CITY OF LAKELAND TENNESSEE

Industrial Development Board
Regular Meeting Agenda
Thursday, September 26, 2024, 5:30 PM
City Hall, Lakeland, Tennessee 38002

I. CALL TO ORDER:

II. ROLL CALL:

III. APPROVAL OF MINUTES OF PREVIOUS MEETING:

1. **Regular Meeting Minutes** - August 22, 2024

IV. PUBLIC DISCUSSION:

V. REPORTS OF OFFICERS AND COMMITTEES:

1. IDB President's Report - Financial Statements for August

VI. OLD BUSINESS:

VII. NEW BUSINESS:

1. **Resolution** - approving the loan documents with FirstBank for the development of the Lakeland Gateway.

2. **Resolution** - approving draw request 10 in connection with the tax increment financing for Ashmont Developer, LLC.

3. **Discussion and Possible Action** - regarding TIF draw request format. *Sponsored by Chair Johnson*

VIII. ANNOUNCEMENTS:

IX. ADJOURNMENT:

Industrial Development Board
Regular Meeting Minutes
Thursday, August 22, 2024, 5:30 PM
City Hall, Lakeland, Tennessee 38002

I. CALL TO ORDER:

The meeting was called to order by Vice Chair Richard Gonzales at 5:30 p.m. on Thursday, August 22, 2024.

II. ROLL CALL:

Richard Gonzales	Present
Shaun Brannen	Present
Derek Johnston	Present
Brian Sullivan	Present
Steve Laster	Present
Richard Justin	Absent
Alan Johnson	Absent

Staff personnel in attendance were City Manager Michael Walker, IDB Attorney Al Bright, Planning Director Paul Luker, and Community Development Specialist Lisa West (as acting recorder).

III. PUBLIC HEARING:

1. **Resolution** - approving an Economic Impact Plan and Tax Increment Financing Plan for Lakeland Safety TIF and authorizing the submission of said plan to the Board of Commissioners of the City of Lakeland, Tennessee and the County Commission of Shelby County, Tennessee. *For the record:* No public comments were heard.

IV. APPROVAL OF MINUTES OF PREVIOUS MEETING:

1. **Regular Meeting Minutes** - July 25, 2024

Shaun Brannen moved to bring this item to the floor, seconded by Brian Sullivan.

Discussion ensued.

When the question was called the meeting minutes passed as presented, voice vote, 5 in favor 0 against 0 abstain (5-0-0).

V. PUBLIC DISCUSSION:
None.

VI. REPORTS OF OFFICERS AND COMMITTEES:

1. **President's Report** - Financial Statements

IDB President and City Manager Michael Walker offered this report.

VII. OLD BUSINESS:
None.

VIII. NEW BUSINESS:

1. **Resolution** - approving draw request 9 in connection with the tax increment financing for Ashmont Developer, LLC.

Brian Sullivan moved to bring this item to the floor, seconded by Derek Johnston.

IDB President and City Manager Michael Walker presented this item.

Discussion ensued.

When the question was called the resolution passed as presented, roll call vote, 5 in favor 0 against 0 abstain (5-0-0).

Yea: Richard Gonzales, Shaun Brannen, Derek Johnston, Brian Sullivan, Steve Laster

Nay: None

Abstain: None

2. **Resolution** - approving an Economic Impact Plan and Tax Increment Financing Plan for Lakeland Safe City TIF and authorizing the submission of said plan to the Board of Commissioners of the City of Lakeland, Tennessee and the County Commission of Shelby County, Tennessee.

Shaun Brannen moved to bring this item to the floor, seconded by Brian Sullivan.

IDB President and City Manager Michael Walker presented this item.

Discussion ensued.

For the record: Dexter Muller answered questions and provided additional context at the request of the board.

Discussion ensued.

When the question was called the resolution passed as presented, roll call vote, 5 in favor 0 against 0 abstain (5-0-0).

Yea: Richard Gonzales, Shaun Brannen, Derek Johnston, Brian Sullivan, Steve Laster

Nay: None

Abstain: None

3. **Resolution** - approving a loan commitment letter with FirstBank for the development of Lakeland Gateway.

   Steve Laster moved to bring this item to the floor, seconded by Shaun Brannen.

   IDB President and City Manager Michael Walker presented this item.

   Discussion ensued.

   For the record: City Attorney Will Patterson answered questions and provided additional context at the request of the board.

   Discussion ensued.

   When the question was called the resolution passed as presented, roll call vote, 5 in favor 0 against 0 abstain (5-0-0).

   Yea: Richard Gonzales, Shaun Brannen, Derek Johnston, Brian Sullivan, Steve Laster

   Nay: None

   Abstain: None

IX. ANNOUNCEMENTS:
None.

X. ADJOURNMENT:
There being no other business on which to act, the meeting was adjourned without objection at 5:58pm on Thursday, August 22, 2024.

DRAFT

These minutes were approved on September 26, 2024.

Alan Johnson
Chair

ATTEST:

Cheyenne Carter
City Recorder

DRAFT

INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF
LAKELAND
TENNESSEE

GENERAL FUND - BALANCE SHEET
AS OF AUGUST 31, 2024

Unaudited

ASSETS		
Current Assets		
Cash and cash equivalents	$	9,931
TOTAL ASSETS	$	9,931
LIABILITIES		
Current Liabilities		
Accounts payable	$	-
TOTAL LIABILITIES		-
FUND BALANCE		
Unassigned		9,931
TOTAL FUND BALANCE		9,931
TOTAL LIABILITIES AND FUND BALANCE	$	9,931

INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF
LAKELAND
TENNESSEE

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FISCAL YEAR TO DATE THROUGH AUGUST 31, 2024

Unaudited

REVENUES	
Administrative fees - tax increment financing districts	$ -
Interest income	1
TOTAL REVENUES	1
EXPENDITURES	
Contract professional services	1,000
Bank charges	151
TOTAL EXPENDITURES	1,151
EXCESS OF REVENUES OVER EXPENDITURES	(1,150)
FUND BALANCE, Beginning of year	11,081
FUND BALANCE, End of year	$ 9,931

CITY OF LAKELAND TENNESSEE

Industrial Development Board

Meeting Cycle: Thursday, September 26, 2024

Subject: **Resolution** - approving the loan documents with FirstBank for the development of the Lakeland Gateway.

Staff Contact: Michael Walker, City Manager

STAFF RECOMMENDATION

The IDB President recommends that the Industrial Development Board of the City of Lakeland, Tennessee approve resolution R-143-2024.

BUDGET IMPACT

As with prior tax increment financing, there is no direct financial impact to the IDB related to this resolution. The proceeds of this debt issuance would be provided to the City of Lakeland for use on infrastructure costs within the Lakeland Gateway TIF District.

DISCUSSION

The attached loan documents from FirstBank were negotiated by the IDB President on behalf of the IDB and the City of Lakeland.

The City of Lakeland has access to a portion of the future tax increment on the Lakeland Gateway development. This loan would enable the City to capitalize on this funding to provide needed infrastructure in the Lakeland Gateway.

If authorized by this resolution, the loan documentation would be finalized and reviewed by Ithe IDB attorney, and presented for BOC approval as to their contractual obligation on the TIF loan.

RESOLUTION R-143-2024

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND TENNESSEE APPROVING THE LOAN DOCUMENTS WITH FIRSTBANK FOR THE DEVELOPMENT OF LAKELAND GATEWAY

WHEREAS, The Industrial Development Board of the City of Lakeland, Tennessee (the "Lakeland IDB") approved an economic impact plan (the "Economic Impact Plan") regarding the development of an approximately 100-acre tract of land located in the northwest and northeast corners of Canada Road and the Interstate 40 Exchange, in the City of Lakeland, Tennessee and Shelby County, Tennessee, as described in the Economic Impact Plan (the "Plan Area"); and,

WHEREAS, The Lakeland IDB approved a Tax Increment Financing Application (the "TIF Application") for the Plan Area; and,

WHEREAS, the development of the Plan Area is expected to create a mixed use development that is expected to include retail space, hotels, an independent senior living community and medical office buildings, as more particularly described in the Economic Impact Plan (the "Project"); and,

WHEREAS, the Economic Impact Plan permits certain tax increment financing ("Tax Increment Financing") pursuant to Chapter 53, Title 7 of the Tennessee Code Annotated; and

WHEREAS, to finance certain costs of the Project, the Lakeland IDB, as Borrower, the City of Lakeland, Tennessee, as Contractual Obligor, and FirstBank, as Lender, desire to enter into that certain Loan Agreement and any ancillary documents described therein (collectively, the "Loan Documents"), the form of which is attached hereto as **Exhibit A**, and as a result of the Loan Documents, the Lender has agreed to extend a loan to the Lakeland IDB in the principal amount not to exceed $6,000,000; and,

WHEREAS, under Tenn. Code Ann. §§ 7-53-101, et seq., and the Economic Impact Plan, the Lakeland IDB is authorized to issue and secure the TIF Note (as defined in the Loan Documents) to finance Eligible Costs; and,

WHEREAS, the Tax Increment Financing shall not represent or constitute a debt or pledge of the faith and credit or the taxing power of the City of Lakeland, Tennessee or Shelby County Tennessee for approval with Tennessee Code Annotated 7-53-312.

RESOLUTION R-143-2024

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND TENNESSEE APPROVING THE LOAN DOCUMENTS WITH FIRSTBANK FOR THE DEVELOPMENT OF LAKELAND GATEWAY

NOW, THEREFORE, BE IT RESOLVED by the Lakeland IDB that**:**

RESOLVED, that the form of the Loan Documents described herein are hereby approved by the Lakeland IDB and further;

RESOLVED, the officers and directors of the Lakeland IDB are hereby authorized to execute the Loan Documents described herein in substantially the form presented at this meeting or with such changes therein as shall be approved by the officer executing the same and further,

RESOLVED, that the directors, officers, agents and employees of the Lakeland IDB are hereby authorized and directed to do all such acts and things and to execute or accept any and all such certificates or documents as may be necessary to carry out and comply with provisions of this resolution and the Loan Documents and to carry out, give effect to and consummate the transactions contemplated hereby and thereby. All of the acts and doings of the directors, officers, agents and employees of the Lakeland IDB which are in conformity with the intent and purposes of this resolution and the Loan Documents, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Dated: September 26, 2024

____
Alan Johnson, Chair

ATTEST:

____
Steve Laster, Secretary

RESOLUTION R-143-2024

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND TENNESSEE APPROVING THE LOAN DOCUMENTS WITH FIRSTBANK FOR THE DEVELOPMENT OF LAKELAND GATEWAY

EXHIBIT A

Commitment Letter

See Attached

45477554.2

FIRSTBANK

and

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE

LOAN AGREEMENT

RELATING TO LAKELAND GATEWAY IMPROVEMENT PROJECTS

Dated as of ____________, 2024

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Loan Agreement") is made and entered into as of ________________, 2024, between **FIRSTBANK**, a Tennessee banking association with offices in Memphis, Tennessee (the "Lender"), and **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE,** a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et. seq. (the "Board" or the "Borrower"). **THE CITY OF LAKELAND, TENNESSEE**, a municipal corporation organized under the laws of the State of Tennessee ("City"), joins in this Loan Agreement for the limited purposes set forth herein.

RECITALS:

A. The Board has prepared and approved an Economic Impact Plan (the "Economic Impact Plan") regarding the development of an area including certain properties within the Lakeland Gateway area located at the northwest and northeast corners of Canada Road and the Interstate 40 exchange the City of Lakeland and Shelby County, Tennessee (the "County") as described in the Economic Impact Plan (the "Plan Area") by resolution of the Board on ___________________ (the "Board Resolution"). A copy of the Economic Impact Plan is attached to the Development Agreement (defined below) as Exhibit A.

B. The Board and the City have entered into a Development Agreement, dated as of June 15, 2023, regarding the development of the Plan Area (the "Development Agreement").

C. The Economic Impact Plan, including certain tax increment financing provisions contained therein, has been approved by the Board of County Commissioners of Shelby County, on _______________________, on behalf of the County (the "County Resolution") and by the _________________of Lakeland, Tennessee on ______________________, on behalf of the City (the "City Resolution").

D. Under Tenn. Code Ann. §§ 7-53-101, et seq. (the "Act"), and the Economic Impact Plan, the Board is authorized to issue and secure the TIF Note (as herein defined) to finance the Eligible Costs (as herein defined).

E. The Board has established a special fund (the "Lakeland Gateway Tax Increment Fund") into which Lakeland Gateway Tax Increment Revenues generated after the Closing Date (as herein defined) will be deposited, and from which debt service on the TIF Note will be paid in accordance with Tenn. Code Ann. § 7-53-312.

TERMS:

NOW, THEREFORE, in consideration of the Recitals above, the premises and the mutual covenants and undertakings below, the parties hereto covenant, agree and bind themselves as follows:

ARTICLE I
DEFINITIONS

The following words and phrases shall have the following meanings:

“Advances” means funds paid to Borrower under the Note for the payment of Eligible Costs in accordance with Sections 6.2 and 6.3 below.

"Affidavit of the City” means a sworn affidavit of the City (and such other parties as Lender may require) to the effect that all statements, invoices, bills, and other expenses incurred to a specified date, whether or not specified in the corresponding Approved Budget, have been paid in full, except for (a) amounts retained pursuant to any construction contract, and (b) items to be paid from the proceeds of an Advance then being requested or in another manner satisfactory to Lender.

“Allocation Period” means, with respect to each tax parcel within the Plan Area, the twenty-year period of time during which the Tax Increment Revenues from such tax parcel will be allocated to the Board pursuant to the Economic Impact Plan.

“Annual Principal Payment Date” means the tenth (10^{th}) day of each ___________ commencing with _______________ 10, 2025, and each __________ 10 of each year thereafter until the Maturity Date.

“Applicable Rate” means, for any day, Term SOFR (or, if applicable, the Benchmark Replacement) for a one-month tenor in effect on such day plus 2.0%. Any change in Term SOFR or the Benchmark Replacement shall be effective from and including the effective date of such change in Term SOFR or the Benchmark Replacement.

"Application for Advance" means a written request by the City to Lender and the Board specifying in reasonable detail the name of all parties to whom the City is obligated for labor, materials, or services supplied for the applicable Eligible Improvements and any amounts previously paid and then due, whether or not specified in the Approved Budget, requesting an Advance for the payment of such items, containing, if requested by Lender, an Affidavit of the City, accompanied by such schedules, affidavits, releases, waivers, statements, invoices, bills, inspections, a Borrowing Certificate and other documents as Lender may reasonably request.

"Approved Budget" means the budget or cost itemization prepared by the City specifying the cost by item of all labor, materials, and services necessary for the construction of Eligible Improvements, which budget has been approved by Lender and the Board prior to the date of this Loan Agreement.

"Assignment" means the Assignment of Tax Increment Revenues executed by the Board and delivered in accordance with Article III hereof and any amendments thereto from time to time.

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such

Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date.

"Benchmark" means, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.3(e).

"Benchmark Replacement" means with respect to any Benchmark Transition Event, the sum of: (a) the alternate benchmark rate that has been selected by the Lender giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for Dollar-denominated syndicated credit facilities and (b) the related Benchmark Replacement Adjustment; provided that, if such Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Lender giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities.

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of "Benchmark Transition Event", the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative or non-compliant with or non-aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks; provided that such non-representativeness, non-compliance or non-alignment will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Start Date" means, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component) that states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Borrowing Certificate" means a certificate executed by the City and approved by the Lender and the Board in the form of Exhibit B hereto with respect to Advances hereunder.

"Business Day" means any day that is not a Saturday, Sunday or other day that is a legal holiday under the laws of the State of New York or is a day on which banking institutions in such state are authorized or required by Law to close.

"City Obligations" has the meaning set forth in Section 5.5 below.

"Conforming Changes" means, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Rate Change Date" or any similar or analogous definition (or the addition of a concept of an "interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Closing Date" means the date on which the TIF Note is issued by the Board to the Lender.

"Collateral Assignment" means the Collateral Assignment of Development and Financing Agreement dated as of the date hereof executed by the Board assigning certain of the Board's rights under the Development Agreement.

"Collateral Documents" means this Loan Agreement, the Assignment, the Collateral Assignment, the IDB Account Pledge, the Interest Reserve Pledge, the Development Account Pledge and the Negative Pledge.

"Default" means any Default under this Loan Agreement as specified in and defined in Article VIII hereof.

"Development Account" means the bank account at Lender to be used exclusively by the City to hold and disburse funds paid from the Tax Increment Fund for Eligible Development Costs.

"Development Account Pledge" means the Pledge and Security Agreement (Lakeland Gateway Development Account)dated as of the date hereof executed by the City pledging the City's rights in the Development Account.

"Development Agreement" means the Development Agreement referenced in Recital B.

"Disbursement Date" means any date on which an Advance is made in accordance with Section 6.2 and Section 6.3 hereof.

"Dollar" and "$" mean the lawful money of the United State of America.

"Economic Impact Plan" shall have the meaning given to such term in the Recitals of this Agreement.

"Eligible Costs" means (i) all Eligible Development Costs and (ii) all Transaction Costs.

"Eligible Development Costs" means all costs that are (i) incurred in connection with the development of the Project (including related improvements in the Plan Area) and the Loan and (ii) permitted under Tenn. Code Ann. § 7-53-312 and Tenn. Code Ann. §§ 9-23-101 et. seq., including without limitation the costs of designing, constructing and installing the Planned Improvements, as defined in the Development Agreement). The term "Eligible Development Costs" does not include any costs relating to privately owned land that would require a written determination from the Comptroller of the State of Tennessee and the Commissioner of the Tennessee Department of Economic and Community Development pursuant to Tenn. Code Ann. § 9-23-108 (except to the extent that the City obtains such written determination).

"Eligible Improvements" has the meaning set forth in the Development Agreement.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States.

"Floor" means a rate of interest equal to five percent (5.0%).

"IDB Account Pledge" Means the Pledge and Security Agreement dated as of the date hereof executed by the Board pledging the Board's rights in any bank account holding the Tax Increment Revenues and the Tax Increment Fund.

"Interest Rate Change Date" means the date of ___________ 1 and each succeeding first (1st) day of a calendar month commencing on __________ 1, _______, or, at Lender's option while a Benchmark Replacement is in effect, such other dates as are determined by Lender to be appropriate to reflect the tenor of the Benchmark Replacement.

"Interest Reserve Account" shall mean the initial sum of $250,000.00 deposited by the Board with Lender in an interest-bearing account to be used exclusively by the Board to fund any interest shortfalls under the Note.

"Interest Reserve Pledge" Means the Pledge and Security Agreement (Lakeland IDB Interest Reserve Account) dated as of the date hereof executed by the Board pledging the Board's rights in the Interest Reserve Account.

"Lakeland Gateway Development Fund" shall mean the account created to hold the proceeds of the TIF Note pursuant to Section 7.1, below.

"Lakeland Gateway Tax Increment Fund" means the Lakeland Gateway Tax Increment Fund created under Section 7.1 of this Loan Agreement.

"Lakeland Gateway Tax Increment Revenues" means all ad valorem property taxes assessed annually in respect of the Plan Area by the City and County that are allocated to the Board for Eligible Costs pursuant to the Economic Impact Plan, the Resolution and the then-current direction letters between The Board and the City Treasurer and the County Trustee, respectively.

"Loan" means the loan made under this Loan Agreement and evidenced by the TIF Note.

"Loan Documents" mean, collectively, the TIF Note, this Loan Agreement, the Collateral Documents and the other documents required by or delivered in connection with any of the foregoing.

"Maturity Date" means _________,2029.

"Monthly Interest Payment Date" means ______________10, 2024, and the 10th day of each calendar month thereafter until the Maturity Date.

"Negative Pledge" means the Negative Pledge Agreement dated as of the date hereof executed by the City obligating the City to not pledge or encumber the real property in the Plan Area during the term of the TIF Note.

"Note Payment Date" shall have the meaning given to such term in Section 2.5.

"Periodic Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR".

"Plan Area" generally means the area described on Exhibit A to the Economic Impact Plan and separately means the parcel list attached at Exhibit C of the Economic Impact Plan.

“Principal Amount” has the meaning set forth in Section 2.2 below.

“Principal Payments” has the meaning set forth in Section 2.7 below.

“Project” has the meaning set forth in the Development Agreement.

“Reallocation of Approved Budgets” shall mean Advances allocated to any of the designated items in the Approved Budget for such other purposes or in such different proportions as Lender may, in its sole discretion, deem necessary or advisable. Neither the Board nor the City may reallocate items of cost or change the Approved Budget without the prior written consent of Lender, which consent shall not be unreasonably withheld.

“Relevant Governmental Body” means the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto.

“Resolution” means, collectively, the Board Resolution, the County Resolution, and the City Resolution.

“SOFR” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“State” means the State of Tennessee.

“Tax Year” shall mean each calendar year as to which property taxes are payable with respect to the Plan Area.

“Term SOFR” means, for any day on or after the then most recent Interest Rate Change Date, the Term SOFR Reference Rate for a tenor of one month determined on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such Interest Rate Change Date, as such rate is published by the Term SOFR Administrator on such Periodic Term SOFR Determination Day; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business

Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"TIF Note" or "Note" means the Tax Increment Revenue Note issued pursuant to Article II hereof.

