

AGENDA
JAMES CITY COUNTY ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING
101 MOUNTS BAY ROAD, BLDG. D, WILLIAMSBURG, VA 23185
November 14, 2023
4:00 PM

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF MINUTES

1. October 17, 2023 Meeting Minutes

D. FINANCIAL REPORTS

1. October Revenue Report
2. October Expense Report
3. October Balance Sheet

E. CLOSED SESSION

1. Closed session in accordance with the Code of Virginia to discuss or consider the disposition of publically held property located at 8915 and 8925 Columbia Drive, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority pursuant to Section 2.2-3711 (A)(3) of the Code of Virginia; and consultation with legal counsel regarding specific legal matters related to agreements and property owned by the Authority requiring the provision of legal advice by such counsel pertaining to real property located at 8915 and 8925 Columbia Drive pursuant to Section 2.2-3711 (A)(8) of the Code of Virginia.
2. Closed Session Certification

F. NEW BUSINESS

1. Williamsburg Landing, Inc. Bond Resolution

G. OLD BUSINESS

H. LIAISON REPORTS

I. DIRECTOR'S REPORT

1. November Director's Report

J. UPCOMING DATES OF INTEREST

K. ADJOURNMENT

MINUTES
JAMES CITY COUNTY ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING

October 17, 2023
4:00 PM

A. CALL TO ORDER

Ms. Gajda called the meeting to order at 4:02 p.m.

B. ROLL CALL

Ellen Smith Gajda, Chair
Lynn Meredith, Vice Chair
Vince Campana
Rebecca Mulvain

Absent:

Brandon Nice
Joe Stanko
William Turner

Also Attending:

Christopher Johnson, Economic Development Authority (EDA) Secretary
Jeff Wiggins, EDA Fiscal Agent
Sue Sadler, Board of Supervisors' Liaison to the EDA - via phone
Chris Kulp, EDA Bond Counsel, Hunton Andrews Kurth, LLP
Anne Curtis Saunders, Associate, McGuireWoods, LLP

C. APPROVAL OF MINUTES

1. Minutes Adoption - August 15, 2023

A motion to Approve was made by Lynn Meredith; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Campana, Gajda, Meredith, Mulvain

Absent: Nice, Stanko, Turner

2. Minutes Adoption – September 19, 2023

A motion to Approve was made by Lynn Meredith; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Campana, Gajda, Meredith, Mulvain

Absent: Nice, Stanko, Turner

D. FINANCIAL REPORTS

1. August Financial Reports

A motion to Approve was made by Lynn Meredith; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Campana, Gajda, Meredith, Mulvain

Absent: Nice, Stanko, Turner

Mr. Wiggins presented the revenue and expense reports and informed the EDA the cash balance was \$1,483,117 following the receipt of the Christopher Newport University annual bond administration fee and a partial month of Local Government Investment Pool (LGIP) interest revenue. Expenses for the month were the annual contribution for the Launchpad Business Incubator and the annual Virginians for High-Speed Rail sponsorship.

2. September Financial Reports

A motion to Approve was made by Lynn Meredith; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Campana, Gajda, Meredith, Mulvain

Absent: Nice, Stanko, Turner

Mr. Wiggins presented the revenue and expense reports and informed the EDA the cash balance was \$1,497,671 following the receipt of the Williamsburg Landing bond application fee, a full month of LGIP interest, and a refund of partial-year commercial association dues for the parcel in the James River Commerce Center that was sold earlier this year.

Mr. Johnson noted that the Billsburg Brewery lease payment increased by approximately \$37 as the first payment in year seven of the lease.

E. CLOSED SESSION

There was no Closed Session.

F. NEW BUSINESS

1. Shop Local Boost Program Sponsorship

A motion to Approve a \$10,000 sponsorship was made by Vince Campana; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Campana, Gajda, Meredith, Mulvain

Absent: Nice, Stanko, Turner

Mr. Johnson stated that Ms. Terry Banez, CEO of the Greater Williamsburg Chamber of Commerce (Chamber), attended the September 19 EDA Meeting and presented a summary of the 2022 Shop Local Boost Program performance metrics, previewed the 2023 Program which includes additional sponsorship funding from Chesapeake Bank, *W-Y Daily*, the Williamsburg Area Restaurant Association and the Chamber. Ms. Banez requested approval of a \$10,000 sponsorship and indicated that the City of Williamsburg EDA and York County EDA have approved \$10,000 sponsorships this year. He added that funding for the sponsorship was approved in the Fiscal Year 2024 EDA Budget and the sponsorship amount was the same as in 2022.

2. Williamsburg Landing, Inc. Bond Inducement

A motion to Approve the Inducement Resolution was made by Lynn Meredith; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Campana, Gajda, Meredith, Mulvain

Absent: Nice, Stanko, Turner

Mr. Johnson introduced Mr. Chris Kulp of Hunton Andrews Kurth, LLP acting as Special Counsel to the EDA in association with Mr. Adam Kinsman, EDA Counsel and Ms. Anne Curtis Saunders of McGuireWoods representing the applicant. Mr. Kulp explained the EDA was holding a Public Hearing for the project and voting on the consideration of a Bond Inducement Resolution, included in the Agenda Packet. He stated that he has been reviewing the documents on behalf of the EDA as Special Counsel appointed by EDA Counsel, Mr. Adam Kinsman.

Mr. Kulp explained that this meeting was the initial stage of a multi-step process; the Inducement Resolution would be considered by the EDA at this meeting and by the Board of Supervisors (BOS) at a future meeting, followed by consideration of a Bond Resolution at future EDA and BOS meetings. He reminded the EDA that action was not to be construed as a guarantee of success for the project, but rather the EDA was providing access to a financing mechanism per state statute. He stated that the question before the EDA is whether the EDA is willing to serve as a conduit financier. He noted the applicant has selected the one-time up-front fee option for the administration fee to the EDA and introduced Ms. Saunders to describe the proposed project.

Ms. Saunders explained the revenue bonds would be used to finance the costs of designing, construction, and equipping an expansion of the existing senior living community of up to 39 independent living units, in the form of triplexes and apartment buildings, as well as the designing, construction, and equipping of a community center that is expected to include an art studio, theater, dining space, and multipurpose rooms.

Ms. Gajda opened the Public Hearing.

No members of the public were in attendance.

Mr. Chris Johnson reminded the EDA that under State Law the bonds are not deemed to constitute a debt of the EDA or constitute a pledge of faith and credit or taxing power of the EDA or the County. Mr. Johnson stated that all Directors had confirmed prior to the meeting that they meet the residency requirements of the IDA Act.

Ms. Meredith asked what changes had been made to the Inducement Resolution because of discussions with the applicant's counsel.

Mr. Kulp stated that the Internal Revenue Service and Federal Tax Law allow for a 10% insubstantial deviation from the original requested amount without having to go back through the public hearing process. The Bond Resolution under consideration requests up to \$80 Million in Revenue Bonds. Minor changes had been made to the resolution to address insubstantial deviation allowed under tax law.

Mr. Campana asked what the administration fee would be if \$80 Million in bonds were sold.

Mr. Wiggins responded that the one-time, up-front administration fee option payable to the EDA would be approximately \$100,000 with the final amount to be determined when the bonds are priced.

Ms. Mulvain asked how many full-time employees would be added at Williamsburg Landing with the proposed addition.

Ms. Saunders stated that the information was included as part of the Fiscal Impact Statement in the application package.

Mr. Johnson stated that the Fiscal Impact Statement estimated the number of full-time employees on a year-round basis to be 17 with an average annual salary of \$45,350.

Mr. Johnson stated that a scheduling quirk exists if the Bond Resolution for this project comes before the EDA at its next regularly scheduled meeting on November 14 because that is the same date that the BOS would be considering the Inducement Resolution. He thanked Mr. Kulp and Ms. Saunders for quickly agreeing to include language in the Bond Resolution which would make EDA action contingent on BOS approval of both the Inducement and Bond Resolutions preventing the need to schedule a Special Meeting during the Holiday season.

Hearing no further questions, Ms. Gajda closed the Public Hearing and requested a motion.

3. Celebration of Business

Mr. Johnson stated that the Celebration of Business event would again be held at The Maine of Williamsburg and use the same caterer as the 2022 event. Invitations were sent out on Monday, Oct. 16 via email. He added that he had spoken with John Shelton of Shelton Glassworks and ordered a half dozen cobalt vases and would use Fleming's Awards to manufacture the engraved plaque for the base. Nominations were being discussed with County Administration and a ballot would be sent via email in the coming days. In the first 24 hours, staff received RSVPs from 25 individuals.

A brief discussion ensued on the merits of reconstituting a nominating committee in 2024 mid-year and developing criteria for consideration of individuals as well as organizations and businesses.

G. OLD BUSINESS

There was no old business.

H. LIAISON REPORTS

There were no liaison reports.

I. DIRECTOR'S REPORT

Mr. Johnson referred to the report in the Agenda Packet and mentioned that he would be traveling to Atlanta at the end of October for the U.S. Workshop for the U.S.-Korea Commercial Relations Program. A delegation of South Korean Trade Organizations will be attending along with Korean Program participants. He mentioned that the second Commonwealth Conversation is scheduled for Nov. 1 with Carly Fiorina and added that if any Directors wished to attend, the EDA would pay for a ticket with budgeted funds.

J. UPCOMING DATES OF INTEREST

Mr. Johnson noted that the Celebration of Business event would be held on Thursday, November 9, from 4:30 – 6:30p.m. at The Maine of Williamsburg, 2580 John Tyler Highway with the Founder's Award presentation at 5:45p.m.

K. ADJOURNMENT

A motion to Adjourn was made by Rebecca Mulvain; motion Passed.

AYES: 4 NAYS: 0 ABSTAIN: 0 ABSENT: 3

Ayes: Campana, Gajda, Meredith, Mulvain

Absent: Nice, Stanko, Turner

1. Adjourn until November 14, 2023

At approximately 4:46 p.m., Ms. Gajda adjourned the Authority.

Christopher Johnson, Secretary
Economic Development Authority

Ellen Smith Gajda, Chair
Economic Development Authority

YEAR-TO-DATE BUDGET REPORT

FOR 2024 04

ACCOUNTS FOR: 300 EDA					REMAINING REVENUE	% COLL
ORIGINAL ESTIM REV	REVISED ESTIM REV	ACTUAL YTD REVENUE	ACTUAL MTD REVENUE			
305 Use Of Money & Property						
300-305-3511-			Interest Revenue			
	0.00	0.00	-14,781.62	-6,559.17	14,781.62	100.0%
TOTAL Use Of Money & Property	0.00	0.00	-14,781.62	-6,559.17	14,781.62	100.0%
308 Charges For Services						
300-308-3400-			Lease Income			
	-14,725.00	-14,725.00	0.00	0.00	-14,725.00	.0%
TOTAL Charges For Services	-14,725.00	-14,725.00	0.00	0.00	-14,725.00	.0%
309 Miscellaneous						
300-309-3699-			Miscellaneous Revenue			
	0.00	0.00	-3,282.95	0.00	3,282.95	100.0%
300-309-3970-			Marina Property			
	-69,925.00	-69,925.00	-23,259.40	-5,833.33	-46,665.60	33.3%
300-309-3972-			Bond Fee Revenue			
	-69,700.00	-69,700.00	-400.00	0.00	-69,300.00	.6%
TOTAL Miscellaneous	-139,625.00	-139,625.00	-26,942.35	-5,833.33	-112,682.65	19.3%
TOTAL EDA	-154,350.00	-154,350.00	-41,723.97	-12,392.50	-112,626.03	27.0%
TOTAL REVENUES	-154,350.00	-154,350.00	-41,723.97	-12,392.50	-112,626.03	

YEAR-TO-DATE BUDGET REPORT

FOR 2024 04

ORIGINAL	ESTIM REV	REVISED	ESTIM REV	ACTUAL YTD REVENUE	ACTUAL MTD REVENUE	REMAINING REVENUE	% COLL
GRAND TOTAL							
-154,350.00		-154,350.00		-41,723.97	-12,392.50	-112,626.03	27.0%
** END OF REPORT - Generated by Jeffrey Wiggins **							

YEAR-TO-DATE BUDGET REPORT

FOR 2024 04

ACCOUNTS FOR: 300	EDA							
ORIGINAL	APPROP	REVISED	BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
259 EDA Operating								
300-259-0200-				Advertising				
	750.00	750.00		0.00	0.00	0.00	750.00	.0%
300-259-0205-				Promotion				
	50,325.00	50,325.00		7,825.40	0.00	0.00	42,499.60	15.5%
300-259-0220-				Travel And Training				
	1,000.00	1,000.00		0.00	0.00	0.00	1,000.00	.0%
300-259-0235-				Annual Audit				
	13,200.00	13,200.00		0.00	0.00	0.00	13,200.00	.0%
300-259-0318-				Supplies/Materials				
	250.00	250.00		0.00	0.00	0.00	250.00	.0%
300-259-5900-				Regional Econ Devel Support				
	34,500.00	34,500.00		34,500.00	0.00	0.00	0.00	100.0%
300-259-5902-				VA High Speed Rail				
	1,000.00	1,000.00		1,000.00	0.00	0.00	0.00	100.0%
300-259-5903-				James River Commerce Ctr-Ops				
	14,800.00	14,800.00		0.00	0.00	0.00	14,800.00	.0%
300-259-5904-				Mainland Farm Oper Expenses				
	100.00	100.00		0.00	0.00	0.00	100.00	.0%
300-259-5913-				Small Business Assistance				
	20,000.00	20,000.00		0.00	0.00	0.00	20,000.00	.0%
300-259-5915-				Marina Property				
	101.00	101.00		0.00	0.00	0.00	101.00	.0%
300-259-5918-				Contingency				
	18,324.00	18,324.00		0.00	0.00	0.00	18,324.00	.0%
TOTAL EDA Operating	154,350.00	154,350.00		43,325.40	0.00	0.00	111,024.60	28.1%
TOTAL EDA	154,350.00	154,350.00		43,325.40	0.00	0.00	111,024.60	28.1%
TOTAL EXPENSES	154,350.00	154,350.00		43,325.40	0.00	0.00	111,024.60	

YEAR-TO-DATE BUDGET REPORT

FOR 2024 04

ORIGINAL APPROP	REVISED BUDGET	YTD EXPENDED	MTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	% USED
GRAND TOTAL 154,350.00	154,350.00	43,325.40	0.00	0.00	111,024.60	28.1%
** END OF REPORT - Generated by Jeffrey wiggins **						

BALANCE SHEET FOR 2024 4

FUND: 300 EDA			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS				
300401	0000	General Cash	5,833.33	50,425.31
300401	0008	LGIP Investment	6,559.17	1,459,638.52
300413	8250	Misc Receivables	.00	69,956.25
300415	8275	Lease Receivable	.00	714,696.52
300415	8276	Lease Interest Receivable	.00	3,329.29
300455	0814	Land Improvements	.00	237,988.25
300455	0815	Land	.00	515,755.53
300455	0819	Buildings	.00	290,094.53
300455	0820	Accum Deprec-Buildings	.00	-41,145.40
300455	0831	Infrastructure	.00	182,379.34
300455	0832	Accum Deprec-Infrastructure	.00	-35,376.76
300455	0837	Accum Deprec-Land Improvements	.00	-67,602.46
300455	0840	Land Improvements (ND)	.00	34,200.00
TOTAL ASSETS			12,392.50	3,414,338.92
LIABILITIES				
300585	0920	Deferred Inflow-Leases	.00	-676,111.44
TOTAL LIABILITIES			.00	-676,111.44
FUND BALANCE				
300601	6140	Net Pos - Net Invmnt Cap Assets	.00	-1,141,770.74
300601	6142	Net Pos - Unrestricted	.00	-1,598,058.17
300601	6150	Revenue-Year To Date	-12,392.50	-41,723.97
300601	6151	Expenditures-Year To Date	.00	43,325.40
300601	6906	Estimated Revenues	.00	154,350.00
300601	6907	Appropriations	.00	-154,350.00

BALANCE SHEET FOR 2024 4

FUND: 300 EDA		NET CHANGE FOR PERIOD	ACCOUNT BALANCE
FUND BALANCE			
	TOTAL FUND BALANCE	-12,392.50	-2,738,227.48
	TOTAL LIABILITIES + FUND BALANCE	-12,392.50	-3,414,338.92

** END OF REPORT - Generated by Jeffrey Wiggins **

MEMORANDUM

DATE: November 14, 2023

TO: The Economic Development Authority

FROM: Christopher M. Johnson, Director of Economic Development

SUBJECT: Williamsburg Landing, Inc., Revenue Bond Issuance

Williamsburg Landing, Inc. is requesting up to \$80,000 in revenue bonds to finance the costs of designing, constructing, and equipping an expansion of up to 39 independent living units at its senior living community located in and around 5700 Williamsburg Landing Drive in James City County. The expansion will be in the form of triplexes and apartment buildings along with the designing, construction, and equipping of a community center that is expected to include an art studio, theater, dining space, and multipurpose rooms. The project will also finance other capital projects at Williamsburg Landing, all within the existing structures or existing parking facilities, with amounts required for reserves, working capital, capitalized interest, costs of issuance, and other financing expenses related to the issuance of the bonds. The bonds are not deemed to constitute a debt or pledge of faith and credit or taxing power of the Economic Development Authority (EDA) or James City County.

The EDA held a public hearing at the October 17, 2023, meeting and adopted an inducement resolution agreeing to assist the applicant with tax-exempt financing for the Williamsburg Landing, Inc. expansion. The Board of Supervisors is scheduled to consider the EDA's role in serving as a conduit issuer of bonds for the project at their regular meeting on November 14, 2023.

The EDA's bond counsel, Mr. Christopher Kulp of Hunton Andrews Kurth, LLP, has reviewed the bond resolution and has indicated no legal issues result that are inconsistent with the EDA's role as a conduit issuer. The applicant's counsel has provided drafts of supporting bond documents which have not been reviewed by the EDA's bond counsel as of Friday, November 10, 2023. Applicant's counsel has noted that they expect that there may be more than one series of publicly sold bonds, and to the extent that there are, they will file over the forms of the related bond documents to create similar versions for the series.

CMJ/ap
WmbgLndgRevBd-mem

RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA AUTHORIZING THE ISSUANCE AND SALE OF REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$80,000,000 FOR THE BENEFIT OF WILLIAMSBURG LANDING, INC.

WHEREAS, the Economic Development Authority of James City County, Virginia (the "Authority"), a political subdivision of the Commonwealth of Virginia (the "Commonwealth"), is empowered by the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), to issue its revenue bonds to finance or refinance the construction and equipping of facilities for the residence or care of the aged to protect and promote the health and welfare of the inhabitants of the Commonwealth of Virginia.

WHEREAS, the Authority has received a request from Williamsburg Landing, Inc., a Virginia nonstock corporation (the "Borrower"), to issue and sell its revenue bonds (the "Bonds") from time to time and in one or more series, pursuant to the Act, to provide funds to make a loan to the Borrower:

(1) to finance the costs of designing, constructing and equipping an expansion of the Borrower's independent living units at its senior living community (the "Community") located in and around 5700 Williamsburg Landing Drive, Williamsburg, Virginia 23185, which expansion will consist of the designing, constructing, equipping, and improving up to 39 units in the form of triplexes and apartment buildings along with the designing, construction and equipping of a community center that is expected to include an art studio, theater, dining space and multi-purpose rooms; and

(2) to finance other capital projects at the Community all within the existing structures or existing parking facilities located at the Community and amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Bonds.

Items (1) and (2) above are collectively referred to as the "Plan of Finance."

WHEREAS, on October 17, 2023, an inducement resolution was adopted by the Authority and a public hearing was held as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 15.2-4906 of the Code of Virginia of 1950, as amended (the "Virginia Code").

WHEREAS, the Authority desires to authorize the issuance of the Bonds, and the documents evidencing and securing the Bonds, subject to the approval of the Board of Supervisors of James City County, Virginia (the "Board"), as required by Section 15.2-4906(C) of the Virginia Code.

WHEREAS, the Authority may issue one or more series of Bonds under one or more Bond Purchase and Loan Agreements (each a "Bond Purchase and Loan Agreement"), among the Authority, the Borrower and a lender chosen by the Borrower (each a "Lender"), and the Lender will loan the proceeds of each series of Bonds to the Authority under the respective Bond Purchase

and Loan Agreement. The Authority will loan the proceeds of such Bonds to the Borrower under such Bond Purchase and Loan Agreements, and the Borrower will apply the proceeds under the terms of such Bond Purchase and Loan Agreements to undertake the Plan of Finance.

WHEREAS, to evidence the Borrower's obligations under the Bond Purchase and Loan Agreements, the Borrower will execute and deliver one or more promissory notes to secure the applicable series of Bonds (each a "BPLA Note").

WHEREAS, the Authority may also issue one or more series of Bonds under one or more Bond Trust Indentures (each a "Bond Indenture"), between the Authority and a bond trustee to be selected by the Borrower (the "Bond Trustee"). The Authority will loan the proceeds of such Bonds to the Borrower under one or more Loan Agreements (each a "Loan Agreement"), between the Authority and the Borrower.

WHEREAS, to evidence the Borrower's obligations under the Loan Agreements, the Borrower will execute and deliver one or more promissory notes to secure the applicable series of Bonds (each a "LA Note" and together with the BPLA Notes, the "Notes").

WHEREAS, the Bonds issued under a Bond Indenture are expected to be offered for sale by B.C. Ziegler and Company ("Ziegler"), or a group of underwriters managed by such firm (collectively the "Underwriters"), under one or more Bond Purchase Agreements (each a "Bond Purchase Agreement") dated the date of its execution and delivery, among the Authority, the Borrower and Ziegler on behalf of itself or as a representative for the Underwriters.

WHEREAS, the Bonds offered for sale by the Underwriters will be accompanied by a disclosure document in the form of an official statement in preliminary form to be dated the date of its delivery (the "Preliminary Official Statement"), prepared under the direction of the Borrower in connection with the offering and sale of those series of Bonds.

WHEREAS, there have been presented to this meeting preliminary forms of the following instruments (the "Authority Documents") which the Authority, if a party thereto, proposes to execute or approve to carry out the transactions described above, copies of which instruments shall be filed with the records of the Authority:

- (a) a Bond Purchase and Loan Agreement, including the forms of the Bonds;
- (b) a BPLA Note, with the Authority's assignment thereof;
- (c) a Bond Indenture, including the forms of the Bonds;
- (d) a Loan Agreement;
- (e) a LA Note, with the Authority's assignment thereof;
- (f) a Bond Purchase Agreement; and
- (g) a Preliminary Official Statement.

**NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT
AUTHORITY OF JAMES CITY COUNTY, VIRGINIA:**

1. The Authority hereby finds and determines that the Plan of Finance will be in the public interest and will promote the commerce, safety, health, welfare, convenience or prosperity of the Commonwealth, and James City County, Virginia (the "County") and their citizens and in particular will promote the provision of health care facilities and other facilities for the residence and care of the aged in accordance with their special needs.

