Issuer directs. The Bonds will be made available to the Purchaser at least one (1) Business Day before the Closing for purposes of inspection. The Bonds will be prepared and delivered as fully registered Bonds without coupons in the denominations set forth in the Financing Agreement.

Section 4. Representations and Warranties of Issuer.

4.1 The Issuer hereby makes the following representations and warranties to the Purchaser and the Borrower as of the date hereof and as of the date of the advance by the Purchaser of each subsequent installment of Bond proceeds:

(a) The Issuer is a public body corporate and politic of the State of Georgia (the “State”) and is authorized to execute and deliver this Bond Purchase Agreement and the Issuer Documents and to issue, sell and deliver the Bonds pursuant to the laws of the State, including particularly the Act.

(b) The Issuer has, and as of the Closing Date will have, all necessary power and authority to (i) execute and deliver the Resolution and the Issuer Documents, (ii) issue the Bonds in the manner contemplated by the Resolution, this Bond Purchase Agreement and the Financing Agreement, and (iii) otherwise consummate the transactions contemplated by the Issuer Documents.

(c) The Issuer has all necessary power and authority to issue the Bonds and the Bonds will be issued in accordance with the Issuer’s enabling legislation and all applicable procedural and substantive requirements.

(d) The Issuer has duly adopted the Resolution at a meeting duly called and held in accordance with applicable law and procedures of the Issuer, and since that time the Resolution has not been rescinded, amended or modified.

(e) By official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized the (i) execution and delivery of the Bonds and the Issuer Documents, (ii) performance by the Issuer of the obligations contained in the Bonds and in the Issuer Documents, and (iii) consummation by the Issuer of all of the transactions contemplated by the Issuer Documents.

(f) Assuming the valid authorization, execution and delivery of this Bond Purchase Agreement and the Issuer Documents by the other parties thereto and the authentication of the Bonds by the Registrar, this Bond Purchase Agreement is, and the Bonds and the other Issuer Documents will be, the legal, valid and binding obligations of the Issuer, enforceable in accordance with their respective terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors’ rights generally, or by the exercise of judicial discretion in accordance with general principles of equity, and will be entitled to the benefit and security of the Resolution and the Financing Agreement.

(g) All consents, approvals, orders or authorizations of, notices to, or filings, registrations or declarations with any court or governmental authority, board, agency, commission or body having jurisdiction which are required by or on behalf of the Issuer for the execution and delivery by the Issuer of the Issuer Documents or the Bonds, or the consummation by the Issuer of the transactions on its part contemplated hereby or thereby, have been obtained or will be obtained prior to Closing, except for the filing of the IRS Form 8038 (which will be filed after Closing).

(h) The execution and delivery by the Issuer of the Bonds and the Issuer Documents, and the consummation by the Issuer of the transactions on its part contemplated hereby are not prohibited by, do not violate any provision of, and will not result in the breach of or default under (i) the Act, any applicable laws of the State, (ii) any Organizational Documents of the Issuer, (iii) any applicable law, rule, regulation, judgment, decree, order or other requirement applicable to the Issuer, or (iv) any contract, indenture, agreement, mortgage, lease, note, commitment or other obligation or instrument to which the Issuer is a party or by which the Issuer or its properties is bound.

(i) There is no legal action, suit, proceeding, investigation or inquiry at law or in equity, before or by any court, agency, arbitrator, public board or body or other entity or person, pending or, to the best knowledge of the Issuer, threatened against or affecting the Issuer or its officials, in their respective capacities as such, or, to the best knowledge of the Issuer, any basis therefor, (i) which would restrain or enjoin the issuance or delivery of the Bonds or the collection of revenues pledged under the Financing Agreement, (ii) which would in any way contest or affect the organization or existence of the Issuer or the entitlement of any officers of the Issuer to their respective offices or (iii) which may reasonably be expected to contest or have a material and adverse effect upon (A) the due performance by the Issuer of this Bond Purchase Agreement or the Issuer Documents or the transactions contemplated hereby or thereby, (B) the validity or enforceability of the Bonds, the Resolution, this Bond Purchase Agreement, the Issuer Documents or any other agreement or instrument to which the Issuer is a party and that is used or contemplated for use in the consummation of the transactions contemplated hereby and thereby, (C) the exclusion from gross income for federal income tax purposes of the interest on the Bonds or (D) the use of the proceeds of the Bonds to make the Series 2021B Loan. The Issuer is not subject to any judgment, decree or order entered in any lawsuit or proceeding brought against it that would have such an effect.

