
Notice of Sale and Bid Form

Notes:

- The Bonds are to be awarded on a True Interest Cost (TIC) basis as described herein.
- No bid for less than all of the Bonds offered or for less than 100% and no more than 115% of the aggregate principal amount of the Bonds will be entertained.

\$15,025,000*
County of Buncombe, North Carolina
Taxable General Obligation Housing Bonds
Series 2024

*Scaled and Electronic Bids Will Be Received Until 11:00 A.M., North Carolina Time,
May 14, 2024*

* Preliminary; subject to change.

NOTICE OF SALE

\$15,025,000*

COUNTY OF BUNCOMBE, NORTH CAROLINA TAXABLE GENERAL OBLIGATION HOUSING BONDS, SERIES 2024

Sealed and electronic bids (as described below) will be received until 11:00 A.M., North Carolina Time, May 14, 2024, by the undersigned at its office at 3200 Atlantic Avenue, Longleaf Building, Raleigh, North Carolina 27604, such bids to be opened in public at said time and place on said day, for the purchase of \$15,025,000* Taxable General Obligation Housing Bonds, Series 2024 (the “Bonds”) of the County of Buncombe, North Carolina (the “County”), dated their date of delivery, and maturing (subject to the right of prior redemption as set forth below) annually, June 1, \$755,000 in 2025 to 2029, inclusive, and \$750,000 in 2030 to 2044, inclusive.* There will be no auction.

Proposals may be delivered by hand, by mail or electronically. Electronic proposals must be submitted via BiDCOMP/PARITY, but no proposal shall be considered which is not actually received by the Local Government Commission (the “Commission”) at the place and on or prior to the date and time specified above for submission of bids. The Commission shall not be responsible for any failure, misdirection or error in the means of transmission selected by any firm submitting a proposal.

The County reserves the right to change, cancel or reschedule, from time to time, the date or time established for the receipt of bids and will undertake to notify registered prospective bidders via notification published on BiDCOMP/PARITY, or by other means as necessary. The County may change the scheduled delivery date for the Bonds by notice given in the same manner as that set forth for a change in the date for the receipt of bids.

To the extent any instructions or directions set forth in BiDCOMP/PARITY conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about BiDCOMP/PARITY, potential purchasers may contact BiDCOMP/PARITY at (212) 849-5021. Each prospective purchaser is solely responsible for making necessary arrangements to access BiDCOMP/PARITY for purposes of submitting its proposal in a timely manner and in compliance with this Notice of Sale. The terms of this Notice of Sale and the sale of the Bonds shall be governed by North Carolina law.

The Commission does not have a registration process for prospective purchasers. Prospective purchasers who intend to submit their proposal by BiDCOMP/PARITY must register and be contracted customers of Ipreo LLC’s BiDCOMP competitive bidding system before the sale. By submitting a bid for the Bonds, the prospective purchaser represents and warrants to the Commission that such proposal is submitted for and on behalf of the prospective purchaser by an officer or agent who is duly authorized to bind the prospective purchaser to a legal, valid and enforceable contract for the purchase of the Bonds. **Neither the Commission nor the County have reviewed or verified the accuracy or completeness of the information contained in BiDCOMP/PARITY and assume no responsibility for the accuracy or completeness of such information.**

The Bonds will be issued as fully registered bonds in a book-entry only system under which The Depository Trust Company (“DTC”) will act as securities depository for the Bonds as fully described in the Preliminary Official Statement relating to the Bonds (the “Preliminary Official Statement”). Purchases and transfers of the Bonds may be made only in authorized denominations of \$5,000 or any whole multiple thereof and in accordance with the practices and procedures of DTC. Interest on the Bonds will be payable on each June 1 and December 1, beginning December 1, 2024, and the principal of the Bonds will be payable at maturity or upon prior redemption to DTC or its nominee, as registered owner of the Bonds. Debt service will be payable to the owners of the Bonds shown on the records of

* Preliminary; subject to change as provided in said Notice of Sale.

the bond registrar on the record date, which shall be the 15th day (whether or not a business day) next preceding such debt service payment date.

The Bonds will be general obligations of the County, for the payment of the principal of and interest on which all the taxable real and tangible personal property within the County will be subject to the levy of an ad valorem tax, without limitation as to rate or amount.

The Bonds maturing on or prior to June 1, 2034 will not be subject to redemption prior to their maturity. The Bonds maturing on June 1, 2035 and thereafter will be subject to redemption prior to their maturity, at the option of the County, from any moneys that may be made available for such purpose, either in whole or in part on any date not earlier than June 1, 2034, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the date fixed for redemption.