"Transaction Costs" mean all out of-pocket costs and expenses incurred by the Board, the Lender, or the City in connection with the Loan together with all out-of-pocket fees and expenses for attorneys, accountants, appraisers, surveyors, environmental consultants, construction consultants, engineers, architects and other professional advisors incurred by the City or the Board in connection with the Project and the negotiation and execution of the Economic Impact Plan, the Development Agreement, and the Collateral Documents.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

ARTICLE II
THE TIF NOTE

Section 2.1 Designation. The TIF Note shall be designated "The Industrial Development Board of The City of Lakeland, Tennessee Tax Increment Revenue Note (Lakeland Gateway Project)".

Section 2.2 Principal Amount. The TIF Note shall be in an aggregate original principal amount not to exceed six Million and No/100 Dollars ($6,000,000.00) advanced on a non-revolving basis (the "Principal Amount"). The full principal amount of the Note shall not be advanced on the date hereof.

Lender agrees to make Advances under the TIF Note up to an amount not to exceed the Principal Amount.

Section 2.3 Interest Rate.

(a) Interest Rates. Subject to paragraph (b) of this Section, the Loan shall bear interest at a rate per annum equal to the Applicable Rate. The interest rate payable under the TIF

Note is subject to change from time to time based on changes in the Term SOFR Reference Rate, adjusted and determined by Lender as of the date of the TIF Note and on each Interest Rate Change Date.

(b) Interest Computation. All interest hereunder shall be computed on the basis of a year of 360 days, and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). All interest hereunder on any Loan shall be computed on a daily basis based upon the outstanding principal amount of such Loan as of the applicable date of determination. The Benchmark shall be determined by the Lender, and such determination shall be conclusive absent manifest error.

(c) Term SOFR Conforming Changes. In connection with the use or administration of Term SOFR, the Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Lender will promptly notify the Borrower in writing of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.

(d) Fixing of Interest Rate. Provided that no Default exists under this Loan Agreement, as of ____________ 10, 2026, the Board upon request by the City shall have the right to convert the interest rate under the Note to a fixed rate based on either (i) a five-year fixed rate with payments based upon an amortization of the remaining term of the TIF or (ii) a combination of fixed and floating rates subject to market conditions and the corresponding maturity date not to extend the remaining term of the TIF as determined by Lender in its sole discretion.

(e) Benchmark Replacement Setting. Notwithstanding anything to the contrary herein or in any other Loan Document:

(i) Benchmark Replacement.

(A) Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event, this Agreement shall be deemed amended to replace the then-current Benchmark with the Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m.

(New York City time) on the fifth (5th) Business Day after the Lender notifies the Borrower in writing of such Benchmark Replacement; provided, however, that no replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 2.3(e)(i) will occur prior to the applicable Benchmark Transition Start Date. Any Benchmark Replacement chosen by Lender pursuant to this Section 2.3(e) must be the same alternative index chosen by Lender for other customers of Lender with commercial loans based on the Term SOFR Reference Rate that are being similarly modified.

(B) No swap agreement shall be deemed to be a "Loan Document" for purposes of this Section 2.3(e)(i).

(ii) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. Lender will promptly notify Borrower in writing of any Conforming Changes in connection with the use or administration of a Benchmark Replacement.

(iii) Notices; Standards for Decisions and Determinations. The Lender will promptly notify the Borrower in writing of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Lender will promptly notify the Borrower in writing of the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.3(e)(iv). Any determination, decision or election that may be made by the Lender pursuant to this Section 2.3(e), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its sole but reasonable discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.3(e).

(iv) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion or (B) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks, then the Lender may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial B Benchmarks for a Benchmark (including a Benchmark Replacement), then the Lender may modify the definition of "Applicable Rate" and/or "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

Section 2.4 Maturity. The TIF Note shall mature on the Maturity Date, unless prepaid earlier as provided herein or in the TIF Note. Notwithstanding the Maturity Date of the TIF Note, any Tax Increment Revenues received with respect to taxes imposed during the Allocation Period but received after the Maturity Date of the Note shall be applied to the payment of the Note if the Note has not been paid in full at such time.

Section 2.5 Transaction Costs. All involved Transaction Costs shall be paid before any payments are made from the Lakeland Gateway Tax Increment Fund pursuant to Section 2.6 and 2.7 below.

Section 2.6 Interest Payments. Accrued interest shall be due and payable on the aggregate principal amount of the TIF Note outstanding from time to time as follows:

(a) Within ten (10) days of deposit of any amounts in the Lakeland Gateway Tax Increment Fund such amounts shall be applied by the Lender first to any outstanding invoiced Transaction Costs and then to accrued interest on the TIF Note, with any excess being applied as provided in Section 2.7.

(b) All accrued and unpaid interest shall be due and payable monthly in arrears on each Monthly Interest Payment Date during the term of the TIF Note.

(c) All accrued and unpaid interest is due and payable on the Maturity Date.

If sufficient funds are not available in the Lakeland Gateway Tax Increment Fund to pay an interest payment on a Monthly Interest Payment Date, then Lender may use funds in the Interest Reserve Account. The Board and the City each hereby grants Lender a security interest in the Interest Reserve Account and all monies on deposit therein from time to time, as part of the collateral securing the Loan. The Board and the City must maintain the Interest Reserve until the payment in full of all sums secured by the Collateral Documents. Lender shall have the sole and absolute right, but not the obligation, to disburse amounts from the Interest Reserve to pay accrued interest then due and payable on the Note and the Loan agreement. Notwithstanding the above, neither the Board nor the City shall be required to replenish the Interest Reserve Account if Lender requires a payment therefrom.

Each date upon which accrued interest is due in accordance with the foregoing subsections (b)-(c) shall be deemed a "Note Payment Date." The sole source for the payment of accrued interest shall be the Lakeland Gateway Tax Increment Revenues available therefor (if any) deposited in the Lakeland Gateway Tax Increment Fund and the Interest Reserve Account. For an abundance of clarity, the Board shall have no obligation to repay the TIF Note or any other payment obligations imposed in this Loan Agreement with any funds other than the Lakeland Gateway Tax Increment Revenues. Interest shall be calculated based on a 360-day year at the interest rate specified above based on the actual number of days elapsed since the last interest payment. The Lender shall calculate the interest due and payable on each Monthly Interest Payment Date as provided herein and provide such calculation, in writing, to the Board and the City at least three (3) Business Days prior to such Note Payment Date. In addition, upon request, the Lender shall provide to the Board and the City a current statement of payments of interest and any principal reductions as provided in Section 2.7 hereof. In the event adequate funds, from the sources described above, are not available on any Monthly Interest Payment Date during the term of the TIF Note to pay the interest accrued thereon and such amount is not paid from funds provided by the City , Lender shall have the right to declare an event of Default.

Section 2.7 Principal Payments. In addition to the monthly interest payments required by Section 2.6, beginning on the earlier of (a) completion of projects under the Development Agreement or (b) ________________, 2026, and on each Annual Principal Payment Date thereafter, annual payments of principal in an amount necessary to fully amortize the then-outstanding balance of the TIF Note, before Maturity ("Principal Payments") shall be due and payable, with all unpaid principal coming due on the Maturity Date. All of the sources of payment as described in Section 2.6 as to interest payments shall also be available to make such Principal Payments under this Section 2.7.

Section 2.8 Prepayments. In addition to the principal payments required by Section 2.6 hereof, the Board shall have the right to prepay the TIF Note in whole or in part, at the direction of the City, with available amounts in the Tax Increment Fund or from such other amounts as otherwise are available to the Board, without premium or penalty, at any time upon three (3) days' notice to the Lender.

Section 2.9 Delivery of the TIF Note. In connection with the delivery of the TIF Note, there shall be delivered to or deposited with the Lender:

(a) A commitment fee equal to $15,000.00 and the amount of any out-of-pocket costs and attorneys' fees incurred by the Lender all of which shall be paid out of Tax Increment Revenues;

(b) copies, certified by the Secretary of the Board, of the Charter and Bylaws of the Board and the resolutions authorizing the issuance of the TIF Note and the execution, delivery and performance of this Loan Agreement and the TIF Note;

(c) copies, certified by an authorized officer of the City, of the organizational documents of the City and any resolutions authorizing the execution, delivery and performance of the Development Agreement;

(d) copies of closing certificates and documentation required in connection with the execution and delivery of this Agreement and the Development Agreement, all in form and substance satisfactory to Lender's counsel;

(e) executed originals of all other Collateral Documents;

(f) a Tennessee certificate of existence for the Board indicating that it is in good standing;

(g) an opinions of counsel to the Board and the City in form and substance reasonably satisfactory to the Lender;

(h) originally executed complete counterparts of this Loan Agreement and the other Collateral Documents including, without limitation, the Assignment and such other documents that may be required by Lender; and

(g) the TIF Note, duly executed and issued by the Board, in an aggregate principal amount not to exceed $6,000,000.00.

Section 2.10 Execution, Limited Obligations. The TIF Note shall be executed on behalf of the Board with the manual signature of the Chairman, the Secretary or other duly authorized officer of the Board. **THE TIF NOTE, AND THE OBLIGATIONS OF THE BOARD UNDER THIS LOAN AGREEMENT AND THE OTHER DOCUMENTS DESCRIBED HEREIN THAT EVIDENCE OR SECURE THE TIF NOTE, SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY (EXCEPT AS SET OUT IN SECTION 5.5 OF THIS LOAN AGREEMENT) OR COUNTY WITHIN THE MEANING OF THE CONSTITUTION AND STATUTES OF THE STATE OR THE CHARTER OR ORDINANCES OF THE CITY AND COUNTY. IN THE EVENT THAT A DEFAULT OCCURS UNDER THIS LOAN AGREEMENT, NO JUDGMENT FOR ANY DEFICIENCY FOR THE OBLIGATIONS OF THE BOARD UNDER THE TIF NOTE, THIS LOAN AGREEMENT, OR ANY OF THE COLLATERAL DOCUMENTS SHALL BE SOUGHT OR OBTAINED AGAINST THE BOARD, EXCEPT TO THE EXTENT PAYABLE SOLELY FROM THE LAKELAND GATEWAY TAX INCREMENT REVENUES PLEDGED TO AND DESIGNATED FOR THE PAYMENT OF SUCH OBLIGATIONS**. Nothing contained in this Section 2.10 shall (x) be deemed to be a release or impairment of the indebtedness evidenced by the TIF Note or the lien of this Loan Agreement or any of the Collateral Documents except for the nonrecourse provisions of the immediately preceding sentence, or (y) preclude the Lender from realizing on the collateral described in the Collateral Documents in the event of a Default. Amounts deposited in the Lakeland Gateway Tax Increment Fund and the Lakeland Gateway Tax Increment Revenues shall be used only for the purposes set forth in the Development Agreement.

Section 2.11 Form of TIF Note. The TIF Note is to be in substantially the form set forth in Exhibit A attached hereto, with appropriate variations, omissions and insertions as permitted or required by this Loan Agreement, with such changes being conclusively approved by execution of the TIF Note by the Board and acceptance of the TIF Note by the Lender.

ARTICLE III
COLLATERAL SECURING THE TIF NOTE

Section 3.1 Assignment of Lakeland Gateway Tax Increment Revenues. As a source of and security for the payment of the TIF Note and all amounts due hereunder, the Board has assigned and pledged to the Lender, pursuant to the Assignment, all Lakeland Gateway Tax Increment Revenues.

Section 3.2 Pledge of the Lakeland Gateway Tax Increment Fund. To the extent of any interest of the Board therein, all moneys in the Lakeland Gateway Development Fund and the Lakeland Gateway Tax Increment Fund, including, without limitation, any earnings thereon and proceeds thereof (except the amounts payable as Transaction Costs pursuant to Section 7.3(a) hereof), are hereby pledged to the payment of the principal of and interest on the TIF Note, and the Board hereby grants to the Lender a security interest therein. The Lakeland Gateway Development Fund and Lakeland Gateway Tax Increment Fund shall at all times be subject to the unrestricted right of set-off by the Lender in the event of any Default hereunder or any other failure to pay any amount due on the TIF Note. The Board hereby waives any defense or objection to the Lender's exercise of its right of set-off as provided herein. The Lakeland Gateway Development Fund and the Lakeland Gateway Tax Increment Fund shall be maintained with the Lender and in accounts designated by the Lender, and the Lender shall direct the investment thereof in such investments as are designated by the Board and approved by the Lender, with interest earnings thereon being deposited in the Fund with respect to which the interest earnings relate. The costs and expenses of maintaining such accounts will be included in the Transaction Costs.

Section 3.3 Pledge of Accounts. The Board hereby pledges its interest in the IDB Account Pledge and the Interest Reserve Pledge as collateral for the TIF Note, and the City hereby pledges its interest in the Development Account as collateral for the TIF Note, all as more particularly set out in the Collateral Documents.

Section 3.4 Right of the Lender to Receive Collateral and Proceeds. The Lender is hereby authorized to receive and hold all the collateral described in this Article III as security for the TIF Note and all amounts due hereunder.

Section 3.5 Waiver of Other Rights. Other than as provided in this Loan Agreement or as subsequently provided in a separate written instrument, the Lender shall not have any right of set-off against any funds of the Board maintained in an account with the Lender and, other than with respect to rights of set-off expressly granted herein or therein, the Lender expressly waives all such rights.

ARTICLE IV
PREPAYMENT OF THE TIF NOTE BEFORE MATURITY

Section 4.1 Extraordinary Prepayment. The TIF Note is subject to prepayment upon the demand of the Lender, in whole, at a redemption price equal to 100% of the principal amount outstanding thereof plus accrued interest to the redemption date, but only from any Lakeland Gateway Tax Increment Revenues available therefor and any amounts held in the Lakeland Gateway Development Fund, in the event that:

(a) The City fails to pay when due (or within any cure or grace period therein provided) any amount required of it under the terms of the Development Agreement and such failure continues for thirty (30) days after Lender delivers written notice of default to the City;

(b) Lakeland Gateway Tax Increment Revenues cease to be available for principal or interest payments on the TIF Note; or

(c) This Loan Agreement or any of the Collateral Documents becomes void, unenforceable or impossible of performance as a result of any changes in law or administrative, legislative or judicial action.

Section 4.2 Payment Due. The payment due to the Lender as a result of any prepayment of the TIF Note pursuant to this Article IV shall be paid in full within ten (10) days after the occurrence of the event pursuant to which the TIF Note must be prepaid hereunder.

ARTICLE V
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 5.1 Representations and Warranties of the Board. The Board represents and warrants that:

(a) The Board is a duly established, organized and existing public corporation under the laws of the State of Tennessee.

(b) The Board has all requisite power, authority and legal right to execute and deliver this Loan Agreement, the TIF Note and the Collateral Documents and all other instruments and documents to be executed and delivered by the Board pursuant hereto or thereto, to perform and observe the provisions hereof and thereof and to carry out the transactions contemplated hereby and thereby. All corporate action on the part of the Board which is required for the execution, delivery, performance and observance by the Board of this Loan Agreement, the TIF Note and the Collateral Documents has been duly authorized and effectively taken, and such execution, delivery, performance and observation by the Board do not contravene applicable law or any contractual restriction binding on or affecting the Board.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution and delivery by the Board of, and performance by the Board of its obligations under, this Loan Agreement, the TIF Note or any of the Collateral Documents.

(d) This Loan Agreement is, and the TIF Note and the Collateral Documents when delivered will be, legal, valid and binding special obligations of the Board enforceable against the Board in accordance with their respective terms.

(e) There is no default of the Board in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument or instruments or agreements under and subject to which any indebtedness for borrowed money has been incurred which does or could affect the validity and enforceability of this Loan Agreement, the TIF Note or any of the Collateral Documents or the ability of the Board to perform its obligations hereunder or thereunder, and no event has occurred and is continuing under the provisions of any such instrument or agreement which constitutes or, with the lapse of time or the giving of notice, or both, would constitute such a default.

(f) There is no pending or, to the knowledge of the undersigned officers of the Board, threatened, action or proceeding before any court, governmental agency or arbitrator (i) to restrain or enjoin the issuance or delivery of the TIF Note or the collection of any revenues pledged under this Loan Agreement or any of the Collateral Documents, (ii) in any way contesting or affecting the validity, authorization or enforceability of this Loan Agreement, the TIF Note, or any of the Collateral Documents, the availability of Lakeland Gateway Tax Increment Revenues to pay and secure this Loan Agreement, the TIF Note, the Development Agreement, or any of the Collateral Documents, or (iii) in any way contesting the existence or powers of the Board which could have an adverse effect on the validity, authorization or enforceability of this Loan Agreement, the TIF Note or any of the Collateral Documents with respect to the Board or on the ability of the Board to carry out its obligations hereunder or thereunder.

(g) In connection with the authorization, issuance and sale of the TIF Note, the Board has complied with all provisions of the Act and Sections 8-44-104, et seq., of Tennessee Code Annotated.

(h) The Board has not assigned or pledged and will not assign or pledge its interest in the Lakeland Gateway Tax Increment Revenues with respect to the period prior to payment in full of the indebtedness evidenced by the TIF Note for any purpose other than to secure the TIF Note under this Loan Agreement. The TIF Note constitutes the only bond or note or obligation of the Board in any manner payable from the revenues to be derived from the Lakeland Gateway Tax Increment Revenues.

(i) Other than the TIF Note, no bonds or notes or other obligations have been or will be issued payable, in whole or in part, from the Lakeland Gateway Tax Increment Revenues.

(j) Other than as expressly provided in this Loan Agreement, the Lakeland Gateway Tax Increment Fund is not subject to any lien, security interest or right of set-off in favor of any lender, creditor or claimant of the Board.

(k) The Board is not in default under any provision of its Charter or Bylaws and is not in default under any of the provisions of the laws of the State which default would affect its existence or its powers referred to in Section 5.1(b) hereof.

Section 5.2 Covenants of the Board. The Board covenants with the Lender as follows:

(a) The Board will not cause or knowingly permit the Lakeland Gateway Tax Increment Fund to become subject to any lien, security interest or right of set-off in favor of any lender, creditor or claimant of the Board, other than the Lender pursuant to this Loan Agreement and the Collateral Documents.

(b) The Board will not enter into any agreement or instrument that might in any way prevent or materially impair its ability to perform its obligations under this Loan Agreement, the TIF Note or any of the Collateral Documents.

(c) So long as the TIF Note shall remain outstanding, the Board will, upon the reasonable request of the Lender:

(i) take all action and do all things that it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under this Loan Agreement, the TIF Note and the Collateral Documents; and

(ii) execute, acknowledge where appropriate, and deliver from time to time, promptly at the request of the Lender, all such instruments and documents as in the reasonable opinion of the Lender are necessary or desirable to carry out the intent and purpose of this Loan Agreement, the TIF Note and the Collateral Documents.

(d) So long as the TIF Note shall remain outstanding, the Board will not, without the prior written consent of the Lender:

(i) take any action that, directly or indirectly, adversely affects its existence or status as a public corporation under the laws of the State; or

(ii) take any action that would cause or knowingly permit the City and County not to collect and pay to the Board (or deposit into the Lakeland Gateway Tax Increment Fund) the Lakeland Gateway Tax Increment Revenues.

Section 5.3 Representations and Warranties of the City. The City represents and warrants that:

(a) The City is a duly established, organized and existing non-profit corporation under the laws of the State of Tennessee.

(b) The City has all requisite power, authority and legal right to execute and deliver this Loan Agreement, the Collateral Documents to which it is a party and all other instruments and documents to be executed and delivered by the City pursuant hereto or thereto, to perform and observe the provisions hereof and thereof and to carry out the transactions contemplated hereby and thereby. All corporate action on the part of the City which is required for the execution, delivery, performance and observance by the City of this Loan Agreement and the Collateral Documents has been duly authorized and effectively taken, and such execution, delivery, performance and observation by the City do not contravene applicable law or any contractual restriction binding on or affecting the City.

Other than the approvals from the Board required for this Loan Agreement and the transactions contemplated hereby, and any related notices from the Board to the City and County, no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution and delivery by the City of, and performance by the City of its obligations under, this Loan Agreement or any of the Collateral Documents. The City has specifically approved guaranteeing the Board's payment the TIF Note if the Lakeland Gateway Tax Increment Fund has insufficient assets to pay the TIF Note. [AL – DO WE NEED TO DISCUSS CITY APPROVAL?]

Section 5.4 Covenants of the City. The City covenants with the Lender as follows:

(a) The City will not cause or knowingly permit the Lakeland Gateway Tax Increment Fund to become subject to any lien, security interest or right of set-off in favor of any lender, creditor or claimant of the Board, other than the Lender pursuant to this Loan Agreement and the Collateral Documents.

(b) The City will not enter into any agreement or instrument that might in any way prevent or materially impair its ability or the Board's ability to perform their respective obligations under this Loan Agreement, the TIF Note or any of the Collateral Documents.

(c) The City shall provide Lender with copies of its annual audited financial statements within one hundred eighty (180) days of the City's fiscal year end.

(d) So long as the TIF Note shall remain outstanding, the City will, upon the reasonable request of the Lender:

(i) take all action and do all things that it is authorized by law to take and do in order to perform and observe all covenants and agreements on its part to be performed and observed under this Loan Agreement, the TIF Note and the Collateral Documents; and

(ii) execute, acknowledge where appropriate, and deliver from time to time, promptly at the request of the Lender, all such instruments and documents as in the reasonable opinion of the Lender are necessary or desirable to carry out the intent and purpose of this Loan Agreement, the TIF Note and the Collateral Documents.

(e) So long as the TIF Note shall remain outstanding, the City will not, without the prior written consent of the Lender:

(i) take any action that, directly or indirectly, adversely affects its existence or status as a public corporation under the laws of the State; or

(ii) cause or knowingly permit the City and County not to collect and pay to the Board (or deposit into the Lakeland Gateway Tax Increment Fund) the Lakeland Gateway Tax Increment Revenues.