(j) When delivered to the Purchaser against payment therefor in accordance with the provisions of this Bond Purchase Agreement, the Bonds will be duly authorized, executed, issued, and delivered and will constitute the Issuer's legal, valid and binding special, limited obligations, enforceable in accordance with their terms (except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity), and will be entitled to the benefit and security of the Resolution and the Financing Agreement.

(k) Other than the Issuer Documents, the Issuer has not entered into any contract or arrangement that might give rise to any lien or encumbrance on the revenues or other assets, properties, funds or interests pledged pursuant to the Financing Agreement. The Issuer, when acting as a conduit issuer, issues bonds and notes as limited obligations payable solely from the revenues derived from the facilities financed by such issues. Some bonds issued by the Issuer may have been in default, but the facilities financed and the revenues derived from such facilities pursuant to any defaulted bond issues are separate and distinct from the transactions contemplated by the Issuer Documents.

(l) The Issuer has not taken or omitted to take on or prior to the date hereof any action that would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(m) On the Closing Date, each of the representations and warranties of the Issuer contained herein and in the Issuer Documents and all other documents executed by the Issuer in connection with the Bonds shall be true, correct and complete.

(n) The issuance of the Bonds and the use of Bond proceeds in the manner described in the Resolution and the Issuer Documents do not constitute a loan of money in a manner prohibited by Constitution of the State.

(o) The Issuer has not, and as of the Closing Date shall not have, failed to pay principal and interest, when due, on any of its outstanding obligations.

4.2 Each of the representations and warranties set forth in this section will continue in effect and survive until the Maturity Date of the Bonds or the earlier redemption in full thereof.

4.3 Any certificate signed by any official of the Issuer and delivered to the Borrower or the Purchaser in connection with the delivery of the Bonds will be deemed to be a representation and warranty by the Issuer to the Borrower or the Purchaser, as appropriate, as to the statements made therein.

Section 5. Representations and Warranties of Borrower.

5.1 The Borrower makes the following representations and warranties to the Issuer and the Purchaser as of the date hereof and as of the date of the advance by the Purchaser of each subsequent installment of Bond proceeds:

(a) The Borrower is, and at all times will be, a limited partnership, duly organized, validly existing and in good standing under the laws of the State and duly qualified, authorized and licensed under the laws of the State to transact business as a limited partnership for the purpose of owning and operating a multifamily housing facility in the State. Walton Ridenour 2 GP, LLC, a Georgia limited liability company (the "General Partner"), is, and at all times will be organized and existing under the laws of the State and is duly qualified, authorized and licensed under the laws of the State, to the extent required by applicable law.

(b) The Borrower has, and on the Closing Date will have, full legal right, power and authority (i) to execute and deliver the Loan Documents and (ii) to consummate the transactions contemplated by this Bond Purchase Agreement and the Loan Documents. The General Partner has, and on the Closing Date will have, full legal right, power and authority to execute and deliver this Bond Purchase Agreement and the other Loan Documents on behalf of the Borrower.

(c) Prior to the acceptance hereof, the Borrower has duly authorized the execution and delivery of this Bond Purchase Agreement and the performance by the Borrower of the obligations contained herein and prior to the Closing Date the Borrower will have duly authorized the (i) execution and delivery of the Loan Documents, (ii) performance by the Borrower of the obligations contained in the Loan Documents, and (iii) consummation by the Borrower of all transactions contemplated by the Loan Documents.

(d) All consents, approvals, authorizations or orders of, notices to, or filings, registrations or declarations with, any court or governmental authority, board, agency, commission

or body having jurisdiction which are required on behalf of the Borrower or for the execution and delivery by the Borrower of this Bond Purchase Agreement and the other Loan Documents or the consummation by the Borrower of the transactions contemplated hereby or thereby have been obtained or will be obtained prior to the Closing Date.