Notice of redemption shall be given at the times and in the manner and may be subject to such conditions, and the Bonds to be redeemed shall be selected, all as described in the Preliminary Official Statement.

Bidders are requested to name the interest rate or rates, in multiples of 1/8 or 1/20 of 1%, and each bidder must specify in its bid the amount and the maturities of the Bonds of each rate. Any number of interest rates may be named, provided the difference between the lowest and highest rates named in the bid shall not exceed 3% with a minimum rate of 0.5%. All Bonds maturing on the same date must bear interest at the same rate, and the interest rate on any Bond shall be the same throughout its life. No bid for less than all the Bonds offered or for less than 100% and no more than 115% of the aggregate principal amount of the Bonds will be entertained. The Bonds will be awarded to the bidder offering to purchase the Bonds at the lowest interest cost to the County, such cost to be determined in accordance with the true interest cost (TIC) method by doubling the semiannual interest rate, compounded semiannually, necessary to discount the debt service payments from the interest payment dates to the proposed delivery date (**June 5, 2024**), and equal to the price bid. In the event of more than one bid with the same lowest TIC, the Commission shall select the winning bidder by lot in such manner as the Commission and the County may determine, such determination shall be conclusive.

Bidders may provide in the bid form for all of the bonds to be issued as serial bonds or may designate consecutive annual principal amounts (beginning not earlier than the amount due on June 1, 2035) of the bonds to be combined into not more than two term bonds. In the event that a bidder chooses to specify one or two term bonds, each such term bond shall be subject to mandatory sinking fund redemption commencing on June 1 of the first year which has been combined to form such term bond and continuing on each June 1 thereafter until the stated maturity date of such term bond. The amount to be redeemed in any year shall be equal to the principal amount for such year set forth in the amortization schedule for the bonds set forth above. Term bonds to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at a redemption price equal to 100% of the principal amount of such term bonds to be redeemed and shall be selected by lot from among such term bonds being redeemed.

Bidders may contact Davenport & Company LLC, Charlotte, North Carolina, at 704-644-5414 (Attention: Mitch Brigulio) or 704-390-7270 (Attention: Clay Richards) for more information.

The preliminary aggregate principal amount and the preliminary principal amount of each maturity of the Bonds described above and as set forth in the Bid Form attached hereto are subject to adjustment both before and after the receipt and opening of sealed bids for their purchase. Changes to be made prior to the sale will be published on THOMPSON MUNICIPAL MONITOR ("TM3") (www.tm3.com) NEWS SERVICE not later than 5:00 p.m., North Carolina Time, on the business day prior to the date of sale and will be used to compare bids and select a winning bidder. Bidders must submit bids based on the most recent maturity schedule, if any, published on TM3. In the event the

aggregate principal amount of the Bonds or the principal amount of any maturity of the Bonds as set forth in a bid for the Bonds does not conform with the most recent maturity schedule, the Deputy Secretary of the Local Government Commission will adjust such aggregate principal amount or the principal amount of such maturity on the bid form to conform with the most recent maturity schedule. A bidder may not withdraw its bid as a result of any such change or adjustment.

The aggregate principal amount and the principal amount of each maturity of the Bonds described above and as set forth in the Bid Form attached hereto are subject to adjustment after the receipt and opening of sealed bids for their purchase as described below. The aggregate principal amount of the Bonds may be increased or decreased after the receipt and opening of sealed bids for their purchase in an amount determined by the County in its sole discretion to take into account the amount of the premium bid (if any) and to provide for approximately level principal amortization. In making such changes, the aggregate principal amount of the Bonds will not increase or decrease by more than 15%. The bid price paid by the successful bidder will be adjusted to reflect any adjustments in the principal amount of the Bonds. Such adjusted bid will reflect changes in the dollar amount of the underwriting discount and original issue premium but will not change the underwriting discount percentage based on the bid price in the winning bid and the initial reoffering prices. The interest rate specified by the successful bidder for each maturity at the initial reoffering price will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

As promptly as reasonably practicable after the bids are opened, the Commission will notify the bidder to whom the Bonds will be awarded, if and when such award is made, and within 30 minutes of receipt of such notice, such bidder shall provide to the Commission by electronic mail or facsimile transmission the initial offering prices and yields to the public of each maturity of the Bonds. Such offering prices and yields, among other things, will be used by the County to calculate the final aggregate principal amount of the Bonds and the final principal amount of each maturity of the Bonds. It is anticipated that the final aggregate principal amount of the Bonds and the final principal amount of each maturity of the Bonds will be communicated to the successful bidder by 5:00 p.m., North Carolina Time, on the date of the sale.