2. The issuance of the Bonds in one or more series, to be styled the "Economic Development Authority of James City County, Virginia, Residential Care Facility Revenue Bonds (Williamsburg Landing)" (with an appropriate series designation) for the purpose of financing the costs associated with the Plan of Finance is hereby authorized and approved, subject to the approval of the Board, as required by Section 15.2-4906(C) of the Virginia Code.

3. The Bonds (a) shall be issued in an aggregate principal amount not to exceed \$80,000,000 (or, if requested by the Borrower, such higher amount as may constitute an "insubstantial deviation" under applicable federal tax law), (b) shall mature no later than 40 years from their issuance, (c) may bear interest at variable or fixed rates (as directed by the Borrower), provided that the true interest cost on any fixed rate Bonds shall not exceed 8.00% and the initial rate on any variable rate Bonds shall not exceed 8.00% per annum, and (d) shall be substantially in the form attached as an exhibit to the Bond Indenture or the Bond Purchase and Loan Agreement, as applicable, and shall be issued upon the terms set forth in the Bond Indenture or the Bond Purchase and Loan Agreement, as applicable.

4. The Bonds and the other Authority Documents are hereby approved in substantially the forms submitted to this meeting, with such changes as may be approved, with the advice of counsel to the Authority, by the Chair or Vice Chair of the Authority, whose approval shall be evidenced conclusively by the execution and delivery of the Authority Documents.

5. The execution, delivery and performance by the Authority of the Authority Documents are hereby authorized and approved. The execution of the Bonds and delivery against payment therefor, the amount of such payment to be disbursed in accordance with the terms of the Bond Indenture or the Bond Purchase and Loan Agreement, as applicable, are authorized.

6. The Chair and the Vice Chair of the Authority, either of whom may act, are each authorized to execute, on behalf of the Authority, the Bonds and the other Authority Documents, and, if required, the Secretary and Assistant Secretary of the Authority, either of whom may act, are each authorized to affix the seal of the Authority to the Bonds and the other Authority Documents (as needed) and to attest such seal.

7. The use and distribution by the Underwriters of the Preliminary Official Statement in the form on file with the Authority are in all respects authorized, ratified and approved. For purposes of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), the Chair or Vice Chair of the Authority, either of whom may act, are authorized to deem the Preliminary Official Statement relating to the Bonds final except for information permitted to be omitted under paragraph (b)(1) of such Rule. The Chair and Vice Chair of the Authority, either of whom may

act, are authorized and directed to execute and deliver the Authority's approval of the final official statement (the "Official Statement") upon approval of its form, terms and conditions. Such officer's execution shall constitute conclusive evidence of his approval of such form, terms and conditions. Execution of the final Official Statement shall constitute conclusive evidence that the Official Statement has been deemed final within the meaning of Rule 15c2-12.

8. The use and distribution by the Underwriters of the Official Statement are hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement submitted to this meeting, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the Chair or Vice Chair, either of whom may act, and whose execution thereof shall constitute conclusive evidence of his or her approval of such form, terms and conditions.

9. The Chair and the Vice Chair of the Authority, either of whom may act, are authorized to execute and deliver on behalf of the Authority such instruments, documents or certificates, including but not limited to a tax compliance certificate and an Internal Revenue Service Form 8038, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bonds, the other Authority Documents or such instruments, documents or certificates, and all of the foregoing, previously done or performed by such officers of the Authority, are in all respects approved and confirmed.

10. Each officer of the Authority is authorized to execute and deliver on behalf of the Authority such instruments, documents or certificates, and to do and perform such things and acts, as he or she deems necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bonds, the other Authority Documents or such instruments, documents or certificates, and all of the foregoing, previously done or performed by such officers of the Authority, are in all respects approved, ratified and confirmed.

11. The Bonds and the other Authority Documents shall provide that neither the Commonwealth nor any political subdivision thereof, including the Authority and the County, shall be obligated to pay the obligations under the Bonds and the other Authority Documents except from the revenues, receipts and payments pledged therefor, and that neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof, including the Authority and the County, is pledged to the payment of such obligations. All costs and expenses of the Authority in connection with the issuance of the Bonds and actions taken pursuant to this Resolution, including the fees and expenses of counsel to the Authority, will be paid by the Borrower or paid from the proceeds of the Bonds.

12. The Authority determines that the issuance of the Bonds in accordance with the terms of the Bond Indenture or the Bond Purchase and Loan Agreement, as applicable, and all actions of the Authority contemplated thereunder will be in furtherance of the purposes for which the Authority was organized.

13. No Bonds may be issued pursuant to this Resolution until such time as the issuance of the Bonds has been approved by the Board.

14. Subject to paragraph 13, this Resolution shall take effect immediately upon its adoption.

CERTIFICATE

The undersigned Secretary of the Economic Development Authority of James City County, Virginia (the "Authority"), hereby certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority at a meeting duly called and held on November 14, 2023, in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended but is in full force and effect on the date hereof.

WITNESS the following signature and seal of the Authority as of November 14, 2023.

Secretary, Economic Development Authority of
James City County, Virginia

[SEAL]

ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY

APPLICATION STATEMENT

A. APPLICANT:

1. Legal name of applicant, type of entity and state of incorporation/organization:

Williamsburg Landing, Inc. (Virginia nonstock corporation)

2. Address and location of principal office:

***5700 Williamsburg Landing Drive
Williamsburg, Virginia 23185***

3. Telephone number and email address:

***800-554-5517
gstorer@williamsburglanding.com***

4. Names and addresses of primary corporate officers:

***Gregory T. Storer, President/Chief Executive Officer
James Michael Williams, Chief Operating Officer
Juanita Parks, Chief Financial Officer***

5. Primary contact to whom correspondence should be directed:

Juanita Parks, Chief Financial Officer

6. Name and address of legal counsel for applicant:

***Paul Gerhardt, Esq.
Kaufman & Canoles, P.C.
4801 Courthouse Street
Suite 300
Williamsburg, Virginia 23188***

7. Indicate name, type of entity, state of incorporation/organization and relationship of all direct or indirect parent companies of applicant.

N/A

B. STATEMENT OF BENEFITS TO JAMES CITY COUNTY AND THE COMMONWEALTH OF VIRGINIA FROM THIS PROJECT:

1. State what new employment opportunities will be created or retained as a result of this project, including number, types of jobs and estimated payroll.

This project is a financing of an expansion to The Landing's existing community by increasing the number of independent living units. We estimate 17 new employees across varying job titles, with an estimated average annual salary of \$45,350.

2. Estimate all local taxes by type and amount projected to be paid to James City County as a result of this project.

We anticipate paying approximately \$255,750 in real estate taxes related to the project on an annual basis, based on the current real estate tax rate.

3. Specifically, state other potential benefits which will accrue to the inhabitants of James City County and the State of Virginia, including economic, social, or other non-monetary benefits.

This financing will increase the number of residents in our community. Each resident has an economic impact in the County by paying sales and use and other related taxes. The project will also provide construction jobs for those in the community.

C. IDENTIFICATION AND DESCRIPTION OF PROPOSED PROJECT:

1. General location of proposed project in James City County.

The project will be located on property currently owned by The Landing, which is located in and around 5700 Williamsburg Landing Drive.

2. Describe the type of facility which you are applying for financing. What operations will be conducted at the facility?

Life Plan Community – Independent Living Units

3. Are you applying for pollution control bonds? If so, please state the types of pollution generated by your facility and briefly describe the type of equipment which you propose to meet your pollution problems.

No

4. Describe the proposed arrangement to finance the cost of construction or acquisition of the project. Briefly detail a projected time schedule.

The construction costs will be financed by tax-exempt bonds and other funds.

Below is a tentative schedule for the project

Project Start: December 2023

First Units Completed: November 2024

Final Units Completed: August 2025

Full Occupancy: September 2025

5. If the applicant currently owns the project site, indicate:

- (a) Date of purchase *June 2018*
- (b) Purchase price *\$1,450,000*
- (c) Balance of existing mortgage or other financing *See financial statements for outstanding debt – no debt was used to acquire the property on which the Project is being built.*
- (d) Holder of mortgage or other financing: *U.S. Bank Trust Company, National Association, as master trustee*

6. If the applicant is not the owner of the project site, does the applicant have an option to purchase the site and any buildings on the site? If yes, indicate: *N/A*

- (a) Date option agreement signed with owner _____
- (b) Purchase price under option _____
- (c) Expiration date of option _____

7. Has the applicant entered into a contract to purchase the site? If yes, indicate: *N/A*

- (a) Date signed _____
- (b) Purchase price _____
- (c) Expected settlement date _____

8. Who is the present owner of the project site, and what is the relationship between the present legal owner and the applicant?

The Landing is the owner.

9. If pollution control bonds are issued, please indicate: *N/A*

- (a) Whether the total project is designed for any significant purpose other than the control of pollution, i.e., does the project result in an increase in production or capacity, or in a material extension of the useful life of a manufacturing or production facility or a part thereof.
- (b) Estimated incremental cost of the project if the project is for the purpose of controlling pollution and for a significant purpose other than controlling pollution.

10. Status of plans for the project. Please indicate architect, engineer, general contractor and major subcontractors, as applicable.

Plans for the project are to build 39 Independent Living Units and a Community Center consisting of an art studio, a three hundred seat theater, additional dining space, and several multi-purpose rooms.

Architect: v Guernsey/Tingle Architects

Contractor: WM Jordan

Owner's Representative: Matthews Development

11. Has construction work on this project begun? If yes, complete the following:

- (a) Site clearance ____ yes X no ____% complete
- (b) Foundation ____ yes X no ____% complete
- (c) Footings ____ yes X no ____% complete
- (d) Steel ____ yes X no ____% complete

(e) Masonry work _____ yes X no _____% complete

(f) Other (describe below) X yes _____ no 100 % complete

Other: We completed planting shrubs and trees along Marclay road to create a buffer between WLI property and the Airport in hopes of reducing noise

12. List principal items or categories of equipment to be acquired as part of the project.

Most of the project will be buildings and structures. There will be minimal equipment other than the build out of the independent living units.

13. Has any of the above equipment been ordered or purchased? If yes, indicate: *N/A see above*

<u>Item</u>	<u>Date ordered</u>	<u>Delivery date</u>	<u>Price</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

14. State the proposed uses of bond proceeds.

Description of Cost

Land	_____
Buildings	\$70,000,000 (including capitalized interest)_____
Equipment	_____
Engineering	_____
Architecture	_____
Interest during construction	_____
Original Issue Bond Discount	_____
Costs of issuance	\$5,000,000_____
Reserves	\$5,000,000
Other (please explain)	
Face amount of issue	\$80,000,000

15. Have any of the above expenditures already been made by the applicant? If yes, indicate particulars:

Approximately \$1,420,000 has been spent on Design, consulting, and the buffer mentioned above.

16. Have any of the above expenditures been incurred but not paid by the applicant? If yes, indicate particulars:

No

17. Are costs of working capital, moving expenses, work in process, or stock in trade included in the proposed uses of bond proceeds?

No

18. Will any of the funds to be borrowed through the Authority be used to repay or refinance an existing mortgage or outstanding loan?

No

19. If any space in the project is to be leased to third parties, indicate total square footage of the project, amount to be leased to each tenant, and proposed use by each tenant.

N/A

20. Type and amount of outstanding debt incurred by applicant. In addition, separately state the type and amount of outstanding bonds or other obligations, if any, on the present facilities. Include full debt service schedule for each separate obligation.

Please see the enclosed financial statements for reference to the existing debt of the Landing.

21. Brief description of existing facilities:

- (a) Describe the location and type of existing facilities (including, if applicable, pollution abatement equipment now provided, its design, capacity, and year constructed). Indicate if the existing facilities are to be abandoned or will continue in use as part of the proposed new facility.

The Landing is located on 137 acres anchored at the address indicated above and provides residence and care to seniors at its Life Plan Community.

- (b) Estimated first year annual operation and maintenance cost of any existing facility and the proposed facility.

N/A – existing operations

- (c) Age and condition of existing buildings, if any improvements included within this project are to be made thereto, and whether owned in fee or leased.

N/A – new construction

22. Will the construction, occupation, operation or use of the project involve the creation of any pollutants or other emissions, or the use or manufacture of any toxic or hazardous substances? Will operation of the project involve consumption or use of large amounts of electricity, water, gas or other services as products customarily furnished by utilities? Will construction or operation of the project have any impact upon local businesses or residents, such as emission of odors, traffic in and out of the project, or storage of large amounts of materials at the project site? Please provide particulars.

None expected other than typical residential use.

D. FINANCIAL:

1. Commercial banking connections and for how long a period.
 - a. *TowneBank, Williamsburg, VA – Since 2007*
 - b. *Chesapeake Bank, Williamsburg, VA – Since 2005*
2. Attach to application the following proof of financial responsibility for the preceding 3 years: *See attached*

(a) Financial statements, including the audit, review or compilation report from a certified public accounting firm

(b) Tax returns

If the applicant does not have an annual audit, review or compilation, submit internal financial statements. If the applicant is a new or recently formed business entity, without recent financial statements, the applicant should furnish the financial information required by the application for each principal shareholder, partner or other principal of the applicant. If the applicant is a subsidiary corporation without its own financial statements, financial statements of the parent corporation or consolidated financial statements may be submitted. If the obligations of the applicant will be guaranteed by any person or business entity, then financial statements of such guarantor should also be included with the application. Pro forma financial statements, if available, should be submitted with the application. Because this application will become a part of the public records of the Authority, in the event the applicant does not desire financial records not otherwise available to the public to be included in the public record, please so indicate on the records so that such records may be returned to the applicant.

3. Has the applicant, any proposed guarantor, or any of their principal partners or shareholders ever declared bankruptcy or been involved in any bankruptcy or insolvency proceeding, whether voluntary or involuntary? If so, describe particulars.

No

4. Has any underwriter, broker or investment banker been retained by applicant in connection with this proposed bond issue? If so, who?

Yes, Ziegler

5. Please indicate the person or institution to whom the bonds will be sold or any persons or institutions which have indicated an interest in purchasing or underwriting the bonds.

Ziegler

E. MISCELLANEOUS:

1. Is the applicant or any major shareholder or partner presently involved in any litigation, investigation or proceeding? If so, please describe.

No

2. Is the applicant or any major shareholder or partner of the applicant, or any other person working for the applicant in this proposed financing subject to any order, decree or judgment of any court or administrative or other governmental agency or body? If so, please describe.

No

3. Is the applicant, or any of its shareholders or partners, or any guarantor, or any other person representing applicant in connection with this proposed financing, involved in any investigation, litigation or proceeding relating to the issuance or sale of securities or any applicable banking laws or regulations? Have any of the foregoing persons ever been involved in any such investigation, litigation or proceeding? If so, please describe details in full.

No

4. Is the applicant subject to any regulatory sanction (other than in the ordinary course of business) by any Federal or State administrative agencies or bodies? If so, please provide details.

No

—

F. AGREEMENT:

To induce the Economic Development Authority of the County of James City to consider this application, it is understood and agreed that the applicant is required:

1. To pay all cost and expenses incurred by the Authority in connection with this application, either from the proceeds of Industrial Revenue Bonds which might be approved for the project by the Authority or in the event such assistance is not approved or forthcoming or the proceeds are not sufficient, to pay all cost and expenses from its own resources.
2. To pay, in addition to all cost and expenses incurred by the Authority, a nonrefundable applicant fee to the Authority of \$400.00, to be paid at the time of submittal of this application.
3. To pay, in addition to all costs, expenses, and application fee, an administrative fee of either (check one):

 X ½ of 1% of the bond amount up to \$5 million, plus 1/10 of 1% of the bond amount over \$5 million, with a total minimum fee of \$1,250, said fee to be paid at closing; or

 1/8 of 1% of the declining principle bond balance annually at the end of each calendar year for the life of the bond, said fee to be guaranteed by a binding promissory note at closing.

Administrative fees may be paid from bond proceeds to the extent permitted by law.

4. To comply with the Authority's Rules and Procedures, a copy of which has been received by the applicant.
5. To certify that all statements and information furnished with this application or on supporting papers are true and correct to its best knowledge and belief.
6. To advise the Authority in writing immediately of any material changes to the information contained in this application.
7. To certify that it understands the conditions of this application, and that there is no guarantee of approval of this application by the Authority.

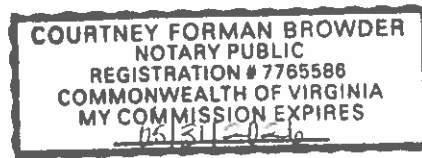
This application is approved and submitted by the Chief Financial Officer
Guanta Park
of Williamsburg Landing, Inc. (Authorized Agent)
on this 19th day of September 2023

WITNESS: Courtney Forman Browder

TITLE: Notary Public

DATE: 09/19/2023

(SEAL)



**FISCAL IMPACT STATEMENT
FOR PROPOSED BOND FINANCING**

Date: October 17, 2023

To the Board of Supervisors of James City County, Virginia

Applicant: Williamsburg Landing, Inc. (the "Borrower")

Facility/ Financing of expansion project for a Life Plan Community.
Project:

1.	Maximum amount of financing sought	\$80,000,000
2.	Estimated taxable value of the facility's real property to be constructed in the locality. ⁽¹⁾	\$30,813,274
3.	Estimated real property tax per year using present tax rates. ⁽¹⁾	\$255,750
4.	Estimated personal property tax per year using present tax rates. ⁽¹⁾	\$25,000
5.	Estimated merchants' capital tax per year using present tax rates. ⁽¹⁾	\$0
6.	(a) Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality	\$240,340
	(b) Estimated dollar value per year of goods that will be purchased from non Virginia companies within the locality	\$0
	(c) Estimated dollar value per year of services that will be purchased from Virginia companies within the locality	\$235,000
	(d) Estimated dollar value per year of services that will be purchased from nonVirginia companies within the locality	\$0
7.	Estimated number of regular employees on year round basis.	17
8.	Average annual salary per employee.	\$45,350

Chair
Economic Development Authority of James City
County, Virginia

BOND TRUST INDENTURE

between

ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Bond Trustee**

December 1, 2023

Relating to

\$ _____

**Economic Development Authority of James City County, Virginia
Residential Care Facility Revenue Bonds
(Williamsburg Landing)
Series 2023A**

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[To Be Updated]

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EXHIBIT A - Form of Series 2023A Bonds
EXHIBIT B - Form of Requisition
EXHIBIT C - Refunded Debt

This **BOND TRUST INDENTURE** is dated as of December 1, 2023, and is between the **ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (as more particularly defined below, the "Authority"), and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, a national banking association, as trustee (in such capacity and as more particularly defined below, the "Bond Trustee");

WHEREAS, the Authority is empowered by the Act (as hereinafter defined) to issue its revenue bonds to protect and promote the health and welfare of the inhabitants of the Commonwealth (as hereinafter defined) by assisting in the acquisition, construction, equipping, expansion, enlargement and improvement of medical facilities and facilities for the residence and care of the aged in order to provide modern and efficient medical services to the inhabitants of the Commonwealth and care of the aged of the Commonwealth in accordance with their special needs and also by assisting in the financing of medical facilities and facilities for the residence or care of the aged owned and operated by organizations which are exempt from taxation pursuant to § 501(c)(3) of the Internal Revenue Code of 1954, as amended, in order to reduce the costs of residents of the Commonwealth utilizing such facilities; and further authorizes any such authority to issue its revenue bonds for the purpose of carrying out its powers;

WHEREAS, to further the purposes of the Act, the Authority has determined to issue its Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023A (as more particularly defined below, the "Series 2023A Bonds") in an aggregate principal amount of \$_____ and use the proceeds thereof to make a loan to Williamsburg Landing, Inc., a Virginia nonstock corporation (as more particularly defined below, the "Borrower") under the terms of a Loan Agreement dated as of the date hereof (as more particularly defined below, the "Loan Agreement"), between the Authority and the Borrower;

WHEREAS, the Borrower will use the proceeds of the Series 2023A Bonds to (1) finance the costs of designing, constructing and equipping an expansion of the Borrower's independent living units at its senior living community (the "Community") located in and around 5700 Williamsburg Landing Drive, Williamsburg, Virginia 23185, which expansion will consist of the designing, constructing, equipping, and improving up to 39 units in the form of triplexes and apartment buildings along with the designing, construction and equipping of a community center that is expected to include an art studio, theater, dining space and multi-purpose rooms; (2) to finance other capital projects at the Community all within the existing structures or existing parking facilities located at the Community (collectively (1) and (2), the "Project"); (3) and amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2023A Bonds (collectively (1), (2) and (3), the "Plan of Finance").

WHEREAS, simultaneously with the issuance of the Series 2023A Bonds, the Borrower will execute and deliver to the Authority the Series 2023A Obligation (as hereinafter defined);

WHEREAS, the Authority is entering into this Bond Indenture for the purpose of authorizing the Series 2023A Bonds and securing the payment thereof by assigning its rights as registered owner of the Series 2023A Obligation and certain of its rights under the Loan Agreement to the Bond Trustee;

WHEREAS, the Series 2023A Bonds and the Bond Trustee's certificate of authentication thereon are to be in substantially the form attached hereto as Exhibit A, with appropriate variations, omissions and insertions as permitted or required by this Bond Indenture; and

WHEREAS, all things necessary to make the Series 2023A Bonds, when authenticated by the Bond Trustee and issued as provided in this Bond Indenture, valid, binding and legal limited obligations of the Authority and to constitute this Bond Indenture a valid and binding agreement securing the payment of the principal of and premium, if any, and interest on all Series 2023A Bonds issued and to be issued hereunder have been done and performed, and the execution and delivery of this Bond Indenture and the execution and issuance of the Series 2023A Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS BOND INDENTURE FURTHER WITNESSETH:

That, as security for payment of the principal of, premium, if any, and interest on the Series 2023A Bonds when due, and for the funds which may be advanced by the Bond Trustee pursuant hereto, the Authority does hereby pledge and assign to, and grant a security interest to the Bond Trustee in, the following described property:

A. The Series 2023A Obligation, and all rights, title and interest of the Authority under, in and to the Loan Agreement, the Series 2023A Obligation, the Master Indenture (as hereinafter defined) and the Deed of Trust (as hereinafter defined), and all revenues and receipts receivable by the Authority therefrom and the security therefor including the Deed of Trust (except the Authority's Unassigned Rights, as hereinafter defined), but excluding the payments made directly to the Authority under Section 4.1 and 5.5 of the Loan Agreement.

B. The funds, including moneys, investment income and investments therein, held by the Bond Trustee under the terms of this Bond Indenture.

C. All other property of any kind mortgaged, pledged or hypothecated at any time as and for additional security hereunder by the Authority or by anyone properly authorized on its behalf or with its written consent in favor of the Bond Trustee, which is hereby authorized to receive all such property at any time and to hold and apply it subject to the terms hereof.