Section 5.5 City Obligations. The obligations of the City set forth in this Article V, together with its obligations under the Development Agreement, are sometimes referred to in this Loan Agreement as the "City Obligations". In the event the Board defaults in the payment of the TIF Note beyond any applicable notice and cure period or the Lakeland Gateway Tax Increment Fund and the Lakeland Gateway Development Fund have insufficient assets to pay the TIF Note, the City hereby agrees to become a direct obligor of the TIF Note and assume all payment obligations of the Board under the TIF Note, this Loan Agreement and the Collateral Documents. Notwithstanding anything in this Loan Agreement or the Collateral Documents to the contrary, with the exception of fraud or intentional acts for which City and any person employed or volunteering for City shall be directly liable no incorporator, member, employee, director, or officer, (past, present, or future) of the City has any personal liability with respect to any of the City Obligations, and Lender shall look solely to the City for the satisfaction of the City Obligations.

ARTICLE VI
DISBURSEMENTS OF PROCEEDS

Section 6.1 Disbursements of Proceeds. Proceeds of the Loan shall be disbursed from the Lakeland Gateway Development Fund solely in the manner provided herein. The proceeds of the Loan shall be used solely to pay or to reimburse the City for Eligible Costs. The proceeds of the Loan may not be repaid and reborrowed. Amounts will be deposited by the Lender in the Lakeland Gateway Development Fund at such times and in such amounts as are necessary to make disbursements that are permitted pursuant to this Article, and each such deposit will be considered an Advance under the TIF Loan and the TIF Note. Amounts shall not be deposited in the Lakeland Gateway Development Fund until required for disbursement pursuant to this Article.

Section 6.2 Disbursement Procedure.

(a) On the Closing Date, the Lender will disburse $____________ at the direction of the City and with the approval of the Lender, to pay Eligible Costs and

Transaction Costs, all as are detailed on a Borrowing Certificate delivered to the Board and the Lender.

(b) Lender will make Advances within five (5) days after satisfaction of the conditions set forth in Section 6.3 below (each such date, a "Disbursement Date").

(c) On each subsequent Disbursement Date, Lender will disburse such amounts as are eligible for disbursement under this Agreement pursuant to Section 6.3 hereof. The Lender shall not be required to make more than one (1) disbursement from the Lakeland Gateway Development Fund each month. Each Disbursement Date shall occur within five (5) days after the conditions to the disbursement on the Disbursement Date set forth in Section 6.3, have been met.

Section 6.3 Conditions Precedent to Each Disbursement. Disbursement by the Lender of the Loan proceeds on any Disbursement Date (other than the Closing Date) shall be subject to the prior satisfaction of each of the following conditions:

(a) No Default shall then be existing;

(b) Each of the representations and warranties of the Board, as set out in Section 5.1 and the City under Section 5.3, shall remain true and correct in all material respects as of the date of each Advance.

(c) No default or event of default shall exist under any loan document pursuant to which the Lender has loaned funds to Board or the City;

(d) Lender and the Board shall be satisfied in their reasonable discretion with the progress and quality of construction of the Eligible Improvements;

(e) The City shall have complied with such other requirements as may have been reasonably imposed by the Lender or the Board to the disbursement of the proceeds of the Loan; and

(f) The City has delivered to the Board and the Lender an Application for Advance, including a Borrowing Certificate, with respect to such disbursement.

(g) The Board and the Lender shall both approve the Advance in writing.

ARTICLE VII
LAKELAND GATEWAY DEVELOPMENT FUND AND LAKELAND GATEWAY TAX INCREMENT FUND

Section 7.1 Establishment of Funds. There are hereby established by the Board (a) a special fund to be held in a segregated account with the Lender called the " Lakeland Gateway Development Fund" that is not commingled with other funds of the Board, the Lender or the City into which shall be deposited all proceeds of the TIF Note prior to their disbursement to the City to pay Eligible Costs and (b) a special fund to be held in a segregated account with Lender called the "Lakeland Gateway Tax Increment Fund" into which shall be deposited all Lakeland Gateway Tax Increment Revenues and any interest earnings thereon. Such funds shall be established with Lender in an interest-bearing account.

Section 7.2 Disbursements from Lakeland Gateway Development Fund. All proceeds of the TIF Note shall be deposited in the Lakeland Gateway Development Fund. Amounts deposited in the Lakeland Gateway Development Fund shall be applied as disbursed in accordance with Section 6.2 hereof.

Section 7.3 Disbursements from the Lakeland Gateway Tax Increment Fund.

(a) The Board shall provide instruction letters to the City of Lakeland and County of Shelby regarding the Lakeland Gateway Tax Increment Fund generated after the Closing Date to be deposited with Lender less any Administrative Fees as stated in the Development Agreement. Within ten (10) days of deposit of any Lakeland Gateway Tax Increment Revenues in the Lakeland Gateway Tax Increment Fund, Lakeland Gateway Tax Increment Revenues on deposit in the Lakeland Gateway Tax Increment Fund shall be applied as follows: first, to any Transaction Costs not previously paid from the Lakeland Gateway Tax Increment Fund; second, to the payment of the interest due under the TIF Note as set forth in Section 2.6 above; and then to pay the principal due under the TIF Note as set forth in Section 2.7 above and any other amounts due under the TIF Note.

(b) In the event of prepayment in whole of the TIF Note under Article IV hereof, the entire amount of the Lakeland Gateway Tax Increment Fund shall be disbursed to pay the TIF Note.

ARTICLE VIII
DEFAULTS AND REMEDIES

Section 8.1 Defaults. Each of the following events shall constitute a "Default" hereunder:

(a) default in the due and punctual payment of interest on or principal of the TIF Note on any Monthly Interest Payment Date or any Annual Principal Payment Date or the Maturity Date (without regard to the sufficiency of Lakeland Gateway Tax Increment Revenues available therefor) after twenty (20) days' written notice thereof to the Board and the City;

(b) the occurrence of a material breach under or failure to comply with terms of the Development Agreement, any of the Collateral Documents, or any other documents securing the TIF Note, and the passage of the period of time, if any, allowed thereunder for the remedying or curing of such breach or failure of compliance, and, notwithstanding anything to the contrary, if no cure period is expressly provided for a specified breach or failure under any such agreement, the failure to remedy the same within thirty (30) days after written notice thereof to the City and the Board, provided, however, that if any such breach or failure to comply (i) is such that it cannot be cured or remedied within such thirty (30) day period, (ii) does not involve the payment of any monetary sum, and (iii) does not place any rights or interest in collateral of the Lender in immediate jeopardy, then such breach or failure to comply shall not constitute a Default if corrective action is instituted by the City or the Board, to the reasonable satisfaction of the Lender within such thirty (30) day period and diligently pursued until such breach or failure to comply is corrected; provided, further, however, that in no event shall any such cure period exceed ninety (90) days without the express written consent of the Lender, which shall not be unreasonably withheld, conditioned or delayed. If the City or the Board, as applicable, shall fail to correct or cure such breach or failure to comply within such ninety (90) day period (as the same may be extended pursuant to the foregoing sentence), a Default shall be deemed to have occurred hereunder without further notice or demand of any kind being required; or

(c) the occurrence of a material breach under or material failure to comply with terms of any other of the covenants, agreements or conditions on the part of the Board or the City contained in this Loan Agreement, or the TIF Note (except as described in Sections 8.1(a) hereof) and the failure to remedy the same within thirty (30) days after written notice thereof to the Board and the City, provided, however, that if any such breach or failure to comply (i) is such that it cannot be cured or remedied within such thirty-day period, (ii) does not involve the payment of any monetary sum, and (iii) does not place any rights or interest in collateral of the Lender in immediate jeopardy, then such breach or failure to comply shall not constitute a Default if corrective action is instituted by the Board or the City to the reasonable satisfaction of the Lender within such thirty-day period and diligently pursued until such breach or failure to comply is corrected; provided, further, however, that in no event shall any such cure period exceed ninety (90) days without the express written consent of the Lender, which may be withheld for any reason or no reason. If the City or the Board shall fail to correct or cure such breach or failure to comply within such ninety-day period (as the same may be extended pursuant to the foregoing sentence), a Default shall be deemed to have occurred hereunder without further notice or demand of any kind being required.

Section 8.2 Acceleration. Upon the occurrence of any Default hereunder, and the expiration of any applicable cure period without cure, Lender may, declare the principal of the TIF Note and all accrued and unpaid interest thereunder to be immediately due and payable. Upon any acceleration hereunder, Lender shall immediately, after payment of all outstanding Transaction Costs, be entitled to set-off or disburse to itself all amounts in the Lakeland Gateway Development Fund and the Lakeland Gateway Tax Increment Fund and to receive thereafter all Lakeland Gateway Tax Increment Revenues until the TIF Note is paid in full.

Section 8.3 Other Remedies.

(a) Upon the occurrence of a Default, and subject to the provisions of Section 2.10 hereof, the Lender may pursue any available remedy at law or in equity to enforce the payment of the principal of and interest on the outstanding TIF Note, to enforce the City Obligations and to enforce the Collateral Documents and all rights derived therefrom.

(b) Upon the occurrence of a Default, Lender shall be relieved of any obligation to make further Advances under this Loan Agreement.

(c) No remedy conferred upon or reserved to the Lender by the terms of this Loan Agreement or the other Collateral Documents is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Lender hereunder or now or hereafter existing at law or in equity.

(d) No delay or omission to exercise any right or power accruing upon any Default shall impair any such right or power or shall be construed to be a waiver of any such Default or acquiescence therein; such right or power may be exercised from time to time as often as may be deemed expedient.

(e) No waiver of any Default hereunder, whether by the Lender or by any holder of the TIF Note, shall extend to or shall affect any subsequent Default or shall impair any rights or remedies consequent thereon.

Section 8.4 Waiver. Upon the occurrence of a Default, to the extent that such rights may then lawfully be waived, neither the Board, the City nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any stay or extension laws of any jurisdiction now or hereafter in force, in order to prevent or hinder the collection of the TIF Note or the enforcement of this Loan Agreement or any of the other Collateral Documents, and the Board, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

By written notice to the Board provided in accordance with Section 9.2 hereof, the Lender shall have the right to waive any breach of any promise made in the TIF Note or any Default under Section 8.1 hereof, or any default under any of the Collateral Documents or other documents relating to, securing or otherwise executed in connection with the TIF Note and its consequences. In case of any such waiver or rescission, then and in every such case the Board and the Lender shall be restored to their former positions and rights hereunder, but no such waiver or rescission shall extend to any subsequent or other breach, Default or default or impair any right consequent thereon.

Section 8.5 Application of Moneys. All moneys received by the Lender pursuant to any right given or action taken under the provisions of this Article VIII shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the fees of, and expenses, liabilities and advances incurred or made by, the Lender, be allocated to and applied first to accrued interest and then to principal due on the TIF Note.

Section 8.6 Board Obligations. The Board hereby grants to the Lender the full authority for the account of the Board to perform any covenant or obligation of the Board hereunder, in the name and stead of the Board, with full power to do any and all things and acts to the same extent that the Board could do and perform any such things and acts and with power of substitution.

ARTICLE IX
MISCELLANEOUS

Section 9.1 Term of Loan Agreement. This Loan Agreement shall remain in full force and effect from the date hereof to and including such time as all of the TIF Note and the fees and expenses of the Lender relating to this Loan Agreement, the TIF Note and the Collateral Documents shall have been fully paid.

Section 9.2 Notices. Any notice, request, demand, tender or other communication under this Agreement shall be in writing, and shall be deemed to have been duly given at the time and on the date when personally delivered, or upon the Business Day following delivery to a nationally recognized commercial courier for next day delivery, to the address for each party set forth below, or upon the third Business Day after being deposited in the United States Mail, Certified Mail, Return Receipt Requested, with all postage prepaid, to the address for each party set forth below:

If to the City to:
____
____

With copy to:
____
____

If to the Lender to:
FirstBank
6815 Poplar Avenue, Suite 100
Memphis, Tennessee 38138

If to the Board to:
The Industrial Development Board of the City of Lakeland, Tennessee
c/o President
10001 Highway 70
Lakeland, Tennessee 38002

With copy to:
____
____

Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of such communication. By giving prior notice to all other parties, any party may designate a different address for receiving notices. No such notice, demand, tender or other communication under this Agreement shall be valid unless the Lender receives a copy thereof as provided above.

Section 9.3 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Lender and the Board and their respective successors and assigns.

Section 9.4 Severability. In any event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof or thereof.

Section 9.5 Amendments, Changes and Modifications. This Loan Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Lender and the Board.

Section 9.6 Execution in Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.7 Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State, and the venue of any litigation with respect hereto shall be exclusively in state court in Shelby County or federal court in the U.S. District Court for the Western District of Tennessee.

Section 9.8 Captions. The captions and headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Loan Agreement.

Section 9.9 Payment or Performance on Business Days. If the date for any payment hereunder, or the last date for performance of any act or the exercising of any right as provided in this Loan Agreement, shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day.

Section 9.10 No Liability of Officers. No recourse under or upon any obligation, covenant or agreement herein or in the TIF Note, or under any judgment obtained against the Board, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any incorporator, member, employee, director or officer, as such, past, present, or future, of the Board, either directly or through the Board, or otherwise, for the payment for or to the Board or any receiver thereof, or for or to the holder of the TIF Note, of any sum that may be due and unpaid by the Board upon the TIF Note. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, employee, director or officer, as such, to respond by reason of any act or omission on his part or otherwise, for the payment for or to the Board or any receiver thereof, or for or to the holder of the TIF Note, of any sum that may remain due and unpaid upon the TIF Note, is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement and the issuance of the TIF Note.

Section 9.11 No Liability of City and County. **NEITHER THE CITY(EXCEPT AS SET OUT IN SECTION 5.5 OF THIS LOAN AGREEMENT) NOR THE COUNTY SHALL IN ANY EVENT BE LIABLE FOR THE PERFORMANCE OF ANY PLEDGE, MORTGAGE, OBLIGATION OR AGREEMENT OF ANY KIND WHATSOEVER HEREIN OR INDEBTEDNESS BY THE BOARD, AND NEITHER THE TIF NOTE NOR ANY OF THE AGREEMENTS OR OBLIGATIONS OF THE BOARD CONTAINED IN THIS LOAN AGREEMENT OR OTHERWISE SHALL BE CONSTRUED TO CONSTITUTE AN INDEBTEDNESS OF THE CITY (EXCEPT AS SET OUT IN SECTION 5.5 OF THIS LOAN AGREEMENT) OR COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION WHATSOEVER, PROVIDED, HOWEVER, THAT THE TERMS OF THIS SECTION 9.11 SHALL IN NO WAY LIMIT OR AFFECT THE OBLIGATION OF THE CITY AND COUNTY TO REMIT THE LAKELAND TAX INCREMENT REVENUES FOR THE BENEFIT OF THE LENDER AND THE BOARD.**

Section 9.12 Interest and Charges. Notwithstanding any provision herein to the contrary, it is the intent of the Lender and the Board that neither the Lender nor any subsequent holder of the indebtedness evidenced by this Loan Agreement or the TIF Note shall be entitled to receive, collect, reserve or apply, as interest or other charges, any amounts in excess of the maximum amounts legally permitted to be charged under applicable law or regulations. In the event this Loan Agreement or the TIF Note requires a payment of interest or other charges that exceeds the maximum amounts legally permitted to be charged under applicable law or regulations, such interest or other charges, as the case may be, shall not be received, collected, charged or reserved until such time as such interest or other charges, as the case may be, together with all other interest and other charges then payable, fall within the maximum amounts legally permitted to be charged under applicable law and regulations. In determining whether or not the interest paid or payable, under any specific contingency, exceeds the amount provided by application of the maximum lawful rate of interest, the Board and the Lender, to the greatest extent permitted under applicable law, (a) shall exclude voluntary prepayments and the effects thereof, and (b) shall amortize, prorate, allocate and spread, in equal parts, the total amount of interest throughout the entire term hereof; provided, however, that if the principal indebtedness evidenced hereby is paid in full prior to the end of the full contemplated term hereof, and if the interest received for the actual period of existence hereof exceeds the amount provided by application of the maximum lawful rate of interest, the Lender shall refund to the Board the amount of such excess or credit the amount of such excess against the principal portion of the principal indebtedness hereunder as of the date it was received, and, in such event, the Lender shall not be subject to any penalties provided by any laws for contracting for, charging, reserving, collecting or receiving interest in excess of the amount provided by application of the maximum lawful rate of interest. The term "maximum lawful rate of interest" as used herein shall mean a rate of interest equal to the maximum lawful rate of interest permitted to be charged under the applicable laws and regulations of the State of Tennessee.

[Signatures to follow on next page]

IN WITNESS WHEREOF, the Board has caused this Loan Agreement to be executed in its name and the Lender has caused this Loan Agreement to be executed in its name, all as of the date first above written.

BORROWER:

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE

By:____
Chairman___________

ATTEST:

____
Secretary

LENDER:

FIRSTBANK

By:____
Title:_______________________________________

The City joins in this Loan Agreement for the limited purpose of agreeing to the City Obligations.

THE CITY OF LAKELAND, TENNESSEE, a municipal corporation organized under the laws of the State of Tennessee

By: __________________________________
Name________________________________
Title: ________________________________

EXHIBIT A

FORM OF TIF NOTE

Attached

THE INDUSTRIAL DEVELOPMENT BOARD OF
THE CITY OF LAKELAND, TENNESSEE
TAX INCREMENT REVENUE NOTE
(Lakeland Gateway Project)

PROMISSORY NOTE

$6,000,000.00

__________ ___, 2024
Lakeland, Tennessee

FOR VALUE RECEIVED, **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE**, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et seq., ("Maker"), promises to pay to the order of **FIRSTBANK,** a Tennessee banking corporation ("Bank"), the principal sum of SIX MILLION and 00/100 Dollars ($6,000,000.00), plus interest on so much thereof as shall have been disbursed from the date of each at the rate set out herein.

This is a Master Promissory Note, and it is contemplated that the full principal amount of this Note shall not be advanced on the date hereof and that advances shall be made pursuant to the Loan Agreement on a non-revolving basis. Maker agrees to be liable for all sums either: (a) advanced in accordance with the instructions of an authorized person or (b) credited to any of Maker's accounts with Lender. Lender will have no obligation to advance funds under this Note if: (a) Maker or any other party is in default under the terms of this Note, the Loan Agreement (defined below) or any agreement that Maker has with Lender, including any agreement made in connection with the signing of this Note; (b) Maker ceases doing business or is insolvent; or (c) Maker has applied funds provided pursuant to this Note for purposes other than those authorized by Lender. Any advance shall be conclusively agreed to have been made to or for the benefit of and at the request of Maker when deposited or credited to an account of Maker with Bank in accordance with the Loan Agreement, as hereinafter defined. After _____________ ____, 2026, Maker shall not be entitled to any further advances under this Note. Advances under this Note shall be subject to the terms of the Loan Agreement.

Interest. Interest on each Advance shall accrue on the outstanding balance of this Note as determined in the Loan Agreement.

Payment Schedule. Principal and the accrued interest thereon are payable as set forth in the Loan Agreement.

Place of Payment. All installments of principal and interest of this Note are payable in lawful money of the United States of America, at the office of Bank in Memphis, Tennessee, or such other place as the holder of this Note may designate in writing. Interest shall be calculated on the basis of actual days over an assumed 360 day year.

Late Charge. Maker shall pay a "late charge" equal to five percent (5%) of the amount of such late payment on any payments of principal and/or interest due when paid more than fifteen (15) days after the due date thereof (provided that in no event shall said "late charge" result in the payment of interest in excess of the maximum interest permitted by law) to cover the extra expenses involved in handling delinquent payments.

Past Due Payments. All sums of principal or interest payable hereunder not paid when due shall bear interest after maturity (whether by acceleration or otherwise) at the lesser of (i) the maximum rate of interest which Bank is permitted to contract for and charge under applicable law, or (ii) a rate of interest equal to the rate of interest provided under the Loan Agreement plus four percent (4.0%) per annum, on the date such payment became due (the "Default Rate").

Prepayments. This Note may be prepaid, in whole or in part, without penalty subject to the terms of the Loan Agreement. Any prepayment shall be applied first to interest accrued on the outstanding principal balance, and the remainder, if any, shall be applied to reduce the outstanding principal balance of this Note. While the Note may be prepaid without premium or penalty, Maker shall be subject to fees or costs of any kind associated with any interest rate swap or hedging agreement.

Demand Payment. This Note shall be due and payable on demand to the extent set forth in the provisions of Article IV of the Loan Agreement.

Security. In addition to such other collateral as may be delivered to Bank as security for the obligations of Maker to Bank under this Note, such obligations are secured by the lien and provisions of (a) that Collateral Assignment of Development Agreement executed by Maker (the "Collateral Assignment"), (b) that Assignment of Tax Increment Revenues executed by Maker (the "TIF Assignment"), (c) that Pledge and Security Agreement executed by Maker (the "IDB Account Pledge"), (d) Pledge and Security Agreement (Lakeland Gateway Interest Reserve) executed by Maker (the "IR Pledge") and (e) that Pledge Security Agreement (Lakeland Gateway Development Account) executed by The City of Lakeland, Tennessee (the "Pledge Agreement"), all dated as of ____________ ___, 2024), to which agreements reference is hereby made for all purposes including, but not limited to, a description of the collateral, the nature and extent of the security, and the rights of the parties thereof and holder hereof with respect to such security.