(e) The Borrower has (i) not taken or (ii) omitted to take, on or prior to the date hereof, any action that would adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(f) There is no legal action, suit, proceeding, or to the Borrower's knowledge inquiry or investigation, at law or in equity (before or by any court, agency, arbitrator, public board or body or other entity or person) pending or to the Borrower's knowledge threatened against or affecting the Borrower or the General Partner or, to the knowledge of the Borrower, any basis therefor (i) in any way affecting the organization and existence of the Borrower, (ii) contesting or materially affecting the validity or enforceability of this Bond Purchase Agreement or the other Loan Documents, (iii) contesting the powers of the Borrower or its authority with respect to the Loan Documents, (iv) contesting the authority of the General Partner to act on behalf of the Borrower, (v) wherein an unfavorable decision, ruling or finding would have a material adverse effect on (A) the operations of the Borrower, (B) the due performance by the Borrower of the Loan Documents as of the Closing Date, (C) the validity or enforceability of any of the Loan Documents, or (D) the transactions contemplated hereby or by any Loan Document or (vi) in any way contesting the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(g) This Bond Purchase Agreement is, and, when executed and delivered by the Borrower and the other parties thereto, the Loan Documents will be, the legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their respective terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

(h) The execution and delivery by the Borrower of this Bond Purchase Agreement and the Loan Documents and the consummation by the Borrower of the transactions contemplated hereby and thereby are not prohibited by, do not violate any provision of, and will not result in a breach of or default under (i) the Partnership Agreement of the Borrower, (ii) any applicable law, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental body or other requirement to which the Borrower is subject, or (iii) any contract, indenture, agreement, mortgage, lease, note, commitment or other obligation or instrument to which the Borrower is a party or by which the Borrower or its properties is bound.

5.2 Each of the representations and warranties set forth in this Section will continue in effect and survive until the Maturity Date of the Bonds or the earlier redemption in full thereof.

5.3 Any certificate signed by the Borrower or the General Partner and delivered to the Purchaser and/or the Issuer shall be deemed a representation and warranty by the Borrower to the Purchaser and/or the Issuer as to the statements made therein.

Section 6. Covenants.

6.1 The Issuer hereby makes the following covenants with the Purchaser as of the date hereof and as of the date of the advance by the Purchaser of each subsequent installment of Bond proceeds:

(a) The Issuer will not amend, terminate or rescind, and will not agree to any amendment, termination or rescission of the Resolution or the Issuer Documents without prior written notice to the Purchaser.

(b) The Issuer will not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the revenues, assets, properties, funds or interests which will be pledged pursuant to the Financing Agreement and the other Issuer Documents.

(c) The Issuer will cause the Bonds to be delivered to the address and at the time specified by the Purchaser in conjunction with the Closing.

(d) The Issuer will not take or omit to take any action which will in any way cause the proceeds of the Bonds to be applied in a manner other than as provided in the Financing Agreement or which would cause the interest on the Bonds to be includable in the gross income of the holders thereof for federal income tax purposes.

(e) Prior to the Closing, the Issuer will obtain all governmental consents, approvals, orders or authorizations of any governmental authority or agency that would constitute a condition precedent to the performance by it of obligations under the Resolution, this Bond Purchase Agreement, the other Issuer Documents and the Bonds.

6.2 The Borrower hereby makes the following covenants with the Issuer and the Purchaser as of the date hereof and as of the date of the advance by the Purchaser of each subsequent installment of Bond proceeds:

(a) The Borrower will not take or omit to take any action which will in any way cause the proceeds of the Bonds to be applied in a manner other than as provided in the Financing Agreement or which would cause the interest on the Bonds to be includable in the gross income of the holders thereof for federal income tax purposes.

(b) Prior to the Closing, the Borrower will obtain all governmental consents, approvals, orders or authorizations of any governmental authority or agency that would constitute a condition precedent to the performance by it of its obligations under the Loan Documents. After the Closing, the Borrower will use its best efforts to obtain all governmental consents, approvals, orders or authorizations of any governmental authority or agency would constitute a condition precedent to the performance by it of its obligations under the Loan Documents.