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended to be, to the Bond Trustee and its assigns forever.

IN TRUST, however, for the equal and proportionate benefit and security of the holders from time to time of the Series 2023A Bonds issued under and secured by this Bond Indenture, without privilege, priority or distinction as to the lien or otherwise of any of the Series 2023A Bonds over any of the others except as on the terms and conditions hereinafter stated.

The Authority hereby covenants and agrees with the Bond Trustee and with the respective registered owners, from time to time, of the Series 2023A Bonds as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 101. Definitions. Unless otherwise required by the context, all words and terms defined in the Loan Agreement and the Master Indenture shall have the same meaning in this Bond Indenture. In addition, the following words and terms shall have the following meanings in this Bond Indenture unless the context otherwise requires:

"Act" means the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended.

"Authority" means the Economic Development Authority of James City County, Virginia, a political subdivision of the Commonwealth of Virginia, including any successors or assigns.

"Authority Representative" means the Chairman or Vice Chairman of the Authority or any other officer designated by certificate signed by the Chairman or Vice Chairman of the Authority and the designated officer, which certificate is filed with the Bond Trustee.

"Authorized Representative of the Borrower" means the President and Chief Executive Officer of the Borrower or any other person or persons designated to act on behalf of the Borrower by certificate signed by the President and Chief Executive Officer of the Borrower and the designated person, which certificate is filed with the Authority and the Bond Trustee.

"Bond Counsel" means an attorney or firm of attorneys nationally recognized on the subject of municipal bonds and reasonably acceptable to the Bond Trustee and the Authority.

"Bond Fund" means the Series 2023A Bond Fund established by Section 601.

"Bond Indenture" means this Bond Trust Indenture, as the same may be altered, amended, modified, or supplemented from time to time.

"Bond Trustee" means the Bond Trustee at the time serving as such under this Bond Indenture, whether the original or successor trustee.

"Bondholder" means the registered owner of any Series 2023A Bond.

"Borrower" means Williamsburg Landing, Inc., a Virginia nonstock corporation, including any successors or assigns.

"Business Day" means any day other than a Saturday, Sunday or day on which banking institutions are authorized or obligated by law to close in the Commonwealth of Virginia or at the place where the designated corporate trust office of the Bond Trustee is located.

"Code" means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder.

"Commonwealth" means the Commonwealth of Virginia.

"Completion Certificate" means the certificate as to completion of the Project required by Section 506.

"Construction Fund" means the Series 2023A Construction Fund established by Section 501.

"Cost of Issuance Fund" means the Series 2023A Cost of Issuance Fund established by Section 501.

"Costs of Issuance" has the meaning assigned to it in the Tax Agreement.

"Cost of the Project" means the "Cost of the Project" as set forth in Section 504.

"Deed of Trust" means the Twelfth Amended and Restated Deed of Trust and Security Agreement dated as of December 1, 2023, between the Borrower and certain deed of trust trustees named therein for the benefit of the Master Trustee.

"Digital Signature" shall mean a signature provided via DocuSign or such other digital signature provider, as specified in writing by the Authorized Representative of the Borrower, in English.

"Defeasance Obligations" means (i) cash; (ii) United States Treasury Certificates, Notes and Bonds (including State and Local Government Series ("SLGS")); (iii) direct obligations of the United States Treasury that have been stripped by the Treasury itself, CATS, TIGRS and similar purchase certificates or other instruments evidencing an undivided ownership in payments of the principal of or interest on direct obligations of the United States Treasury.

"DTC" has the meaning assigned to it in Section 212.

"Electronic Means" means the following communications methods: e-mail, facsimile transmission, portable data format, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Bond Trustee, or another method or system specified by the Bond Trustee as available for use in connection with its services hereunder.

"Event of Default" means any of the events enumerated in Section 901.

"Facilities" has the meaning assigned to it in the Master Indenture.

"Fitch" means Fitch Ratings or its successors in the business of providing investment rating services, provided that if neither Fitch nor any successor is then in such business, the references to Fitch and ratings thereof shall no longer be requirements of the financing documents for the Series 2023A Bonds.

"Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which are fully and unconditionally guaranteed by the United States of America.

"Instructions" has the meaning assigned to it in Section 1001(o) herein.

"Interest Account" means the Interest Account established in the Bond Fund.

"Interest Payment Date" has the meaning given to it in Section 202 herein.

"Letter of Representations" means the Blanket Letter of Representations dated May 29, 2013, from the Authority to DTC and any amendments thereto or successor agreements between the Authority and any successor of DTC, relating to a book-entry system to be maintained by DTC with respect to the Series 2023A Bonds. Notwithstanding any provision of this Bond Indenture including Article XI regarding amendments, the Bond Trustee may enter into any such amendment or successor agreement without the consent of Bondholders.

"Loan Agreement" means the Loan Agreement dated as of the date hereof, between the Authority and the Borrower, as the same may be altered, amended, modified, or supplemented from time to time.

"Master Indenture" means the Second Amended and Restated Master Trust Indenture dated as of October 1, 2021, between the Borrower and the Master Trustee, as the same may be altered, amended, modified, or supplemented from time to time.

"Master Trustee" means U.S. Bank Trust Company, National Association, as successor Master Trustee under the Master Indenture, and successors thereto.

"Members of the Obligated Group" has the meaning assigned to it in the Master Indenture.

"Moody's" means Moody's Investors Service, Inc. or its successors in the business of providing investment rating services, provided that if neither Moody's nor any successor is then in such business the reference to Moody's and ratings thereof shall no longer be requirements of the financing documents for the Series 2023A Bonds.

"Mortgaged Premises" has the meaning assigned to it in the Master Indenture.

"Obligated Group" has the meaning assigned to it in the Master Indenture.

"Series 2023A Obligation" means the Borrower's Promissory Note Designated the Series 2023A Obligation in the initial principal amount of \$_____ dated December __, 2023, issued under the Master Indenture and delivered to the Authority under the Loan Agreement, as the same may be altered, amended, modified, or supplemented from time to time.

"Opinion of Bond Counsel" means an opinion in writing signed by Bond Counsel.

"Opinion of Counsel" means an opinion or, if the subject matter being addressed is not of a nature as to which counsel may opine under applicable legal opinion standards, an advisory letter, in writing, signed by an attorney or firm of attorneys who may be counsel for the Authority or the Members of the Obligated Group or other counsel.

"Outstanding" means all Series 2023A Bonds that have been authenticated and delivered by the Bond Trustee under this Bond Indenture, except the following:

(a) Series 2023A Bonds canceled or purchased by or delivered to the Bond Trustee for cancellation under the provisions of this Bond Indenture;

(b) Series 2023A Bonds that have become due (at maturity or on redemption, acceleration or otherwise) and for the payment, including interest accrued to the due date, of which sufficient moneys are held by the Bond Trustee;

(c) Series 2023A Bonds deemed paid under Section 801 of this Bond Indenture; and

(d) Series 2023A Bonds that have been authenticated under Section 207 of this Bond Indenture (relating to registration and exchange of Series 2023A Bonds) or Section 210 of this Bond Indenture (relating to mutilated, lost, stolen, destroyed or undelivered Series 2023A Bonds) in lieu of other Series 2023A Bonds.

"Plan of Finance" has the meaning assigned to it in the recitals.

"Principal Account" means the Principal Account established in the Bond Fund.

"Project" has the meaning assigned to it in the recitals.

"Reserve Fund" has the meaning assigned to it in Supplemental Indenture for the Series 2023A Obligation.

"Requisition" means a requisition in substantially the form of Exhibit B.

"Series 2023A Bonds" means the Authority's Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023A in the aggregate principal amount of \$_____ authorized to be issued under Section 201, as the same may be altered, amended, modified, or supplemented from time to time.

"Series 2023B Bonds" means the Authority's Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023B in the aggregate principal amount of \$_____, as the same may be altered, amended, modified, or supplemented from time to time.

"Series 2023C Bonds" means the Authority's Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023C-1, Series 2023C-2, and Series 2023C-3 in the aggregate principal amount of \$_____, \$_____, \$_____, respectively, as the same may be altered, amended, modified, or supplemented from time to time.

"S&P" means S&P Global Ratings, or its successors in the business of providing investment rating services, provided that if neither S&P nor any successor is then in such business the references to S&P and ratings thereof shall no longer be requirements of the financing documents for the Series 2023A Bonds.

"Supplemental Indenture for the Series 2023A Obligation" means the Supplemental Indenture for the Series 2023A Obligation dated the date hereof, between the Borrower and the Master Trustee, as altered, amended, modified, or supplemented from time to time.

"Tax Agreement" means the Tax Certificate and Agreement dated December ____, 2023, between the Authority and the Borrower.

"Term Bonds" means the Series 2023A Bonds maturing on _____, 20____, 20____ and 20____.

"Unassigned Rights" means the rights of the Authority under the Loan Agreement to payment of fees and expenses, indemnification and receipt of notices.

Section 102. Rules of Construction. The following rules shall apply to the construction of this Bond Indenture unless the context otherwise requires:

(a) Singular words shall connote the plural number as well as the singular and vice versa.

(b) Words importing the redemption or calling for redemption of Series 2023A Bonds shall not be deemed to refer to or connote the payment of Series 2023A Bonds at their stated maturity.

(c) All references herein to particular articles or sections are references to articles or sections of this Bond Indenture.

(d) The headings and Table of Contents herein are solely for convenience of reference and shall not constitute a part of this Bond Indenture nor shall they affect its meaning, construction or effect.

(e) All references herein to the payment of Series 2023A Bonds are references to payment of principal of, premium, if any, and interest on Series 2023A Bonds.

(f) All accounting terms used herein which are not otherwise expressly defined in this Bond Indenture have the meanings respectively given to them in accordance with accounting principles generally accepted in the United States (GAAP). Except as otherwise expressly provided herein, all financial computations made under this Bond Indenture shall be made in accordance with GAAP and all balance sheets and other financial statements shall be prepared in accordance with GAAP.

(g) Unless otherwise specified, the interest rate applicable to all Series 2023A Bonds shall be a rate per year consisting of 360 days, with computations of interest over any period of less than 360 days to be made on the basis of twelve 30-day months.

ARTICLE II

AUTHORIZATION, EXECUTION, AUTHENTICATION, REGISTRATION AND DELIVERY OF SERIES 2023A BONDS

Section 201. Authorization of Series 2023A Bonds. The Authority hereby authorizes the issuance of its Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023A, in the aggregate principal amount of \$_____.

Section 202. Details of Series 2023A Bonds. (a) The Series 2023A Bonds shall be issuable as registered bonds in the denominations of \$5,000 and multiples thereof ("Authorized Denominations"), shall be dated the date of their delivery, shall be numbered appropriately, shall bear interest payable semiannually commencing on _____, 2024, and on each _____ and _____ thereafter (each an "Interest Payment Date") at rates, and shall mature on _____ in years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>
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(b) Each Series 2023A Bond shall bear interest (i) from the date of its delivery if it is authenticated prior to _____, 2024, and (ii) otherwise from the Interest Payment Date that is, or immediately precedes, the date on which such Series 2023A Bond is authenticated; provided, however, that if at the time of authentication of any Series 2023A Bonds interest is in default, such Series 2023A Bond shall bear interest from the date to which interest has been paid.

Principal of, premium, if any, and interest on the Series 2023A Bonds shall be payable in lawful money of the United States of America, but only from the revenues and receipts derived from the Borrower and the security therefor and pledged to the payment thereof as hereinafter provided. Principal of and premium of Series 2023A Bonds shall be payable upon presentation and surrender of the Series 2023A Bonds as they become due at the designated corporate trust office of the Bond Trustee; provided that, for so long as Cede & Co. or other nominee of DTC is the sole Bondholder, principal of and premium, if any, on the Series 2023A Bonds shall be payable as provided in the Letter of Representations. Interest on Series 2023A Bonds shall be payable to the registered owners by wire transfer, check or draft mailed to such owners at their addresses as they appear on registration books kept by the Bond Trustee as bond registrar, as of the [15th] day of the month preceding the Interest Payment Date.

If any principal of or premium, if any, or interest on any Series 2023A Bond is not paid when due (whether at maturity, upon acceleration or call for redemption or otherwise), then the overdue installments of principal and, to the extent permitted by law, interest shall bear interest until paid at the same rate set forth in such Series 2023A Bond.

Nothing herein shall be construed as prohibiting the Authority from issuing the Series 2023A Bonds as one fully registered bond for the purpose of qualifying the Series 2023A Bonds for book entry registration by a securities depository or any similar arrangement whereby investors may hold a participation interest in such Series 2023A Bonds.

Section 203. Execution of Series 2023A Bonds. The Series 2023A Bonds shall be signed by the manual or facsimile signature of the Chairman or the Vice Chairman of the Authority, and a manual or facsimile of its seal shall be printed thereon and attested by the manual or facsimile signature of the Secretary or the Assistant Secretary of the Authority. In case any officer whose signature or a facsimile of whose signature shall appear on any Series 2023A Bond shall cease to be such officer before the delivery of the Series 2023A Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery. Any Series 2023A Bond may bear the facsimile signature of such persons as at the actual time of the execution thereof shall be the proper officers to sign such Series 2023A Bond although at the date of delivery of such Series 2023A Bond such persons may not have been such officers.

Section 204. Authentication of Series 2023A Bonds. The Series 2023A Bonds shall bear a certificate of authentication, substantially in the form set forth in Exhibit A, duly executed by the Bond Trustee. The Bond Trustee shall authenticate each Series 2023A Bonds with the signature of an authorized representative of the Bond Trustee, but it shall not be necessary for the same representative to authenticate all of the Series 2023A Bonds. Only such authenticated Series 2023A Bonds shall be entitled to any right or benefit under this Bond Indenture, and such certificate on any Series 2023A Bond issued hereunder shall be conclusive evidence that the Series 2023A Bond has been duly issued and is secured by the provisions hereof.

Section 205. Form of Series 2023A Bonds. The Series 2023A Bonds shall be substantially in the form set forth in Exhibit A, with such appropriate variations, omissions and insertions as permitted or required by this Bond Indenture.

Section 206. Delivery of Series 2023A Bonds. (a) The Bond Trustee shall authenticate and deliver the Series 2023A Bonds when there have been filed with it the following:

(1) A certified copy of a resolution or resolutions of the Authority authorizing (A) the execution and delivery of the Loan Agreement and the assignment of the Series 2023A Obligation, (B) the execution and delivery of this Bond Indenture, and (C) the issuance, sale, execution and delivery of the Series 2023A Bonds.

(2) An original executed counterpart of this Bond Indenture.

(3) An original executed counterpart of the Loan Agreement.

(4) The original executed the Series 2023A Obligation, assigned by the Authority, without recourse, to the Bond Trustee.

(5) An original executed counterpart of the Supplemental Indenture for the Series 2023A Obligation;

(6) An original executed counterpart of the Deed of Trust.

(7) An endorsement to the mortgagee title insurance policy on the Mortgaged Premises, such that the aggregate amount insured is at least in the aggregate amount of the Series 2023A Bonds and the maximum principal amount of the Obligations Outstanding (as that term is defined in the Master Indenture), and designating the Master Trustee as the insured named in Schedule A thereto.

(8) An Opinion of Kaufman & Canoles, PC, Counsel to the Borrower, to the effect that the Borrower is (A) a "501(c)(3) organization" within the meaning of Section 145 of the Code, and (B) not a private foundation within the meaning of Section 509(a) of the Code and also to the effect that (C) the Loan Agreement, the Series 2023A Obligation, the Master Indenture and the Deed of Trust have been duly authorized, executed and delivered by the Borrower and are enforceable against the Borrower, subject to bankruptcy and equitable principles.

(9) Internal Revenue Service form 8038 completed by the Authority with respect to the Series 2023A Bonds together with a certificate of the Borrower with respect to the information contained therein.

(10) An opinion of McGuireWoods LLP, Bond Counsel, that the interest on the Series 2023A Bonds is excludable from gross income for federal income tax purposes under existing law and is exempt from taxation by the Commonwealth of Virginia and also to the effect that the issuance of the Series 2023A Bonds has been duly authorized by the Authority.

(11) An opinion of McGuireWoods LLP, Bond Counsel, to the Bond Trustee to the effect that registration of the Series 2023A Bonds under the Securities Act of 1933, as amended, and qualification of this Bond Indenture under the Trust Indenture Act of 1939, as amended, is not required.

(12) A request and authorization of the Authority, signed by its Chairman or Vice Chairman, to the Bond Trustee to authenticate and deliver the Series 2023A Bonds to such person or persons named therein upon payment to the Bond Trustee for the account of the Authority of a specified sum plus accrued interest to the date of delivery.

(b) Simultaneously with the delivery of the Series 2023A Bonds, the Bond Trustee shall apply, or arrange for the application of, the proceeds thereof, in the amount of \$_____ (equal to the par amount of the Series 2023A Bonds of \$_____ [plus the original issue premium of \$_____]less the underwriter's discount of \$_____) as follows:

(1) To the Master Trustee \$_____ for deposit in the Reserve Fund;

(2) To the Construction Fund \$_____; and

(3) To the Cost of Issuance Fund \$_____.

Section 207. Exchange of Series 2023A Bonds; Persons Treated as Owners. The Bond Trustee shall maintain registration books for the registration of exchange of Series 2023A Bonds. Upon surrender of any Series 2023A Bond at the designated corporate trust office of the Bond Trustee, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Bond Trustee, such Series 2023A Bond may be exchanged for an equal aggregate principal amount of Series 2023A Bonds of authorized denominations, of the same series, form and maturity, bearing interest at the same rate as the Series 2023A Bonds surrendered and registered in the name or names requested by the then registered owner. The Authority shall execute and the Bond Trustee shall authenticate any Series 2023A Bonds necessary to provide for exchange of Series 2023A Bonds under this section. The transferor shall also provide or cause to be provided to the Bond Trustee all information necessary to allow the Bond Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Code. The Bond Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Prior to due presentment for registration of transfer of any Series 2023A Bond, the Bond Trustee shall treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person registered on the [15th] day of the month preceding the Interest Payment Date as owner on the registration books maintained by the Bond Trustee.

Section 208. Charges for Exchange of Series 2023A Bonds. Any exchange of Series 2023A Bonds shall be at the expense of the Borrower, except that the Bond Trustee as bond registrar shall make a charge to any Series 2023A Bondholder requesting such exchange in the amount of any tax or other governmental charge required to be paid with respect thereto.

Section 209. Temporary Series 2023A Bonds. Prior to the preparation of Series 2023A Bonds in definitive form the Authority may issue temporary Series 2023A Bonds in such denominations as the Authority may determine, but otherwise in substantially the form hereinabove set forth with appropriate variations, omissions and insertions. The Authority shall promptly prepare, execute and deliver to the Bond Trustee before the first Interest Payment Date Series 2023A Bonds in definitive form and thereupon, upon presentation and surrender of Series 2023A Bonds in temporary form, the Bond Trustee shall authenticate and deliver in exchange therefor Series 2023A Bonds in definitive form of the same series and maturity for the same aggregate principal amount. Until exchanged for Series 2023A Bonds in definitive form, Series 2023A Bonds in temporary form shall be entitled to the lien and benefit of this Bond Indenture. Notwithstanding the foregoing, so long as the Series 2023A Bonds are held in book-entry-only form they may be typewritten.

Section 210. Mutilated, Lost or Destroyed Series 2023A Bonds. If any Series 2023A Bond has been mutilated, lost or destroyed, the Authority shall execute, and the Bond Trustee shall authenticate and deliver, a new Series 2023A Bond of like date and tenor in exchange and substitution for, and upon cancellation of, such mutilated Series 2023A Bond or in lieu of and in substitution for such lost or destroyed Series 2023A Bond; provided, however, that the Authority and the Bond Trustee shall so execute, authenticate and deliver such new Series 2023A Bond only

if the holder has paid the reasonable expenses and charges of the Authority and the Bond Trustee in connection therewith and, in the case of a lost or destroyed Series 2023A Bond, (a) has filed with the Authority and the Bond Trustee evidence satisfactory to them that such Series 2023A Bond was lost or destroyed and that the holder was the owner thereof and (b) has furnished to the Authority and the Bond Trustee indemnity satisfactory to them. If any such Series 2023A Bond has matured, instead of issuing a new Series 2023A Bond the Bond Trustee may pay the same without surrender thereof, upon receipt of the evidence and indemnity described above.

Section 211. Cancellation and Disposition of Series 2023A Bonds. All Series 2023A Bonds that have been paid (whether at maturity, upon acceleration or call for redemption or otherwise) or delivered to the Bond Trustee by the Borrower for cancellation shall not be reissued, and the Bond Trustee shall, unless otherwise directed by the Authority, cremate, shred or otherwise dispose of such Series 2023A Bonds in accordance with the standard procedures of the Bond Trustee. The Bond Trustee shall deliver to the Authority a certificate of any such cremation, shredding or other disposition.

Section 212. Book Entry Provisions. (a) The Series 2023A Bonds will be registered in the name of Cede & Co., a nominee of The Depository Trust Company, New York, New York ("DTC"), and immobilized in DTC's custody, or in the custody of the Bond Trustee as "FAST" agent for DTC. One Series 2023A Bond for the original principal amount of each maturity will be registered to Cede & Co. Beneficial owners of the Series 2023A Bonds will not receive physical delivery of the Series 2023A Bonds. Individual purchases of the Series 2023A Bonds may be made in book-entry form only in original principal amounts of \$5,000 and integral multiples of \$5,000. Payments of principal of and premium, if any, and interest on the Series 2023A Bonds will be made to DTC or its nominee as the sole Series 2023A Bondholder on the applicable payment date.

DTC is responsible for the transfer of the payments of the principal of and premium, if any, and interest on the Series 2023A Bonds to its participants, which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations (the "Participants") and selection of Series 2023A Bonds to be redeemed in the case of a partial redemption. Transfer of the payments of the principal of and premium, if any, and interest on the Series 2023A Bonds to beneficial owners of the Series 2023A Bonds is the responsibility of the Participants and other nominees of such beneficial owners.

Transfer of the beneficial ownership interests in the Series 2023A Bonds shall be made by DTC and its Participants, acting as nominees of the beneficial owners of the Series 2023A Bonds, in accordance with rules specified by DTC and its Participants. Neither the Authority nor the Series 2023A Bond Trustee makes any assurances that DTC, its Participants or other nominees of the beneficial owners of the Series 2023A Bonds will act in accordance with such rules or on a timely basis.

The Authority and the Bond Trustee disclaim any responsibility or obligation to the Participants or the beneficial owners with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC to any Participant or by any Participant to any beneficial owner of any amount due to any beneficial owner in respect of the principal of and premium, if any, and interest on the Series 2023A Bonds, (iii) the

delivery by DTC to any Participant or by any Participant to any beneficial owner of any notice to any beneficial owner which is required or permitted under the terms of this Bond Indenture to be given to Bondholders, (iv) the selection of the beneficial owners to receive payment in any partial redemption of the Series 2023A Bonds, or (v) any other action taken by DTC as Bondholder.