Loan Agreement. This Note is subject to the terms and conditions of a certain Loan Agreement (the "Loan Agreement"), dated as of ______________ ___, 2024 (as the same may be amended from time to time), executed and delivered by Maker to Bank to which Loan Agreement reference is hereby made for all purposes. Any terms not defined in this Note shall have the meaning set out in the Loan Agreement.

This Note and all obligations relating hereto or hereunder shall not be general obligations of the Board and shall in any event be payable only from any Tax Increment Revenues. Nothing contained in this paragraph shall (x) be deemed to be a release or impairment of the indebtedness evidenced by this Note or the Loan Agreement or any Collateral Documents, or (y) preclude the Lender from (1) realizing on the collateral described in the Collateral Documents, or (2) enforcing any other rights of the Lender against third parties other than the Board, including any remedies the Lender may have under the Loan Agreement or the Collateral Documents.

This Note is secured by the TIF Assignment from the Board to the holder hereof. It is the intent of the parties that all Tax Increment Revenues shall be made available for and applied to debt service on this Note, and to no other purpose or use until the indebtedness evidenced by this Note has been paid in full.

Default: Remedies. Upon the occurrence of any one or more of the following events of default ("Events of Default"), Bank shall have the right to cease further advances, and after sixty (60) days from the occurrence of an Event of Default, the entire unpaid principal balance of, and all accrued interest on this Note shall immediately be due and payable at the option of the holder hereof:

(a) The failure by Maker to make any payment of principal or interest due hereunder and such failure remains uncured following twenty (20) days after the due date;

(b) If default shall be made in the observance or performance of any other of the covenants, agreements and conditions on the part of Maker contained in this Note, the Collateral Documents, the Loan Agreement or any other documents executed in connection with this Note, and such default is not cured within thirty (30) days after written notice thereof to Maker; provided, however, if such default is not susceptible of cure within thirty (30) days, then Maker shall have an additional period of up to ninety (90) days within which to cure such default provided Maker commences such cure promptly upon receipt of notice and thereafter diligently pursues same;

(c) If default occurs and continues beyond any applicable cure or grace periods under any other obligation of Maker to Bank, including but not limited to any hedge or interest rate swap agreements together with any modifications, extensions or renewals thereof; or

(d) If the Maker shall be involuntarily adjudicated a debtor or insolvent by a court of competent jurisdiction or shall file a petition to be adjudicated a debtor, or by petition, answer or consent, in any action or proceeding shall seek relief under the provisions of any bankruptcy or debtor's relief law now or hereafter prevailing, or shall make an assignment for the benefit of creditors, or if any order shall be made appointing a receiver of all or any substantial portion of the assets and property of the Maker and such order shall not have been stayed or dismissed and shall have remained in full force and effect for at least sixty (60) days.

(e) If default occurs and continues beyond any applicable cure or grace periods under any other current or future note, obligation or agreement between Maker and Bank.

In the event that any one or more of the Events of Default specified above shall have happened, the holder of this Note may proceed to protect and enforce its rights either by suit in equity and/or by action at law, or by other appropriate proceedings, whether for the specific performance of any covenant or agreement contained in this Note, the Loan Agreement or the Collateral Documents or in aid of the exercise of any power or right granted by this Note, the Loan

Agreement or the Collateral Documents or proceed to enforce the payment of this Note, or to enforce any other legal or equitable right of the holder of this Note.

Limitation of Interest. Notwithstanding any provision herein to the contrary, it is the intent of the Bank and the Maker that neither the Bank nor any subsequent holder shall be entitled to receive, collect, reserve or apply, as interest, any amount in excess of the maximum lawful rate of interest permitted to be charged by applicable law or regulations, as amended or enacted from time to time. In the event the Note calls for an interest payment that exceeds the maximum lawful rate of interest then applicable, such interest shall not be received, collected, charged, or reserved until such time as that interest, together with all other interest then payable, falls within the then applicable maximum lawful rate of interest. In the event Bank, or any subsequent holder, receives any such interest in excess of the then maximum lawful rate of interest, such amount which would be excessive interest shall be deemed a partial prepayment of principal and treated hereunder as such, or, if the principal indebtedness evidenced hereby is paid in full, any remaining excess funds shall immediately be paid to Maker.

Cumulative Rights. No delay on the part of the holder of this Note in the exercise of any power or right under this Note, the Collateral Documents, the Loan Agreement, or any other instrument executed pursuant hereto shall operate as a waiver thereof, nor shall a single or partial exercise of any power or right preclude other or further exercise thereof or in the exercise of any other power or right. Enforcement by the holder of this Note of any security for the payment hereof shall not constitute any election by it of remedies so as to preclude the exercise of any other remedy available to it.

Waiver. Maker waives demand, presentment, protest, notice of nonpayment, notice of protest, and any and all lack of diligence or delay in collection or the filing of suit hereon which may occur.

Attorneys' Fees and Costs. In the event one or more Events of Default shall occur, and in the event that thereafter this Note is placed in the hands of an attorney for collection, or in the event this Note is collected in whole or in part through legal proceedings of any nature, then, and in any such case, there shall be added to the unpaid principal balance hereof all costs of collection, including, but not limited to, reasonable attorneys' fees and all expenses incurred in connection with the exercise of any rights under the Loan Agreement or Collateral Documents incurred by the holder hereof on account of such collection, whether or not suit is filed.

Governing Law. This Note shall be construed in accordance with the laws of the State of Tennessee.

Headings. The headings of the Sections of this Note are inserted for convenience only and shall not be deemed to constitute a part hereof.

Successors and Assigns. All of the stipulations, promises, and agreements in this Note contained by or on behalf of Maker and Bank shall bind their successors and assigns, whether so expressed or not, and shall inure to the benefit of the successors and assigns of Maker and Bank.

IN WITNESS WHEREOF, the undersigned has caused this Note to be executed as of the date first set forth above.

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE,
a public nonprofit corporation

By:_____________________________
Name:___________________________
Title:___________________________

EXHIBIT B

BORROWING CERTIFICATE
DISBURSEMENT REQUEST

To:	FirstBank 6815 Poplar Avenue, Suite 100 Memphis, Tennessee 38138 Attention:	cc:	The Industrial Development Board of the City of Lakeland, Tennessee ____________________ ____________________

Re: Loan evidenced by The Industrial Development Board of the City of Lakeland, Tennessee Tax Increment Revenue Note (Lakeland Gateway Development) in the principal amount not to exceed $6,000,000 dated August 16, 2023 (the "Loan"), made pursuant to a Loan Agreement, dated as of _______________, 2024 (the "Loan Agreement"), between The Industrial Development Board of the City of Lakeland, Tennessee (the "Board") and FirstBank ("Lender")

You are hereby authorized and requested to disburse pursuant to Article VI of the Loan Agreement the sum of $_____________ from the Lakeland Gateway Development Fund created pursuant to the Loan Agreement. In connection with such disbursement, the undersigned hereby certifies as follows:

(a) All amounts disbursed shall be applied to the payment of or the reimbursement to The City of Lakeland, Tennessee for the payment of costs relating to Eligible Costs.

(b) With the delivery of this Certificate, all requirements for disbursement of amounts pursuant to this request under Article VI of the Loan Agreement have been satisfied.

Please disburse all such amounts to the parties in the manner described on Exhibit A attached hereto.

All capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Loan Agreement.

Dated as of ______________, 2023.

THE CITY OF LAKELAND, TENNESSEE
a municipal corporation organized under the laws of the State of Tennessee

By: _____________________________________
Name: __________________________________
Title: ___________________________________

APPROVED BY:

FirstBank

By: ___________________________________
Title: __________________________________

The Industrial Development Board of the City of Lakeland, Tennessee

By: ___________________________________
Title: __________________________________

EXHIBIT A

To BORROWING CERTIFICATE
DISBURSEMENT REQUEST

DRAW AUTHORIZATION

TO: FirstBank (“Bank”)

DATE:

Please advance $____________ on the Loan evidenced by The Industrial Development Board of the City of Lakeland, Tennessee Tax Increment Revenue Note (Lakeland Gateway Development) in the principal amount not to exceed $6,000,000 dated __________, 2024(the "Loan"). Funds should be wired to:

Account Name: City of Lakeland (Lakeland Gateway TIF)
Bank:
ABA Routing Number:
Account Number:

THE CITY OF LAKELAND, TENNESSEE,
a municipal corporation organized under the laws of the State of Tennessee

By: ______________________________________
Name: ____________________________________
Title: _____________________________________

4865-3135-4083, v. 1

ASSIGNMENT OF TAX INCREMENT REVENUES

THIS ASSIGNMENT OF TAX INCREMENT REVENUES (the "Assignment") is entered into as of __________ ____, 2024, by and between **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE**, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et. seq. (the "Board"), and **FIRSTBANK,** a Tennessee state banking corporation with offices in Memphis, Tennessee, and its successors and assigns (collectively, the "Lender").

RECITALS:

A. The Lender and the Board have entered into a Loan Agreement, dated as of the date hereof (as it may be amended from time to time, the "Loan Agreement"). Any capitalized terms not otherwise defined hereunder shall have the meanings given them in the Loan Agreement.

B. One condition to the Lender's agreement to extend credit under the Loan Agreement to the Board is the execution and delivery of this Assignment of the Board's rights to receive the Lakeland Gateway Tax Increment Revenues.

C. The Board has agreed to cause to be deposited all of the Lakeland Gateway Tax Increment Revenues into The Lakeland Gateway Tax Increment Fund established under the Loan Agreement.

NOW, THEREFORE, in consideration of the above Recitals, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

TERMS:

1. Definition of Secured Indebtedness. As used in this Assignment, "Secured Indebtedness" shall mean all of the obligations of the Board under the documents and instruments described in Exhibit A hereto, and all modifications, extensions and renewals thereof.

2. Assignment; Lien and Pledge. To secure the payment and performance of the Secured Indebtedness, the Board hereby pledges and assigns to the Lender and grants to the Lender a first priority lien upon, pledge of and security interest in the Board's right to receive the Lakeland Gateway Tax Increment Revenues generated after the Closing Date.

3. No Assumption of Obligations. Neither the Lender's execution hereof nor its exercise of any remedies hereunder shall cause the Lender to assume any obligations of the Board under the Loan Agreement or any document relating thereto.

4. Representations and Warranties. The Board represents and warrants to the Lender as follows:

(a) Validity of Rights. The Board is duly entitled to receive the Lakeland Gateway Tax Increment Revenues imposed with respect to the Allocation Period, has complied with all applicable laws and regulations relating thereto and has full power and authority to segregate such Lakeland Gateway Tax Increment Revenues and pledge them to the Lender for the repayment of the Secured Indebtedness.

(b) No Other Lien. The Lakeland Gateway Tax Increment Revenues are not subject to any lien, assignment, pledge, security interest or encumbrance other than the lien and pledge of this Assignment in favor of the Lender.

(c) No Conflicts. The Board is not a party to any contract or agreement and is not subject to any contingent liability that does or may impair the Board's ability to perform under the terms of this Assignment.

(d) No Defaults. The execution and performance of this Assignment will not cause a default under any other contract or agreement to which the Board is a party or any property of the Board is subject, and will not result in the imposition of any charge, penalty, lien or other encumbrance against any of the Board's property, except in favor of the Lender.

(e) Legal and Binding Agreement. The execution and performance of this Assignment will not violate any judicial or administrative order or governmental law or regulation, and this Assignment is valid, binding and enforceable in every respect according to its terms.

(f) No Consent Required. The execution and performance of this Assignment by the Board do not require the consent of or the giving of notice to any third party including, without limitation, any other lender, governmental body or regulatory authority.

(g) Valid Assignment and Lien. This Assignment provides the Lender with a valid assignment of and lien upon and pledge of the Tax Increment Revenues.

5. Covenants. The Board covenants with the Lender as follows:

(a) Performance of Contract Obligations. The Board shall continue to duly comply with all requirements in order to continue to be entitled to receive the Tax Increment Revenues.

(b) No Amendment Without Consent. The Board shall not reduce, cancel or waive any right of the Board to receive the Lakeland Gateway Tax Increment Revenues generated after the Closing Date without the prior written approval of the Lender. Any attempted reduction, cancellation or waiver without such prior written approval of the Lender shall be void.

(c) The Tax Increment Fund. The Board will cause all Lakeland Gateway Tax Increment Revenues generated after the Closing Date to be deposited in the Lakeland Gateway Tax Increment Fund.

(d) No Other Lien. The Board shall not grant nor allow any security interest or lien to attach to the Lakeland Gateway Tax Increment Revenues generated after the Closing Date, except for the pledge and lien in favor of the Lender provided for herein.

(e) Further Assurances. The Board agrees to execute any and all necessary financing statements or other documents in order to perfect the lien and pledge granted herein or otherwise to complete and/or perfect this Assignment. The Board authorizes the Lender to file Uniform Commercial Code financing statements (and any financing statement amendments and correction statements thereto deemed necessary by the Lender) at any time deemed necessary or desirable by the Lender, covering the Lender's lien against the Lakeland Gateway Tax Increment Revenues and containing such legends, descriptions or statements as the Lender shall deem necessary or desirable to protect the Lender's interest. The Board shall not file any amendments, correction statements or termination statements relating to this Assignment or the Lender's rights hereunder without the prior written consent of the Lender.

6. Lender's Rights. The Lender shall be entitled to avail itself of all rights and remedies as may now or hereafter exist, at law or in equity, for the collection of the Secured Indebtedness or any part thereof and the enforcement of the lien and pledge created hereby. The resort to any remedy provided hereunder or provided by the Uniform Commercial Code as adopted in the State of Tennessee, or by any other applicable law, shall not prevent the concurrent employment of any other appropriate remedy or remedies. The subsequent taking of additional collateral for the Secured Indebtedness or any part thereof shall not affect a release or termination of this Assignment or any terms or provisions hereof. No failure or delay on the part of the Lender in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies hereunder are cumulative and may be exercised by the Lender either independently of or concurrently with any other right, power or remedy of the Lender contained herein or otherwise. The Lender shall have the right, but without the obligation so to do, to take any such action that the Lender may deem necessary to prevent the material impairment of the lien and pledge of the Lakeland Gateway Tax Increment Revenues provided by this Assignment, including, without limitation, the right to appear in and defend any action or proceeding purporting to affect the lien and pledge of this Assignment or the rights or powers of the Lender.

7. Recitals. The Board warrants and agrees that the recitals set forth at the beginning of this Assignment are true.

8. No Default. The Board warrants that, as of the execution of this Assignment, no default exists hereunder.

9. Default Defined. A "Default" as defined under the Loan Agreement shall constitute a default under this Assignment.

10. Remedies Upon Default. Upon the occurrence of a Default hereunder, the Lender may pursue any or all remedies available under the Loan Agreement or any other document evidencing or securing the Secured Indebtedness or otherwise available at law or in equity, without any notice to the Board except as otherwise required by law.

11. Indulgence Not Waiver. The Lender's indulgence in the existence of a default hereunder or any other departure from the terms of this Assignment shall not prejudice the Lender's rights to declare a default or otherwise demand strict compliance with this Assignment.

12. Cumulative Remedies. The remedies provided the Lender in this Assignment are not exclusive of any other remedies that may be available to the Lender under any other document or at law or in equity.

13. Amendment and Waiver in Writing. No provision of this Assignment can be amended or waived, except by a statement in writing signed by the party against which enforcement of the amendment or waiver is sought.

14. Assignment. This Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of the Board and the Lender, except that the Board shall not assign any rights or delegate any obligations arising hereunder without the prior written consent of the Lender. Any attempted assignment or delegation by the Board without the required prior written consent of the Lender shall be void.

15. Entire Agreement. This Assignment, the Loan Agreement and the other written agreements between the Board and the Lender regarding the Lakeland Gateway Tax Increment Revenues represent the entire agreement between the parties concerning the subject matter hereof, and all oral discussions and prior agreements are merged herein and therein.

16. Severability. The provisions of this Assignment shall be deemed severable. If any part of this Assignment shall be held unenforceable by a court of competent jurisdiction, the remainder shall remain in full force and effect, and such unenforceable provision shall be reformed by such court so as to give maximum legal effect to the intention of the parties as expressed herein.

17. Time of Essence. Time is of the essence of this Assignment, and all dates and time periods specified herein shall be strictly observed, except that the Lender may permit specific deviations therefrom by its written consent.

18. Applicable Law. The validity, construction and enforcement of this Assignment shall be determined according to the laws of Tennessee, in which state this Assignment has been executed and delivered.

19. Notices. All notices required or permitted to be given under this Assignment shall be in writing and shall be given in the manner and to the addresses specified for notices pursuant to the Loan Agreement, and the effectiveness of each such notice shall be determined as provided in the Loan Agreement for a notice given thereunder.

20. Execution in Counterparts. This Assignment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signatures to follow on next page]

IN WITNESS WHEREOF the parties have executed this Assignment as of the date first stated above.

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE

By:____
Title:______________________________________

ATTEST:

____
Secretary

FIRSTBANK

By:____
Title:______________________________________

Exhibit A

List of TIF Documents

1. The Tax Increment Revenue Note (Lakeland Gateway Project), dated as of the date hereof, issued by The Industrial Development Board of the City of Lakeland, Tennessee and payable to FirstBank in the original principal amount of $6,000,000.00, as it may be amended, modified, extended or renewed from time to time;

2. The Loan Agreement, dated as of the date hereof, by and between The Industrial Development Board of the City of Lakeland, Tennessee and FirstBank, as it may be amended, modified, extended or renewed from time to time;

3. The Development Agreement, dated June 15, 2024, by and between The Industrial Development Board of the City of Lakeland, Tennessee and The City of Lakeland, Tennessee, as it may be amended, modified, extended or renewed from time to time;

4. This Collateral Assignment of Development Agreement, dated as of the date hereof, by and between The Industrial Development Board of the City of Lakeland, Tennessee and FirstBank, as it may be amended, modified, extended or renewed from time to time;

5. The Assignment of Tax Increment Revenues, dated as of the date hereof, by and between The Industrial Development Board of the City of Lakeland, Tennessee and FirstBank;

6. The Pledge and Security Agreement (IDB Account Pledge), dated as of the date hereof, by and between The Industrial Development Board of the City of Lakeland, Tennessee and FirstBank, as it may be amended, modified, extended or renewed from time to time;

7. The Pledge and Security Agreement (Lakeland Gateway Development Account), dated as of the date hereof, by and between The City of Lakeland, Tennessee and FirstBank, as it may be amended, modified, extended or renewed from time to time; and

8. The Pledge and Security Agreement (Lakeland IDB Interest Reserve Account), dated as of the date hereof, by and between The Industrial Development Board of the City of Lakeland, Tennessee and FirstBank, as it may be amended, modified, extended or renewed from time to time;

COLLATERAL ASSIGNMENT OF DEVELOPMENT AGREEMENT

THIS COLLATERAL ASSIGNMENT OF DEVELOPMENT AGREEMENT (the "Collateral Assignment") is entered into as of ____________ ___, 2024, by and between **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE**, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et. seq. (the "Board"), and **FIRSTBANK**, a Tennessee banking association with offices in Memphis, Tennessee (the "Lender").

RECITALS

A. The Lender and the Board have entered into a Loan Agreement, dated as of the date hereof (as it may be amended from time to time, the "Loan Agreement"). Any capitalized terms not otherwise defined herein shall have the meanings given them in the Loan Agreement.

B. The Board has agreed to secure repayment of amounts due to the Lender under the TIF Note and the Loan Agreement by the collateral assignment of the Development Agreement dated June 15, 2023 (as it may be amended from time to time, the "Development Agreement"), by and between the Board and The City of Lakeland, Tennessee ("City").

C. The Lender agrees to accept, among other things, this Collateral Assignment in consideration of its extending credit pursuant to the Loan Agreement and the TIF Note.

NOW, THEREFORE, in consideration of the Recitals above, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. For purposes of this Collateral Assignment, the term "Secured Indebtedness" shall mean all amounts at any time due to the Lender under the documents and instruments described in Exhibit A hereto, and all modifications, extensions and renewals thereof (collectively, the "TIF Documents"). The Board hereby assigns to the Lender as collateral for the payment in full of the Secured Indebtedness, and pledges to the Lender and grants a security interest to the Lender in the following (collectively, the "Collateral"): (i) any and all amounts payable by the City to or on behalf of the Board under the terms of the Development Agreement, (ii) the present and continuing right to make claim for, collect, receive and retain all such amounts, and to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Board is or may become entitled to do with respect to all such rights and payments under the Development Agreement, and (iii) all other rights, privileges and remedies of the Board under the Development Agreement; provided, however, that (a) the Collateral shall not include the Board's inspection rights set out in Section 24 of the Development Agreement and rights to receive amounts payable by the City to the Board as reimbursement for costs and expenses incurred by the Board pursuant to the Development Agreement and (b) the Board shall retain the right to enforce either on its own or jointly with the Lender, the obligations of the City under Section 6 of the Development Agreement and to declare a default of the City under the Development Agreement if the City breaches any of such obligations.

2. Upon payment in full of the Secured Indebtedness and all other amounts due and the performance of all other obligations under the terms of the TIF Documents, this Collateral Assignment shall be null and void.