(c) The Borrower will not voluntarily undertake any course of action inconsistent with the requirements applicable to it, as set forth in the Loan Documents.

6.3 Each of the Covenants set forth in this Section will continue in effect and survive until the Maturity Date of the Bonds or the earlier redemption in full thereof.

Section 7. Conditions of Closing.

7.1 The Purchaser has entered into this Bond Purchase Agreement in reliance upon representations, covenants and agreements of the Issuer and the Borrower contained herein, in reliance upon the representations, covenants and agreements to be contained in the documents and instruments to be delivered at Closing and upon the performance by the Issuer and the Borrower of their obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Purchaser's obligations under this Bond Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds will be

subject to the performance by the Issuer and the Borrower of their respective obligations to be performed by them hereunder at or prior to the Closing, and to the accuracy in all material respects of the representations, covenants and agreements of the Issuer and of the Borrower contained herein as of the date hereof and as of the Closing as if made on the Closing Date, and will also be subject to the following additional conditions:

(a) The Purchaser shall not have discovered any material error, misstatement or omission in the representations and warranties made by either of the Issuer or the Borrower in this Bond Purchase Agreement, which representations and warranties will be deemed to have been made again at and as of the time of the Closing and will then be true in all material respects.

(b) The Borrower and the Issuer shall have each performed and complied with all agreements and conditions required by this Bond Purchase Agreement to be performed or complied with by them at or prior to Closing.

(c) This Bond Purchase Agreement, the other Issuer Documents and the Loan Documents each shall have been executed and delivered by each of the parties thereto, shall be in full force and effect on and as of the Closing Date and shall be in form and substance satisfactory to the Purchaser and no event of default shall exist under any such documents.

7.2 In addition to the conditions set forth in Section 7.1, the obligations of the Purchaser to consummate at Closing the transactions contemplated hereby are subject to receipt by the Purchaser of the following items:

(a) An approving opinion of Bond Counsel, dated the Closing Date and addressed to or with a reliance letter to the Purchaser, substantially in the form set forth in *Exhibit A* hereto;

(b) An opinion of Issuer's Counsel (addressed to the Purchaser and the Registrar) or certificate of the Issuer, satisfactory in form and substance to the Purchaser, dated the Closing Date and covering the points identified in *Exhibit B* hereto;

(c) An opinion or opinions of Counsel to the Borrower, the General Partner and the Guarantor, addressed to the Issuer and the Purchaser dated the Closing Date and in a form that is acceptable to the Issuer and the Purchaser in their reasonable discretion;

(d) A certificate of the Borrower, dated the Closing Date, in form and substance satisfactory to the Purchaser and Bond Counsel, respecting certain tax matters as may be reasonably required by Bond Counsel to enable it to give its opinion;

(e) A Registrar's certificate addressed to the Purchaser, covering the points identified in *Exhibit C*;

(f) A properly completed and executed IRS Form 8038;

(g) A certified copy of the Resolution and an executed original of each of the Issuer Documents and the Loan Documents; and

(h) Such additional financing statements, legal opinions, certificates and other documents as the Purchaser or Bond Counsel may reasonably deem necessary to evidence the truth and accuracy as of the Closing Date of the respective representations and warranties herein contained and to evidence compliance by the Issuer and the Borrower with this Bond Purchase

Agreement and all applicable legal requirements, and the due performance and satisfaction by either of you at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by you.

7.3 If any of the conditions set forth in Sections 7.1 or 7.2 have not been met on the Closing Date, the Purchaser may, at its sole option, terminate this Bond Purchase Agreement or proceed to Closing upon waiving any rights under this Bond Purchase Agreement with respect to any such condition. If this Bond Purchase Agreement is terminated pursuant to this Section, no party will have any rights or obligations to any other party, except as provided in Section 10 hereof.