So long as Cede & Co., as nominee of DTC, is the sole Bondholder, references in this Bond Indenture to the Bondholders, holders or registered owners of the Series 2023A Bonds means Cede & Co. and not the beneficial owners of the Series 2023A Bonds. Any notice to or consent requested of Bondholders under this Bond Indenture shall be given to or requested of Cede & Co.

(b) Replacement Series 2023A Bonds (the "Replacement Bonds") will be registered in the name of and be issued directly to beneficial owners of the Series 2023A Bonds rather than to DTC, or its nominee, but only if:

(1) DTC determines not to continue to act as securities depository for the Series 2023A Bonds; or

(2) The Bond Trustee or the Authority has advised DTC of the Bond Trustee's or the Authority's determination that DTC is incapable of discharging its duties or that it is otherwise in the best interests of the beneficial owners of the Series 2023A Bonds to discontinue the book-entry system of transfer.

Upon the occurrence of an event described in clause (1) or (2) (and the Bond Trustee and the Authority undertake no obligation to make any investigation regarding the matters described in clause (2)), the Authority may attempt to locate another qualified securities depository. If the Authority fails to locate another qualified securities depository to replace DTC, the Authority shall execute and the Bond Trustee shall authenticate and deliver to the Participants the Replacement Bonds (substantially in the form set forth in Exhibit A, with such appropriate variations, omissions and insertions as are permitted or required by this Bond Indenture) to which the Participants are entitled for delivery to the beneficial owners of the Series 2023A Bonds. The Bond Trustee shall be entitled to rely on the records provided by DTC as to the Participants entitled to receive Replacement Bonds. The holders of the Replacement Bonds shall be entitled to the lien and benefits of this Bond Indenture.

In connection with any proposed transfer outside DTC's system, the Authority, the Borrower or DTC shall provide or cause to be provided to the Bond Trustee all information necessary to allow the Bond Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Code. The Bond Trustee may conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

ARTICLE III

REDEMPTION OF SERIES 2023A BONDS

Section 301. Redemption Dates and Prices. The Series 2023A Bonds may not be called for redemption by the Authority except as provided below:

(a) Extraordinary Optional Redemption. The Series 2023A Bonds are subject to redemption, in whole or in part, at a redemption price equal to 100% of the principal amount thereof, without premium, plus accrued interest to, but not including, the redemption date, without premium, on the earliest date for which notice of redemption can be given at the direction of the Borrower, to the extent the Borrower makes a prepayment on the Series 2023A Obligation under the circumstances permitted by Section 7.1 of the Loan Agreement and Section 3.05 of the Master Indenture. In the circumstance contemplated by Section 7.1(c) of the Loan Agreement, the Series 2023A Bonds shall be subject to extraordinary optional redemption in an amount that bears the same pro rata relationship to the aggregate principal amount of the Series 2023A Bonds then outstanding as that portion of the Mortgaged Premises financed or refinanced with the proceeds of the Series 2023A Bonds (the "Bond Financed Property") with respect to which the insurance or condemnation proceeds have been received bears to all Bond Financed Property. In the event of a partial extraordinary optional redemption, an Authorized Representative of the Borrower may direct the Bond Trustee to redeem as directed in writing by the Borrower, the Series 2023A Bonds from each maturity then outstanding, to the extent practicable, in the proportion that the principal amount of Series 2023A Bonds of such maturity bears to the total principal amount of all Series 2023A Bonds issued under this Bond Indenture and then outstanding or in inverse order of maturity, and the Bond Trustee shall redeem in accordance with such Instructions.

(b) Optional Redemption. The Series 2023A Bonds will be subject to redemption by the Authority, at the written direction of the Borrower, prior to maturity in whole, or in part by lot, at any time, on and after _____, 20____, at the following redemption prices (expressed as a percentage of the principal amount of the Series 2023A Bonds to be redeemed) plus accrued interest thereon, if any, to the redemption date in the event the Borrower exercises its option to prepay all or a portion of the amounts available under the Series 2023A Obligation under Sections 7.2 or 7.3 of the Loan Agreement:

<u>Redemption Period:</u>	<u>Price</u>
_____, 20____ through _____, 20____	103%
_____, 20____ through _____, 20____	102
_____, 20____ through _____, 20____	101
_____, 20____ and thereafter	100

(c) The Term Bonds are required to be redeemed in part under the terms of the sinking fund requirement provided in Section 303 at a redemption price of 100% of the principal amount thereof plus accrued interest thereon to the redemption date.

(d) Except as provided in paragraph (a), if less than all of the Series 2023A Bonds of any maturity are called for redemption, the Series 2023A Bonds to be redeemed shall be selected by DTC in accordance with its procedures, or if DTC is not the securities depository, then

by lot in such manner as the Bond Trustee in its discretion may determine, each portion of \$5,000 principal amount being counted as one Series 2023A Bond for such purposes. If a portion of a Series 2023A Bond having a principal amount of more than \$5,000 shall be called for redemption, a new registered Series 2023A Bond in principal amount equal to the unredeemed portion thereof shall be issued to the registered owner upon the surrender thereof.

(e) If the Borrower exercises any option to prepay the Series 2023A Obligation under Article VII of the Loan Agreement or requests any redemption of Series 2023A Bonds permitted hereunder and sufficient amounts are in the funds created herein, the Bond Trustee shall, in the name of the Authority, redeem Series 2023A Bonds as then permitted or required at the earliest practicable date permitted hereunder.

Section 302. Notice of Redemption. The Bond Trustee, upon being satisfactorily indemnified with respect to expenses, shall cause notice of the call for any such redemption identifying the Series 2023A Bonds to be redeemed to be sent by first class mail not less than 30 nor more than 60 days prior to the redemption date to the owner of each Series 2023A Bond to be redeemed at his address as it appears on the registration books. Failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Series 2023A Bond with respect to which no such failure or defect has occurred.

Any notice of redemption mailed as specified in this section shall be deemed to have been duly given when mailed by the Bond Trustee. Any such notice shall be given in the Authority's name, identify the Series 2023A Bonds to be redeemed by name, certificate number, CUSIP number, interest rate, maturity date and any other descriptive information determined by the Bond Trustee to be needed to identify the Series 2023A Bonds. All such notices shall also state that on the redemption date the Series 2023A Bonds called for redemption will be payable at the Bond Trustee's designated corporate trust office and that from that date interest will cease to accrue.

In the case of an optional redemption under Section 301(b), the notice may state that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Bond Trustee no later than the redemption date.

On or before the date fixed for redemption, funds shall be deposited with the Bond Trustee to pay the principal of, premium, if any, and interest accrued thereon to the redemption date on the Series 2023A Bonds called for redemption. Upon the happening of the above conditions, the Series 2023A Bonds or portions thereof thus called for redemption shall cease to bear interest from and after the redemption date, shall no longer be entitled to the benefits provided by this Bond Indenture and shall not be deemed to be Outstanding under the provisions of this Bond Indenture.

Section 303. Mandatory Sinking Fund. As a sinking fund, the Bond Trustee shall redeem Series 2023A Bonds maturing on _____, 20____, on _____ in years and in principal amounts and at a price of 100% of the principal amount of the Series 2023A Bonds to be redeemed plus accrued interest thereon to the redemption date, as follows:

Year

Amount

*Maturity

The Authority shall receive a credit against payments required to be made on any mandatory sinking fund redemption date specified by an Authorized Representative of the Borrower for the Series 2023A Bonds of the same series and maturity, in an amount equal to the principal amount of such Series 2023A Bonds that have been redeemed (otherwise than by mandatory sinking fund redemption) before the mandatory sinking fund redemption date or purchased by the Authority or the Borrower and delivered to the Bond Trustee for cancellation at least sixty (60) days before the mandatory sinking fund redemption date, provided the principal amount of such Series 2023A Bonds have not previously been applied as a credit against any other mandatory sinking fund redemption payment.

Section 304. Purchase in Lieu of Redemption. The Authority and, by their acceptance of the Series 2023A Bonds, the owners of the Series 2023A Bonds, irrevocably grant to the Borrower the option to purchase, at any time and from time to time, any Series 2023A Bond which has been called for redemption under the provisions of this Bond Indenture at a price equal to the principal amount thereof, plus any applicable premium, and plus the interest accrued on the principal amount to be redeemed to the date fixed for redemption. To exercise such option, the Borrower shall give the Bond Trustee a written request exercising such option as though such written request were a written request of the Authority for redemption, and the Bond Trustee shall thereupon give notice of such purchase in the manner specified herein as though such purchase were a redemption, and the purchase of such Series 2023A Bonds shall be mandatory and enforceable against the owners of any such Series 2023A Bonds. On the date fixed for purchase under any exercise of such option, the Borrower shall pay the purchase price of the Series 2023A Bonds then being purchased to the Bond Trustee in immediately available funds, and the Bond Trustee shall pay the same to the registered owner against delivery thereof. Following such purchase, the Bond Trustee shall cause such Series 2023A Bonds to be registered in the name of the Borrower or its nominee and shall deliver them to the Borrower or its nominee. In the case of the purchase of less than all of the Series 2023A Bonds, the particular Series 2023A Bonds to be purchased shall be selected in accordance with the provisions of Section 302 hereof. No purchase of the Series 2023A Bonds under this provision shall operate to extinguish the indebtedness of the Authority evidenced thereby.

ARTICLE IV

GENERAL COVENANTS AND PROVISIONS

Section 401. Payment of Series 2023A Bonds. The Authority shall promptly pay when due the principal of (whether at maturity, upon acceleration or call for redemption or otherwise) and premium, if any, and interest on the Series 2023A Bonds at the places, on the dates and in the manner provided herein and in the Series 2023A Bonds; provided, however, that such obligations are not general obligations of the Authority but are limited obligations payable solely from the revenues and receipts derived from the trust estate granted in the granting clauses at the

beginning of this Bond Indenture, which revenues and receipts are hereby specifically pledged to such purposes in the manner and to the extent provided herein. Neither the directors of the Authority nor any persons executing the Series 2023A Bonds shall be liable personally on the Series 2023A Bonds by reason of the issuance thereof. The Series 2023A Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the Authority, the Commonwealth of Virginia or any political subdivision thereof, including the Authority and the County of James City, Virginia. Neither the Commonwealth of Virginia nor any political subdivision thereof, including the Authority and the County of James City, Virginia, shall be liable for the Series 2023A Bonds or obligated to pay the principal, premium, if any, or the interest thereon or other costs incident thereto except from the revenues and receipts pledged therefor, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and the County of James City, Virginia, is pledged to the payment of the principal of or the premium, if any, or the interest on the Series 2023A Bonds or other costs incident thereto.

Section 402. Covenants and Representations of Authority. The Authority shall observe and perform all covenants, conditions and agreements on its part contained in this Bond Indenture, in every Series 2023A Bond executed, authenticated and delivered hereunder and in all its proceedings pertaining thereto; provided, however that the liability of the Authority under any such covenant, condition or agreement for any breach or default by the Authority thereof or thereunder shall be limited solely to the revenues and receipts derived from the trust estate. The Authority represents that it is duly authorized under the Constitution and laws of the Commonwealth of Virginia, including particularly and without limitation the Act, to issue the Series 2023A Bonds authorized hereby and to execute this Bond Indenture, to execute and assign the Loan Agreement, to assign the Series 2023A Obligation and to pledge the revenues, receipts and funds in the manner and to the extent herein set forth; that all action on its part for the issuance of the Series 2023A Bonds and the execution and delivery of this Bond Indenture has been duly and effectively taken; and that the Series 2023A Bonds in the hands of the holders thereof are and will be valid and enforceable obligations of the Authority according to the terms thereof except as limited by bankruptcy laws and usual equity principles.

Section 403. Instruments of Further Assurance. The Authority shall do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto and such further acts, instruments and transfers as the Bond Trustee may reasonably require for the better assuring, transferring, conveying, pledging and assigning to the Bond Trustee of all the rights assigned hereby and the revenues and receipts pledged hereby to the payment of the principal of, premium, if any, and interest on the Series 2023A Bonds. The Authority shall cooperate with the Bond Trustee and with the Bondholders in protecting the rights and security of the Bondholders.

Section 404. Inspection of Books of Facilities. All books and documents in the Authority's possession relating to the Loan Agreement and the Series 2023A Obligation and the revenues derived therefrom shall at all reasonable times and after reasonable notice be open to inspection by such agents as the Bond Trustee or the holders of at least 25% in aggregate principal amount of Series 2023A Bonds then Outstanding may from time to time designate.

Section 405. Rights under Agreement, the Series 2023A Obligation and Deed of Trust. The Bond Trustee in its own name or in the name of the Authority may enforce all rights of the Authority, except the Authority's Unassigned Rights, and all obligations of the Borrower under the Loan Agreement, the Series 2023A Obligation and the Deed of Trust for and on behalf of the Bondholders, whether or not the Authority is in default hereunder.

Section 406. Prohibited Activities, Arbitrage Covenant, Tax Covenant. The Authority shall not knowingly engage in any activities or take any action that might result in the income of the Authority derived from the Borrower becoming taxable to it.

The Authority covenants for the benefit of the Bondholders of the Series 2023A Bonds that it will, to the extent within its control, take no action to cause the proceeds of the Series 2023A Bonds, the earnings on those proceeds or any moneys on deposit in any fund or account maintained with respect to the Series 2023A Bonds (whether such moneys were derived from the proceeds of the sale of the Series 2023A Bonds or from other sources) to be used in a manner that will cause the Series 2023A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code (including but not limited to ensuring compliance with the ongoing requirements of Section 148 of the Code concerning the rebate and non-purpose investment rules) all in accordance with the Tax Agreement. This covenant shall survive the defeasance or payment in full of the Series 2023A Bonds, notwithstanding any other provision of this Bond Indenture until requirements for payment of any rebate amounts pursuant to Section 148(f) of the Code have been satisfied.

Section 407. Reports by Bond Trustee. The Bond Trustee shall make monthly reports to the Borrower of all moneys received and expended by it under this Bond Indenture, and the Bond Trustee shall make annual reports no later than 30 days following the end of each Fiscal Year to the Authority of all moneys received and expended by it under this Bond Indenture. The Bond Trustee shall not be required to provide a report for any month in which there is no activity in any of the funds established under this Bond Indenture.

Section 408. Letter of Representations. The Authority and the Bond Trustee agree that, so long as Cede & Co. or some other nominee of DTC is the sole Bondholder, they each will give notices, make payments and establish record dates for consents and similar purposes with respect to the Series 2023A Bonds and select Series 2023A Bonds for redemption as set forth in the Letter of Representations.

Section 409. Loan to Finance the Plan of Finance. Subject to the provisions of Section 401 and under the Loan Agreement, the Authority shall make a loan to the Borrower with the proceeds of the Series 2023A Bonds so that it can finance the Plan of Finance. The Authority shall not create or knowingly suffer to be created any lien or security interest in the Mortgaged Premises or the Facilities except Permitted Liens (as defined in the Master Indenture), or any lien on the revenues with respect to the loan to the Borrower, except the pledge made under this Bond Indenture.

ARTICLE V

CUSTODY AND APPLICATION OF SERIES 2023A BOND PROCEEDS

Section 501. Creation of Cost of Issuance Fund and Prior Bond Redemption Fund. (a) There is hereby established with the Bond Trustee a trust fund designated "Economic Development Authority of James City County, Virginia, Series 2023A Cost of Issuance Fund: Williamsburg Landing Project."

(b) There is hereby established with the Bond Trustee a trust fund designated the "Economic Development Authority of James City County, Virginia, Series 2023A Construction Fund: Williamsburg Landing Project."

Section 502. Limit on Investments. In any event, beginning on the date of the third anniversary of the issuance of the Series 2023A Bonds, the Bond Trustee shall invest moneys in the Cost of Issuance Fund or Construction Fund or transferred therefrom to any other fund only in accordance with written direction from the Borrower, which must be accompanied by an Opinion of Bond Counsel.

Section 503. Cost of Issuance Fund.

(a) All investment earnings on amounts held in the Cost of Issuance Fund shall be transferred to the Interest Account Fund.

(b) The Bond Trustee shall disburse amounts in the Cost of Issuance Fund at and in accordance with the written direction of the Borrower (as provided in a Requisition) for payment of Costs of Issuance.

(c) Before any payment shall be made from the Cost of Issuance Fund there shall be filed with the Bond Trustee a Requisition.

Upon receipt of each such Requisition the Bond Trustee shall within two Business Days, make payment from the Cost of Issuance Fund in accordance with such requisition; provided, however, that if any Event of Default exists, the Bond Trustee shall not be required to make, but may, subject to Article X, make, such payment if it determines that such payment is in the interest of the holders of the Series 2023A Bonds. All such payments shall be made by check or draft payable either (i) directly to the person, firm or corporation to be paid, (ii) to both the Borrower and such person, firm or corporation, or (iii) upon receipt of evidence that the Borrower have previously paid such amount, to the Borrower.

(d) At the earlier of 180 days after the issuance of the Series 2023A Bonds or when the Bond Trustee shall have received a certificate of the Borrower signed by an Authorized Representative of the Borrower, stating that all Costs of Issuance have been paid, the balance of any moneys remaining in the Cost of Issuance Fund shall be transferred, at the written direction of the Borrower, to the Construction Fund.

Section 504. Cost of Project. The Cost of the Project means:

(a) The cost of acquiring property and interests in property that are or will become part of the Project,

(b) The cost of labor, materials, machinery and equipment as payable to contractors, builders and materialmen in connection with the construction, renovation and equipping of the Project;

(c) Governmental charges levied or assessed during construction of the Project, or on any property acquired therefor, and premiums on insurance in connection with the Project during construction;

(d) Expenses necessary or incident to determining the feasibility or practicability of undertaking the Project (excluding, however, the expense of determining the feasibility of the issuance of the Series 2023A Bonds to finance or refinance the Project), the fees and expenses of architects, engineers and management consultants for making studies, surveys and estimates of costs and of revenues and other estimates, and fees and expenses of architects and engineers for preparation of plans, drawings and specifications and for administration of the construction contract or contracts for the Project, as well as for the performance of all other duties of architects and engineers in relation to the acquisition, construction, renovation and equipping of the Project (but not the issuance of the Series 2023A Bonds);

(e) Expenses of administration, supervision and inspection properly chargeable to the Project, fees and costs of development and marketing of the Project, legal expenses and fees of the Borrower in connection with the acquisition, construction, renovation or equipping of the Project (but not the issuance of the Series 2023A Bonds), cost of abstracts and reports on titles to real estate and owners title insurance premiums, cost of managing investments of moneys deposited in the funds created hereunder and all other items of expense, not elsewhere specified in this section incident to the construction, renovation and placing in operation of the Project;

(f) Interest on the Series 2023A Bonds and interest on obligations of the Borrower incurred to finance the Cost of the Project prior to, during and for up to one year after the completion of the Project;

(g) Bond insurance premiums, if any, and related fees and expenses;

(h) Working capital in connection with the construction and operation of the Project;

(i) Costs of Issuance related to the Series 2023A Bonds provided that no more than 2% of the Series 2023A Bond, Series 2023B Bond and Series 2023C Bond proceeds may be applied to Costs of Issuance and shall first be paid out of the Cost of Issuance Fund;

(j) Any other cost relating to the Project that is set forth in or permitted by the Act; and

(k) Reimbursement to the Borrower for any of such costs paid by it whether before or after the execution of this Bond Indenture; provided, however, that reimbursement for any expenditures made prior to the execution of this Bond Indenture shall only be permitted for

expenditures meeting the requirements of applicable Treasury Regulations, including but not limited to Treasury Regulations Section 1.150-2 or any successor Treasury Regulations.

Section 505. Disbursement from Construction Fund. (a) The Bond Trustee shall use moneys in the Construction Fund solely to pay Costs of the Project. Before any payment of such Costs shall be made from the Construction Fund, there shall be filed with the Bond Trustee a Disbursement Request (as defined in the Disbursement Agreement), together with all attachments thereto as required under the Disbursement Agreement.

(b) The Disbursement Request shall contain no items representing any amount constituting a Cost of Issuance unless the Disbursement Request is accompanied by an Opinion of Bond Counsel that the payment of the amount in the Disbursement Request will not adversely affect the exemption of interest on the Series 2023A Bonds from federal income tax.

(c) The Bond Trustee shall not be responsible for (i) determining whether the funds on hand in the Construction Fund are sufficient to complete the Project, or (ii) collecting lien waivers (if any).

(d) The Borrower shall retain on file copies of all Disbursement Requests and all attachments thereto.

(e) Upon receipt of each such Disbursement Request, the Bond Trustee shall within two Business Days make disbursement from the Construction Fund in accordance with such Disbursement Request; provided, however, that if any Event of Default exists hereunder, under the Master Indenture or under the Agreement, the Bond Trustee shall make such disbursements if directed to do so by the holders of at least 25% in aggregate principal amount of Series 2023A Bonds then Outstanding. All such payments shall be made by check or federal funds wire payable either (i) directly to the person, firm or corporation to be paid, (ii) to both the Borrower and such person, firm or corporation or, (iii) upon receipt of evidence that the Borrower has previously paid such amount, to the Borrower.

(f) Notwithstanding the above, to the extent no other funds are available therefor, the Bond Trustee shall use amounts on deposit in the Construction Fund to pay principal of and interest on the Series 2023A Bonds in the event of a default by the Borrower in making payments to the Bond Trustee to pay such principal and interest.

Section 506. Disposition of Balance in Construction Fund. When the Project is complete, the Bond Trustee shall receive a Completion Certificate signed by the Authorized Representative of the Borrower stating the date of completion of the Project and what items of the Cost of the Project, if any, have not been paid and for the payment of which moneys should be reserved in the Construction Fund, and when the Bond Trustee receives such Completion Certificate, the balance of any moneys remaining in the Construction Fund in excess of the amount to be reserved for payment of unpaid items of the Cost of the Project shall be applied by the Bond Trustee only in accordance with an Opinion of Bond Counsel.

ARTICLE VI

REVENUES AND FUNDS

Section 601. Establishment of Funds. The following trust fund, to be held by the Bond Trustee, is hereby established under this Bond Indenture:

Economic Development Authority of James City County, Virginia, Series 2023A Bond Fund: Williamsburg Landing Project, in which there shall be established the following subaccounts:

- (a) the Interest Account; and
- (b) the Principal Account.