3. The Board hereby covenants with and warrants and represents to the Lender that:

(a) The Board is not a party to any contract or agreement, and is not subject to any contingent liability, that does or may impair the Board's ability to perform under the terms of this Collateral Assignment;

(b) The execution and performance of this Collateral Assignment will not cause a default under any other contract or agreement to which the Board is a party or to which any property of the Board is subject, and will not result in the imposition of any charge, penalty, lien or other encumbrance against any of the Board's property, except in favor of the Lender;

(c) The execution and performance of this Collateral Assignment will not violate any judicial or administrative order or governmental law or regulation, and this Collateral Assignment is valid, binding and enforceable in every respect according to its terms;

(d) The execution and performance of this Collateral Assignment by the Board does not require the consent of or the giving of notice to any third party including, without limitation, any other lender, governmental body or regulatory authority;

(e) This Collateral Assignment provides the Lender with a valid assignment of and lien upon and pledge of the Collateral;

(f) The Development Agreement is in full force and effect, and no default, or event that with the passage of time or giving of notice or both would constitute a default, has occurred thereunder;

(g) Without the prior written consent of the Lender, the Board shall not, either orally or in writing, modify, extend or in any way alter the terms of the Development Agreement or accept a surrender of the Development Agreement, grant any consent or approval under the Development Agreement, or waive, excuse, condone or in any manner release or discharge the City of or from any of the obligations, covenants, conditions and agreements to be performed by the City in the manner and at the place and time specified therein. The Board hereby expressly releases, relinquishes and surrenders unto the Lender all of its right, power and authority to amend, modify, cancel, terminate or in any way alter the terms or provisions of the Development Agreement without the prior written consent of the Lender;

(h) Without the Lender's prior written consent, the Board shall not terminate or permit the termination of the Development Agreement nor release the City from any obligation thereunder; and

(i) The Development Agreement is not subject to any lien, assignment, pledge, security interest or encumbrance other than the lien and pledge of this Collateral Assignment in favor of the Lender.

4. The Board shall remit to the Lender any and all sums received with respect to the Collateral, including, without limitation, any amounts received by the Board under the provisions of the Development Agreement, as and when received, except for amounts paid to the Board as reimbursement for expenses of the Board as provided in Section 5 of the Development Agreement. The Lender is entitled, but not required, to act in the place and stead of the Board as necessary to perform the Board's obligations or enforce the Board's rights under the Development Agreement with respect to any such payments, and any costs and expenses incurred by the Lender in such action shall become part of the Secured Indebtedness. The Board hereby irrevocably appoints the Lender as its attorney-in-fact and grants to the Lender all rights and powers to act in its place and stead with respect to the Collateral, subject to and in accordance with the terms and conditions of the TIF Documents.

5. The Lender shall be entitled to avail itself of all other rights and remedies as may now or hereafter exist, at law or in equity, for the collection of the Secured Indebtedness or any part thereof and the enforcement of the lien and pledge created hereby. The resort to any remedy provided hereunder or provided by the Uniform Commercial Code as adopted in the State of Tennessee, or by any other applicable law, shall not prevent the concurrent employment of any other appropriate remedy or remedies. **Notwithstanding the foregoing, in the event that a default occurs hereunder, no judgment for any deficiency upon the Secured Indebtedness shall be sought or obtained against the Board, except with respect to the funds pledged hereunder and any Lakeland Gateway Tax Increment Revenues**. Nothing contained in this paragraph shall (i) be deemed to be a release or impairment of the Secured Indebtedness or any part thereof or the lien and pledge of this Collateral Assignment or the Loan Agreement, or (ii) preclude the Lender from (1) exercising its rights and remedies against any other collateral for the Secured Indebtedness or any part of such other collateral, or (2) enforcing any other rights of the Lender against third parties other than the Board, including, without limitation, any remedies the Lender may have under this Collateral Assignment, the Loan Agreement, or any of the Collateral Documents. The subsequent taking of additional collateral for the Secured Indebtedness or any part thereof shall not effect a release or termination of this Collateral Assignment or any terms or provisions hereof. No failure or delay on the part of the Lender in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies hereunder are cumulative and may be exercised by the Lender either independently of or concurrently with any other right, power or remedy of the Lender contained herein or otherwise. The Lender shall have the right, but without the obligation so to do, to take any such action that the Lender may deem necessary to prevent the material impairment of the security provided by this Collateral Assignment, including,

without limitation, the right to appear in and defend any action or proceeding purporting to affect the lien and pledge of this Collateral Assignment or the rights or powers of the Lender.

6. The Board agrees to execute any and all necessary financing statements or other documents in order to perfect the lien and pledge granted herein or otherwise to complete and/or perfect this Collateral Assignment. The Board authorizes the Lender to file Uniform Commercial Code financing statements (and any financing statement amendments and correction statements thereto deemed necessary by the Lender), at any time deemed necessary or desirable by the Lender, covering the Lender's lien against the Collateral and containing such legends, descriptions or statements as the Lender shall deem necessary or desirable to protect the Lender's interest. The Board shall not file any amendments, correction statements or termination statements relating to this Collateral Assignment or the Lender's rights hereunder without the prior written consent of the Lender.

7. This Collateral Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of the Board and the Lender, except that the Board shall not assign any rights or delegate any obligations arising hereunder without the prior written consent of the Lender.

8. No provisions of this Collateral Assignment shall be deemed waived or amended except by a written instrument unambiguously setting forth the matter waived or amended and signed by the party against which enforcement of such waiver or amendment is sought. Waiver of any matter shall not be deemed a waiver of the same or any other matter on any future occasion.

9. The provisions of this Collateral Assignment shall be deemed severable. If any part of this Collateral Assignment shall be held unenforceable by a court of competent jurisdiction, the remainder shall remain in full force and effect, and such unenforceable provision shall be reformed by such court so as to give maximum legal effect to the intention of the parties as expressed herein.

10. This Collateral Assignment and the other written agreements between the Board and the Lender referred to herein represent the entire agreement between the parties concerning the subject matter hereof, and all oral discussions and prior agreements are merged herein and therein.

11. The validity, construction and enforcement of this Collateral Assignment shall be determined according to the laws of the State of Tennessee, in which state this Collateral Assignment has been executed and delivered.

12. All notices required or permitted to be given under this Collateral Assignment shall be in writing and shall be given in the manner and to the addresses specified for notices pursuant to the Loan Agreement, and the effectiveness of each such notice shall be determined as provided in the Loan Agreement for a notice given thereunder.

13. This Collateral Assignment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signatures to follow on next page]

IN WITNESS WHEREOF the parties have executed this Collateral Assignment as of the date first stated above.

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE

By:____
Title:_______________________________________

ATTEST:

____
Secretary

FIRSTBANK

By:____
Title:_______________________________________

The City of Lakeland, Tennessee ("City") hereby executes this Collateral Assignment to acknowledge its consent to (i) the assignment of the Development Agreement as provided herein, and (ii) the exercise by the Lender of all of the Board's rights, privileges and remedies as set forth in the Development Agreement. City hereby further agrees that no other consent by City shall be required for any further assignment of the rights and remedies of the Board under the Development Agreement or in connection with any transfer by the Lender of the Secured Indebtedness or any part thereof.

THE CITY OF LAKELAND, TENNESSEE, a municipal corporation organized under the laws of the State of Tennessee

By: ______________________________________
Name: ____________________________________
Title: _____________________________________

<u>Exhibit A</u>

List of TIF Documents

1. The Tax Increment Revenue Note (Lakeland Gateway Project), dated as of the date hereof, issued by The Industrial Development Board of the City of Lakeland, Tennessee and payable to FirstBank in the original principal amount of $6,000,000.00, as it may be amended, modified, extended or renewed from time to time;

2. The Loan Agreement, dated as of the date hereof, by and between The Industrial Development Board of the City of Lakeland, Tennessee and FirstBank, as it may be amended, modified, extended or renewed from time to time;

3. The Development Agreement, dated June 15, 2024, by and between The Industrial Development Board of the City of Lakeland, Tennessee and The City of Lakeland, Tennessee, as it may be amended, modified, extended or renewed from time to time;

4. This Collateral Assignment of Development Agreement, dated as of the date hereof, by and between The Industrial Development Board of the City of Lakeland, Tennessee and FirstBank, as it may be amended, modified, extended or renewed from time to time;

5. The Assignment of Tax Increment Revenues, dated as of the date hereof, by and between The Industrial Development Board of the City of Lakeland, Tennessee and FirstBank;

6. The Pledge and Security Agreement (IDB Account Pledge), dated as of the date hereof, by and between The Industrial Development Board of the City of Lakeland, Tennessee and FirstBank, as it may be amended, modified, extended or renewed from time to time;

7. The Pledge and Security Agreement (Lakeland Gateway Development Account), dated as of the date hereof, by and between The City of Lakeland, Tennessee and FirstBank, as it may be amended, modified, extended or renewed from time to time; and

8. The Pledge and Security Agreement (Lakeland IDB Interest Reserve Account), dated as of the date hereof, by and between The Industrial Development Board of the City of Lakeland, Tennessee and FirstBank, as it may be amended, modified, extended or renewed from time to time;

Prepared by, and after recording return to:
Stewart G. Austin, Jr.
Glankler Brown, PLLC
6000 Poplar Ave., Ste. 400
Memphis, Tennessee 38119

MAXIMUM PRINCIPAL INDEBTEDNESS FOR TENNESSEE RECORDING TAX PURPOSES IS -0-.

NEGATIVE PLEDGE AGREEMENT

This Negative Pledge Agreement (the "Agreement") is made and entered into as of the ______ day of September, 2024, by and between **THE CITY OF LAKELAND, TENNESSEE**, a municipal corporation organized under the laws of the State of Tennessee with offices at ____ ("Grantor") and **FIRST BANK,** a Tennessee banking corporation with offices at 6482 Poplar Avenue, Memphis, Tennessee 38119 ("Lender").

RECITALS OF FACT:

Lender has extended credit To The Industrial Development Board Of The City Of Lakeland, Tennessee ("Borrower"), as evidenced by a promissory note and related loan documents executed herewith (the "Loan").

One of the conditions of Lender's making the Loan is that Grantor not encumber the real property described on attached Exhibit A (the "Property").

NOW, THEREFORE, for and in valuable considerations the Grantor hereby grants this negative pledge under the terms and conditions stated below.

1. **Term.** This Agreement shall be effective as of the date hereof and shall continue in full force and effect until such time as all of Borrower's loan from Lender have been paid in full, including principal, interest, costs, expenses, attorneys' fees, and other fees and charges, or until such time as Lender and may agree in writing to terminate this Agreement.

2. **Negative Pledge/Transfer Covenant.** The Grantor shall not, without the prior written consent of the Lender, in Lender's reasonable discretion, directly or indirectly sell, assign, transfer, pledge, mortgage or otherwise cause, create or permit any mortgage, deed of trust or other encumbrance, lien or cloud of title of any nature or kind, even in the ordinary course of Grantor's business operations and dealings, on the Property or any interest therein in favor of any person, entity, or other than the Lender.

3. **Renewals.** This Agreement shall be effective as to any modification, extension, renewal or amendment to the Loans of any nature or kind and shall continue in full force and effect until terminated as stated in numerical paragraph 1 above.

4. **Enforcement.** The provisions of this Agreement may be enforced by Lender at law or at equity, and shall be enforceable both as to Grantor, Borrower and any person or entity having actual or constructive notice of Grantor's and Borrower's agreements contained herein.

5. **Default.** A violation the terms and provisions of this Agreement by Grantor shall be a default under the Loan, the promissory note evidencing the Loan and any other security instrument securing the Loan and any modification, renewal, extension or amendment thereto. Upon such default, Lender shall have any and all rights and remedies granted to it by law and by any terms, provisions and agreements contained in any promissory notes, loan agreements, security agreements or any modification, extension, renewal or amendment thereto and as may be contained any other document or instrument given to Lender in connection with the Loan or any modification, extension, renewal or amendment thereto.

6. **Notices.** Any and all notices, elections or demands permitted or required hereunder shall be in writing, signed by the party giving such notice, election or demand and shall be delivered personally or sent by certified mail or national overnight courier service (such as UPS or Federal Express) postage or charges prepaid to the other party at the address set forth below, or at such other address as may be supplied in writing and of which receipt has been acknowledged in writing. The date of personal delivery, mailing or delivery to the courier service shall be the date of such notice, election or demand.

For the purposes of tins Agreement the initial addresses are as follows:

First Bank	
6815 Poplar Avenue	The City of Lakeland,
Suite 100	Tennessee
Memphis, Tennessee	________________
38138	________________

GRANTOR:

THE CITY OF LAKELAND, TENNESSEE, a municipal corporation organized under the laws of the State of Tennessee

By: ____________________________________
Title: __________________________________

LENDER:

FIRST BANK
a Tennessee banking corporation

By: ________________________________
Title: ________________________________

STATE OF TENNESSEE

COUNTY OF SHELBY

Before me, the undersigned Notary Public within aforesaid County and State, duly commissioned and qualified, personally appeared________________________, with whom I am personally acquainted, and who, upon oath, acknowledged _______self to be the ________________of **THE CITY OF LAKELAND, TENNESSEE**, a municipal corporation organized under the laws of the State of Tennessee the within named bargainor, and that ____he as such __________, being authorized so to do, executed and delivered the foregoing instrument for the purposes therein contained by signing the name of the company by _______self as such __________.

Witness my hand and notarial seal at office this _____ day of _________, 2024.

____

NOTARY PUBLIC

My Commission Expires:____________________

STATE OF TENNESSEE

COUNTY OF SHELBY

Before me, the undersigned Notary Public in the State and County aforesaid, personally appeared _______________, with whom I am personally acquainted and who, upon oath, acknowledged h__self to be a ______________ of FIRSTBANK, the within named bargainor, and that __he as such ______________, being authorized so to do, executed and delivered the foregoing instrument for the purpose therein contained, by signing the name of the Lender by h__self as such ______________.

Witness my hand and notarial seal at office this _______ day of _________, 2024.

____

NOTARY PUBLIC

My Commission Expires:_____________________

EXHIBIT A

Description of the Quantum Hotels, LLC property recorded in Instrument No. FD-1803 and part of the Quantum Hotels, L.L.C. property recorded in Instrument No. FS-6754, being Lot 3, Canada Road / Huff 'N Puff Road Commercial Subdivision recorded in Plat Book 122, Page 21 in Lakeland, Shelby County, Tennessee:

Beginning at a set 1/2" rebar with plastic cap (OLLAR) at the intersection of the northeast line of Skyway Drive (R.O.W. Varies) – (Public) and the southeast line of Beverle Riveria Drive (68' R.O.W.) – (Public), said point being the northwest corner of said property recorded in Instrument No. FS-6754; thence North 72 degrees 35 minutes 54 seconds East along the southeast line of said Beverle Riveria Drive, 613.30 feet to a found 1/2" rebar at the northeast corner of said property recorded in Instrument No. FS-6754 and in the northwest line of the Vipulkumar R. Patel property recorded in Instrument No. 19035913; thence South 56 degrees 37 minutes 49 seconds West along the northernmost southeast line of said property recorded in Instrument No. FS-6754 and along the northwest line of said property recorded in Instrument No. 19035913, 123.57 feet to a found 1/2" rebar at the northeast corner of said property recorded in Instrument No. FD-1803 and the northwest corner of said property recorded in Instrument No. 19035913; thence South 33 degrees 20 minutes 15 seconds East along the northeast line of said property recorded in Instrument No. FD-1803 and along the southwest line of said property recorded in Instrument No. 19035913, 302.32 feet to a found 1/2" rebar in the northwest line of Huff-N-Puff Road (68' R.O.W.) – (Public), said point being the southeast corner of said property recorded in Instrument No. FD-1803 and the southwest corner of said property recorded in Instrument No. 19035913; thence southwestwardly along the northwest line of said Huff-N-Puff Road the following calls: South 56 degrees 17 minutes 20 seconds West, 294.56 feet to a point; southwestwardly along a curve to the right having a radius of 319.80 feet, delta angle of 13 degrees 43 minutes 26 seconds, chord bearing of South 63 degrees 09 minutes 03 seconds West, chord distance of 76.42 feet and a curve distance of 76.60 feet to a point; South 70 degrees 00 minutes 45 seconds West, 138.73 feet to a point; South 73 degrees 10 minutes 24 seconds West, 79.05 feet to a set 1/2" rebar with plastic cap (OLLAR) in the northeast line of said Skyway Drive; thence North 17 degrees 38 minutes 28 seconds West along the northeast line of said Skyway Drive, 425.43 feet to the **POINT OF BEGINNING** and containing 4.93 acres of land.

4869-7964-1317, v. 1

PLEDGE AND SECURITY AGREEMENT
(LAKELAND IDB INTEREST RESERVE ACCOUNT)

THIS PLEDGE AND SECURITY AGREEMENT, is entered into as of the _____ day of ________________, 2024 (the "Pledge Agreement"), by and between **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE,** a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et. seq. ("Pledgor"), and **FIRSTBANK,** a Tennessee banking corporation ("Bank");

W I T N E S S E T H:

WHEREAS, Bank has made available to Pledgor, a loan in the amount of SIX MILLION and NO/100 Dollars ($6,000,000.00) (the "Loan") as evidenced by a Promissory Note (the "Note") and Loan Agreement (the "Loan Agreement") and secured by, *inter alia*, that Assignment of Tax Increment Revenues (the "TIF Assignment") (the Note, Loan Agreement, TIF Assignment and related loan documents are referred to as the "Loan Documents");

WHEREAS, Pledgor and Bank have agreed to further secure the Note as set out herein.

WHEREAS, in addition to any other collateral given by Pledgor to secure repayment of all obligations under the Loan Documents, Bank has required that Pledgor grant to Bank a first priority lien on and a first security interest in all of its right, title and interest in a certain deposit account held at Bank.

NOW, THEREFORE, in consideration of these premises and in order to induce the Bank to make the Loan and for other good and valuable consideration receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Pledge. As collateral security for the prompt and complete payment when due of all amounts due to Bank under the Loan Documents, the Pledgor hypothecates, transfers and grants to the Bank a first priority lien on and a first perfected security interest in all its right, title and interest to the following:

(a) Deposit Account No. ____________ held at Bank.

(b) All proceeds of any and all of the foregoing constituting proceeds acquired with cash proceeds of any or all of the property covered by this Pledge Agreement.

2. Collateral. All property at any time pledged to the Bank under this Pledge Agreement and all income therefrom and proceeds thereof are herein collectively sometimes called the "Collateral."

3. Rights of Bank.

If a Default (as defined in the Loan Agreement) has occurred under any of the Loan Documents and is continuing, the Bank may thereafter without notice, exercise all rights, privileges or options pertaining to any Collateral as if it were the holder and absolute owner thereof, upon such terms and conditions as it may determine, all without liability except to account for property actually received by it, but the Bank shall have no duty to exercise any of the aforesaid rights, privileges or options and shall not be responsible for any failure to do so or delay in so doing.

4. Remedies.

(a) If an uncured Default occurs under any of the Loan Documents, the Bank without demand of performance or other demand or notice of any kind to or upon the Pledgor, or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived) may forthwith collect, receive, appropriate and realize upon the Collateral, or any part hereof.

(b) The net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any and all of the Collateral or in any way relating to the rights of the Bank hereunder, including reasonable attorneys' fees and legal expenses, shall be applied first to the satisfaction of the obligations to the Bank under the Loan Documents, with Pledgor remaining liable for any deficiency remaining unpaid after such application (subject to the terms of the Loan Agreement), and only after so paying over such net proceeds and after the payment by the Bank of any other amount required by any provision of law, without need the Bank account for the surplus, if any, to the Pledgor.

(c) In addition to the rights and remedies granted to them in this Pledge Agreement and in any other instrument or agreement securing, evidencing or relating to any of the Pledgor's obligations, the Bank shall have all the rights and remedies of a secured party under the Uniform Commercial Code of the State of Tennessee. The Pledgor shall be liable for the deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay all amounts to which the Bank is entitled, and the reasonable fees of any attorneys employed by the Bank to collect such deficiency.

5. Representations of the Pledgor. The Pledgor represents that:

(a) it has, and on the date of delivery to the Bank of any Collateral will have, full power, authority and legal right to pledge all of its right, title and interest in and to such Collateral pursuant to this Pledge Agreement;

(b) this Pledge Agreement has been duly authorized, executed and delivered by the Pledgor and constitutes a legal, valid and binding obligation of the Pledgor enforceable in accordance with its terms except as enforcement hereto may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally or by general principles of equity;

(c) no consent of any other party (including, without limitation, creditors of the Pledgor) and, to the knowledge of the Pledgor, no consent, license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority, domestic or foreign, is required to be obtained by the Pledgor in connection with the execution, delivery or performance of this Pledge Agreement; and

(d) the execution, delivery and performance of this Pledge Agreement will not, to the knowledge of the Pledgor, violate any provision of any applicable law or regulation or of any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, or of the organizational documents of the Pledgor, or of any securities issued by the Pledgor, or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking with which the Pledgor is a party or which purports to be binding upon the Pledgor or upon any of its assets and will not result in the creation or imposition of any lien, charge or encumbrance on or security interest in any of the assets of the Pledgor except as contemplated by this Pledge Agreement.

6. Covenants of the Pledgor. The Pledgor covenants and agrees that:

(a) it will defend the Bank's right, title, and security interest in and to the Collateral and the proceeds thereof against the claims and demands of all persons whomsoever arising by, through, or under Pledgor; and

(b) without the prior written consent of the Bank, it will not sell, assign, transfer, exchange or otherwise dispose of, or grant any option with respect to, the Collateral, nor will it create, incur or permit to exist any pledge, lien, mortgage, hypothecation, security interest, charge, option or any other encumbrance with respect to any of the Collateral, or any interest therein, or any proceeds thereof, except for the lien and security interest provided for by this Pledge Agreement.