Section 8. Actions and Events at Closing. The following events will take place at Closing:

(a) The Issuer will deliver the Bonds to the Purchaser or its designee, at the Place of Closing. The Bonds so delivered will be in the form required by the Financing Agreement, duly executed on behalf of the Issuer and authenticated by the Registrar, and will be fully registered in the names requested by the Purchaser or its designee.

(b) The Borrower will deliver or cause to be delivered to the Purchaser at the Place of Closing, or at such other place or places as the parties hereto may mutually agree upon, the materials described in Section 7.2.

(c) The Purchaser or its designee will deliver to the Registrar, for the account of the Issuer or as the Issuer directs, an amount equal to the purchase price of the initial advance of the Bonds as set forth in the Financing Agreement by wire transfer to the Registrar, in immediately available federal funds.

Section 9. Termination of Agreement. The Purchaser may terminate this Bond Purchase Agreement, without liability therefor, by notifying you at any time prior to the Closing if:

(a) Any legislation is introduced in, or enacted by, the United States Congress, or shall have been reported out of committee or be pending in committee, or any decision is rendered by any court of competent jurisdiction, or any ruling or regulation, temporary regulation, release or announcement shall have been issued or proposed by the Treasury Department of the United States, the Internal Revenue Service, or any other agency of the government of the United States that, in the reasonable judgment of the Purchaser, has the purpose or effect of subjecting interest on the Bonds to inclusion in gross income for purposes of federal income taxation; or

(b) Any legislation is introduced in, or enacted by the United States Congress or any action is taken by, or on behalf of, the Securities and Exchange Commission, that, in the opinion of Counsel to the Purchaser has the effect of requiring (i) the contemplated purchase of the Bonds, or the Financing Agreement or the Financing Agreement to be registered under the Securities Act of 1933, as amended (the "1933 Act") or the Financing Agreement to be qualified under the Trust Financing Agreement Act of 1939, as amended (the "1939 Act"), or (ii) any governmental consents, approvals, orders or authorizations for the consummation of the transactions contemplated by this Bond Purchase Agreement, the Issuer Documents or the Loan Documents which cannot, without undue expense, be obtained prior to the Closing Date.

(c) In the judgment of the Purchaser it becomes impracticable to purchase the Bonds because (A) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; (B) a general banking moratorium shall have been established by federal, New

York or State authorities; or (C) a war involving the United States of America shall have been declared, or any other national or international calamity shall have occurred or escalation of such national or international calamity, or any conflict involving the armed forces of the United States of America shall have escalated to such a magnitude as to materially affect the ability of the Purchaser to purchase the Bonds; or

(d) Any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance or sale of the Bonds or in any way contesting any authority or security for or the validity of the Bonds, or the existence or powers of the Issuer; or

(e) Legislation shall have been introduced in or enacted by the legislature of the State that would, in the reasonable judgment of the Purchaser, adversely affect the security for the Bonds; or

(f) There shall have occurred any change that, in the reasonable judgment of the Purchaser, makes unreasonable or unreliable any of the assumptions upon which (i) the yield on the Bonds for purposes of compliance with the Code, (ii) payment of debt service on the Bonds, or (iii) the basis for the exclusion from gross income for federal income tax purposes of interest on the Bonds, is predicated; or

(g) There shall have occurred any outbreak or material escalation of hostilities or other calamity or crisis, the effect of which on the financial markets of the United States is such as to make it, in the reasonable opinion of the Purchaser, impractical to enforce commitments for the purchase of the Bonds; or

(h) The Issuer shall fail to execute and deliver or to obtain one or more filings, consents, approvals, authorizations, registrations or other action requested by the Purchaser to be obtained or taken by the Issuer and such failure is based upon the Issuer's conclusion that such action is unduly burdensome and the Purchaser shall reasonably conclude that, as a result of the Issuer's failure to so execute and deliver or to obtain what has been requested by the Purchaser, the purchase of the Bonds will be materially adversely affected.

Section 10. Fees and Expenses; Costs of Issuance. All costs, fees and expenses incident to the performance of the Issuer's, the Purchaser's, the Registrar's and the Borrower's obligations in connection with the issuance and purchase of the Bonds, including the reasonable expenses of counsel, shall be paid by the Borrower to the Registrar by wire transfer of immediately available funds on the Closing Date. The Borrower's obligation to remit fees and expenses described in this Section 10 shall survive termination of this Bond Purchase Agreement pursuant to Section 7.3 hereto.