Section 602. Funds Received. (a) The Bond Trustee on the tenth day of the month shall deposit all payments and receipts derived from the Series 2023A Obligation, the Loan Agreement, or the security therefor, in the following order, subject to credits as provided in this Article VI:

(1) To the Interest Account of the Bond Fund commencing on _____ 10, 2024, an amount equal to the amount remaining after the interest to become due on the Series 2023A Bonds on _____, 2024, is reduced by the sum of the amount deposited in the Interest Account representing funded interest allocable to such Interest Payment Date, if any, on the Series 2023A Bonds; and commencing on _____ 10, 2024, and continuing on the tenth day of each month thereafter, an amount equal to one-sixth of the amount of interest due on the Series 2023A Bonds on the next Interest Payment Date (after first applying as a credit any excess amounts transferred to the Interest Account under Sections 503 or from the Reserve Fund), or such lesser amount that, together with amounts already on deposit in the Interest Account, but subject to the provisions of Section 603(a), will be sufficient to pay interest on the Series 2023A Bonds to become due on the following Interest Payment Date.

(2) To the Principal Account of the Bond Fund, commencing on _____ 10, 2024, and continuing on the tenth day of each month thereafter an amount equal to one-twelfth of the amount of principal that will become due on the Series 2023A Bonds on the following _____ or will be payable on such _____ under Section 303 or such lesser amount that, together with amounts already on deposit in the Principal Account, will be sufficient to pay principal of the Series 2023A Bonds to become due or be paid at redemption on such _____.

(b) If on the tenth day of any month sufficient funds are not received by the Bond Trustee to make the deposits to the Bond Fund required on such date, the Bond Trustee shall within three Business Days notify the Borrower (with a copy to the Authority) and the Master Trustee of such by telephone or facsimile with receipt confirmed in writing, by first class registered or certified mail, and the Bond Trustee shall request the Master Trustee withdraw funds (if needed) from the Reserve Fund.

Section 603. Bond Fund.

(a) Interest Account. The Bond Trustee shall use moneys in the Interest Account solely to pay interest on the Series 2023A Bonds as the same becomes due. The Bond Trustee shall use amounts deposited in the Interest Account as funded interest on the Series 2023A Bonds to pay each interest payment thereon until such amount is depleted. If the Bond Trustee is purchasing Series 2023A Bonds under Sections 304 or 603(b)(1), amounts in the Interest Account may be used to pay the portion of the purchase price consisting of accrued interest to the date of purchase.

In the event the balance in the Interest Account on the tenth (10th) day of the month next preceding an Interest Payment Date or date upon which the Series 2023A Bonds are to be redeemed is insufficient for the payment of interest becoming due on the Series 2023A Bonds on the next ensuing Interest Payment Date or date upon which the Series 2023A Bonds are to be redeemed, the Bond Trustee shall within three Business Days notify the Borrower of the amount of the deficiency. Upon notification, the Borrower shall immediately deliver to the Bond Trustee an amount sufficient to cure the same. If the amount so delivered is not sufficient to cure the deficiency in the Interest Account, the Bond Trustee shall, not later than the Business Day next preceding the Interest Payment Date, deliver a written notice to the Master Trustee to the effect that the amount available to the Bond Trustee to pay interest on the Series 2023A Bonds is less than the amount of interest becoming due, specifying the amount of such deficiency and requesting the transfer of such amount necessary to cure such deficiency from the Reserve Fund. The Bond Trustee shall deposit into the Interest Account all amounts received from the Reserve Fund to cure such deficiency.

(b) Principal Account. The Bond Trustee shall use moneys in the Principal Account solely to pay the principal of and premium, if any, on the Series 2023A Bonds whether at maturity, by acceleration, call for redemption or otherwise. The Bond Trustee shall provide for redemption of Series 2023A Bonds in accordance with the mandatory sinking fund redemption schedule set forth in Section 303; provided, however, that on or before the 70th day next preceding any such sinking fund payment date the Authority, or the Authorized Representative of the Borrower on behalf of the Authority, may:

(1) pay to the Bond Trustee for deposit in the Principal Account as an advance payment on the Series 2023A Obligation such amount as the Borrower may determine, accompanied by a certificate signed by an Authorized Representative of the Borrower directing the Bond Trustee to apply such amount on or before such 70th day to the purchase of Series 2023A Bonds required to be redeemed on such sinking fund payment date, and the Bond Trustee shall thereupon use all reasonable efforts to expend such funds as nearly as may be practicable in the purchase of such Series 2023A Bonds at a price agreed to by the Borrower (including accrued interest to the date of settlement) not exceeding the principal amount thereof plus accrued interest to such sinking fund redemption date;

(2) deliver to the Bond Trustee for cancellation Series 2023A Bonds required to be redeemed on such sinking fund payment date in any aggregate principal amount desired; or

(3) instruct the Bond Trustee to apply a credit against the Authority's sinking fund redemption obligation for any such Series 2023A Bonds that previously have been redeemed (other than through the operation of the sinking fund) and cancelled by the Bond Trustee and not previously applied as a credit against any sinking fund redemption obligation.

Each Series 2023A Bond so purchased, delivered or previously redeemed shall be credited by the Bond Trustee at 100% of the principal amount thereof against amounts required to be transferred to the Principal Account on account of such Series 2023A Bonds and the principal amount of Series 2023A Bonds to be redeemed on such sinking fund payment date shall be reduced by the amount of Series 2023A Bonds so purchased, delivered or previously redeemed. Any principal amount of such Series 2023A Bonds in excess of the principal amount required to be redeemed on such sinking fund payment date shall be similarly credited in chronological order against future transfers to the Principal Account and shall similarly reduce the principal amount of Series 2023A Bonds to be redeemed on the next sinking fund payment date. In the event the balance in the Principal Account on any _____ 10 is insufficient for the payment of the principal becoming due on the next ensuing _____ 1, the Bond Trustee shall within three Business Days notify the Borrower of the amount of the deficiency. Upon notification, the Borrower shall immediately deliver to the Bond Trustee an amount sufficient to cure the same. If the amount so delivered is not sufficient to cure the deficiency in the Principal Account, the Bond Trustee shall, not later than the Business Day next preceding _____, deliver a written notice to the Master Trustee to the effect that the amount available to the Bond Trustee to pay principal of the Series 2023A Bonds is less than the amount of principal becoming due, specifying the amount of such deficiency and requesting the transfer of such amount necessary to cure such deficiency from the Reserve Fund. The Bond Trustee shall deposit into the Principal Account all amounts received from the Reserve Fund to cure such deficiency.

(c) Investment earnings on amounts in the Interest Account shall be retained in the Interest Account, except that, prior to the Bond Trustee's receipt of certification of completion of the Project pursuant to Section 506 of this Bond Indenture, such earnings shall be transferred to the Construction Fund to be used to pay the Costs of the Project. If the balance in the Interest Account on any Interest Payment Date (before the transfers to be made to such account on such date) shall exceed the amount payable on account of interest payable on the Series 2023A Bonds on such date, the excess shall be retained in the Interest Account and used as a credit against required transfers to the Interest Account during the following months preceding the next Interest Payment Date. Investment earnings on amounts in the Principal Account shall be credited thereto as earned. In the event the balance in the Principal Account on any _____ (prior to the transfers to be made to such account on such date) shall exceed the amount necessary on such date to pay principal of the Series 2023A Bonds at maturity, the excess shall be retained therein and used to pay principal of the Series 2023A Bonds due and to the extent not so used, credited against required transfers thereto.

(d) When the balances in the Interest Account and Principal Account of the Bond Fund and the Reserve Fund are sufficient to redeem or pay at maturity all Series 2023A Bonds then Outstanding and to pay all interest to accrue thereon prior to redemption or maturity, at the request of the Borrower the balance in the Bond Fund shall be held for redemption or

payment of the Series 2023A Bonds at the earliest practicable date and the payment of interest thereon and for no other purpose.

Section 604. Accounts within Funds. The Bond Trustee shall at the written direction of the Borrower create accounts within any fund established by this Bond Indenture and shall deposit amounts transferred to such fund in accounts therein and invest the same as directed by the Borrower. In making transfers from any such fund, the Bond Trustee shall draw on accounts therein as directed by the Borrower so long as required transfers can be made consistent with such directions.

Section 605. Non-Presentation of Series 2023A Bonds. If any Series 2023A Bond is not presented for payment when the principal thereof becomes due (whether at maturity, upon acceleration or call for redemption or otherwise), all liability of the Authority to the holder thereof for the payment of such Series 2023A Bond shall forthwith cease, determine and be completely discharged if funds sufficient to pay such Series 2023A Bond and interest due thereon shall be held by the Bond Trustee for the benefit of the holder thereof, and thereupon it shall be the duty of the Bond Trustee to hold such funds, without liability for interest thereon, for the benefit of the holder of such Series 2023A Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Indenture or on, or with respect to, such Series 2023A Bond.

Any moneys that have been set aside by the Bond Trustee for the payment of the principal of and premium, if any, and interest on the Series 2023A Bonds and that shall remain unclaimed by the registered owner of any of the Series 2023A Bonds for a period of four years after the date on which such principal and interest on the Series 2023A Bonds shall have become payable, shall, unless otherwise required by law, be paid to the Borrower, and thereafter the registered owners of such Series 2023A Bonds shall look only to the Borrower as unsecured creditors for the payment thereof and then only to the extent of the amount so received, without any interest thereon, and the Authority and the Bond Trustee shall have no responsibility with respect to such moneys.

Section 606. Bond Trustee's and Authority's Fees, Costs and Expenses. The initial administrative and acceptance fees and expenses of the Bond Trustee relating to the Series 2023A Bonds, including the reasonable fees and expenses of its legal counsel, shall be paid from the Cost of Issuance Fund as and when the same shall become due, unless such payment would, together with other Costs of Issuance paid from the proceeds of the Series 2023A Bonds, Series 2023B Bonds or Series 2023C Bonds, exceed 2% of the proceeds of the Series 2023A Bonds, Series 2023B Bonds and Series 2023C Bonds. In such case such fees and expenses shall be paid by the Borrower from its own funds. All other reasonable fees and expenses of the Bond Trustee (including such reasonable fees and expenses not incurred in the ordinary course of business) and the fees, if any, and reasonable costs and expenses of the Authority directly related to the Series 2023A Bonds and the issuance of the Series 2023A Bonds are to be paid by the Borrower from payments made under Section 4.1(b) of the Loan Agreement.

Section 607. Moneys to Be Held in Trust. All moneys required to be deposited with or paid to the Bond Trustee for the account of any of the funds created by this Bond Indenture shall be held by the Bond Trustee in trust, and except for moneys deposited with or paid to the Bond Trustee for the redemption of Series 2023A Bonds, notice of the redemption of which has been

duly given, shall, while held by the Bond Trustee, constitute part of the trust estate and be subject to the lien hereof.

Section 608. **Repayment to the Borrower from Funds.** All amounts remaining in any of the funds created by this Bond Indenture shall be paid to the Borrower after payment in full of the Series 2023A Bonds and the fees, charges and expenses of the Bond Trustee and its agents and counsel, any other paying agent and the deed of trust trustee and other amounts required to be paid hereunder, and the fees, charges and expenses of the Authority and any other amounts required to be paid by the Borrower under the Series 2023A Obligation or the Loan Agreement.

ARTICLE VII

INVESTMENTS

Section 701. **Investment of Funds.** The Bond Trustee shall separately invest and reinvest any moneys held in the funds at and in accordance with the written direction of an Authorized Representative of the Borrower in:

- (a) Government Obligations;
- (b) Obligations of the Federal National Mortgage Association, Governmental National Mortgage Association, Federal Farm Credit Banks, Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks and Federal Home Loan Banks;
- (c) Bonds, notes and other evidences of indebtedness unconditionally guaranteed as to payment of principal and interest by the Commonwealth of Virginia or any city, county or town therein;
- (d) Savings accounts, time deposits and certificates of deposit in any bank, including the Bond Trustee, or any affiliate thereof, (1) within the Commonwealth of Virginia, provided that such funds are secured in the manner required by the Virginia Security for Public Deposits Act or any successor provision of law, or (2) within or without the Commonwealth of Virginia having a combined capital, surplus and undivided profits of not less than \$50,000,000, or (3) demand deposits, including U.S. dollar denominated deposit accounts, interest bearing money market accounts, time deposits, trust funds, trust accounts, overnight bank deposits, interest-bearing deposits, other deposit products, certificates of deposit, including those placed by a third party pursuant to an agreement between the Bond Trustee and the Authority, or bankers acceptances of depository institutions, including the Bond Trustee or any of its affiliates;
- (e) Savings accounts and certificates of
 - (1) savings and loan associations that are under supervision of the Commonwealth of Virginia; and
 - (2) Federal associations organized under the laws of the United States of America and under federal supervision, but only to the extent that such accounts and certificates are fully insured by the Federal Savings and Loan Insurance Company or any successor federal agency;

(f) "Prime quality" commercial paper, with a maturity of 270 days or less, of issuing corporations organized under the laws of the United States, or of any state thereof, including paper issued by banks and bank holding companies. "Prime quality" shall be as rated by Moody's within its ratings of P-1 or P-2 or by S&P within its ratings of A-1 or A-2;

(g) Bankers' acceptances guaranteed by any bank having a combined capital, surplus and undivided profits of not less than \$50,000,000;

(h) Investments in money market funds restricted to Government Obligations and funds rated in the highest rating category by either Moody's, S&P or Fitch including any such fund administered by the Bond Trustee or for which the Bond Trustee, its affiliates or subsidiaries provide investment advisory or other management services;

(i) Investment agreements with any bank, registered broker/dealer, insurance company or any other financial institution or corporation, or any subsidiary thereof, with a senior unsecured credit rating of, or claims paying ability of, at least "Aa3" by Moody's or "AA-" by S&P or "AA-" by Fitch. The credit rating may be at either the parent or subsidiary level; and

(j) Such other investments as may be directed in writing by an Authorized Representative of the Borrower that are permitted by law. The Bond Trustee shall be authorized to conclusively rely on such direction as to the suitability, legality and permissibility of the directed investment.

Any bonds, notes or other evidences of indebtedness listed in subsections (a), (b) and (c) above may be purchased by the Bond Trustee under a repurchase agreement with any bank or investment bank, including an affiliate of the Bond Trustee, within or without the Commonwealth of Virginia having a combined capital, surplus and undivided profits of not less than \$50,000,000, provided the obligation of the bank or investment bank to repurchase is within the time limitation established for investments as set forth below. A repurchase agreement for securities described in subsections (a), (b) and (c) above shall be considered a purchase of such securities even if title and/or possession of such securities is not transferred to the Bond Trustee so long as (i) the repurchase obligation of the bank or investment bank is collateralized by the securities themselves, (ii) the securities have on the date of the repurchase agreement a fair market value equal to at least 100% of the amount of the repurchase obligation of the bank or investment bank, (iii) the securities are held by a third party and segregated from securities owned generally by the bank or investment bank, (iv) a perfected security interest in such securities is created for the benefit of the holders of the Series 2023A Bonds, under the Uniform Commercial Code of Virginia or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq., and (v) if the repurchase agreement is with the bank serving as Bond Trustee or any related party, the third party holding such securities holds them as agent for the Bond Trustee as fiduciary for the holders of the Series 2023A Bonds and not as agent for the bank serving as Bond Trustee in its commercial capacity or any other party.

If the Borrower fails to provide investment direction to the Bond Trustee, the Bond Trustee shall hold all moneys on deposit with it in cash, un-invested. All such investments shall be held by or under the control of the Bond Trustee and while so held shall be deemed a part of the fund in which such moneys were originally held, except as otherwise provided herein. The interest

accruing from such investment and any profit realized therefrom shall be credited to such funds and any loss resulting from such investments shall be charged to such funds, except as otherwise provided herein. The Bond Trustee shall sell and reduce to cash a sufficient amount of such investments whenever the cash balance in any fund is insufficient for the purposes thereof. So long as all investment restrictions applicable to each fund or account created hereunder are complied with, the Bond Trustee may commingle the funds and accounts held by it hereunder for purposes of investing amounts held therein.

The Bond Trustee shall, to the extent consistent with other provisions of this section, make any investment requested in writing by the Borrower. At the request of the Borrower, but no more than monthly, the Bond Trustee shall provide the Borrower with reports in reasonable detail regarding the investment of the funds held by the Bond Trustee, which reports may be included in the reports required under Section 407. Confirmations of investments made in accordance with this Section are not required to be issued by the Bond Trustee for each month for which a monthly statement is issued. No statement or report under Section 407 or this paragraph need be received for any fund or account if no activity occurred in such fund or account during such month.

Moneys held in the following funds shall be invested in securities and obligations maturing not later than the following dates:

(A) Bond Fund -- not later than the dates on which such moneys will be needed to pay principal of (whether at maturity or by mandatory sinking fund redemption) or interest on the Series 2023A Bonds.

(B) Construction Fund -- not later than the dates on which such moneys are expected to be needed to pay the Costs of the Project.

For the purposes of this section investments shall be considered as maturing on the date on which they are redeemable without penalty at the option of the holder or the date on which the Bond Trustee may require their repurchase, under a repurchase agreement qualifying as described above.

For the purpose of determining the amount on deposit to the credit of any such fund or account, as reflected by annual accounting statements, obligations purchased as an investment of moneys therein shall be valued at least annually at the cost or market price thereof, whichever is lower, inclusive of accrued interest. Except as provided in Section 603(c), the Bond Trustee shall not be required to calculate the value of investments more frequently than annually.

Section 702. **Investments through Bond Trustee's Bond Department.** The Bond Trustee may make investments permitted by Section 701 through its own bond department.

ARTICLE VIII

DISCHARGE OF INDENTURE

Section 801. **Discharge of Indenture.** The Series 2023A Bonds shall be deemed paid for all purposes of this Bond Indenture when (a) payment of the principal of and the maximum amount of interest that may become due on such Series 2023A Bonds to the due date of such

principal and interest (whether at maturity, upon redemption, acceleration or otherwise) either (i) has been made in accordance with the terms of Article III or (ii) has been provided for by depositing with the Bond Trustee (A) moneys sufficient to make such payment which otherwise meet the definition of Defeasance Obligations or (B) noncallable Defeasance Obligations maturing as to principal and interest in such amounts and at such times as an independent certified public accountant or verification agent determines will ensure the availability of sufficient moneys to make such payment without regard to the reinvestment thereof; and (b) all compensation and expenses of the Authority and the Bond Trustee (as well as the fees and expenses of their counsel) pertaining to each such Series 2023A Bond in respect of which such payment or deposit is made have been paid or provided for to their respective satisfaction. When a Series 2023A Bond is deemed paid, it shall no longer be secured by or entitled to the benefits of this Bond Indenture, except for payment from moneys or Defeasance Obligations under subsection (a) above and except that it may be transferred, exchanged, registered, discharged from registration or replaced as provided in Article II.

Notwithstanding the foregoing, no deposit under subsection (a) above made for the purpose of paying the redemption price of such Series 2023A Bond (as opposed to the final payment thereof upon maturity) will be deemed a payment of such Series 2023A Bond as aforesaid until (x) notice of redemption of such Series 2023A Bond is given in accordance with Article III or, if such Series 2023A Bond is not to be redeemed within the next 60 days, until the Borrower has given the Bond Trustee, in form satisfactory to the Bond Trustee, irrevocable Instructions to notify, as soon as practicable, the holder of such Series 2023A Bond, in accordance with Article III, that the deposit required by subsection (a) above has been made with the Bond Trustee and that such Series 2023A Bond is deemed to be paid under this Article and stating the redemption date upon which moneys are to be available for the payment of the principal of such Series 2023A Bond or (y) the maturity of such Series 2023A Bond. Additionally, and while the deposit under subsection (a) above made for the purpose of paying the final payment of a Series 2023A Bond upon its maturity shall be deemed a payment of such Series 2023A Bond as aforesaid, the Bond Trustee shall mail notice to the registered owner of such Series 2023A Bond, as soon as practicable stating that the deposit required by subsection (a) above has been made with the Bond Trustee and that such Series 2023A Bond is deemed to be paid under this Article.

When Series 2023A Bonds are deemed paid under the foregoing provisions of this Section and other sums due hereunder and under the Loan Agreement are paid, the Bond Trustee shall, upon request, acknowledge the discharge of the Authority's obligations under this Bond Indenture with respect to such Series 2023A Bonds, except for obligations under Article II in respect of the transfer, exchange, registration, discharge from registration and replacement of Series 2023A Bonds, and obligations under Section 1002 hereof with respect to the Bond Trustee's compensation and indemnification. Series 2023A Bonds delivered to the Bond Trustee for payment shall be cancelled under Section 211.

An Authorized Representative of the Borrower shall direct the deposit, investment and use of the moneys and securities described in this Section such that no deposit will be made and no use made of any such deposit that would cause any Series 2023A Bonds (including Series 2023A Bonds deemed paid under this section) to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code. Before accepting or using any such deposit, the Bond Trustee may request an Opinion of Bond Counsel as to whether such use or acceptance would cause the Series

2023A Bonds (including Series 2023A Bonds deemed paid under this section) to be so treated and, that all conditions hereunder have been satisfied, and the Bond Trustee may conclusively rely on such opinion with regard thereto. Notwithstanding the foregoing, the Bond Trustee shall have no obligation to determine, or request such an Opinion of Counsel determining, if any deposit would cause any Series 2023A Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Code.

The Bond Trustee shall receive and shall be fully protected in relying upon a certificate of an independent certified public accountant or verification agent to the effect that a deposit will be sufficient to defease such Series 2023A Bonds as provided in this Section 801.

ARTICLE IX

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 901. Events of Default. Each of the following events shall be an Event of Default:

- (a) Default in the due and punctual payment of any interest on any Series 2023A Bond;
- (b) Default in the due and punctual payment of the principal of any Series 2023A Bond (whether at maturity, upon acceleration or call for redemption or otherwise);
- (c) An "Event of Default" under the Loan Agreement or the Master Indenture, and such "Event of Default" shall not have been remedied or waived; or
- (d) Subject to the provisions of Section 911, default in the observance or performance of any other covenant, condition or agreement on the part of the Authority under this Bond Indenture or in the Series 2023A Bonds.

Section 902. Acceleration. If an Event of Default occurs and is continuing, the Bond Trustee shall, if requested by the holders of at least 25% in aggregate principal amount of Series 2023A Bonds then Outstanding, by notice to the Authority, declare the entire unpaid principal of and interest on the Series 2023A Bonds due and payable and, thereupon, the entire unpaid principal of and interest on the Series 2023A Bonds shall forthwith become due and payable. Upon any such declaration the Authority shall forthwith pay to the holders of the Series 2023A Bonds the entire unpaid principal of and accrued interest on the Series 2023A Bonds, but only from the revenues and receipts herein specifically pledged for such purpose. Upon the occurrence of an Event of Default and a declaration of acceleration hereunder the Bond Trustee as assignee of the Authority shall immediately exercise its option under Section 6.2(a) of the Loan Agreement to declare all payments on the Series 2023A Obligation to be immediately due and payable.

Section 903. Other Remedies; Rights of Bondholders.

Upon the occurrence of an Event of Default, if requested to do so by the holders of at least 25% in aggregate principal amount of Series 2023A Bonds then Outstanding and if indemnified

as provided in Section 1001(k), the Bond Trustee shall exercise such one or more of the rights and powers conferred by this article as the Bond Trustee, upon being advised by counsel, shall deem most expedient in the interests of the Bondholders.