7. Further Assurances. The Pledgor agrees that at any time and from time to time upon the written request of Bank, the Pledgor will execute and deliver such further documents and do such further acts and things as the Bank may reasonably request in order to reflect the purposes of this Pledge Agreement.

8. Severability. Any provision of this Pledge Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceability such provision in any other jurisdiction.

9. No Waiver; Cumulative Remedies. The Bank shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder and no waiver shall be valid unless in writing, signed by the Bank, and then only to the extent therein set forth. A

waiver by the Bank of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Bank would otherwise have on any subsequent occasion. No failure to exercise nor any delay in exercising on the part of Bank, any right, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights or remedies provided by law.

10. Amendments; Applicable Law. None of the terms or provisions of this Pledge Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by the Bank and the Pledgor. This Pledge Agreement shall be governed by, and be construed and interpreted in accordance with, the laws of the State of Tennessee and applicable federal law.

11. Term; Termination. This Pledge Agreement shall remain in full force and effect for so long as the Note, including all extensions or modifications thereof, is in effect or any amount is owed to the Bank under the Loan Documents. Upon payment in full of all amounts due under the Loan Documents, this Pledge Agreement shall automatically terminate without any further action; provided, that the Bank agrees to execute a written confirmation of such termination upon request by the Pledgor.

12. Expenses. The Pledgor shall pay to the Bank its reasonable expenses (including reasonable fees and expenses of counsel) of, or incident to, any actual or attempted sale or other disposition of, or any exchange, enforcement (whether through negotiations, legal proceedings or otherwise), collection, compromise or settlement of or with respect to all or any of the Collateral, by litigation or otherwise. The Pledgor shall reimburse the Bank on demand for all reasonable costs and expenses incurred in connection with the negotiation, preparation, execution and administration of this Pledge Agreement.

13. Notices. All notices, requests and other communications provided for hereunder shall be in writing (including facsimile transmissions) and mailed postage prepaid by certified mail return receipt requested, sent by facsimile transmission or delivered personally by reputable courier to the addresses specified below, or to such other address as such recipient may have last specified by notice to the other party. All such notices and communications shall, when mailed, be effective three days after deposit in the mail or if sent by facsimile when confirmed, respectively, addressed as follows:

Pledgor: The Industrial Development Authority of the City of Lakeland, Tennessee
____
____
____

With copy to:

Bass Berry & Sims PLC

100 Peabody Place, Suite 1300
Memphis, Tennessee 38103
Attention: Al Bright

Bank: FirstBank
6815 Poplar Avenue, Suite 100
Memphis, Tennessee 38138

14. Assignment.

(a) This Pledge Agreement shall be binding upon and inure to the benefit of the Bank and the Pledgor and their respective successors and assigns; provided however, that the Pledgor may not assign any of its rights or obligations under this Pledge Agreement without the prior written consent of the Bank.

(b) If the Bank assigns or otherwise transfers any of its rights and obligations hereunder, each reference in this Pledge Agreement to the Bank shall be a reference to the party, to whom such rights and obligations were assigned and transferred to the extent of their respective interests.

15. Counterparts. This Pledge Agreement may be executed in counterparts, and such counterparts taken together shall be deemed to constitute one and the same agreement.

IN WITNESS WHEREOF, each of the undersigned has caused this Pledge Agreement to be duly executed and delivered by its duly authorized officers on the day and year first above written.

PLEDGOR:

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE

ATTEST:

By: ______________________________________
Name: ___________________________________
Title: ____________________________________

____
Secretary

BANK:

FIRSTBANK

By:________________________________
Title:_______________________________

PLEDGE AND SECURITY AGREEMENT
(LAKELAND GATEWAY DEVELOPMENT ACCOUNT)

THIS PLEDGE AND SECURITY AGREEMENT, is entered into as of the ______ day of ________________, 2024 (the "Pledge Agreement"), by and between **THE CITY OF LAKELAND, TENNESSEE,** a municipal corporation organized under the laws of the State of Tennessee ("Pledgor"), and **FIRSTBANK,** a Tennessee banking corporation ("Bank");

W I T N E S S E T H:

WHEREAS, Bank has made available to **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE,** a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et. seq. ("Borrower") a loan in the amount of SIX MILLION and NO/100 Dollars ($6,000,000.00) (the "Loan") as evidenced by a Promissory Note (the "Note") and Loan Agreement (the "Loan Agreement") and secured by, *inter alia*, that Assignment of Tax Increment Revenues (the "TIF Assignment") (the Note, Loan Agreement, TIF Assignment and related loan documents are referred to as the "Loan Documents");

WHEREAS, Pledgor and Bank have agreed to further secure the Note as set out herein.

WHEREAS, in addition to any other collateral given by Pledgor or Borrower to secure repayment of all obligations under the Loan Documents, Bank has required that Pledgor grant to Bank a first priority lien on and a first security interest in all of its right, title and interest in a certain deposit account held at Bank.

NOW, THEREFORE, in consideration of these premises and in order to induce the Bank to make the Loan and for other good and valuable consideration receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Pledge. As collateral security for the prompt and complete payment when due of all amounts due to Bank under the Loan Documents, the Pledgor hypothecates, transfers and grants to the Bank a first priority lien on and a first perfected security interest in all its right, title and interest to the following:

(a) Deposit Account No. ____________________ held at Bank.

(b) All proceeds of any and all of the foregoing constituting proceeds acquired with cash proceeds of any or all of the property covered by this Pledge Agreement.

2. Collateral. All property at any time pledged to the Bank under this Pledge Agreement and all income therefrom and proceeds thereof are herein collectively sometimes called the "Collateral."

3. Rights of Bank.

If a Default (as defined in the Loan Agreement) has occurred under any of the Loan Documents and is continuing, the Bank may thereafter without notice, exercise all rights, privileges or options pertaining to any Collateral as if it were the holder and absolute owner thereof, upon such terms and conditions as it may determine, all without liability except to account for property actually received by it, but the Bank shall have no duty to exercise any of the aforesaid rights, privileges or options and shall not be responsible for any failure to do so or delay in so doing.

4. Remedies.

(a) If an uncured Default occurs under any of the Loan Documents, the Bank without demand of performance or other demand or notice of any kind to or upon the Pledgor, or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived) may forthwith collect, receive, appropriate and realize upon the Collateral, or any part hereof.

(b) The net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any and all of the Collateral or in any way relating to the rights of the Bank hereunder, including reasonable attorneys' fees and legal expenses, shall be applied first to the satisfaction of the obligations to the Bank under the Loan Documents, with Pledgor remaining liable for any deficiency remaining unpaid after such application (subject to the terms of the Loan Agreement), and only after so paying over such net proceeds and after the payment by the Bank of any other amount required by any provision of law, need the Bank account for the surplus, if any, to the Pledgor.

(c) In addition to the rights and remedies granted to them in this Pledge Agreement and in any other instrument or agreement securing, evidencing or relating to any of the Pledgor's obligations, the Bank shall have all the rights and remedies of a secured party under the Uniform Commercial Code of the State of Tennessee. The Pledgor shall be liable for the deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay all amounts to which the Bank is entitled, and the reasonable fees of any attorneys employed by the Bank to collect such deficiency.

5. Representations of the Pledgor. The Pledgor represents that:

(a) it has, and on the date of delivery to the Bank of any Collateral will have, full power, authority and legal right to pledge all of its right, title and interest in and to such Collateral pursuant to this Pledge Agreement;

(b) this Pledge Agreement has been duly authorized, executed and delivered by the Pledgor and constitutes a legal, valid and binding obligation of the Pledgor enforceable in accordance with its terms except as enforcement hereto may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally or by general principles of equity;

(c) no consent of any other party (including, without limitation, creditors of the Pledgor) and, to the knowledge of the Pledgor, no consent, license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority, domestic or foreign, is required to be obtained by the Pledgor in connection with the execution, delivery or performance of this Pledge Agreement; and

(d) the execution, delivery and performance of this Pledge Agreement will not, to the knowledge of the Pledgor, violate any provision of any applicable law or regulation or of any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, or of the organizational documents of the Pledgor, or of any securities issued by the Pledgor, or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking with which the Pledgor is a party or which purports to be binding upon the Pledgor or upon any of its assets and will not result in the creation or imposition of any lien, charge or encumbrance on or security interest in any of the assets of the Pledgor except as contemplated by this Pledge Agreement.

6. Covenants of the Pledgor. The Pledgor covenants and agrees that:

(a) it will defend the Bank's right, title, and security interest in and to the Collateral and the proceeds thereof against the claims and demands of all persons whomsoever arising by, through, or under Pledgor; and

(b) without the prior written consent of the Bank, it will not sell, assign, transfer, exchange or otherwise dispose of, or grant any option with respect to, the Collateral, nor will it create, incur or permit to exist any pledge, lien, mortgage, hypothecation, security interest, charge, option or any other encumbrance with respect to any of the Collateral, or any interest therein, or any proceeds thereof, except for the lien and security interest provided for by this Pledge Agreement.

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9. No Waiver; Cumulative Remedies. The Bank shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder and no

waiver shall be valid unless in writing, signed by the Bank, and then only to the extent therein set forth. A waiver by the Bank of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Bank would otherwise have on any subsequent occasion. No failure to exercise nor any delay in exercising on the part of Bank, any right, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights or remedies provided by law.

10. Amendments; Applicable Law. None of the terms or provisions of this Pledge Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by the Bank and the Pledgor. This Pledge Agreement shall be governed by, and be construed and interpreted in accordance with, the laws of the State of Tennessee and applicable federal law.

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Pledgor: The City of Lakeland, Tennessee
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With copy to:
Bass Berry & Sims PLC
100 Peabody Place, Suite 1300
Memphis, Tennessee 38103
Attention: Al Bright

Bank: FirstBank
6815 Poplar Avenue, Suite 100
Memphis, Tennessee 38138

14. Assignment.

(a) This Pledge Agreement shall be binding upon and inure to the benefit of the Bank and the Pledgor and their respective successors and assigns; provided however, that the Pledgor may not assign any of its rights or obligations under this Pledge Agreement without the prior written consent of the Bank.

(b) If the Bank assigns or otherwise transfers any of its rights and obligations hereunder, each reference in this Pledge Agreement to the Bank shall be a reference to the party, to whom such rights and obligations were assigned and transferred to the extent of their respective interests.

15. Counterparts. This Pledge Agreement may be executed in counterparts, and such counterparts taken together shall be deemed to constitute one and the same agreement.

IN WITNESS WHEREOF, each of the undersigned has caused this Pledge Agreement to be duly executed and delivered by its duly authorized officers on the day and year first above written.

PLEDGOR:

THE CITY OF LAKELAND, TENNESSEE, a municipal corporation organized under the laws of the State of Tennessee

By: ______________________________________
Name: ___________________________________
Title: ____________________________________

BANK:

FIRSTBANK

By:_________________________________
Title:_______________________________

PLEDGE AND SECURITY AGREEMENT
(LAKELAND IDB ACCOUNT)

THIS PLEDGE AND SECURITY AGREEMENT, is entered into as of the ____ day of _______________, 2024 (the "Pledge Agreement"), by and between **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE,** a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, et. seq. ("Pledgor"), and **FIRSTBANK,** a Tennessee banking corporation ("Bank");

W I T N E S S E T H:

WHEREAS, Bank has made available to Pledgor a loan in the amount of SIX MILLION and NO/100 Dollars ($6,000,000.00) (the "Loan") as evidenced by a Promissory Note (the "Note") and Loan Agreement (the "Loan Agreement") and secured by, *inter alia*, that Assignment of Tax Increment Revenues (the "TIF Assignment") (the Note, Loan Agreement, TIF Assignment and related loan documents are referred to as the "Loan Documents");

WHEREAS, Pledgor and Bank have agreed to further secure the Note as set out herein.

WHEREAS, in addition to any other collateral given by Pledgor or Borrower to secure repayment of all obligations under the Loan Documents, Bank has required that Pledgor grant to Bank a first priority lien on and a first security interest in all of its right, title and interest in a certain deposit account held at Bank.

NOW, THEREFORE, in consideration of these premises and in order to induce the Bank to make the Loan and for other good and valuable consideration receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Pledge. As collateral security for the prompt and complete payment when due of all amounts due to Bank under the Loan Documents, the Pledgor hypothecates, transfers and grants to the Bank a first priority lien on and a first perfected security interest in all its right, title and interest to the following:

(a) Deposit Account No. ______________ held at Bank.

(b) All proceeds of any and all of the foregoing constituting proceeds acquired with cash proceeds of any or all of the property covered by this Pledge Agreement.

2. Collateral. All property at any time pledged to the Bank under this Pledge Agreement and all income therefrom and proceeds thereof are herein collectively sometimes called the "Collateral."

3. Rights of Bank.

If a Default (as defined in the Loan Agreement) has occurred under any of the Loan Documents and is continuing, the Bank may thereafter without notice, exercise all rights, privileges or options pertaining to any Collateral as if it were the holder and absolute owner thereof, upon such terms and conditions as it may determine, all without liability except to account for property actually received by it, but the Bank shall have no duty to exercise any of the aforesaid rights, privileges or options and shall not be responsible for any failure to do so or delay in so doing.

4. Remedies.

(a) If an uncured Default occurs under any of the Loan Documents, the Bank without demand of performance or other demand or notice of any kind to or upon the Pledgor, or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived) may forthwith collect, receive, appropriate and realize upon the Collateral, or any part hereof.

(b) The net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any and all of the Collateral or in any way relating to the rights of the Bank hereunder, including reasonable attorneys' fees and legal expenses, shall be applied first to the satisfaction of the obligations to the Bank under the Loan Documents, with Pledgor remaining liable for any deficiency remaining unpaid after such application (subject to the terms of the Loan Agreement), and only after so paying over such net proceeds and after the payment by the Bank of any other amount required by any provision of law, without need the Bank account for the surplus, if any, to the Pledgor.

(c) In addition to the rights and remedies granted to them in this Pledge Agreement and in any other instrument or agreement securing, evidencing or relating to any of the Pledgor's obligations, the Bank shall have all the rights and remedies of a secured party under the Uniform Commercial Code of the State of Tennessee. The Pledgor shall be liable for the deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay all amounts to which the Bank is entitled, and the reasonable fees of any attorneys employed by the Bank to collect such deficiency.

5. Representations of the Pledgor. The Pledgor represents that:

(a) it has, and on the date of delivery to the Bank of any Collateral will have, full power, authority and legal right to pledge all of its right, title and interest in and to such Collateral pursuant to this Pledge Agreement;

(b) this Pledge Agreement has been duly authorized, executed and delivered by the Pledgor and constitutes a legal, valid and binding obligation of the Pledgor enforceable in accordance with its terms except as enforcement hereto may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally or by general principles of equity;

(c) no consent of any other party (including, without limitation, creditors of the Pledgor) and, to the knowledge of the Pledgor, no consent, license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority, domestic or foreign, is required to be obtained by the Pledgor in connection with the execution, delivery or performance of this Pledge Agreement; and

(d) the execution, delivery and performance of this Pledge Agreement will not, to the knowledge of the Pledgor, violate any provision of any applicable law or regulation or of any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, or of the organizational documents of the Pledgor, or of any securities issued by the Pledgor, or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking with which the Pledgor is a party or which purports to be binding upon the Pledgor or upon any of its assets and will not result in the creation or imposition of any lien, charge or encumbrance on or security interest in any of the assets of the Pledgor except as contemplated by this Pledge Agreement.

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(a) it will defend the Bank's right, title, and security interest in and to the Collateral and the proceeds thereof against the claims and demands of all persons whomsoever arising by, through, or under Pledgor; and

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No failure to exercise nor any delay in exercising on the part of Bank, any right, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights or remedies provided by law.

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Pledgor: The Industrial Development Board of the City of Lakeland, Tennessee
____
____
____

Bank: FirstBank
6815 Poplar Avenue, Suite 100
Memphis, Tennessee 38138

14. Assignment.

(a) This Pledge Agreement shall be binding upon and inure to the benefit of the Bank and the Pledgor and their respective successors and assigns; provided however, that the Pledgor may not assign any of its rights or obligations under this Pledge Agreement without the prior written consent of the Bank.

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IN WITNESS WHEREOF, each of the undersigned has caused this Pledge Agreement to be duly executed and delivered by its duly authorized officers on the day and year first above written.

PLEDGOR:

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE

By: ________________________________
Title: ________________________________

BANK:

FIRSTBANK

By:________________________________
Title:________________________________

CITY OF LAKELAND TENNESSEE

Industrial Development Board

Meeting Cycle: Thursday, September 26, 2024

Subject: **Resolution** - approving draw request 10 in connection with the tax increment financing for Ashmont Developer, LLC.

Staff Contact: Michael Walker, City Manager

STAFF RECOMMENDATION

The IDB President recommends that the Industrial Development Board of the City of Lakeland, Tennessee approve resolution R-140-2024.

BUDGET IMPACT

Eligible infrastructure costs of Ashmonth Developer, LLC submitted with this request total $537,385.94, and represent potential reimbursement to the developer from the TIF Loan through the IDB.

DISCUSSION

Included in this packet is the recommendation for approval from A2H, engaged to monitor compliance with TIF requirements.

Below is a summary of the spending on this TIF project so far:

Eligible Costs Reporting

	Developer Budget	Prior Draws	Current Draw	Draws PTD	Remaining TIF Loan
Infrastructure					
Site Prep	$ 3,390,000.00				
Streets	1,522,511.00				
Utilities	2,849,947.00				
Landscape and Other	425,000.00				
Total Infrastructure	8,187,458.00	2,589,673.64	523,060.94	3,112,734.58	5,074,723.42
Soft Costs (professional fees, interest expense)	4,812,542.00	639,756.64	14,325.00	654,081.64	4,158,460.36
Total Project Estimate	$ 13,000,000.00	$ 3,229,430.28	$ 537,385.94	$ 3,766,816.22	$ 9,233,183.78
Budget Use Percentage To Date	29.0%				

RESOLUTION R-140-2024

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE, APPROVING DRAW REQUEST 10 IN CONNECTION WITH THE TAX INCREMENT FINANCING FOR ASHMONT DEVELOPER, LLC

WHEREAS, The Industrial Development Board of the City of Lakeland, Tennessee (the "Lakeland IDB") has approved an economic impact plan (the "Economic Impact Plan") regarding the development of an approximately 100-acre tract of land located in the northwest and northeast corners of Canada Road and Interstate 40 in the City of Lakeland, Tennessee and in Shelby County, Tennessee, as described in the Economic Impact Plan (the "Plan Area"); and

WHEREAS, the Lakeland IDB has approved a Tax Increment Financing Application (the "TIF Application") for the Plan Area, as submitted by Ashmont Developer, LLC, a Tennessee limited liability company ("Ashmont"); and

WHEREAS, Ashmont currently owns the portion of the Plan Area municipally known as 9640 Davies Plantation, Lakeland, Tennessee 38002 (the "Site"), and Ashmont intends to develop the Site pursuant to a planned development that is to be approved by the City of Lakeland, Tennessee, (the "City") for a new mixed-use development of retail, hotel, and senior living uses and other uses as permitted by such planed development, as such planned development may be amended from time to time by the City consistent with the Economic Impact Plan (the "Project"), and

WHEREAS, the Economic Impact Plan permits certain tax increment financing ("Tax Increment Financing") pursuant to Chapter 53, Title 7 of the Tennessee Code Annotated; and

WHEREAS, the Lakeland IDB reviewed the Economic Impact Plan and the TIF Application in an open public meeting; and

WHEREAS, the Lakeland IDB conducted a public hearing on the Economic Impact Plan held at least two (2) weeks after public notice of the hearing was published in accordance with the applicable laws of Tennessee; and

WHEREAS, in connection with Tax Increment Financing, the City has entered into a Development Agreement with the Lakeland IDB, wherein the Ashmont Interests are defined, with respect to the Plan Area and the development of the Project; and

WHEREAS, under the Development Agreement between the Lakeland IDB and the City, the proceeds of the Tax Increment Financing would be used to pay the costs of the eligible public improvements (the "TIF Eligible Costs") relating to the development of the Project and would pledge the TIF Revenues to apply to the debt service of the Tax Increment Financing; and

WHEREAS, in connection with the Tax Increment Financing, Ashmont has submitted Draw Request 10, a copy of which is attached hereto as **Exhibit A**, to use for certain TIF Eligible Costs.

