

## NOTICE OF PUBLIC HEARING

On April 1, 2015, the County of Buncombe, North Carolina (the “County”) executed and delivered an Installment Financing Contract (the “2015 Contract”) in order to (a) pay the capital costs of (1) the construction of an addition to the County’s Health & Human Services Campus, including a parking deck adjacent to the addition (the “HHS Facilities”), (2) the construction of Enka Intermediate School in Candler (the “Enka Intermediate School”); (3) the construction of a new indoor firearms training facility (the “Firearms Training Facility”); (4) the construction of a new swimming pool in Woodfin (the “Woodfin Pool”); (5) the renovation of the Sheriff Detention Center (the “Sheriff Facility”); (6) the relocation of the evidence room to 339 New Leicester Highway (the “Evidence Room Facility”); (7) the renovation of the facility housing the Permits and Inspections Department (the “Permits and Inspection Facility”); and (8) acquisition of certain election systems and software and other capital equipment (the “Equipment” and collectively with the HHS Facilities, the School Facility, the Firearms Training Facility, the Woodfin Pool, the Sheriff Facility, the Evidence Room Facility, the Permits and Inspection Facility and the Equipment, the “2015 Project”); and (b) refinance a portion of the County’s installment payment obligations under (1) an Installment Financing Contract dated as of December 1, 2003 (as amended, the “2003 Contract”), as amended by Amendment Number One to the 2003 Contract dated as of January 1, 2005 and Amendment Number Two to the 2003 Contract dated as of August 1, 2007, each with the Buncombe Financing Corporation (the “Corporation”), (2) an Installment Financing Contract dated as of March 1, 2006 (the “2006 Contract”) with the Corporation, (3) an Installment Financing Contract dated as of November 15, 2009 (the “2009 Contract,” and together with the 2003 Contract, the 2006 Contract, the “Prior Contracts”) with the Corporation and (4) the County’s General Obligation Public Improvement Bonds, Series 2005A (the “Prior Bonds”), all so as to reduce the County’s payment obligations with respect to the 2003 Contract, the 2006 Contract, the 2009 Contract and the 2005A Bonds and, in connection therewith, provided a security interest in the sites of the HHS Facilities and the Enka Intermediate School through a Deed of Trust, Security Agreement and Fixture Filing dated as of April 1, 2015 (the “2015 Deed of Trust”) from the County to the deed of trust trustee named therein.

At its February 6, 2018 meeting, the Board of Commissioners (the “Board of Commissioners”) of the County will consider a resolution which will:

1. Authorize the County to proceed to (1) pay the capital costs of (a) improvements to Asheville High School, Ira B. Jones Elementary School, and Montford North Star Academy and other school facilities located within the County and (b) improvements to and construction of an addition at Community High School (collectively, the “2018 Project”), pursuant to Amendment Number One to the 2015 Contract to be dated on or about March 15, 2018 (the “First Amendment,” and together with the 2015 Contract, the “Contract”) in a principal amount of not to exceed \$75,000,000, under which the County will make certain installment payments, in order to make the 2018 Projects available to the County;
2. Authorize the County to proceed to provide, as grantor, a Notice of Extension (together with the 2015 Deed of Trust, the “Deed of Trust”) to the 2015 Deed of Trust to create a lien and security interest on the sites of Asheville High School and Montford North Star Academy (together with the HHS Facilities and Enka Intermediate School, the “Mortgaged Property”) and any improvements thereon as may be required for the benefit of the entity, or its assigns, providing the funds to the County under the First Amendment.

Asheville High School is located at 419 McDowell St, Asheville, North Carolina 28803. Montford North Star Academy is located at 90 Montford Ave., Asheville, North Carolina 28801.

On payment by the County of all installment payments due under the Contract, any lien created by the Deed of Trust will terminate and the County's title to the Mortgaged Property will be unencumbered.

*NOTICE IS HEREBY GIVEN*, pursuant to Sections 160A-20 of the General Statutes of North Carolina, that on February 6, 2018 at 5:00 p.m. in the Commissioners' Chambers, 200 College St, Asheville, North Carolina, a public hearing will be conducted concerning the First Amendment, the proposed 2018 Projects and any other transactions contemplated therein and associated therewith. All interested parties are invited to present comments at the public hearing regarding the execution and delivery of the First Amendment and the projects to be financed thereby.

/s/ KATHY HUGHES  
Clerk to the Board of Commissioners  
County of Buncombe, North Carolina

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