No remedy conferred by this Bond Indenture upon or reserved to the Bond Trustee or to the Bondholders is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to the Bond Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any default or Event of Default hereunder, whether by the Bond Trustee under Section 910 or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Upon the occurrence of an Event of Default under the Master Indenture, the Bond Trustee shall notify the Master Trustee and request that the Master Trustee direct all Members of the Obligated Group to deliver to the Master Trustee all Pledged Assets (as defined in the Master Indenture).

Section 904. Right of Bondholders to Direct Proceeding. Anything in this Bond Indenture to the contrary notwithstanding, the holders of a majority in aggregate principal amount of Series 2023A Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Bond Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Bond Indenture or any other proceedings hereunder; provided, however, that such direction shall not be otherwise than in accordance with the provisions of law and of this Bond Indenture.

Section 905. Application of Moneys. All moneys received by the Bond Trustee under any right given or action taken under the provisions of this article, together with all other funds held by the Bond Trustee hereunder, and any funds held by the Master Trustee regarding the Series 2023A Bonds, shall after first payment of the cost and expenses of the proceedings resulting in the collection of such moneys, the expenses, liabilities and advances incurred or made by the Bond Trustee and the Deed of Trust Trustee, the fees of the Bond Trustee and the Deed of Trust Trustee and second, after payment of the expenses of the Authority in carrying out this Bond Indenture or the Loan Agreement, be deposited in the Bond Fund and applied as follows:

(a) Unless the principal of all the Series 2023A Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

First - To the payment to the persons entitled thereto of all installments of interest then due on the Series 2023A Bonds, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due

on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2023A Bonds;

Second - To the payment to the persons entitled thereto of the unpaid principal of any of the Series 2023A Bonds which shall have become due (other than Series 2023A Bonds called for redemption for the payment of which moneys are held under the provisions of this Bond Indenture), in the order of their due dates, with interest on such Series 2023A Bonds at the respective rates specified therein from the respective dates on which they became due and, if the amount available shall not be sufficient to pay in full Series 2023A Bonds due on any particular date, together with such interest, then first to the payment of such interest, ratably, according to the amount of such interest due on such date, and then to the payment of such principal, ratably, according to the amount of such principal due on such date, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2023A Bonds; and

Third - To the extent permitted by law, to the payment to persons entitled thereto of the unpaid interest on overdue installments of interest ratably, according to the amount of such interest due on such date, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2023A Bonds.

(b) If the principal of all the Series 2023A Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid on the Series 2023A Bonds, including, to the extent permitted by law, interest on overdue installments of interest, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Series 2023A Bond over any other Series 2023A Bond, ratably, according to the amounts due respectively for principal and interest to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2023A Bonds.

(c) If the principal of all the Series 2023A Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled under the provisions of this article, then, subject to the provisions of subsection (b) of this section in the event that the principal of all the Series 2023A Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of subsection (a) of this section.

Whenever moneys are to be applied under the provisions of this section, such moneys shall be applied at such times and from time to time as the Bond Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Bond Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) on which such application is to be made and on such date interest

on the amounts of principal to be paid on such dates shall cease to accrue. The Bond Trustee shall give such notice to be the registered holders of the Series 2023A Bonds by first class mail as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the holder of any Series 2023A Bond until such Series 2023A Bond shall be presented to the Bond Trustee for appropriate endorsement or for cancellation if fully paid.

Section 906. Remedies Vested in Bond Trustee. All rights of action (including the right to file proof of claims) under this Bond Indenture or under any of the Series 2023A Bonds may be enforced by the Bond Trustee without the possession of any of the Series 2023A Bonds or the production thereof in any trial or other proceeding relating thereto and any such suit or proceeding instituted by the Bond Trustee may be brought in its name as Bond Trustee without the necessity of joining as plaintiffs or defendants any holders of the Series 2023A Bonds, and any recovery of judgment shall be for the equal benefit of the holders of the outstanding Series 2023A Bonds.

Section 907. Limitation on Suits. Except to enforce the rights given under Sections 902 and 908, no holder of any Series 2023A Bond shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Bond Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (a) a default has occurred and is continuing of which the Bond Trustee has been notified as provided in Section 1001(h), or of which by such section it is deemed to have notice, (b) such default has become an Event of Default and the holders of at least 25% in aggregate principal amount of Series 2023A Bonds then Outstanding have made written request to the Bond Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (c) they have offered to the Bond Trustee indemnity as provided in Section 1001(k), (d) the Bond Trustee has for 30 days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its, his or their own name or names, (e) no direction inconsistent with such written request has been given to the Bond Trustee during such 30 day period by the holders of a majority in aggregate principal amount of Series 2023A Bonds then Outstanding, and (f) notice of such action, suit or proceeding is given to the Bond Trustee; it being understood and intended that no one or more holders of the Series 2023A Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice this Bond Indenture by its, his or their action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted and maintained in the manner herein provided and for the equal benefit of the holders of all Series 2023A Bonds then Outstanding. The notification, request and offer of indemnity set forth above, at the option of the Bond Trustee, shall be conditions precedent to the execution of the powers and trusts of this Bond Indenture and to any action or cause of action for the enforcement of this Bond Indenture or for any other remedy hereunder.

Section 908. Unconditional Right to Receive Principal, Premium and Interest. Nothing in this Bond Indenture shall, however, affect or impair the right of any Bondholder to enforce, by action at law, payment of the principal of, premium, if any, or interest on any Series 2023A Bond at and after the maturity thereof, or on the date fixed for redemption or (subject to the provisions of Section 902) upon the same being declared due prior to maturity as herein provided, or the obligation of the Authority to pay the principal of, premium, if any, and interest

on each of the Series 2023A Bonds issued hereunder to the respective holders thereof at the time, place, from the source and in the manner expressed herein and in the Series 2023A Bonds.

Section 909. Termination of Proceedings. In case the Bond Trustee shall have proceeded to enforce any right under this Bond Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Bond Trustee, then and in every such case the Authority, the Borrower and the Bond Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Bond Trustee shall continue as if no such proceedings had been taken.

Section 910. Waiver of Events of Default. The Bond Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest on the Series 2023A Bonds on the written request of the holders of (a) a majority in aggregate principal amount of Series 2023A Bonds then Outstanding in respect of which default in the payment of principal and/or interest exists, or (b) a majority in aggregate principal amount of Series 2023A Bonds then Outstanding in the case of any other default; provided, however, that

(1) there shall not be waived without the consent of the holders of all Series 2023A Bonds then Outstanding (A) any Event of Default in the payment of the principal of any Outstanding Series 2023A Bonds (whether at maturity or by sinking fund redemption) or (B) any default in the payment when due of the interest on any such Series 2023A Bonds unless, prior to such waiver or rescission,

(i) there shall have been paid or provided for all arrears of interest with interest (to the extent permitted by law) at the rate borne by the Series 2023A Bonds on overdue installments of interest, all arrears of principal and all expenses of the Bond Trustee in connection with such default, and

(ii) in case of any such waiver or rescission or in case of any discontinuance, abandonment or adverse determination of any proceeding taken by the Bond Trustee on account of any such default, the Authority, the Bond Trustee and the Bondholders shall be restored to their former positions and rights hereunder respectively, and

(2) no declaration of maturity under Section 902 made at the request of the holders of at least 25% in aggregate principal amount of Series 2023A Bonds then Outstanding shall be rescinded unless requested by the holders of a majority in aggregate principal amount of Series 2023A Bonds then Outstanding.

No such waiver or rescission shall extend to any subsequent or other default or impair any right consequent thereon.

Section 911. Notice of Defaults; Opportunity of the Borrower to Cure Defaults. Anything herein to the contrary notwithstanding, no default specified in Section 901(d) on the part of the Authority shall constitute an Event of Default until (a) notice of such default shall be given (1) by the Bond Trustee to the Authority and the Borrower or (2) by the holders of at least 25% in aggregate principal amount of Series 2023A Bonds then Outstanding to the Bond Trustee, the

Authority and the Borrower, and (b) the Authority and the Borrower shall have had 30 days after such notice to correct such default or cause such default to be corrected, and shall not have corrected such default or caused such default to be corrected within such period; provided, however, that if any default specified in Section 901(d) shall be such that it can be corrected but cannot be corrected within such period, it shall not constitute an Event of Default if corrective action is instituted by the Authority or the Borrower within such period and diligently pursued until such default is corrected, as long as such default is corrected within 90 days.

With regard to any alleged default concerning which notice is given to the Borrower under this section, the Borrower may perform any covenant, condition or agreement the nonperformance of which is alleged in such notice to constitute a default, in the name and stead of the Authority, with full power to do any and all things and acts to the same extent that the Authority could do and perform any such things and acts and with power of substitution.

ARTICLE X

THE BOND TRUSTEE

Section 1001. Acceptance of Trusts and Obligations. The Bond Trustee hereby accepts the trusts and obligations imposed upon it by this Bond Indenture and the Loan Agreement and agrees to perform such trusts and obligations, but only upon and subject to the following express terms and conditions and no implied covenants or obligations shall be read into this Bond Indenture or the Loan Agreement against the Bond Trustee:

(a) The Bond Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default that may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Bond Indenture and the Loan Agreement. In case an Event of Default has occurred (which has not been cured or waived) the Bond Trustee shall exercise such rights and powers vested in it by this Bond Indenture, and use the same degree of care and skill in their exercise, as a prudent man ordinarily would exercise and use under the circumstances in the conduct of his own affairs.

(b) The Bond Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees and shall not be answerable for the conduct of the same if appointed with reasonable care, and shall be entitled to consult with and act on the opinion or advice of its counsel concerning all matters of trust hereof and the duties hereunder, and shall be fully protected in acting upon such advice and may in all cases pay reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trust hereof. As a condition to the taking, suffering or omission of any action hereunder, the Bond Trustee may demand and act on an Opinion of Counsel and shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance on such Opinion of Counsel.

(c) The Bond Trustee shall not be responsible for any recital herein, recital in the Series 2023A Bonds (except in respect to the certificate of the Bond Trustee endorsed on the Series 2023A Bonds), any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Series

2023A Bonds, except for any information provided by the Bond Trustee, or for compliance with any state or federal securities laws in connection with the Series 2023A Bonds or for the recording, re-recording, other filing or re-filing of any financing or continuation statement or any other document or instrument, or for insuring the Facilities or collecting any insurance moneys, or for the validity of the execution by the Authority of this Bond Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Series 2023A Bonds issued hereunder or intended to be secured hereby, or for the value of or title to the Mortgaged Premises or otherwise as to the maintenance of the security hereof; except that in the event the Bond Trustee takes possession of any part of the Mortgaged Premises under any provision of this Bond Indenture, the Loan Agreement or the Deed of Trust it shall use due diligence in preserving such part, and the Bond Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Authority or on the part of the Borrower under the Loan Agreement or the Deed of Trust. The Bond Trustee shall not be responsible or liable for any loss suffered in connection with any investment of moneys made by it in accordance with Section 701 or on account of any failure of the Borrower to provide timely written investment direction to the Bond Trustee.

(d) The Bond Trustee shall not be accountable for the use of any Series 2023A Bonds authenticated or delivered hereunder. The bank or trust company acting as Bond Trustee and its directors, officers, employees or agents may in good faith buy, sell, own, hold and deal in the Series 2023A Bonds and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Bond Trustee. To the extent permitted by law, such bank or trust company may also receive tenders and purchase in good faith Series 2023A Bonds from itself, including any department, affiliate or subsidiary, with like effect as if it were not the Bond Trustee.

(e) The Bond Trustee shall be protected in acting on any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Bond Trustee under this Bond Indenture on the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the owner of any Series 2023A Bond shall be conclusive and binding on all future owners of the same Series 2023A Bond and Series 2023A Bonds issued in exchange therefor or in place thereof.

(f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Bond Trustee shall be entitled to rely on a certificate signed on behalf of the Authority by its Chairman or Vice Chairman and attested by its Secretary or Assistant Secretary under its seal, or such other person or persons as may be designated for such purposes by resolution of the Authority, as sufficient evidence of the facts therein contained, and prior to the occurrence of a default of which the Bond Trustee has been notified as provided in subsection (h) of this section, or of which by said subsection it is deemed to have notice, may also accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Bond Trustee may accept a certificate of the Secretary or Assistant Secretary of the Authority under its seal to the effect that a resolution in the form therein set forth has been adopted by the

Authority as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

(g) The permissive right of the Bond Trustee to do things enumerated in this Bond Indenture shall not be construed as a duty, and the Bond Trustee shall not be answerable for other than its gross negligence or willful misconduct.

(h) The Bond Trustee shall not be required to take notice or be deemed to have notice of any default hereunder, except an Event of Default under Section 901(a) or (b), unless the Bond Trustee shall be notified of such default in writing, by the Authority or by the holders of at least 25% in aggregate principal amount of Series 2023A Bonds then Outstanding.

(i) The Bond Trustee shall not be required to give any bond or surety with respect to the execution of its rights and obligations hereunder.

(j) Notwithstanding any other provision of this Bond Indenture, the Bond Trustee shall have the right, but shall not be required, to demand, as a condition of any action by the Bond Trustee in respect of the authentication of any Series 2023A Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Bond Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that required by the terms hereof.

(k) Before taking any action under this Bond Indenture or the Loan Agreement, the Bond Trustee may require that indemnity satisfactory to it be furnished to it for the reimbursement of all expenses to which it may be put and to protect it against all liability by reason of any action so taken, including without limitation environmental indemnity except liability that is adjudicated to have resulted from its gross negligence or willful misconduct. No provision of this Bond Indenture shall require the Bond Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

(l) All moneys received by the Bond Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received but need not be segregated from other funds except to the extent required by this Bond Indenture or law. The Bond Trustee shall not be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(m) The Bond Trustee shall, subject to its receipt of indemnity satisfactory to it, cooperate with the Borrower in the contest, at the expense of the Borrower, of any condemnation proceeding or contest over title with respect to the Mortgaged Premises and so long as no Event of Default has occurred and is continuing of which the Bond Trustee has received notice in accordance with subsection (h), shall, to the extent it may lawfully do so, permit the Borrower to litigate in any such proceeding or contest in the name and on behalf of the Bond Trustee. So long as no Event of Default has occurred and is continuing of which the Bond Trustee has received notice in accordance with subsection (h), in no event shall the Bond Trustee voluntarily settle, or consent to the settlement of, any condemnation proceeding or contest over title with respect to the Mortgaged Premises without the consent of the Borrower.

(n) The Bond Trustee shall not be responsible for the tax-exempt status of the interest on the Series 2023A Bonds.

(o) (1) The Bond Trustee shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given under this Bond Indenture and related financing documents and delivered using Electronic Means and/or executed by way of a Digital Signature, except that the Bond Trustee shall only accept Instructions from an Authority Representative or an Authorized Representative of the Borrower (as applicable).

(2) If the Bond Trustee receives Instructions using Electronic Means and/or executed by way of a Digital Signature, and the Bond Trustee in its discretion elects to act upon such Instructions, the Bond Trustee's understanding of such Instructions shall be deemed controlling.

(3) The Authority and the Borrower understand and agree that the Bond Trustee cannot determine the identity of the actual sender of such Instructions and that the Bond Trustee shall conclusively presume that directions that purport to have been sent by an Authority Representative or an Authorized Representative of the Borrower (as applicable) have been sent by such individual.

(4) The Authority and the Borrower shall be responsible for ensuring that only an Authority Representative or an Authorized Representative of the Borrower (as applicable) transmits Instructions to the Bond Trustee and that the Authority and the Borrower are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt.

(5) The Bond Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bond Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written Instruction.

(6) The Authority (to the extent that the Authority may be permitted to do so under applicable law) and the Borrower agree: (i) to assume all risks arising out of the use of Electronic Means and/or Digital Signatures to submit Instructions to the Bond Trustee, including without limitation the risk of the Bond Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Bond Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority or the Borrower (as applicable); (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Bond Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(p) The Bond Trustee shall have no duty to review, verify or analyze any financial statements of the Borrower and shall hold such financial statements solely as a repository

for the benefit of the Bondholders of the Series 2023A Bonds; the Bond Trustee shall not be deemed to have notice of any information contained therein, default or event of default which may be disclosed therein in any manner.

(q) The Bond Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Bond Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Bond Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances;

(r) In no event shall the Bond Trustee be responsible or liable for punitive, special, indirect, or consequential loss or damage of any kind whatsoever irrespective of whether the Bond Trustee has been advised of the likelihood of such loss or damage and regardless of the form of actions.

Section 1002. Fees, Charges and Expenses of Bond Trustee. Absent a specific agreement as to payment of the Bond Trustee's fees, charges and expenses, the Bond Trustee and any payment agents shall be entitled to payment and reimbursement for reasonable fees for services rendered hereunder and all advances, counsel fees and disbursements and other expenses reasonably made or incurred by the Bond Trustee in connection with such services, provided that, the trust estate shall not be liable for costs or expenses of the Bond Trustee other than reasonable costs and expenses. Upon an Event of Default, but only upon an Event of Default, the Bond Trustee shall have a first lien with right of payment prior to payment on account of principal of, or premium, if any, and interest on any Series 2023A Bond upon the trust estate created by this Bond Indenture for the foregoing fees, charges and expenses incurred by the Bond Trustee. When the Bond Trustee incurs expenses or renders services after the occurrence of an Event of Default hereunder caused by the occurrence of an "Event of Default" specified in subsections 4.01(f) or 4.01(g) of the Master Indenture, the expenses and the compensation for the services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 1003. Notice Required of Bond Trustee. If the Borrower fails to make any payment of principal of (whether at maturity or upon acceleration) and premium, if any, and interest on the Series 2023A Bonds on the day such payment is due and payable, the Bond Trustee shall give notice thereof by telephone or email to the Borrower on the next succeeding Business Day and shall promptly confirm such notice in writing by first class registered or certified mail. In the event of (a) the continuance of any such failure to make payment for 30 days after such payment was due, (b) failure of the Authority to cause any of the payments to be made to the Bond Trustee as required by Section 401, or (c) notification to the Bond Trustee by the holders of at least 25% in aggregate principal amount of Series 2023A Bonds then Outstanding, of any other Event of Default hereunder, the Bond Trustee shall give notice thereof to the owner of each Series 2023A Bond then outstanding.

Section 1004. Intervention by Bond Trustee. In any judicial proceeding to which the Authority is a party and which in the opinion of the Bond Trustee has a substantial bearing on the interests of the Bondholders, the Bond Trustee (which may be based on an Opinion of Counsel) may intervene on behalf of the Bondholders and, subject to Section 1001(k), shall do so if requested by the holders of at least 25% in aggregate principal amount of Series 2023A Bonds then outstanding.

Section 1005. Merger or Consolidation of Bond Trustee. Any corporation or association into which the Bond Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party shall be and become successor Bond Trustee hereunder and vested with all the trusts, powers, discretion, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 1006. Resignation by Bond Trustee. The Bond Trustee may at any time resign from the trusts hereby created by giving 30 days' notice to the Authority, the Borrower and each registered owner of Series 2023A Bonds then Outstanding. Such resignation shall take effect upon the appointment of a successor or temporary Bond Trustee by the Bondholders or the Authority. In the event that no successor or temporary Bond Trustee is appointed within 30 days of the Bond Trustee's giving of notice of its resignation, the Bond Trustee shall have the right to petition any court of competent jurisdiction for such court's appointment of a temporary Bond Trustee provided, however, that nothing in this sentence shall be deemed to authorize appointment of any Bond Trustee other than in accordance with the requirements of Section 1008 hereof.

Section 1007. Removal of Bond Trustee. The Bond Trustee may be removed at any time (i) by an instrument or concurrent instruments in writing delivered to the Bond Trustee and to the Authority and signed by the owners of a majority in aggregate principal amount of Series 2023A Bonds then Outstanding, or (ii) by any instrument signed by an Authorized Representative of the Borrower provided no Event of Default has occurred and is continuing. The removal shall take effect upon the appointment of a temporary or successor Bond Trustee by the Bondholders, the Borrower or a court of competent jurisdiction. In the event that no successor or temporary Bond Trustee is appointed within 30 days of the Bond Trustee's removal the Bond Trustee shall have the right to petition any court of competent jurisdiction for such court's appointment of a temporary Bond Trustee provided, however, that nothing in this sentence shall be deemed to authorize appointment of any Bond Trustee other than in accordance with the requirements of Section 1008 hereof.

Section 1008. Appointment of Successor Bond Trustee; Temporary Bond Trustee. In case the Bond Trustee hereunder shall resign, be removed, be dissolved, be in course of dissolution or liquidation or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor may be appointed by (a) the owners of a majority in aggregate principal amount of Series 2023A Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such owners or (b) so long as no Event of Default has occurred and is continuing, the Borrower by

an instrument signed by an Authorized Representative of the Borrower; provided, however, that in case of such vacancy the Authority by an instrument signed by its Chairman or Vice Chairman may appoint a temporary Bond Trustee to fill such vacancy until a successor Bond Trustee shall be appointed by the Bondholders or the Borrower in the manner provided above; and any such temporary Bond Trustee so appointed shall immediately and without further act be superseded by the Bond Trustee so appointed by such Bondholders or the Borrower. Every such Bond Trustee appointed under this section shall be, if there be such an institution willing, qualified and able to accept the trust upon reasonable or customary terms, (a) a bank or trust company, organized under the laws of the Commonwealth of Virginia or the United States of America, in good standing and having a combined capital, surplus and undivided profits of not less than \$50,000,000, or (b) a subsidiary trust company under the Trust Subsidiary Act, Article 3, Chapter 10, Title 6.2, Code of Virginia of 1950, as amended, whose parent Virginia bank or bank holding company has undertaken to be responsible for the acts of such subsidiary trust company pursuant to the provisions of Section 6.2-1056 of the Trust Subsidiary Act, or any successor provision of law, and whose combined capital, surplus and undivided profits, together with that of its parent Virginia bank or bank holding company, as the case may be, is not less than \$50,000,000.

Section 1009. Concerning any Successor Bond Trustee. Every successor Bond Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority an instrument in writing accepting such appointment hereunder, and thereafter such successor, without any further act, deed or conveyance, shall become fully vested with all the properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Authority or its successor Bond Trustee, execute and deliver an instrument transferring to such successor Bond Trustee all the properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Bond Trustee shall deliver all securities and moneys held by it as Bond Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Bond Trustee for more fully and certainly vesting in such successor the properties, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority. The resignation of any Bond Trustee and the instrument or instruments removing any Bond Trustee and appointing a successor hereunder, together with all other instruments provided for in this article, shall be filed and/or recorded by the successor Bond Trustee in each recording office where this Bond Indenture may have been filed and/or recorded.