RESOLUTION R-140-2024

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE, APPROVING DRAW REQUEST 10 IN CONNECTION WITH THE TAX INCREMENT FINANCING FOR ASHMONT DEVELOPER, LLC

NOW, THEREFORE, BE IT RESOLVED by the Lakeland IDB that**:**

RESOLVED, the Draw Request is hereby approved by the Lakeland IDB and further,

RESOLVED, the directors, officers, agents, and employees of the Lakeland IDB are hereby authorized and directed to do all such things and to execute or accept any and all such certificates or documents as may be necessary to carry out and comply with the provisions of this Resolution and to carry out, give effect to and consummate the transactions contemplated hereby and thereby. All of the acts and doings of the directors, officers, agents and employees of the Lakeland IDB which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Dated: September 26, 2024

____
Alan Johnson, *Chair*

Attest:

____
Steve Laster, *Secretary*

RESOLUTION R-140-2024

A RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF LAKELAND, TENNESSEE, APPROVING DRAW REQUEST 10 IN CONNECTION WITH THE TAX INCREMENT FINANCING FOR ASHMONT DEVELOPER, LLC

Exhibit A

Draw

Request(s)

See

Attached

DESCRIPTION	PROJECT BUDGET					DRAW REQUESTS															%	BALANCE TO FUND
Lakeland - Ashmont Developers, LLC		REALLOCATIONS						12/15/23	2/20/24	3/22/24	4/23/24	5/21/24	6/15/24	7/17/24	8/9/24	9/12/24				DATE		(Incl. Retainage)
	ORIGINAL	PREV. ADJ.	CURRENT ADJ.	REVISED	REVISED BUDGET / USABLE SF	CLOSING	DRAW 1 - Reimbursement Post Closing	DRAW 2 - Bank & Legal Closing Costs	DRAW 3	DRAW 4	DRAW 5	DRAW 6	DRAW 7	DRAW 8	DRAW 9	DRAW 10	DRAW 11	DRAW 12	DRAW 13	TOTAL	%	
LAND: ***4,325,508.00***																						
Purchase Price	$0.00			$0.00	$0.00															$0.00		$0.00
SUB TOTAL LAND	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		**$0.00**
HARD COSTS:																						
Infrastructure	$ 8,187,458.00			$8,187,458.00	$1.89		$507,133.75		$261,305.05	$130,381.50	$212,423.47	$382,862.46	$259,268.06	$431,135.60	$405,163.75	$523,060.94				$3,112,734.58	38%	$5,074,723.42
Retainage Escrow Account				$0.00	$0.00															$0.00		$0.00
Landscaping				$0.00	$0.00															$0.00		$0.00
Site Lighting				$0.00	$0.00															$0.00		$0.00
Walls / Fencing				$0.00	$0.00															$0.00		$0.00
MLGW / Utility Connections				$0.00	$0.00															$0.00		$0.00
																				$0.00		$0.00
SUB TOTAL HARD COSTS	**$8,187,458.00**	**$0.00**	**$0.00**	**$8,187,458.00**	**$1.89**	**$0.00**	**$507,133.75**	**$0.00**	**$261,305.05**	**$130,381.50**	**$212,423.47**	**$382,862.46**	**$259,268.06**	**$431,135.60**	**$405,163.75**	**$523,060.94**	**$0.00**	**$0.00**	**$0.00**	**$3,112,734.58**	38%	**$5,074,723.42**
SOFT COSTS:																						
Architect	0.00	$50,000.00		$50,000.00	$0.01								$45,133.26							$45,133.26	90%	$4,866.74
Engineering	425,000.00			$425,000.00	$0.10		$47,222.86		$26,657.19	$1,000.00		$27,302.41	$13,044.43	$6,698.76	$5,060.49					$126,986.14	30%	$298,013.86
Insurance & Bonding	200,000.00			$200,000.00	$0.05		$867.69		$293.99											$1,161.68	1%	$198,838.32
Planning / Consulting	350,000.00			$350,000.00	$0.08		$92,528.70		$16,989.86			$2,550.00				$13,950.00				$126,018.56	36%	$223,981.44
Lakeland Development Fees	650,000.00			$650,000.00	$0.15				$19,920.00			$35,242.37								$55,162.37	8%	$594,837.63
Legal / Title Work / Bank Closing Costs / Appraisal	150,000.00	$114,099.63		$264,099.63	$0.06	$85,958.46	$400.00	$176,936.25		$804.92										$264,099.63	100%	$0.00
Surveys / Phase I / Site Staking	100,000.00			$100,000.00	$0.02	$3,935.00	$27,260.00		$1,850.00											$33,045.00	33%	$66,955.00
MLGW / Utility Connections	0.00			$0.00	$0.00															$0.00		$0.00
RE Taxes	0.00			$0.00	$0.00															$0.00		$0.00
Interest / Operating Rese[rve] 8.0% on $12.5MM Average Funded for 3-Yrs	2,208,000.00			$2,208,000.00	$0.51															$0.00	0%	$2,208,000.00
Inspection Fees (36)	45,000.00			$45,000.00	$0.01						$375.00	$300.00	$450.00	$487.50	$487.50	$375.00				$2,475.00	6%	$42,525.00
Contingency	$684,542.00	($164,099.63)		$520,442.37	$0.12															$0.00	0%	$520,442.37
SUB TOTAL SOFT COSTS	**$4,812,542.00**	**$0.00**	**$0.00**	**$4,812,542.00**	**$1.11**	**$89,893.46**	**$168,279.25**	**$176,936.25**	**$65,711.04**	**$1,804.92**	**$375.00**	**$65,394.78**	**$58,627.69**	**$7,186.26**	**$5,547.99**	**$14,325.00**	**$0.00**	**$0.00**	**$0.00**	**$654,081.64**	14%	**$4,158,460.36**
				$0.00																$0.00		$0.00
TOTAL PROJECT COSTS	**$13,000,000.00**	**$0.00**	**$0.00**	**$13,000,000.00**	**$3.01**	**$89,893.46**	**$675,413.00**	**$176,936.25**	**$327,016.09**	**$132,186.42**	**$212,798.47**	**$448,257.24**	**$317,895.75**	**$438,321.86**	**$410,711.74**	**$537,385.94**	**$0.00**	**$0.00**	**$0.00**	**$3,766,816.22**	29%	**$9,233,183.78**
SOURCES OF FUNDS:																						
Developer Equity / Debt Needed	$0.00			$0.00	$0.00															$0.00		$0.00
TIF - First Citizens Bank	$13,000,000.00			$13,000,000.00	$3.01	$89,893.46	$675,413.00	$176,936.25	$327,016.09	$132,186.42	$212,798.47	$448,257.24	$317,895.75	$438,321.86	$410,711.74	$537,385.94	$0.00	$0.00	$0.00	$3,766,816.22	29%	$9,233,183.78
				$0.00																$0.00		$0.00
TOTAL SOURCES OF FUNDS				**$13,000,000.00**	**$3.01**	**$89,893.46**	**$675,413.00**	**$176,936.25**	**$327,016.09**	**$132,186.42**	**$212,798.47**	**$448,257.24**	**$317,895.75**	**$438,321.86**	**$410,711.74**	**$537,385.94**	**$0.00**	**$0.00**	**$0.00**	**$3,766,816.22**	29%	**$9,233,183.78**
DIFFERENCES				**$0.00**		**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**		**$0.00**
- Contract 1 Retainage Tracking																				$0.00		

AIA® Document G702™ – 1992

Application and Certificate for Payment

TO OWNER: Ashmont Developer, LLC.
355 Tara Lane
Memphis, TN 38111

PROJECT: Ashmont Phase 1
Canada Rd & Davies Plantation
Lakeland, TN 38002

APPLICATION NO: 8
PERIOD TO: 9/6/24
CONTRACT FOR: Ashmont Planned Development
CONTRACT DATE:
PROJECT NOS: / /

Distribution to:
OWNER ☐
ARCHITECT ☐
CONTRACTOR ☐
FIELD ☐
OTHER ☐

FROM CONTRACTOR: Moss Carpenter Construction Company, Inc
9700 Village Circle
Suite 300 Lakeland, TN 38002

VIA ARCHITECT: McCarty Grandberry Engineering

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
AIA Document G703™, Continuation Sheet, is attached.

1. **ORIGINAL CONTRACT SUM** .... $ 5,063,112.00
2. **NET CHANGE BY CHANGE ORDERS** .... $ 2,361,451.00
3. **CONTRACT SUM TO DATE** *(Line 1 ± 2)* .... $ 7,424,563.00
4. **TOTAL COMPLETED & STORED TO DATE** *(Column G on G703)* ...... $ 2,898,536.39
5. **RETAINAGE:**
   a. 5.0 % of Completed Work *(Columns D + E on G703)* $ 144,926.82
   b. 5.0 % of Stored Material *(Column F on G703)* $ 0.00

   Total Retainage *(Lines 5a + 5b, or Total in Column I of G703)*...... $ 144,926.83
6. **TOTAL EARNED LESS RETAINAGE** .... $ 2,753,609.56
   (Line 4 minus Line 5 Total)
7. **LESS PREVIOUS CERTIFICATES FOR PAYMENT** .... $ 2,230,548.62
   (Line 6 from prior Certificate)
8. **CURRENT PAYMENT DUE** .... $ 523,060.94
9. **BALANCE TO FINISH, INCLUDING RETAINAGE**
   (Line 3 minus Line 6) $ 4,670,953.44

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	$ 199,162.00	$ 0.00
Total approved this month	$ 2,162,289.00	$ 0.00
TOTAL	$ 2,361,451.00	$ 0.00
NET CHANGES by Change Order	$ 2,361,451.00	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: Moss Carpenter Construction Company, Inc

By: [signature] Date: 9-6-24

State of: Tenn

County of: Shelby

Subscribed and sworn to before me this 6th Sept 2024

Notary Public: [signature]

My commission expires:

DAWN WARREN STATE OF TENNESSEE NOTARY PUBLIC My Commission Expires on 09/26/2027 SHELBY COUNTY

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED .... $

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:

By: Date:

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CAUTION: You should sign an original AIA Contract Document, on which this text appears in RED. An original assures that changes will not be obscured.

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AIA® Document G703™ – 1992

Continuation Sheet

AIA Document G702™–1992, Application and Certificate for Payment, or G732™–2009, Application and Certificate for Payment, Construction Manager as Adviser Edition, containing Contractor's signed certification is attached.
In tabulations below, amounts are in US dollars.
Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 8
APPLICATION DATE: 9/6/24
PERIOD TO: 9/6/24
ARCHITECT'S PROJECT NO:

A	B	C	D	E	F	G		H	I
			WORK COMPLETED						
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	FROM PREVIOUS APPLICATION *(D + E)*	THIS PERIOD	MATERIALS PRESENTLY STORED *(Not in D or E)*	TOTAL COMPLETED AND STORED TO DATE *(D+E+F)*	% *(G ÷ C)*	BALANCE TO FINISH *(C – G)*	RETAINAGE *(If variable rate)*
1	General Conditions	157,120.00	47,196.60	14,140.80	0.00	61,337.40	39	95,782.60	3,066.87
2	Sikte Survey & Layout	40,000.00	5,800.00	3,200.00	0.00	9,000.00	23	31,000.00	450.00
3	Traffic Control	15,000.00	300.00	0.00	0.00	300.00	2	14,700.00	15.00
4	Testing Allowance	45,000.00	20,664.00	10,365.00	0.00	31,029.00	69	13,971.00	1,551.45
5	Construction Entrances	10,500.00	7,035.00	0.00	0.00	7,035.00	67	3,465.00	351.75
6	Silt Fence	72,215.00	54,354.25	0.00	0.00	54,354.25	75	17,860.75	2,717.71
7	Check Dams	44,095.00	27,572.08	12,346.60	0.00	39,918.68	91	4,176.32	1,995.93
8	Erostion Control Maintenance Allowance	115,000.00	75,399.25	756.25	0.00	76,155.50	66	38,844.50	3,807.78
9	Flocculant Allowance	135,000.00	68,625.00	0.00	0.00	68,625.00	51	66,375.00	3,431.25
10	Temporary Seeding Allowance	265,000.00	65,750.00	21,060.00	0.00	86,810.00	33	178,190.00	4,340.50
11	Sodding Allowance	135,000.00	0.00	0.00	0.00	0.00	0	135,000.00	0.00
12	Site Clearing & Burning	282,500.00	265,550.00	11,300.00	0.00	276,850.00	98	5,650.00	13,842.50
13	Demo Paint Ball Park	30,000.00	30,000.00	0.00	0.00	30,000.00	100	0.00	1,500.00
14	Detention Basins	242,492.00	242,492.00	0.00	0.00	242,492.00	100	0.00	12,124.60
15	Earthwork	1,630,950.00	623,680.00	309,880.50	0.00	933,560.50	57	697,389.50	46,678.03
16	Lift Station Access Rd.	26,750.00	0.00	0.00	0.00	0.00	0	26,750.00	0.00
17	Fine Grade Roads, Building Pads, etc.	70,600.00	0.00	0.00	0.00	0.00	0	70,600.00	0.00
18	Retaining Walls	389,849.00	3,898.49	0.00	0.00	3,898.49	1	385,950.51	194.92
19	Retaining Wall Railings	132,462.00	0.00	0.00	0.00	0.00	0	132,462.00	0.00
20	Storm Drainage	737,860.00	318,408.75	0.00	0.00	318,408.75	43	419,451.25	15,920.44
21	Curb & Gutter	253,154.00	0.00	86,072.36	0.00	86,072.36	34	167,081.64	4,303.62
22	Asphalt Base & Asphalt Paving	429,509.00	0.00	0.00	0.00	0.00	0	429,509.00	0.00
23	Pavement Markings & Signage	22,550.00	0.00	0.00	0.00	0.00	0	22,550.00	0.00
24	Site Water	600,790.00	0.00	0.00	0.00	0.00	0	600,790.00	0.00
	GRAND TOTAL								

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101210ACD44

AIA Document G703™ – 1992

Continuation Sheet

AIA Document G702™–1992, Application and Certificate for Payment, or G732™–2009, Application and Certificate for Payment, Construction Manager as Adviser Edition, containing Contractor's signed certification is attached.
In tabulations below, amounts are in US dollars.
Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 8
APPLICATION DATE: 9/6/24
PERIOD TO: 9/6/24
ARCHITECT'S PROJECT NO:

A	B	C	D	E	F	G		H	I
			WORK COMPLETED						
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD	MATERIALS PRESENTLY STORED (Not in D or E)	TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)	BALANCE TO FINISH (C – G)	RETAINAGE (If variable rate)
25	Sanitary Sewer	750,575.00	189,375.00	52,540.25	0.00	241,915.25	32	508,659.75	12,095.76
26	Lift Station Allowance	200,000.00	0.00	0.00	0.00	0.00	0	200,000.00	0.00
27	Site Clean Up, Street Sweeping, Dust Control Allowance	70,000.00	5,883.51	0.00	0.00	5,883.51	8	64,116.49	294.18
28	GC Fee	321,430.00	96,800.00	28,928.70	0.00	125,728.70	39	195,701.30	6,286.44
29	CO #1 - Lime & Additional Clearing	95,409.00	95,409.00	0.00	0.00	95,409.00	100	0.00	4,770.45
30	CO #2 - Phase 2 Sediment Basin, Erosion Control	103,753.00	103,753.00	0.00	0.00	103,753.00	100	0.00	5,187.65
	GRAND TOTAL	7,424,563.00	2,347,945.93	550,590.46	0.00	2,898,536.39	39	4,526,026.61	144,926.83

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101210ACD44

RECEIPT AND PARTIAL WAIVER OF LIEN RIGHTS

FROM: Moss Carpenter Construction Company, Inc. (The Contractor)

TO: Ashmont Developer, LLC (The Owner)

PROJECT: Ashmont Phase 1
Canada Rd and Davies Plantation (Location)

1. The Undersigned does hereby waive, release and surrender any claim, lien or right of lien resulting from labor, skill, and/or materials, subcontract work, equipment or other work, rent, services or supplies heretofore furnished in and for the construction, improvement, alteration or additions to the above-described project prior to the date hereof.

2. This release is given for and in consideration of the sum of $ 523,060.94 From Ashmont Developer, LLC.

3. In further consideration of the payment made as above set forth, and to induce the Owner to make said payment, the undersigned agrees to defend and hold harmless the Owner or Lender, and/or the principle and surety from any claims hereinafter made by the undersigned and/or its material suppliers, subcontractors or employees, servants, agents or assigns of such persons against the project.

4. It is acknowledged that the designation of the above project constitutes an adequate description of the property and improvements for which the undersigned has received consideration of this release.

5. This instrument shall constitute full, final and complete release of all rights and claims of the undersigned, for the work completed to date of 9/6/24.

DATED THIS 6th Of September, 2024.

Moss Carpenter Construction Company, Inc.

By [signature]
James V. Carpenter
President

Subscribed and sworn to me this
6th Of September, 2024

Notary Public: [signature]

DAWN WARREN
STATE OF TENNESSEE
NOTARY PUBLIC
My Commission Expires on 09/26/2027
SHELBY COUNTY

My Commission Expires: 9-26-2027

AIA® Document G701® – 2017

Change Order

PROJECT: *(Name and address)*	CONTRACT INFORMATION:	CHANGE ORDER INFORMATION:
Ashmont Planned Development Canada Road & Davies Plantation Lakeland, TN 38002	Contract For: General Construction Date: 01/22/2024	Change Order Number: 003 Date: 9/6/2024
OWNER: *(Name and address)*	**ARCHITECT:** *(Name and address)*	**CONTRACTOR:** *(Name and address)*
Ashmont Developer, LLC 355 Tara Lane Memphis, TN 38111	McCarty Grandberry Engineering, LLC 198 Progress Road Collierville, TN 38017	Moss Carpenter Construction Company, Inc. 9700 Village Circle, Suite 300 Lakeland, TN 38002

THE CONTRACT IS CHANGED AS FOLLOWS:
(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)
See attached CHange Order #2 summary dated 7/8/2024

The original Contract Sum was	$	5,063,112.00
The net change by previously authorized Change Orders	$	199,162.00
The Contract Sum prior to this Change Order was	$	5,262,274.00
The Contract Sum will be increased by this Change Order in the amount of	$	2,162,289.00
The new Contract Sum including this Change Order will be	$	7,424,563.00

The Contract Time will be increased by Zero (0) days.
The new date of Substantial Completion will be

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

McCarty Grandberry Engineering, LLC	Moss Carpenter Construction Company, Inc.	Ashmont Developer, LLC
ARCHITECT *(Firm name)*	**CONTRACTOR** *(Firm name)*	**OWNER** *(Firm name)*
	[signature]	
SIGNATURE	**SIGNATURE**	**SIGNATURE**
	James V. Carpenter, President	
PRINTED NAME AND TITLE	**PRINTED NAME AND TITLE**	**PRINTED NAME AND TITLE**
	9-6-24	
DATE	**DATE**	**DATE**

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User Notes:
(3B9ADA53)

CHANGE ORDER #3

September 4, 2024

MOSS-CARPENTER CONSTRUCTION COMPANY
9700 Village Circle, Suite 300
Lakeland, TN 38002
Phone: 901-844-6244 Fax: 901-317-7789
www.mosscarpenter.com

Mr. Vince Smith
Mr. Bart Thomas

Re: Ashmont Planned Development - Area 2 (Residential)
Lakeland, TN 38002

Please see the below pricing for the above referenced project. This proposal is per the mylar set of drawings by McCarty Grandberry Engineering dated 3/3/22, revised 5/24/24, and signed by Emily Harrell on 7/8/24.

Change Order #3 - Ashmont Phase 2 Scope	**Amount**	
General Conditions	$	49,855.00
Site Layout	$	20,000.00
Testing Allowance	$	25,000.00
Erosion Control	$	29,763.00
Erosion Control Maintenance Allowance	$	65,000.00
Flocculant Allowance	$	50,000.00
Temporary Seeding Allowance	$	65,000.00
Sodding Allowance	$	60,000.00
Earthwork	$	71,750.00
Backfill/Fine Grade behind Curbs	$	12,525.00
Storm Drainage	$	395,485.00
Curb & Gutter	$	156,050.00
Asphalt Base(Soil Cement) & Asphalt Paving (2" binder)(Approx 9,100 sy)	$	216,581.00
Pavement Markings & Signage (Temporary Striping Only)	$	7,500.00
Site Water	$	318,275.00
Sanitary Sewer	$	498,075.00
Site Clean-Up, Dust Control, Street Sweeping Allowance	$	20,000.00
GC Fee @ 4.5%	$	101,430.00
TOTAL CO #3	**$**	**2,162,289.00**

Qualifications:

1. Performance & Payment Bonds are not included.
2. Builders Risk Insurance is not included
3. Cost of Geotechnical Report is not included.
4. Undercut and backfill of unsuitable soils is not included.
5. Utility relocation and/or connection fees are not included.
6. Any requried permits and/or street cut bonds are not included.
7. Landscaping is not included.
8. Sidewalks & handicap ramps are not included.
9. Allowance line items will be billed per actual cost.
10. Water pricing is per plans, no MLGW water plan provided.
11. Masonry, Landscaping, Gates, Electrical is not included.
12. Final Surface Layer of Asphalt is not included.