Each bid delivered by hand or by mail must be submitted on a form to be furnished with additional information by the undersigned and must be enclosed in a sealed envelope marked "Bid for Bonds (County of Buncombe Taxable General Obligation Housing Bonds, Series 2024)." A good faith deposit (the "Deposit") in the amount of **\$300,500** will be required for each bid. The Deposit may be submitted in the form of an official bank check, a cashier's check or a certified check upon an incorporated bank or trust company payable unconditionally to the order of the State Treasurer of North Carolina accompanying the bid. Alternatively, the successful bidder's Deposit may be in the form of a wire transfer sent by the successful bidder upon initial notification of the award of the Bonds. Award or rejection of bids will be made on the date above stated for receipt of bids, and any checks of unsuccessful bidders will be returned immediately. If the Deposit of the successful bidder is provided by check, the check of the successful bidder will be cashed by the State Treasurer. If the Bonds are awarded to a bidder whose Deposit is by wire transfer, the successful bidder must submit its Deposit to the State Treasurer no later than 2:00 P.M. North Carolina Time on the date of the award of the Bonds, to the bank account instructed to the successful bidder by the Commission during the initial notification of the award. If the Deposit is not received by that time, the Commission will reject its award to the initial successful bidder, and will contact the next lowest bidder and offer said bidder the opportunity to become the successful bidder, on the terms as outlined in said bidder's bid, so long as a wire transfer of the Deposit is submitted by said bidder within two hours of the time offered. The Commission will not award the Bonds to the successful bidder absent receipt of the Deposit prior to awarding the Bonds. The Deposit of the successful bidder will be invested solely for the benefit of the County, and no interest on the Deposit will accrue to the successful bidder. At closing, the principal amount of the Deposit will be applied, without interest, as partial payment for the Bonds. In the event that the successful bidder fails to comply with the terms of its bid, the Deposit and any interest earnings will be retained as and for full liquidated damages. If the County fails to deliver the Bonds,

then the Deposit and any interest earnings will be remitted to the successful bidder as and for full liquidated damages.

The CUSIP Service Bureau will be requested to assign CUSIP identification numbers to the Bonds. Assignment of CUSIP identification numbers is solely within the discretion of the CUSIP Service Bureau, and neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of or pay for the Bonds in accordance with the terms of its bid. All expenses in relation to the printing of CUSIP numbers on the Bonds and the CUSIP Service Bureau charge for the assignment of such numbers shall be paid for by the County.

The Board of Commissioners for the County has adopted a resolution undertaking, for the benefit of the beneficial owners of the Bonds, to provide the information described under the heading "CONTINUING DISCLOSURE" in the Preliminary Official Statement in the manner provided therein.

The Bonds will be delivered on or about **June 5, 2024**, against payment therefor in federal reserve funds, at DTC.

The unqualified approving opinion of Parker Poe Adams & Bernstein LLP, Raleigh, North Carolina, will be furnished without cost to the purchaser. There will also be furnished the usual closing papers.

The right to reject all bids and to waive any irregularities or informalities is reserved.

Copies of the Preliminary Official Statement and the Notice of Sale and Bid Form relating to the Bonds may be obtained from the Local Government Commission, 3200 Atlantic Avenue, Longleaf Building, Raleigh, North Carolina 27604 (919-814-4300).

The Preliminary Official Statement is deemed to be a final official statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain pricing and other information to be made available by the successful bidder to the Commission for inclusion in a final Official Statement for the Bonds (the "Final Official Statement"). By the submission of a bid for the Bonds, the successful bidder contracts for the receipt of up to one hundred (100) copies of the Final Official Statement which will be delivered by the Commission to the successful bidder by May 23, 2024. In order to complete the Final Official Statement, the successful bidder must furnish on behalf of the underwriters of the Bonds the following information to the Commission by facsimile transmission (919-855-5812) or overnight delivery received by the Commission within 24 hours after the receipt of bids for the Bonds:

- a. Initial offering prices (expressed as a price or yield per maturity). The Commission and the County will not accept "not reoffered" (NRO) designations for any maturity of the Bonds for inclusion in the Final Official Statement.
- b. Selling compensation (aggregate total anticipated compensation to the underwriters expressed in dollars).
- c. The identity of the underwriters if the successful bidder is a part of a group or syndicate.
- d. Any other material information necessary for the Final Official Statement but not known to the County or the Commission (such as the bidder's purchase of credit enhancement).