Section 1010. Right of Bond Trustee to Pay Taxes and Other Charges. In case any tax, assessment or governmental or other charge on any part of the property conveyed under the Deed of Trust is not paid as required herein, the Bond Trustee may pay such tax, assessment or governmental charge, without prejudice, however, to any rights of the Bond Trustee or the Bondholders hereunder arising in consequence of such failure. Any amount at any time so paid under this section, with interest thereon from the date of payment at the Prime Rate (as defined in the Loan Agreement), shall become additional indebtedness secured by this Bond Indenture, and such indebtedness shall be given a preference in payment over any of the Series 2023A Bonds, and shall be paid out of the proceeds of revenues and receipts collected from the property herein conveyed, if not otherwise caused to be paid; but the Bond Trustee shall be under no obligation to make any such payment unless it shall have been requested to do so by the holders of at least 25%

in aggregate principal amount of Series 2023A Bonds then Outstanding and shall have been provided with adequate funds for the purpose of such payment.

Section 1011. Bond Trustee Protected in Relying on Resolutions, Etc. The resolutions, opinions, certificates and other instruments provided for in this Bond Indenture may be accepted by the Bond Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Bond Trustee for the release of property, the withdrawal of cash hereunder or the taking of any other action by the Bond Trustee as provided hereunder.

Section 1012. Successor Bond Trustee as Bond Registrar, Custodian of Funds and Paying Agent. In the event of a change in the office of Bond Trustee the predecessor Bond Trustee which has resigned or been removed shall cease to be bond registrar, custodian of the several funds created under this Bond Indenture and paying agent for principal of and interest on the Series 2023A Bonds and the successor Bond Trustee shall become such bond registrar, custodian and paying agent.

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Not Requiring Consent of Bondholders. The Authority and the Bond Trustee may, without the consent of, or notice to, any of the Bondholders, enter into such indenture or indentures supplemental to this Bond Indenture as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Bond Indenture;
- (b) To grant to or confer on the Bond Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred on the Bondholders or the Bond Trustee or either of them;
- (c) To subject to this Bond Indenture additional revenues, properties or collateral;
- (d) To modify, amend or supplement this Bond Indenture in such manner as required to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or any state securities (Blue Sky) law, and, if they so determine, to add to this Bond Indenture such other terms, conditions and provisions as may be required by said Trust Indenture Act of 1939, as amended, or similar federal statute or state securities law;
- (e) To modify, amend or supplement this Bond Indenture in such manner as required to prevent this Bond Indenture or any fund, account or deposit created, established or made pursuant hereto from being deemed an "investment company" as such term is defined in Section 3 of the Investment Company Act of 1940, as amended, or otherwise subject to registration under Section 8 of such Act; or

(f) To make any other change herein that, in the opinion of the Bond Trustee, which may be based upon an Opinion of Counsel, shall not prejudice in any material respect the rights of the holders of the Series 2023A Bonds then Outstanding.

Section 1102. Supplemental Indentures Requiring Consent of Bondholders.

(a) Exclusive of supplemental indentures covered by Section 1101 and subject to the terms and provisions contained in this section, the Bondholders of a majority in aggregate principal amount of Series 2023A Bonds then Outstanding shall have the right from time to time, notwithstanding any other provision of this Bond Indenture, to consent to and approve the execution by the Authority and the Bond Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Bond Indenture or in any supplemental indenture; provided, however, that nothing in this Bond Indenture shall permit, or be construed as permitting (1) an extension of the maturity of the principal of or the interest on any Series 2023A Bond, or (2) a reduction in the principal amount of any Series 2023A Bond or the rate of interest thereon, or (3) an extension of time or a reduction in amount of any payment required by any sinking fund that may be applicable to any Series 2023A Bond, or (4) a privilege or priority of any Series 2023A Bond or Series 2023A Bonds over any other Series 2023A Bond or Series 2023A Bonds, or (5) a reduction in the aggregate principal amount of Series 2023A Bonds required for consent to such supplemental indenture, without the consent and approval of the holders of all of the Series 2023A Bonds then outstanding.

Notwithstanding the foregoing, during any period of time in which an Event of Default has occurred and is continuing, an amendment of the type described in clauses (1), (2), (3), (4) or (5) above may be made with the consent of the Bondholders of at least eighty percent (80%) in aggregate principal amount of all Outstanding Series 2023A Bonds; provided, however, any such amendment shall not result in a change in preference or priority of any Series 2023A Bond over any other Series 2023A Bond and no such amendment described in clauses (1), (2), (3), (4) or (5) shall result in a disproportionate change, reduction or modification with respect to any Series 2023A Bonds.

Notwithstanding subsections (b) and (c), it shall not be necessary for the Bondholders of Series 2023A Bonds to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Bondholder shall approve the substance thereof.

(b) If at any time the Authority shall request the Bond Trustee to enter into any such supplemental indenture for any of the purposes of this section, the Bond Trustee shall, upon being satisfactorily indemnified with respect to expenses and receipt of an Opinion of Counsel satisfactory to the Bond Trustee (in its sole discretion), cause notice of the proposed execution of such supplemental indenture to be sent to each registered owner of Series 2023A Bonds then outstanding by registered or certified mail to the address of such Bondholder as it appears on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the designated corporate trust office of the Bond Trustee for inspection by all Bondholders. If, within 60 days or such longer period as shall be prescribed by the Authority following the giving of such notice, the Bondholders of a majority in aggregate principal amount

of Series 2023A Bonds then Outstanding shall have consented to and approved the execution thereof as herein provided, no Bondholder of any Series 2023A Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Bond Trustee or the Authority from executing such supplemental indenture or from taking any action under the provisions thereof. Upon the execution of any such supplemental indenture as in this section permitted and provided, this Bond Indenture shall be and be deemed to be modified and amended in accordance therewith.

(c) Series 2023A Bonds owned or held by or for the account of the Authority or the Borrower or any person controlling, controlled by or under common control with either of them shall not be deemed Outstanding for the purpose of consent or any calculation of Outstanding Series 2023A Bonds provided for in this Article XI or in Article XII (unless all Outstanding Series 2023A Bonds are held by one or more such parties). At the time of any such calculation, the Borrower shall furnish the Bond Trustee a certificate of an Authorized Representative of the Borrower, upon which the Bond Trustee may rely, describing all Series 2023A Bonds so to be excluded.

Section 1103. Consent of the Borrower Required. Notwithstanding any other provision of this Bond Indenture, a supplemental indenture under this article that affects any rights of the Borrower shall not become effective until the Borrower shall have consented to the execution and delivery of such supplemental indenture.

Section 1104. Amendment by Unanimous Consent. Notwithstanding any other provision in this Bond Indenture, the Authority and the Bond Trustee may enter into any indenture supplemental to this Bond Indenture upon receipt of the consent of the Bondholders of all Series 2023A Bonds then outstanding, the Opinion of Counsel required by Section 1106 and, if required by Section 1103, the consent of the Borrower.

Section 1105. Amendment without Consent of Authority. In the event the Authority is unwilling or unable to enter into any supplemental indenture permitted by this Article XI the Bond Trustee may, without the consent of the Authority, amend or supplement this Bond Indenture in any manner otherwise permitted by this Article XI so long as such amendment or supplement does not adversely affect the rights of the Authority.

Section 1106. Opinion of Counsel Required. Notwithstanding any other provision of this Bond Indenture, the Bond Trustee (a) shall not execute any supplemental indenture to this Bond Indenture unless there shall have been filed with the Bond Trustee an Opinion of Bond Counsel stating (i) that such supplemental indenture is authorized or permitted by this Bond Indenture and complies with its terms and that upon execution it will be valid and binding on the Authority in accordance with its terms, and (ii) that such supplemental indenture will not have an adverse effect on the exemption of interest on the Series 2023A Bonds from gross income for Federal income tax purposes, and (b) shall not, without the consent of the Borrower, execute any supplemental indenture to this Bond Indenture that will adversely affect any rights of the Borrower and shall in all events give the Borrower at least 15 days' prior notice (which may be waived) of any proposed supplemental indenture.

Section 1107. Trustee's Obligation Regarding Supplemental Indentures and Amendments of the Series 2023A Obligation, Agreement and Deed of Trust. The Bond Trustee shall not unreasonably (a) refuse to enter into any supplemental indenture permitted by this Article or (b) withhold its consent to any amendment, change or modification of the Loan Agreement, the Master Indenture, the Series 2023A Obligation, or the Deed of Trust permitted by Article XII; provided, however, that any such refusal or withholding shall not be unreasonable if the Bond Trustee reasonably believes that such supplemental indenture or amendment, change or modification does or may prejudice any right of the holders of Series 2023A Bonds then outstanding or affect adversely the rights and immunities of, or increase the duties of, the Bond Trustee.

ARTICLE XII

AMENDMENTS OF AGREEMENT, MASTER INDENTURE, OBLIGATION NO. 1 AND DEED OF TRUST

Section 1201. Amendments of Agreement, Master Indenture, the Series 2023A Obligation and Deed of Trust Not Requiring Consent of Bondholders. The Authority and the Bond Trustee shall, without the consent of or notice to the Bondholders, consent to any amendment, change or modification of the Loan Agreement or the Deed of Trust as may be required:

- (a) by the provisions of the Loan Agreement, the Deed of Trust, or this Bond Indenture;
- (b) for the purpose of curing any ambiguity or formal defect or omission therein;
- (c) in connection with additional real estate, furnishings, machinery or equipment that is to become part of the Facilities under the Loan Agreement so as to identify the same more precisely; or
- (d) in connection with any other change therein that, in the opinion of the Bond Trustee, which may be based upon an Opinion of Counsel, will not prejudice in any material respect the rights of the Bondholders of the Series 2023A Bonds then outstanding.

The Authority and the Bond Trustee shall, without the consent of or notice to the Bondholders, consent to any such amendment, change or modification made in connection with any modification or amendment of, or supplement to, this Bond Indenture under Section 1101(e).

Section 1202. Amendments of Agreement, Master Indenture, the Series 2023A Obligation and Deed of Trust Requiring Consent of Bondholders. Except for amendments, changes or modifications as provided in Section 1201 and subject to Section 1206, neither the Authority nor the Bond Trustee shall consent to any amendment, change or modification of the Loan Agreement, the Master Indenture, the Series 2023A Obligation, or the Deed of Trust without the written approval or consent of the Bondholders of a majority in aggregate principal amount of Series 2023A Bonds then outstanding given and procured as provided in Section 1102. If at any time the Authority and the Borrower shall request the consent of the Bond Trustee to any such

proposed amendment, change or modification, the Bond Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by Section 1102 with respect to supplemental indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that a copy of the instrument embodying the same is on file at the designated corporate trust office of the Bond Trustee for inspection by all Bondholders.

Section 1203. Limitation on Amendments. No amendment, change or modification may decrease the obligation of the Borrower under the Loan Agreement, the Master Indenture, the Series 2023A Obligation and the Deed of Trust to pay amounts sufficient to pay principal of, premium, if any, and interest on the Series 2023A Bonds as the same become due.

Section 1204. Amendment by Unanimous Consent. Notwithstanding any other provision of this Bond Indenture, the Authority and the Bond Trustee may consent to any amendment, change or modification of the Loan Agreement, the Master Indenture, the Series 2023A Obligation, or the Deed of Trust upon receipt of the consent of the Bondholders of all Series 2023A Bonds then outstanding.

Section 1205. Opinion of Counsel Required. The Bond Trustee shall not consent to any amendment, change or modification of the Loan Agreement, the Master Indenture, the Series 2023A Obligation or the Deed of Trust unless there shall have been filed with the Bond Trustee and the Authority an Opinion of Counsel that such amendment, change or modification is authorized or permitted by this Bond Indenture and complies with its terms and that on execution it will be valid and binding on the party or parties executing it in accordance with its terms, and an Opinion of Bond Counsel stating that such amendment, change or modification will not have an adverse effect on the exemption of interest on the Series 2023A Bonds from gross income for federal income tax purposes.

Section 1206. Holder's Partial Consent to Amendment of Master Indenture. Notwithstanding the provisions of Section 1202, if the Bond Trustee, as holder of the Series 2023A Obligation under the Master Indenture, is requested to make or give any request, direction or consent with respect to the Master Indenture and the approval or consent of the Bondholders of a majority in aggregate principal amount of Series 2023A Bonds then outstanding is not obtained, then at the Borrower's request the Bond Trustee shall inform the Master Trustee of the principal amount of Series 2023A Bonds held by Bondholders giving such approval or consent so that the provisions of Section 8.01 of the Master Indenture may be given effect.

ARTICLE XIII

MISCELLANEOUS

Section 1301. Consents of Bondholders. (a) Any consent, request, direction, approval, objection or other instrument required by this Bond Indenture to be signed and executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument, or of

the writing appointing any such agent shall be sufficient for any of the purposes of this Bond Indenture, and shall be conclusive in favor of the Bond Trustee with regard to any action taken under such request or other instrument, if the fact and date of the execution by any person of any such writing is proved by the certification of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

For all purposes of this Bond Indenture and of the proceedings for its enforcement, such person shall be deemed to continue to be the Bondholder of such Series 2023A Bond until the Bond Trustee shall have received notice in writing to the contrary.

(b) Any consent, request, direction, approval, objection or other instrument required by this Bond Indenture to be signed and executed by the Bondholders may be provided by any broker, dealer or municipal securities dealer acting as an underwriter for the Series 2023A Bonds during any period that such broker, dealer or municipal securities dealer holds the Series 2023A Bonds. Proof of the execution of any consent, request, direction, approval, objection or other instrument will be sufficient for any of the purposes of this Bond Indenture, and will be conclusive in favor of the Bond Trustee with regard to any action taken under the request or other instrument, if the fact and date of the execution by any person of any writing is proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing the writing acknowledged before him or her its execution, or by affidavit of any witness to such execution.

Section 1302. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Indenture or the Series 2023A Bonds is intended or shall be construed to give to any person or company other than the parties hereto and the Bondholders of the Series 2023A Bonds any legal or equitable right, remedy or claim under or in respect to this Bond Indenture or any covenants, conditions and agreements herein contained; this Bond Indenture and all of the covenants, conditions and agreements hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Bondholders of the Series 2023A Bonds as herein provided.

Section 1303. Limitation of Liability of Directors, etc. of Authority. No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future director, officer, employee or agent of the Authority in his individual capacity, and neither the directors of the Authority nor any officer thereof executing the Series 2023A Bonds shall be liable personally on the Series 2023A Bonds or be subject to any personal liability or accountability by reason of the issuance thereof. No director, officer, employee, agent or adviser of the Authority shall incur any personal liability with respect to any other action taken by him under this Bond Indenture or the Act, provided such director, officer, employee, agent or adviser does not act in bad faith.

Section 1304. Notices. Unless otherwise provided herein, all demands, notices, approvals, consents, requests, opinions and other communications hereunder shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class mail, postage prepaid or by facsimile, and if sent by facsimile confirmed by telephone, addressed

(a) if to the Borrower, at c/o Williamsburg Landing, Inc., 5700 Williamsburg Landing Drive, Williamsburg, Virginia 23185 (Attention: Chief Financial Officer);

(b) if to the Authority, at 101 Mounts Bay Road Williamsburg, Virginia 23185 (Attention: Chairman), with a copy to James City County Attorney, 101 Mounts Bay Road, Building D, Williamsburg, Virginia 23185 (Attention: Chair); and

(c) if to the Bond Trustee, at U.S. Bank Trust Company, National Association, 1051 E. Cary Street, Suite 600 Richmond, Virginia 23219, Attention: U.S. Bank Corporate Trust Services.

A duplicate copy of each demand, notice, approval, request, consent, opinion or other communication given hereunder by either the Authority or the Bond Trustee to the other shall also be given to the Borrower. The Authority, the Borrower and the Bond Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or persons to whose attention the same shall be directed. Until so changed, the address for the Bond Trustee provided above will be its designated corporate trust office.

Section 1305. Payments/Actions Due on Holidays, Etc. If any date specified herein for the payment of the Series 2023A Bonds or the performance of any act shall not be a Business Day, such payment or performance shall be made on the next succeeding Business Day with the same effect as if made on such date, and in case any payment of the principal or redemption price of or interest on the Series 2023A Bonds shall be due on a date that is not a Business Day, interest on such principal amount shall cease to accrue on the date on which such payment was due if such payment is made on the immediately succeeding Business Day.

Section 1306. Successors and Assigns. This Bond Indenture shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 1307. Severability. If any provision of this Bond Indenture shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof.

Section 1308. Applicable Law. This Bond Indenture shall be governed by the applicable laws of the Commonwealth of Virginia.

Section 1309. Counterparts. This Bond Indenture may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

Section 1310. U.S.A. Patriot and Freedom Act Requirements of the Bond Trustee. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. Accordingly, the Bond Trustee will require documentation from each non-individual person such as a business entity, a charity, a trust, or other legal entity verifying its formation as a legal entity. The Bond Trustee may also request financial statements,

licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

[Signature Page Follows]

IN WITNESS WHEREOF, the Authority and the Bond Trustee have caused this Bond Indenture to be executed in their respective corporate names as of the date first above written.

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

By: _____
Name: Ellen Smith Gajda
Title: Chair

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Bond Trustee**

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF SERIES 2023A BONDS

NUMBER

DOLLARS

RA-_____

\$_____

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

**ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA
RESIDENTIAL CARE FACILITY REVENUE BOND
(WILLIAMSBURG LANDING)
SERIES 2023A**

INTEREST RATE

DATED DATE

MATURITY DATE

CUSIP

_____%

**DECEMBER _____,
2023**

_____, 1, 20____

47029W - ____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ AND 00/100 DOLLARS (\$_____)

The ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA, a political subdivision of the Commonwealth of Virginia (as more particularly defined in the below-defined Bond Indenture, the "Authority"), for value received, hereby promises to pay, upon presentation and surrender hereof at the designated corporate trust office of U.S. Bank Trust Company, National Association, as trustee, or its successor in trust (the "Bond Trustee"), solely from the sources and as hereinafter provided, to the registered owner hereof, or registered assigns or legal representative, the principal sum set forth above on the maturity date set forth above, subject to prior redemption as described below, and to pay, solely from such sources, on _____, 20____, and on each _____ and _____ thereafter (each, an "Interest Payment Date"), interest hereon at the interest rate per year specified above, from the Interest Payment Date next preceding the date on which this Bond is authenticated, unless this Bond is (a) authenticated before the first Interest Payment Date following the initial delivery of this Bond, in which case it shall bear interest from its date, or (b) authenticated upon an Interest Payment Date, in which case it shall bear interest from such Interest Payment Date (unless interest on this Bond is in default at the time of authentication, in which case this Bond shall bear interest from the date to which interest has been paid). Interest hereon shall be paid to the person in whose name this Bond is registered at the close of business on the [15th] day (whether or not a Business Day (as defined in the Bond Indenture)) of the month next preceding an Interest Payment Date by

check or draft mailed to such person at his address as it appears on the registration books kept by the Bond Trustee. Notwithstanding the foregoing, if and for so long as Cede & Co. or any other nominee of The Depository Trust Company is registered owner of all of the Series 2023A Bonds, the principal of and premium, if any, on this Bond shall be paid to Cede & Co. or such other nominee as provided under the Bond Indenture. Principal, premium, if any, and interest are payable in lawful money of the United States of America.

This Bond and the issue of which it is a part and the premium, if any, and the interest thereon are limited obligations of the Authority and (except to the extent payment with respect to the Series 2023A Bonds shall be made from the proceeds from the sale of the Series 2023A Bonds or the income, if any, derived from the investment thereof) are payable from the revenues and receipts derived from the trust estate which has been pledged and assigned to the Bond Trustee under the Bond Indenture to secure payment of the Series 2023A Bonds.

THE SERIES 2023A BONDS, THE PREMIUM, IF ANY, AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR PLEDGE OF THE FAITH AND CREDIT OR TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY SUBDIVISION THEREOF. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE COUNTY OF JAMES CITY, VIRGINIA, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2023A BONDS OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND MONIES PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE COUNTY OF JAMES CITY, VIRGINIA, IS PLEDGED TO THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2023A BONDS OR OTHER COSTS INCIDENT THERETO. THE AUTHORITY HAS NO TAXING POWER.

This Bond is one of a series of \$_____ Economic Development Authority of James City County, Virginia, Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023A (the "Series 2023A Bonds"), of like date and tenor, except as to number, denomination, rate of interest, maturity and privilege of redemption, authorized and issued pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended. The Series 2023A Bonds are issued under and are equally and ratably secured by a Bond Trust Indenture dated as of December 1, 2023 (as altered, amended, modified, or supplemented from time to time, the "Bond Indenture"), between the Authority and the Bond Trustee.

The Authority will issue the Series 2023A Bonds and loan the proceeds thereof to Williamsburg Landing, Inc., a Virginia nonstock corporation (as more particularly defined in the Bond Indenture, the "Borrower") under the terms of a Loan Agreement dated as of December 1, 2023 (as more particularly defined in the Bond Indenture, the "Loan Agreement"), between the Authority and the Borrower.

The Borrower will use the proceeds of the Series 2023A Bonds to (1) finance the costs of designing, constructing and equipping an expansion of the Borrower's independent living units at

its senior living community (the "Community") located in and around 5700 Williamsburg Landing Drive, Williamsburg, Virginia 23185, which expansion will consist of the designing, constructing, equipping, and improving up to 39 units in the form of triplexes and apartment buildings along with the designing, construction and equipping of a community center that is expected to include an art studio, theater, dining space and multi-purpose rooms; (2) to finance other capital projects at the Community all within the existing structures or existing parking facilities located at the Community; (3) and amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2023A Bonds.

Under the Bond Indenture, the Authority has assigned to the Bond Trustee, as security for the Series 2023A Bonds, the Promissory Note Designated the Series 2023A Obligation, issued by the Borrower, in the principal amount of \$_____, dated the date of delivery (as altered, amended, modified, or supplemented from time to time, "Series 2023A Obligation"), and certain rights of the Authority under the Loan Agreement. In the Loan Agreement, the Borrower agrees to pay amounts sufficient to pay the principal of and premium, if any, and interest on the Series 2023A Bonds as the same become due. The Series 2023A Obligation is issued as an obligation of the Obligated Group under that certain Second Amended and Restated Master Trust Indenture dated as of October 1, 2021 (as previously supplemented and amended, the "Master Trust Indenture"), between the Borrower and U.S. Bank Trust Company, National Association, as successor master trustee (the "Master Trustee"), and a Supplemental Indenture for Series 2023A Obligation dated as of December 1, 2023 (as altered, amended, modified, or supplemented, from time to time, the "Series 2023A Supplement" and the Master Trust Indenture as supplemented by the Series 2023A Supplement, the "Master Indenture"), between the Borrower and the Master Trustee.