Section 11. Indemnification by Borrower.

(a) The Borrower agrees to pay, defend, protect, indemnify, save and hold harmless the Issuer, the Purchaser and each affiliate, member, officer, director, official, employee and agent of the Issuer and the Purchaser and each person, if any, who controls any of the foregoing within the meaning of Section 15 of the 1933 Act, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended (the "1934 Act"), (referred to herein as an "Indemnified Party" and collectively as the "Indemnified Parties"), against any and all liabilities, losses, damages, costs, expenses (including reasonable attorneys' fees), causes of action (whether in contract, tort or otherwise), suits, claims, demands and judgments of any kind, character and nature (collectively referred to herein as the "Liabilities") caused by or directly or indirectly arising from or in any way relating to the Loan Documents or any transaction or agreement, written or oral, pertaining to the

foregoing; provided, however, that the Borrower shall not be required to indemnify, save or hold harmless an Indemnified Party for losses caused by the gross negligence or the willful misconduct of the Indemnified Party.

(b) The Borrower also agrees to pay, defend, protect, indemnify, save and hold harmless the Purchaser and each affiliate, member, officer, director, official, employee and agent of the Purchaser from and against the Liabilities directly or indirectly arising from or relating to (i) any material errors or omissions of any nature whatsoever contained in any legal proceedings or other official representation or inducement made by the Issuer pertaining to the Bonds and (ii) any fraud or misrepresentations or omissions contained in the proceedings of the Issuer pertaining to the financial condition of the Borrower.

(c) The Indemnified Party shall, in the event of any claim, suit, action or proceeding against it with respect to which indemnity may be sought on account of any indemnity agreement by the Borrower contained herein, promptly give written notice thereof to the Borrower. When such notice is given, the Borrower shall be entitled to participate, at its own expense, in the defense of, or if it so elects, to assume the defense of, such claim, suit, action or proceeding, in which event such defense shall be conducted by counsel chosen by the Borrower, provided that each Indemnified Party shall have the right to review and approve or disapprove any compromise or settlement which approval shall not be unreasonably withheld. If the Borrower shall elect not to assume such defense, it shall assume the payment of all expenses related thereto. Notwithstanding the above, each Indemnified Party shall have the right to employ separate counsel in any such action or proceeding and to participate in the investigation and defense thereof. Each and every Indemnified Party shall have the right to compromise, settle or conclude any claim, action or proceeding against it with the written consent of the Borrower, which consent shall not be unreasonably withheld. The foregoing notwithstanding, in the event that the Borrower shall assume such defense and any Indemnified Party or Parties shall be advised by independent legal counsel that counsel selected by the Borrower is not fully and adequately protecting such party or parties and representing the interests of such party or parties and the Borrower has been given written notice thereof and a reasonable opportunity to cure or find other counsel acceptable to the Indemnified Parties, any such Indemnified Party or Parties shall have the right to conduct its own defense against any such claim, suit, action or proceeding in addition to or in lieu of any defense conducted by the Borrower, and the Indemnifying Party shall indemnify and hold harmless such Indemnified Party or Parties against and from any and all suits, claims, damages, liabilities or expenses whatsoever, including reasonable fees and expenses of counsel selected by such Indemnified Party or Parties incurred by and arising out of or in connection with any such claim, suit, action or proceeding.

(d) In order to provide for just and equitable contribution in circumstances in which the indemnity provided for in paragraph (a) or (b) of this Section 11 is for any reason held to be unavailable, the Borrower and the Indemnified Party shall contribute proportionately to the aggregate Liabilities to which the Borrower and the Indemnified Party may be subject, so that the Indemnified Party is responsible for that portion represented by the percentage that the fees paid by the Borrower to the Indemnified Party in connection with the issuance and administration of the Bonds bear to the aggregate offering price of the Bonds, with the Borrower responsible for the balance; provided, however, that in no case shall the Indemnified Party be responsible for any amount in excess of the fees paid by the Borrower to the Indemnified Party in connection with the issuance and administration of the Bonds.