Concurrently with the delivery of the Bonds, the Chair of the Board of Commissioners, the County Manager and the Finance Director of the County will deliver to the purchaser of the Bonds a certificate stating that, to the best of their knowledge, the Preliminary Official Statement did not, as

of its date and as of the sale date, and the Final Official Statement does not, as of the date of delivery of the Bonds, contain an untrue statement of a material fact or omit to state a material fact required to be included therein for the purpose for which the Preliminary Official Statement or the Final Official Statement is to be used or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, provided such certificate shall not include consideration of information supplied by, or which should have been supplied by, the successful bidder for the Bonds for inclusion in the Final Official Statement.

In addition, concurrently with the delivery of the Bonds, the Deputy Secretary of the Commission will deliver to the purchaser of the Bonds a certificate stating that nothing has come to her attention which would lead her to believe that the Preliminary Official Statement, as of its date and as of the sale date, and the Final Official Statement, as of the date of delivery of the Bonds, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact required to be included therein for the purpose for which the Preliminary Official Statement or the Final Official Statement is to be used or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, provided such certificate shall not include consideration of information supplied by, or which should have been supplied by, the successful bidder for the Bonds for inclusion in the Final Official Statement.

**LOCAL GOVERNMENT COMMISSION
Raleigh, North Carolina**

Jennifer Wimmer
Deputy Secretary of the Commission

BID FOR BONDS

_____, 2024

Local Government Commission
3200 Atlantic Avenue
Longleaf Building
Raleigh, North Carolina 27604

Ladies and Gentlemen:

Subject to the provisions and in accordance with the terms set forth in the Notice of Sale and Bid Form relating to the bonds hereinafter mentioned, which provisions and terms are hereby made a part of this bid, we make the following bid for the \$15,025,000* Taxable General Obligation Housing Bonds, Series 2024 of the County of Buncombe, North Carolina, described in said Notice of Sale, this bid being for not less than all of said bonds:

For the \$15,025,000* Taxable General Obligation Housing Bonds, Series 2024 maturing and bearing interest as follows:

<u>Due June 1</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Due June 1</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>
2025	\$755,000	_____ %	2035	\$750,000	_____ %
2026	755,000	_____ %	2036	750,000	_____ %
2027	755,000	_____ %	2037	750,000	_____ %
2028	755,000	_____ %	2038	750,000	_____ %
2029	755,000	_____ %	2039	750,000	_____ %
2030	750,000	_____ %	2040	750,000	_____ %
2031	750,000	_____ %	2041	750,000	_____ %
2032	750,000	_____ %	2042	750,000	_____ %
2033	750,000	_____ %	2043	750,000	_____ %
2034	750,000	_____ %	2044	750,000	_____ %

We will pay \$15,025,000* plus a premium of \$_____.

(CROSS OUT THE SERIAL BOND MATURITIES BEING BID AS TERM BONDS –
FIRST YEAR MAY NOT BE EARLIER THAN JUNE 1, 2035)

Term Bonds (Optional – No More Than Two Term Bonds)

<u>First Year of Mandatory Redemption</u>	<u>Year of Maturity</u>	<u>Total Principal Amount of Term Bond</u>	<u>Interest Rate</u>
_____	_____	\$ _____	_____ %
_____	_____	\$ _____	_____ %

(LEAVE BLANK IF NO TERM BONDS ARE SPECIFIED)

*Preliminary, subject to change.

We will accept delivery of said bonds at The Depository Trust Company in accordance with said Notice of Sale.

One of the following two paragraphs must be checked and completed as appropriate

- () *We enclose herewith a check for **\$300,500**, payable to the State Treasurer of North Carolina, to provide the good faith deposit required by said Notice of Sale. In the event this bid is the successful bid, then said check will be cashed in accordance with the terms of said Notice of Sale. Otherwise, said good faith deposit is to be returned to the undersigned.*
- () *A good faith deposit of **\$300,500**, is not enclosed, but will be delivered to the State Treasurer of North Carolina by wire transfer by 2:00 p.m. on the date hereof if the undersigned is the successful bidder for said bonds in accordance with the terms in said Notice of Sale. Said good faith deposit is to be applied in accordance with the terms in said Notice of Sale.*

The closing papers referred to in said Notice of Sale are to include a certificate, dated as of the date of delivery of said bonds, stating that there is no litigation pending or, to the knowledge of the signer(s) of such certificate, threatened affecting the validity of said bonds.

To communicate changes in the principal amounts after the bids are opened as described in said Notice of Sale and to obtain initial offering prices and yields for said bonds, please contact

_____ at _____.
Name Telephone Number

Name of Firm

Authorized Officer

(No addition or alteration, except as provided above, is to be made to this bid, which may be detached from the annexed Notice of Sale. Bidder may for information only enter its calculation of true interest cost to be _____%. This information is neither required nor to be construed as a part of the foregoing bid.)