Sincerely,

Jami Carpenter

Moss Carpenter Construction Co., Inc.
Jamie Carpenter
President

Ashmont Allowance Log

		Pay App #1 & #2	Pay App #3	Pay App #4	Pay App #5	Pay App #6	Pay App #7	Pay App #8
Erosion Control Maintenance Allowance								
Add Valves		$6,250.00						
Flock Logs		$700.00						
Silt Fence Repair		$1,600.00						
Wattles N and S Side		$2,100.00						
Add Check Dams		$7,055.00						
Flock Logs			$700.00					
Silt Fence Repair 3/21			$500.00					
Add Silt Fence 3/21			$2,000.00					
Add Silt Fence 3/26			$1,600.00					
Add Check Dams			$3,825.00					
Clean Silt Buildup at Check Dams			$400.00					
Add Check Dams 4/18, 4/24				$3,740.00				
Silt Fence Repairs 4/8, 4/16				$2,175.00				
Add Silt Fence 4/8, 4/18, 4/25				$5,080.00				
Add check dams 5/20, 5/21, 5/24 (66 tons)					$5,610.00			
Wattles 5/16 (70 lf)					$350.00			
Silt Fence Repairs 5/16					$600.00			
Add Silt Fence 5/11, 5/16, 5/21					$9,160.00			
Silt Fence Repairs 5/24,5/30,6/12,6/24						$2,600.00		
Add Silt Fence 5/24, 5/30, 6/04,6/12,6/24						$8,108.00		
Add check dams 5/31 (43 tons)						$3,655.00		
Silt Fence Repairs 7/11, 7/15, 7/18, 7/19							$3,600.00	
Add silt Fence 7/11, 7/17, 7/18, 7/19							$2,791.25	
Add wire backed silt Fence 7/19							$1,200.00	
Add Type A Silt Fence at Top of Basin Slope								756.25
TOTAL Billed Per Pay App to Date		**$17,705.00**	**$9,025.00**	**$10,995.00**	**$15,720.00**	**$14,363.00**	**$7,591.25**	**$756.25**
Eros. Control Maint. Allowance Contract Amount	**$115,000.00**							
Total Eros. Control Maint. Allowance Currently Billed	**$76,155.50**							
Eros. Control Maint. Allowance Current Balance	**$38,844.50**							

		Pay App #1 & #2	Pay App #3	Pay App #4	Pay App #5	Pay App #6	Pay App #7	Pay App #8
Flocculant Allowance								
Flock 2/13		$7,500.00						
Flock South Pond		$2,500.00						
Flock 3/17, 3/28			$15,000.00					
Flock 4/12, 4/19				$15,000.00				
Flock 5/10 (4 basins)					$6,125.00			
Flock 5/20 (4 basins)					$6,125.00			
Flock 5/28 (3 basins)					$4,750.00			
Flock 6/11,6/19 (1 basin)						$2,750.00		
Flock 6/19 (1 basin)							$1,375.00	
Flock 7/16 (2 basins)							$2,750.00	
Flock 7/24 (3 basins)							$4,750.00	
Total Billed Per Pay App to Date		**$10,000.00**	**$15,000.00**	**$15,000.00**	**$17,000.00**	**$2,750.00**	$8,875.00	
Flocculant Allowance Contract Balance	**$85,000.00**							
Total Flocculant Allowance Currently Billed	**$68,625.00**							
Flocculant Allowance Current Balance	**$16,375.00**							

Temporary Seeding Allowance								
Seed & Straw South Side		$22,500.00						
Matt Slopes on South Pond			$16,250.00					
Seed & Straw Commercial Side 4/18				$3,750.00				
Seed and Straw house pads Phase 1						$21,000.00		
Seed and Straw Back Basin							$2,250.00	
Matt Slopes on North Sediment Basin								$21,060.00
Total Billed Per Pay App To Date		**$22,500.00**	**$16,250.00**	**$3,750.00**		**$21,000.00**	**$2,250.00**	**$21,060.00**
Temp. Seeding Allowance Contract Balance	**$265,000.00**							
Total Temp. Seeding Allowance Currently Billed	**$86,810.00**							
Temp. Seeding Allowance Balance	**$178,190.00**							

Testing Allowance								
PSI Invoice 3/31			$4,444.00					
PSI Invoice 4/30					$3,993.00			
PSI Invoice 5/31						$7,083.00		
PSI Invoice							$5,144.00	
PSI Invoice 7/31								$10,365.00
Total Billed Per Pay App to Date			**$4,444.00**		**$3,993.00**	**$7,083.00**	**$5,144.00**	**$10,365.00**
Testing Allowance Contract Balance	**$45,000.00**							
Total Testing Allowance Currently Billed	**$31,029.00**							
Testing Allowance Balance	**$13,971.00**							

Sodding Allowance								
Total Billed Per Pay App to Date								
Sodding Allowance Contract Balance	**$75,000.00**							
Total Sodding Allowance Currently Billed	**$0.00**							
Sodding Allowance Balance	**$75,000.00**							

Site Cleanup Allowance								
Site Cleanup 5/19, 5/26					$3,754.06			
Site Cleanup 7/29 - 8/3						$2,129.45		
Total Billed Per Pay App to Date					**$3,754.06**	**2,129.45**		
Site Cleanup Allowance Contract Balance	**$50,000.00**							
Total Cleanup Allowance Currently Billed	**$5,883.51**							
Site Cleanup Allowance Balance	**$44,116.49**							

Grand Total Of All Allowance Items Billed To Date	**$268,503.01**

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Customer #	Purchase Order	Project Number	Date	Invoice #	Page
1199283		05013129	07/31/24	00940596	0001

Project: ASHMONT PLANNED DEVELOPMENT

Date	Work Order Nbr	Description	Quantity	Unit Cost	Amount
06/28/24	05013129-62	ENGINEERING TECH (HR)	6.00	48.00	288.00
06/28/24	05013129-62	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
06/28/24	05013129-62	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
06/28/24	05013129-62	REPORT REVIEW	0.50	110.00	55.00
07/01/24	05013129-63	ENGINEERING TECH (HR)	5.00	48.00	240.00
07/01/24	05013129-63	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/01/24	05013129-63	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/01/24	05013129-63	REPORT REVIEW	0.50	110.00	55.00
07/02/24	05013129-64	ENGINEERING TECH (HR)	8.00	48.00	384.00
07/02/24	05013129-64	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/02/24	05013129-64	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
				Invoice Total:	*Continued*

TERMS: NET 30 DAYS. A SERVICE CHARGE OF 1.5% PER MONTH, WHICH IS AN ANNUAL PERCENTAGE RATE OF 18% WILL BE ADDED TO ALL PAST DUE ACCOUNTS. FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL THE PHONE NUMBER ABOVE.

To assure proper credit to your account, please return with your check made payable to PSI.

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Customer #	Invoice #	Project Number	Amount Enclosed
1199283	00940596	05013129	

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Moss Carpenter Construction Co., Inc.
Job Cost Code

24100 - 10410 - 0

Approval

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Customer #	Purchase Order	Project Number	Date	Invoice #	Page
1199283		05013129	07/31/24	00940596	0002

Project: ASHMONT PLANNED DEVELOPMENT

Date	Work Order Nbr	Description	Quantity	Unit Cost	Amount
07/02/24	05013129-64	REPORT REVIEW	0.70	110.00	77.00
07/03/24	05013129-65	ENGINEERING TECH (HR)	8.00	48.00	384.00
07/03/24	05013129-65	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/03/24	05013129-65	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/03/24	05013129-65	REPORT REVIEW	0.70	110.00	77.00
07/04/24	05013129-66	ENGINEERING TECH (HR)	8.00	48.00	384.00
07/04/24	05013129-66	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/04/24	05013129-66	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/04/24	05013129-66	REPORT REVIEW	0.70	110.00	77.00
07/08/24	05013129-67	ENGINEERING TECH (HR)	7.00	48.00	336.00
07/08/24	05013129-67	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
				Invoice Total:	*Continued*

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Customer #	Purchase Order	Project Number	Date	Invoice #	Page
1199283		05013129	07/31/24	00940596	0003

Project: ASHMONT PLANNED DEVELOPMENT

Date	Work Order Nbr	Description	Quantity	Unit Cost	Amount
07/08/24	05013129-67	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/08/24	05013129-67	REPORT REVIEW	0.60	110.00	66.00
07/09/24	05013129-68	ENGINEERING TECH (HR)	7.00	48.00	336.00
07/09/24	05013129-68	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/09/24	05013129-68	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/09/24	05013129-68	REPORT REVIEW	0.60	110.00	66.00
07/10/24	05013129-69	ENGINEERING TECH (HR)	6.00	48.00	288.00
07/10/24	05013129-69	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/10/24	05013129-69	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/10/24	05013129-69	REPORT REVIEW	0.50	110.00	55.00
07/11/24	05013129-70	ENGINEERING TECH (HR)	6.00	48.00	288.00
				Invoice Total:	*Continued*

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Customer #	Purchase Order	Project Number	Date	Invoice #	Page
1199283		05013129	07/31/24	00940596	0004

Project: ASHMONT PLANNED DEVELOPMENT

Date	Work Order Nbr	Description	Quantity	Unit Cost	Amount
07/11/24	05013129-70	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/11/24	05013129-70	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/11/24	05013129-70	REPORT REVIEW	0.50	110.00	55.00
07/12/24	05013129-71	ENGINEERING TECH (HR)	7.00	48.00	336.00
07/12/24	05013129-71	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/12/24	05013129-71	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/12/24	05013129-71	REPORT REVIEW	0.60	110.00	66.00
07/13/24	05013129-72	ENGINEERING TECH OT (HR)	7.00	72.00	504.00
07/13/24	05013129-72	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/13/24	05013129-72	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/13/24	05013129-72	REPORT REVIEW	0.80	110.00	88.00
				Invoice Total:	*Continued*

TERMS: NET 30 DAYS. A SERVICE CHARGE OF 1.5% PER MONTH, WHICH IS AN ANNUAL PERCENTAGE RATE OF 18% WILL BE ADDED TO ALL PAST DUE ACCOUNTS. FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL THE PHONE NUMBER ABOVE.

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Customer #	Purchase Order	Project Number	Date	Invoice #	Page
1199283		05013129	07/31/24	00940596	0005

Project: ASHMONT PLANNED DEVELOPMENT

Date	Work Order Nbr	Description	Quantity	Unit Cost	Amount
07/15/24	05013129-73	ENGINEERING TECH (HR)	8.00	48.00	384.00
07/15/24	05013129-73	ENGINEERING TECH OT (HR)	3.00	72.00	216.00
07/15/24	05013129-73	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/15/24	05013129-73	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/15/24	05013129-73	REPORT REVIEW	0.90	110.00	99.00
07/16/24	05013129-74	ENGINEERING TECH (HR)	8.00	48.00	384.00
07/16/24	05013129-74	ENGINEERING TECH OT (HR)	3.00	72.00	216.00
07/16/24	05013129-74	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/16/24	05013129-74	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/16/24	05013129-74	REPORT REVIEW	0.90	110.00	99.00
07/17/24	05013129-75	ENGINEERING TECH (HR)	8.00	48.00	384.00
				Invoice Total:	*Continued*

TERMS: NET 30 DAYS. A SERVICE CHARGE OF 1.5% PER MONTH, WHICH IS AN ANNUAL PERCENTAGE RATE OF 18% WILL BE ADDED TO ALL PAST DUE ACCOUNTS. FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL THE PHONE NUMBER ABOVE.

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Customer #	Purchase Order	Project Number	Date	Invoice #	Page
1199283		05013129	07/31/24	00940596	0006

Project: ASHMONT PLANNED DEVELOPMENT

Date	Work Order Nbr	Description	Quantity	Unit Cost	Amount
07/17/24	05013129-75	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/17/24	05013129-75	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/17/24	05013129-75	REPORT REVIEW	0.70	110.00	77.00
07/18/24	05013129-76	ENGINEERING TECH (HR)	8.00	48.00	384.00
07/18/24	05013129-76	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/18/24	05013129-76	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/18/24	05013129-76	REPORT REVIEW	0.70	110.00	77.00
07/19/24	05013129-77	ENGINEERING TECH (HR)	8.00	48.00	384.00
07/19/24	05013129-77	ENGINEERING TECH OT (HR)	1.00	72.00	72.00
07/19/24	05013129-77	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/19/24	05013129-77	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
				Invoice Total:	*Continued*

TERMS: NET 30 DAYS. A SERVICE CHARGE OF 1.5% PER MONTH, WHICH IS AN ANNUAL PERCENTAGE RATE OF 18% WILL BE ADDED TO ALL PAST DUE ACCOUNTS. FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL THE PHONE NUMBER ABOVE.

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Customer #	Invoice #	Project Number	Amount Enclosed
1199283	00940596	05013129	

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Customer #	Purchase Order	Project Number	Date	Invoice #	Page
1199283		05013129	07/31/24	00940596	0007

Project: ASHMONT PLANNED DEVELOPMENT

Date	Work Order Nbr	Description	Quantity	Unit Cost	Amount
07/19/24	05013129-77	REPORT REVIEW	0.80	110.00	88.00
07/20/24	05013129-78	ENGINEERING TECH OT (HR)	4.00	72.00	288.00
07/20/24	05013129-78	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/20/24	05013129-78	NUCLEAR DENSITY EQP (DAY)	1.00	50.00	50.00
07/20/24	05013129-78	REPORT REVIEW	0.50	110.00	55.00
07/22/24	05013129-79	ENGINEERING TECH (HR)	6.00	48.00	288.00
07/22/24	05013129-79	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/22/24	05013129-79	REPORT REVIEW	0.90	110.00	99.00
07/23/24	05013129-80	ENGINEERING TECH (HR)	4.00	48.00	192.00
07/23/24	05013129-80	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/23/24	05013129-80	ENGINEERING TECH (HR)	4.00	48.00	192.00
				Invoice Total:	*Continued*

TERMS: NET 30 DAYS. A SERVICE CHARGE OF 1.5% PER MONTH, WHICH IS AN ANNUAL PERCENTAGE RATE OF 18% WILL BE ADDED TO ALL PAST DUE ACCOUNTS. FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL THE PHONE NUMBER ABOVE.

To assure proper credit to your account, please return with your check made payable to PSI.

Please mail remittance to:

Customer #	Invoice #	Project Number	Amount Enclosed
1199283	00940596	05013129	

Professional Service Industries, Inc.
PO Box 74008418
Chicago, IL 60674-8418

Information To Build On

Engineering • Consulting • Testing

Professional Service Industries, Inc.

www.psiusa.com

MEMPHIS CS DEPT
MEMPHIS, TN 38118
(901) 365-1802

Federal ID 37-0962090

MOSS CARPENTER CONSTRUCTION
9700 VILLAGE CIRCLE
SUITE 300
LAKELAND TN 38002
USA

MOSS CARPENTER CONSTRUCTION
9700 VILLAGE CIRCLE
SUITE 300
LAKELAND TN 38002

Customer #	Purchase Order	Project Number	Date	Invoice #	Page
1199283		05013129	07/31/24	00940596	0008

Project: ASHMONT PLANNED DEVELOPMENT

Date	Work Order Nbr	Description	Quantity	Unit Cost	Amount
07/25/24	05013129-80	VEHICLE-STANDARD (DAY)	1.00	45.00	45.00
07/23/24	05013129-80	REPORT REVIEW	1.20	110.00	132.00

Invoice Total:	$10,365.00
Balance Due:	$10,365.00

TERMS: NET 30 DAYS. A SERVICE CHARGE OF 1.5% PER MONTH, WHICH IS AN ANNUAL PERCENTAGE RATE OF 18% WILL BE ADDED TO ALL PAST DUE ACCOUNTS. FOR QUESTIONS REGARDING THIS INVOICE, PLEASE CALL THE PHONE NUMBER ABOVE.

To assure proper credit to your account, please return with your check made payable to PSI.

Please mail remittance to:

Customer #	Invoice #	Project Number	Amount Enclosed
1199283	00940596	05013129	

Professional Service Industries, Inc.
PO Box 74008418
Chicago, IL 60674-8418

BROWNING CONTRACTORS, INC

P O BOX 382003
GERMANTOWN, TN 38183-2003
901.850.4035

FOR: MOSS CARPENTER CONSTRUCTION COMPANY
9700 VILLAGE CIR SUITE 300
LAKELAND, TN 38002

ATTN: MR. JAMIE CARPENTER

CHANGE ORDER #7

Job: Ashmont | Location: Lakeland, TN | Date: 08.25.2024

ADDITIONAL ITEAMS	Quantity	Unit	Price	Total
~~Sewer Manholes for Area 2~~	17	EA	~~$3,080.00~~	~~$52,360.00~~
Matting Slopes	32,400	SF	$0.65	$21,060.00
Type A Silt Fence Along Top of Slope	275	LF	$2.75	$756.25
~~Report August~~	1	EA	~~$850.00~~	~~$850.00~~
SUBTOTAL				~~$75,026.25~~
TOTAL PRICE				~~$75,026.25~~

AUTHORIZED
SIGNATURE: ______________________ DATE: ____________

ACCEPTANCE OF PROPOSAL:
SIGNATURE: ______________________ DATE: ____________

landscape architecture
planning

ils

9967 Bentwood Creek Cv Collierville, Tn 38017
901.493.6996 corybrady@gmail.com

Invoice

Date	Invoice #
9/11/2024	2024-030

Bill To

Ashmont Developers, LLC
Bart Thomas
PO Box 772808
Memphis, TN 38177

Terms	Project #
Due on receipt	22-051-Ashmont PD

Description	Quantity	Rate	Amount
Land Planning/Consulting Services - Detailed Site Planning Ph 3 & Ph 4 (PDP Prep.) - Coordination with Civil Ph 3 & Ph 4 - Coordination with Shapiro Ph 4 (Independent Living Design) - Conceptual Site Planning Ph 1, Area 6 Lot 1 Commercial Alternative - Coordination with City of Lakeland/Others	67	150.00	10,050.00
Landscape Architecture/Design Services - Preliminary Landscape Plan Ph 3 - South Residential - Preliminary Entrance Monument Design Ph 3 - Preliminary Coordination with Irrigation Designer	26	150.00	3,900.00
INVOICE REPRESENTS ALL TIME ACCRUED 5/8/24 - CURRENT			

Integrated Land Solutions, PLLC
EIN# 27-1521402

Total $13,950.00

A2H ENGINEERS ARCHITECTS PLANNERS

Accounts Receivable
3009 Davies Plantation Road
Lakeland, TN 38002-8215
P. 901.372.0404

Industrial Development Board of the City of Lakeland, TN
10001 Highway 70
Lakeland, TN 38002
Mr. Michael Walker

Invoice number 63205
Date 08/31/2024

Project **24166 City of Lakeland-LakelandTN-Construction Administration Ashmont Development TIF**

For services performed through date of invoice

Industrial Development Board of the City of Lakeland, TN
Construction Contract Administration
Lakeland Ashmont Development TIF
Lakeland, TN

Description	Contract Amount	Percent Complete	Prior Billed	Total Billed	Current Billed
Construction Administration (Hourly Not To Exceed)	30,000.00	8.25	2,100.00	2,475.00	375.00
Total	30,000.00	8.25	2,100.00	2,475.00	375.00

Construction Administration (Hourly Not To Exceed)

Hourly Professional Fees

	Hours	Rate	Billed Amount
Engineer II			
Bob Watson	2.50	150.00	375.00
Construction Administration (Hourly Not To Exceed) subtotal			375.00

Invoice total **375.00**

LEM

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
62972	07/31/2024	487.50		487.50			
63205	08/31/2024	375.00	375.00				
	Total	862.50	375.00	487.50	0.00	0.00	0.00

EXHIBIT D

Form of Payment Request

PAYMENT REQUEST

To: The Industrial Development Board of the City of Lakeland, Tennessee
c/o President
10001 Highway 70
Lakeland, Tennessee 38002

Re: Development [and Financing] Agreement dated June 15, 2023, between Ashmont Developer, LLC ("Developer"), and The Industrial Development Board of the City of Lakeland, Tennessee, a public nonprofit corporation organized under Tenn. Code Ann. §§ 7-53-101, *et. seq*. (the "Board")

Pursuant to Section [4] of the Development Agreement, please disburse the sum of $537,385.94 from the Project Tax Increment Fund. In connection with such disbursement, the undersigned hereby certifies as follows:

(a) All amounts disbursed will be applied to the payment of or the reimbursement to Developer for Eligible Costs (including, without limitation, Transaction Costs), and the Eligible Improvements to which such Eligible Costs relate (if applicable) have been completed in material compliance with the plans and specifications previously provided to the Board or its Construction Consultant, to the extent applicable under the Development Agreement. The Construction Consultant has inspected and approved the Eligible Improvements, to the extent its approval is required under the Development Agreement.

(b) With the delivery of this Payment Request, all requirements for this disbursement under Section [4] of the Development Agreement have been satisfied.

(c) Developer or the Developer Representative has entered into all development agreements with the City of Lakeland or an agency thereof necessary for the construction of the Eligible Improvements to which this Payment Request relates. As of the date of this Payment Request, there are no defaults on the part of Developer or the Developer Representative under any such development agreements.

Please disburse all such amounts to the parties in the manner described on Exhibit A attached hereto.

All capitalized terms used herein and not otherwise defined have the respective meanings given to such terms in the Development Agreement.

Dated as of Sept. 12, 2024.

Signatures on the following page.

DEVELOPER:

Ashmont Developer, LLC

By: Bart Thomas

Name: Bart Thomas

Title: Member

Payment Request reviewed and reimbursement of Eligible Cost recommended if required under Development Agreement:

[CONSTRUCTION CONSULTANT]

By: Robert C. [signature] - A2H, Inc.

Title: Director of Construction Admin.

Date: 9/23/2024

A2H
ENGINEERS · ARCHITECTS · PLANNERS

September 23, 2024

Mr. Michael Walker, President
Industrial Development Board
City of Lakeland, TN
10001 Highway 70
Lakeland, TN 38002

RE: **Lakeland Ashmont Planned Development TIF Draw #10 Approval Request**
A2H # 24166

Dear Mr. Walker,

We have reviewed the Payment Request submitted by Ashmont Developer, LLC, for Draw No. 10 dated September 12, 2024, for the Ashmont Planned Development Project. All of the supporting documentation appears to be in order, and all costs and expenses included in the payment request appear to comply with eligibility requirements of the TIF and executed Development Agreement for this project. A2H recommends payment of the requested amount of $537,385.94.

If there are any questions, or any additional information is needed in this regard, please let me know.

Sincerely,

Robert C. Watson

Robert C. Watson, P.E.
Director of Construction Administration
A2H, Inc.
901-487-5502
bobw@a2h.com