(e) The Indemnified Parties, other than the Issuer and the Purchaser, shall be considered to be third-party beneficiaries of this Bond Purchase Agreement for purposes of this

Section 11. The provisions of this Section 11 will be in addition to all liability which the Borrower may otherwise have and shall survive any termination of this Bond Purchase Agreement, the offering and sale of the Bonds and the payment or provisions for payment of the Bonds.

(f) The indemnification hereunder shall be in addition to, and shall not limit, any indemnity granted by the Borrower pursuant to the Financing Agreement or any other document.

Section 12. Miscellaneous.

12.1 All notices, demands and formal actions hereunder will be writing and mailed, telecopied or delivered to the following address or such other address as any of the parties shall specify:

If to the Purchaser:	Wells Fargo Bank, National Association One Wells Fargo Center 301 S. College St Charlotte, NC 28288 Attention: [REDACTED]
With a copy to:	Kutak Rock LLP 1801 California Street, Suite 3000 Denver, CO 80202-2652 Attention: Micah Halverson Telephone: (303) 292-7856 Email: Micah.Halverson@KutakRock.com
If to the Issuer:	Kennesaw Development Authority 2529 J.O. Stephenson Avenue Kennesaw, GA 30144 Attention: [REDACTED]
If to the Borrower:	Walton Ridenour 2, LP c/o Walton Communities LLC 2281 Akers Mill Road, Building 4100 Atlanta, GA 30339 Attention: Keith A. Davidson
With a copy to:	Arnall Golden Gregory LLP 171 17 th Street, NW, Suite 2100 Atlanta, GA 30363 Attention: Jeff Adams Telephone: (404) 873-7014 Email: jeff.adams@agg.com

12.2 This Bond Purchase Agreement will inure to the benefit of and be binding upon the parties hereto and their permitted successors and assigns and will not confer any rights upon any other person.

12.3 This Bond Purchase Agreement may not be assigned by the Issuer or the Borrower without the prior written consent of the Purchaser. This Bond Purchase Agreement may be assigned by the Purchaser upon written notice of such assignment from the Purchaser to the Issuer and the Borrower. The

Purchaser may designate the entity in whose name the Bonds are to be registered at Closing by providing registration information to the Registrar and Bond Counsel on or prior to the Closing Date.

12.4 This Bond Purchase Agreement may not be amended without the prior written consent of the Issuer, the Borrower and the Purchaser.

12.5 The representations, covenants and agreements of the Issuer and the Borrower will not be deemed to have been discharged, satisfied or otherwise rendered void by reason of the Closing and regardless of (a) any investigations made by or on behalf of the Purchaser (or statements as to the results of such investigations) concerning such representations, covenants and agreements and (b) delivery of and payment for the Bonds.

12.6 This Bond Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered will be an original, but all such counterparts will together constitute but one and the same instrument.

12.7 This Bond Purchase Agreement will become effective and binding upon the respective parties hereto upon the execution and delivery hereof by the parties hereto and will be valid and enforceable as of the time of such execution and delivery.

12.8 If any provision of this Bond Purchase Agreement is held or deemed to be or is, in fact, inoperative, invalid or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision of any constitution, statute, rule of public policy, or any other reason, such circumstances will not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance or of rendering any other provision or provisions of this Bond Purchase Agreement invalid, inoperative or unenforceable to any extent whatever.

12.9 This Bond Purchase Agreement will be governed by and construed in accordance with the laws of the State applicable to agreements to be performed wholly therein.

12.10 Except as provided in Section 11 hereto, the obligations of the Purchaser and Borrower hereunder shall be without recourse to any shareholder, member, partner, trustee, officer, employee, agent or manager of the Purchaser or Borrower and no shareholder, member, partner, trustee, officer, employee, agent or manager of the Purchaser or Borrower shall be personally liable for the payment of any obligation of the Purchaser or Borrower, as applicable, hereunder. In the event any legal actions or proceedings are brought in respect of such obligations, any judgment against the Purchaser or Borrower shall be enforced only against the assets of the Purchaser or Borrower, as applicable, and not against any property of any trustee or manager of the Purchaser or Borrower.

[Remainder of page intentionally left blank]

[Purchaser's Signature Page to Walton Ridenour Apartments Bond Purchase Agreement]

If the foregoing accurately sets forth our mutual understanding concerning the subject matter hereof, kindly indicate your acceptance by executing this Bond Purchase Agreement.

**WELLS FARGO BANK, NATIONAL
ASSOCIATION**

By: _____
[NAME]
[TITLE]

[Signatures continue on next page]

[Issuer's Signature Page to Walton Ridenour Apartments Bond Purchase Agreement]

KENNESAW DEVELOPMENT AUTHORITY,
as Issuer

By: _____
Chairman

[Signatures continue on next page]

[Borrower's Signature Page to Walton Ridenour Apartments Bond Purchase Agreement]

WALTON RIDENOUR 2, L.P.,
a Georgia limited partnership

By: Walton Ridenour 2 GP, LLC,
a Georgia limited liability company,
its General Partner

By: _____
Keith A. Davidson
Co-Manager

EXHIBIT A – FORM OF OPINION OF BOND COUNSEL

[to be provided]

EXHIBIT B – POINTS TO BE COVERED IN OPINION OF COUNSEL TO THE ISSUER

[After appropriate introductory language, the opinion or certificate shall state substantially as follows:]

- (1) The Issuer is a public body corporate and politic of the State of Georgia.
- (2) The Resolution was duly adopted at a meeting of the governing board of the Issuer, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout. The Resolution is in full force and effect and has not been amended, modified or superseded.
- (3) The Issuer Documents have been duly executed and delivered by the Issuer and (assuming due authorization, execution and delivery by and validity against the other parties thereto) are valid and binding agreements of the Issuer.
- (4) To the best of my knowledge, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body has been served upon the Issuer and is pending or is otherwise known to be threatened in any way affecting the existence of the Issuer, or the titles of the Issuer's officials to their respective offices, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds or the application of the proceeds thereof in accordance with the Financing Agreement, or the collection or application of the "revenues" (as described in the Financing Agreement) to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Issuer Documents or any action of the Issuer contemplated by any of said documents, or in any way contesting the powers of the Issuer or its authority with respect to the Issuer Documents or any action on the part of the Issuer contemplated by any of said documents, nor to my knowledge is there any basis therefor.

EXHIBIT C – POINTS TO BE COVERED IN THE CERTIFICATE OF TRUSTEE

[After appropriate introductory language, the opinion shall state substantially as follows:]

(1) The Registrar is an Alabama banking corporation duly organized, validly existing and in good standing under the laws of the United States of America with trust powers.

(2) The Registrar has all requisite corporate and trust power, authority and legal right and has taken all necessary corporate action to: (i) execute and deliver the Financing Agreement and to accept the trusts created under the Financing Agreement and to perform its obligations thereunder (ii) perform the duties and obligations of the Registrar thereunder.

(3) The Registrar has duly authorized, executed and delivered the Registrar Documents. Assuming the due authorization, execution and delivery thereof by the other parties thereto, the Registrar Documents are the legal, valid and binding agreements of the Registrar, enforceable in accordance with their terms against the Registrar.

(4) No authorization, approval, consent, or other order of any governmental agency or regulatory authority having jurisdiction over the Registrar that has not been obtained is required for the authorization, execution and delivery by the Registrar of the Registrar Documents.

(5) There is no litigation pending or, to our knowledge, threatened against the Registrar to restrain the Registrar's participation in, or in any way contesting or affecting the creation, organization or existence of the Registrar or the power of the Registrar with respect to the transactions contemplated by the Registrar Documents.

(6) The execution and delivery of the Registrar Documents by the Registrar, and compliance with the provisions thereof will not contravene the articles of association or bylaws of the Registrar or any law or regulation governing the banking and trust powers of the Registrar or, to our knowledge, any indenture, mortgage, deed of trust, resolution, note agreement or other agreement or instrument to which the Registrar is a party or by which the Registrar is bound.