The Borrower has previously issued other Obligations under the Master Indenture and additional Obligations (as defined in the Master Indenture) of the Borrower and future Members of the Obligated Group may be issued on the terms provided in the Master Indenture. All Obligations of the Obligated Group, including the Series 2023A Obligation, will be equally and ratably secured by the provisions of the Master Indenture. All Obligations of the Obligated Group, including the Series 2023A Obligation, other than those evidencing unsecured indebtedness, are equally and ratably secured by an Twelfth Amended and Restated Credit Line Deed of Trust, Security Agreement and Assignment of Leases and Rents dated as of December 1, 2023 (as altered, amended, modified, or supplemented from time to time, the "Deed of Trust"), all between the Borrower and individual trustees, which creates a lien on and a security interest in the Mortgaged Premises (as defined in the Master Indenture), which lien and security interest are more fully described in the Deed of Trust.

Reference is hereby made to the Bond Indenture, the Loan Agreement, the Master Indenture and the Deed of Trust, and to all amendments and supplements thereto, for a description of the provisions, among others, with respect to the terms on which the Series 2023A Bonds are issued, the nature and extent of the security for the Series 2023A Bonds, the rights, duties and obligations of the Authority, the Bond Trustee and the Master Trustee, the rights of the holders of the Series 2023A Bonds and the provisions for defeasance of such rights. Capitalized terms used in this Series 2023A Bond and not defined herein have the meanings given to them in the Bond Indenture.

The Series 2023A Bonds may not be called for redemption by the Authority except as provided in the Bond Indenture and as provided below.

As more fully described in Section 301(a) of the Bond Indenture, the Series 2023A Bonds are required to be redeemed by the Authority in whole or in part at any time at a redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date in the event the Borrower exercises its option to prepay the Series 2023A Obligation, in whole or in part, upon damage to, condemnation of or failure of title to the Mortgaged Premises or certain other extraordinary events.

The Series 2023A Bonds will be subject to redemption by the Authority, at the written direction of the Borrower, prior to maturity in whole, or in part by lot, at any time, on and after _____, 20____ at the following redemption prices (expressed as a percentage of the principal amount to be redeemed) plus accrued interest thereon, if any, to the redemption date in the event the Borrower exercises its option to prepay all or a portion of the amounts available under the Series 2023A Obligation under Sections 7.2 or 7.3 of the Loan Agreement:

<u>Redemption Period:</u>	<u>Price</u>
_____, 20____ through _____, 20____	103%
_____, 20____ through _____, 20____	102
_____, 20____ through _____, 20____	101
_____, 20____ and thereafter	100

As a sinking fund, the Bond Trustee shall redeem Series 2023A Bonds maturing on _____, 20____, on _____ in years and in principal amounts and at a price of 100% of the principal amount of to be redeemed plus accrued interest thereon to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
--------------------	----------------------

* Maturity

The Bond Indenture provides for a credit against the sinking fund requirements of the Series 2023A Bonds of the same series and maturity, to the extent the Series 2023A Bonds of such maturity previously have been purchased or redeemed (other than through the operation of the sinking fund) and cancelled or surrendered for cancellation and have not been applied previously as such a credit.

If less than all of any maturity are called for redemption, the Series 2023A Bonds to be redeemed shall be selected by lot in such manner as the Bond Trustee in its discretion shall determine, or if the Series 2023A Bonds are held in a book-entry system by The Depository Trust Company in accordance with its procedures, each portion of \$5,000 principal amount being

counted as one Bond for this purpose. If a portion of this Bond shall be called for redemption, a new Bond in the principal amount equal to the unredeemed portion thereof will be authenticated and delivered to the registered owner upon the surrender hereof.

If any of the Series 2023A Bonds or portions thereof are called for redemption, the Bond Trustee shall send to the registered owner of each Bond to be redeemed notification thereof by first class mail not less than 30 nor more than 60 days prior to the redemption date, at his address as it appears on the registration books; provided, however, that failure to give any such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Series 2023A Bonds with respect to which no such failure or defect has occurred. Provided funds for their redemption are on deposit at the place of payment on the redemption date, all Series 2023A Bonds or portions thereof so called for redemption shall cease to bear interest on such date, shall no longer be secured by the Bond Indenture and shall not be deemed to be outstanding under the provisions of the Bond Indenture.

The owner of this Bond shall have no right to enforce the provisions of the Bond Indenture or to institute action to enforce the covenants therein or to take any action with respect to any Event of Default under the Bond Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Bond Indenture. In certain events, on conditions, in the manner and with the effect set forth in the Bond Indenture, the principal of all the Series 2023A Bonds issued under the Bond Indenture and then outstanding may become or may be declared due and payable before their stated maturities, together with accrued interest thereon. Modifications or alterations of the Bond Indenture, the Loan Agreement or the Series 2023A Obligation or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Bond Indenture.

The Series 2023A Bonds are issuable only as registered bonds without coupons in the denomination of \$5,000 or any integral multiple thereof. At the designated corporate trust office of the Bond Trustee, in the manner and subject to the limitations and conditions and upon payment of charges provided in the Bond Indenture, Series 2023A Bonds may be exchanged for an equal aggregate principal amount of Series 2023A Bonds of different authorized denominations as requested by the owner hereof or his duly authorized attorney or legal representative.

The transfer of this Bond may be registered by the registered owner thereof in person or by his duly authorized attorney or legal representative at the designated corporate trust office of the Bond Trustee, but only in the manner and subject to the limitations and conditions provided in the Bond Indenture and upon surrender and cancellation of the Bond. Upon any such registration of transfer the Authority shall execute and the Bond Trustee shall authenticate and deliver in exchange for this Bond a new Bond, registered in the name of the transferee, of authorized denominations. The Bond Trustee, the Authority and the Borrower shall, prior to due presentment for registration of transfer, treat the registered owner as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all other rights and powers of the owner, except that all payments of interest shall be made to the registered owner as of the [15th] day of the month preceding each Interest Payment Date.

Any exchange or registration of transfer shall be without charge except that the Bond Trustee shall make a charge to any Bondholder requesting such exchange or registration in the amount of any tax or other governmental charge required to be paid with respect thereto.

All acts, conditions and things required to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed.

This Bond shall not become obligatory for any purpose or be entitled to any security or benefit under the Bond Indenture or be valid until the Bond Trustee shall have executed the Certificate of Authentication appearing hereon.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Economic Development Authority of James City County, Virginia, has caused this Bond to be signed by the signature of its Chair, its seal to be printed hereon and attested by the signature of its Secretary, and this Bond to be dated the date first written above.

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

By: _____

Name: Ellen Smith Gajda

Title: Chair

[SEAL]

ATTEST:

By: _____

Name: Christopher Johnson

Title: Secretary

(Form of Certificate of Authentication)

Date of Authentication: _____, 2023

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2023A Bonds described in the within-mentioned Bond Indenture.

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**, as Bond Trustee

By: _____
Name: _____
Title: _____

(Form of Assignment)

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s)
unto _____

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF TRANSFEREE

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing
_____, Attorney to transfer said Bond
on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

(Signature of Registered Owner)

NOTICE: The signature above must
correspond with the name of the Registered
Owner as it appears on the front of this Bond
in every particular, without alteration or
enlargement or any change whatsoever.

Signature Guaranteed:

NOTICE: Signature(s) must be
guaranteed by an Eligible Guarantor
Institution such as a Commercial Bank,
Trust Company, Securities Broker/
Dealer, Credit Union or Savings
Association, who is a member of a
medallion program approved by the
Securities Transfer Association, Inc.

EXHIBIT B
FORM OF REQUISITION

Requisition No. _____

_____, 20__

U.S. Bank Trust Company, National Association, as trustee

Re: Bond Trust Indenture dated as of December 1, 2023 (the "Bond Indenture"), between the Economic Development Authority of James City County, Virginia (the "Authority") and U.S. Bank Trust Company, National Association, as bond trustee (the "Trustee")

Requisition No. _____

In connection with the above request, the Borrower hereby certifies as follows:

(a) This Requisition is being used to pay Cost of Issuance in the amount of \$_____.

(b) This Requisition is given in accordance with the Bond Indenture and relates to the proceeds of the Authority's Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023A (the "Series 2023A Bonds").

(c) The payment of this Requisition will not result in an amount greater than 2% of the proceeds of the Series 2023A Bonds, Series 2023B Bonds, and Series 2023C Bonds being expended for "issuance costs" within the contemplation of Section 147(g) of the Internal Revenue Code of 1986, as amended (the "Code"), including, without limitation, any counsel fees, financial advisor fees, rating agency fees, trustee fees, paying agent and certifying and authenticating agent fees, accountant fees, printing costs and costs incurred in connection with the required public approval of the Series 2023A Bonds.

(c) The payment of this Requisition will not result in any of the proceeds of the Series 2023A Bonds expended or to be expended under such requisition and all prior requisitions being used directly or indirectly in the trade or business carried on by a related person within the meaning of Section 144(a) or Section 145(b)(3) of the Code, or by any person who is not a "501(c)(3) corporation" within the meaning of Section 145 of the Code.

(d) The obligation stated on this Requisition is a proper charge against the funds in the Cost of Issuance Fund, and the obligation has not been the basis for a prior requisition that has been paid. The obligation stated on this Requisition is has not been paid previously from other tax-exempt borrowings of the Borrower.

(e) As of the date of this certification no event or condition has happened or existed or is happening or exists that constitutes, or that with notice or lapse of time or both, would constitute, an Event of Default under the Bond Indenture, or if such an event or condition has happened or existed, or is happening or exists, the nature and period of the event or condition and what action the Borrower has taken, is taking or proposes to take with respect to it is specified in an addendum attached hereto.

(f) The representations and warranties of the Borrower in the Loan Agreement (as defined in the Bond Indenture) are true and correct as of the date hereof (except if they relate to an earlier date).

(g) As of the date of this Requisition, no event has occurred, nor does any condition exist, that could have a material adverse effect on the enforceability of the Bond Indenture, the Loan Agreement, or any of the documents related thereto, be materially adverse to the financial condition of Borrower, materially impair the ability of Borrower to fulfill the material obligations of Borrower under any of the above-referenced documents.

(j) With respect to this disbursement, the Borrower (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, (ii) agrees to indemnify and hold harmless the Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement requested hereunder, and (iii) agrees it will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

Executed and certified as of the date first above written.

WILLIAMSBURG LANDING, INC.

By: _____
Authorized Representative of the Borrower

Attach Copies of All Invoices to the Paid

LOAN AGREEMENT
between
ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA
and
WILLIAMSBURG LANDING, INC.

December 1, 2023

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[To Be Updated]

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This **LOAN AGREEMENT** is dated as of December 1, 2023 (as the same may be altered, amended, modified, or supplemented from time to time, this "Loan Agreement"), and is between the **ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (as more particularly defined below, the "Authority"), and **WILLIAMSBURG LANDING, INC.**, a Virginia nonstock corporation (as more particularly defined below, the "Borrower").

WHEREAS, the Authority is empowered by the Act (as hereinafter defined), to issue its revenue bonds to protect and promote the health and welfare of the inhabitants of the Commonwealth (as hereinafter defined) by assisting in the acquisition, construction, equipping, expansion, enlargement and improvement of medical facilities and facilities for the residence or care of the aged in order to provide modern and efficient medical services to the inhabitants of the Commonwealth and care of the aged of the Commonwealth in accordance with their special needs and also by assisting in the financing of medical facilities and facilities for the residence or care of the aged owned and operated by organizations which are exempt from taxation pursuant to § 501(c)(3) of the Internal Revenue Code of 1954, as amended, in order to reduce the costs of residents of the Commonwealth utilizing such facilities; and further authorizes any such authority to issue its revenue bonds for the purpose of carrying out its powers;

WHEREAS, to further the purposes of the Act, the Authority has determined to issue its Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023A (as the same may be altered, amended, modified or supplemented, from time to time, the "Series 2023A Bonds") under a Bond Trust Indenture dated as of the date hereof (as more particularly defined below, the "Bond Indenture"), between the Authority and U.S. Bank Trust Company, National Association, bond trustee, and in an aggregate principal amount of \$_____ and use the proceeds thereof to make a loan to Borrower;

WHEREAS, the Borrower will use the proceeds of the Series 2023A Bonds to (1) finance the costs of designing, constructing and equipping an expansion of the Borrower's independent living units at its senior living community (the "Community") located in and around 5700 Williamsburg Landing Drive, Williamsburg, Virginia 23185, which expansion will consist of the designing, constructing, equipping, and improving up to 39 units in the form of triplexes and apartment buildings along with the designing, construction and equipping of a community center that is expected to include an art studio, theater, dining space and multi-purpose rooms; (2) to finance other capital projects at the Community all within the existing structures or existing parking facilities located at the Community (collectively (1) and (2), the "Project"); (3) and amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2023A Bonds (collectively (1), (2) and (3), the "Plan of Finance").

WHEREAS, the Authority proposes to loan the proceeds of the sale of the Series 2023A Bonds to the Borrower under this Loan Agreement, and the Borrower agrees to repay such loan on the terms and conditions hereinafter set forth.

NOW, THEREFORE, the parties agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 **Definitions.** Except as set forth below or unless the context otherwise requires, all undefined capitalized terms shall have the meanings assigned to them in the Master Indenture or the Bond Indenture. The following words and terms shall have the following meanings unless the context otherwise requires:

"Act" means the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended.

"Authority" means the Economic Development Authority of James City County, Virginia, a political subdivision of the Commonwealth, including any successors or assigns.

"Authorized Representative of the Borrower" has the meaning assigned to it in the Bond Indenture.

"Bond Indenture" means the Bond Trust Indenture dated as of the date hereof between the Authority and U.S. Bank Trust Company, National Association, as Bond Trustee, as altered, amended, modified, or supplemented from time to time.

"Bond Purchase Agreement" means the Bond Purchase Agreement dated December ____, 2023, among the Authority, the Borrower and the Underwriter regarding the sale of the Series 2023A Bonds.

"Bond Trustee" has the meaning assigned to it in the Bond Indenture.

"Borrower" means Williamsburg Landing, Inc., a Virginia nonstock corporation, including any successors or assigns.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commonwealth" means the Commonwealth of Virginia.

"Consultant" has the meaning assigned to it in the Master Indenture.

"Continuing Disclosure Certificate" means the Continuing Disclosure Certificate dated as of December __, 2023, and delivered by the Borrower in connection with the issuance and sale of the Series 2023A Bonds, as the same may be altered, amended, modified or supplemented from time to time.

["Debt Service Reserve Fund Requirement" has the meaning assigned to it in the Master Indenture.]

"Deed of Trust" has the meaning assigned to it in the Bond Indenture.

"Facilities" has the meaning assigned to it in Master Indenture.

"Financial Statements" has meaning assigned to it in Master Indenture.

"Financing Instruments" means the Master Indenture, the Bond Indenture, the Note, the Deed of Trust, the Continuing Disclosure Certificate, the Tax Agreement, the Bond Purchase Agreement, this Loan Agreement and the Series 2023A Bonds.

"Loan" means the loan to the Borrower under this Loan Agreement.

"Master Indenture" has the meaning assigned to it in the Bond Indenture.

"Master Trustee" means the master trustee at the time serving as such under the Master Indenture, whether the original or a successor trustee.

"Mortgaged Premises" has the meaning assigned to it in the Master Indenture.

"Net Proceeds" means the gross proceeds from any insurance recovery or condemnation award remaining after payment of reasonable attorneys' fees, reasonable fees and expenses of the Bond Trustee and all other reasonable expenses incurred in the collection of such gross proceeds.

"Outstanding" has the meaning assigned to it in the Master Indenture.

"Note" means the promissory note of the Borrower in the aggregate principal amount of the Series 2023A Bonds, dated December __, 2023, designated as the Series 2023A Obligation under the Master Indenture, secured by the Deed of Trust and delivered to the Authority to evidence the Borrower's obligations hereunder, and any amendments, supplements or substitutions thereto.

"Officer's Certificate" means Officer's Certificate as defined in the Master Indenture.

"Plan of Finance" has the meaning assigned to it in the recitals.

"Prime Rate" means the rate per year announced from time to time by the Bond Trustee, as its prime rate, with any change in the Prime Rate being effective as of the date such announced prime rate is changed.

"Rating Agency" means any of Moody's Investors Service, Inc., S&P Global Ratings, or Fitch Ratings, and any successors or assigns of any of the foregoing.

["Reserve Fund" means the fund of that name created under the Supplemental Indenture for the Series 2023A Obligation.]

"Series 2023A Bonds" means the Authority's Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023A in the aggregate principal amount of \$_____ authorized to be issued under Section 201 of the Bond Indenture, as the same may be altered, amended, modified, or supplemented from time to time.

"Supplemental Indenture for the Series 2023A Obligation" means the Supplemental Indenture for the Series 2023A Obligation dated as of December 1, 2023, between the Borrower

and the Master Trustee, supplementing the Master Indenture, as the same may be altered, amended, modified, or supplemented from time to time.

"Underwriter" means B.C. Ziegler and Company, as representative of the underwriters for the Series 2023A Bonds.

Section 1.2 Rules of Construction. The following rules shall apply to the construction of this Loan Agreement unless the context otherwise requires:

(a) Singular words shall connote the plural number as well as the singular and vice versa.

(b) Words importing the redemption or calling for redemption of Series 2023A Bonds shall not be deemed to refer to or connote the payment of Series 2023A Bonds at their stated maturity.

(c) All references herein to particular articles or sections are references to articles or sections of this Loan Agreement unless otherwise indicated.

(d) The headings and table of contents herein are solely for convenience of reference and shall not constitute a part of this Loan Agreement nor shall they affect its meaning, construction or effect.

ARTICLE II

REPRESENTATIONS

Section 2.1 Representations by Authority. The Authority makes the following representations:

(a) The Authority is duly organized under the Act and has the power to (1) enter into this Loan Agreement and the Bond Indenture, (2) assign the Note to the Bond Trustee, (3) issue the Series 2023A Bonds for the performance of the Plan of Finance and (4) carry out its other obligations in connection therewith under this Loan Agreement. Based on the representations of the Borrower, the facilities to be financed and refinanced with the proceeds of the Series 2023A Bonds constitute facilities authorized to be financed under the Act and in furtherance of the purposes for which the Authority was organized.

(b) The Authority (1) has duly authorized (i) the execution and delivery of the Bond Indenture, this Loan Agreement, the assignment of the Note, (ii) the performance of its obligations hereunder and thereunder, (iii) the issuance of the Series 2023A Bonds and (iv) the sale of the Series 2023A Bonds, and (2) simultaneously with the execution and delivery of this Loan Agreement, has duly executed and delivered the Bond Indenture and issued and sold the Series 2023A Bonds.

(c) The Authority is not in default in the payment of the principal of or interest on any of its indebtedness for borrowed money in any material respect and is not in default under any instrument under or subject to which any indebtedness for borrowed money has been incurred

and no event has occurred and is continuing under the provisions of any such instrument in any material respect that with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder.

(d) To its knowledge, the Authority is not (1) in violation of the Act or any other existing federal or Virginia law, rule or regulation applicable to it in any material respect or (2) in default under any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which any of its assets are subject, in any material respect; provided, however, that this representation does not include a default with respect to other financings in which the Authority has acted as "conduit" issuer for other public or private entities not affiliated with the Borrower, wherein a default by such public or private entity would not have a material effect on the credit of the Authority or of the Borrower. The execution and delivery by the Authority of the Bond Indenture, this Loan Agreement, the Series 2023A Bonds and the assignment of the Note and the compliance with the terms and conditions thereof will not conflict with or result in the breach of or constitute a default under any of the above described documents or other restrictions in any material respect.

(e) No further approval, consent or withholding of objection on the part of any regulatory body, federal, state or local, is required in connection with (1) the issuance and delivery of the Series 2023A Bonds by the Authority, (2) the execution or delivery of or compliance by the Authority with the terms and conditions of this Loan Agreement, the Bond Indenture or the Series 2023A Bonds or (3) the assignment and pledge by the Authority under the Bond Indenture of its rights under this Loan Agreement and the Note and the payments thereon by the Borrower, as security for payment of the principal of and premium, if any, and interest on the Series 2023A Bonds. The consummation by the Authority of the transactions set forth in the manner and under the terms and conditions as provided herein will comply with all applicable state, local or federal laws and any rules and regulations promulgated thereunder by any regulatory authority or agency; provided, however, that no representation is made with respect to (i) compliance with any applicable blue sky or securities laws of any state or (ii) consents, filings, approvals, etc., required in connection with the tax-exempt status of the interest on the Series 2023A Bonds.

(f) Notwithstanding anything herein to the contrary, any obligation the Authority may incur hereunder in connection with the issuance of the Series 2023A Bonds shall not be deemed to constitute a general obligation of the Authority but shall be payable solely from the payments received hereunder and under the Note and the security therefor. Neither the Financing Instruments nor any payments to be received by the Authority under the Note have been pledged or mortgaged other than as provided in the Bond Indenture.

(g) No litigation, inquiry or investigation of any kind in or by any judicial or administrative court or agency is pending or, to its knowledge, threatened against the Authority with respect to (1) the organization and existence of the Authority, (2) its authority to execute or deliver this Loan Agreement, the Bond Indenture, the Series 2023A Bonds or the assignment of the Note, to sell the Series 2023A Bonds to the Underwriter under the Bond Purchase Agreement or to finance the Plan of Finance, (3) the validity or enforceability of any of such instruments or the transactions contemplated hereby or thereby, (4) the title of any officer of the Authority who executed such instruments, or (5) any authority or proceedings related to the execution and delivery

of such instruments on behalf of the Authority. No such authority or proceedings have been repealed, revoked, rescinded or amended and all are in full force and effect.

(h) The Authority hereby finds that the Plan of Finance is advisable and in furtherance of the purposes for which the Authority was organized and will serve the purposes of the Act.

Section 2.2 Representations by the Borrower. The Borrower makes the following representations:

(a) The Borrower is a nonstock corporation, validly existing and in good standing under the laws of the Commonwealth, has the power to enter into the Financing Instruments to which it is a party and the transactions contemplated thereunder and, by proper corporate action, has duly authorized the execution and delivery of the Financing Instruments and the performance of its obligations thereunder.

(b) The Borrower is an organization described in Section 501(c)(3) of the Code, which has received a determination letter from the Internal Revenue Service classifying it as an organization (a) described in Section 501(c)(3) of the Code which is exempt from federal income taxation under Section 501(a) of the Code (except with respect to "unrelated business taxable income" within the meaning of Section 512(a) of the Code) and (b) which is not a "private foundation" as defined in Section 509(a) of the Code. Such determination letter has not been modified, limited, revoked or suspended. The Borrower has not received any indication or notice, written or oral, from representatives of the Internal Revenue Service to the effect that its exemption under Section 501(c)(3) of the Code has been modified, limited, revoked, or superseded, or that the Internal Revenue Service is considering modifying, limiting, revoking or superseding such exemption. The Borrower is in compliance with all of the terms, conditions and limitations, if any, contained in its determination letter. There has been no change in the facts and circumstances represented to the Internal Revenue Service as a basis for receiving, and which formed the basis on which the Internal Revenue Service issued, the determination letter relating to the status of the Borrower as an organization described in Section 501(c)(3) of the Code and as an organization which is not a "private foundation" as defined in Section 509 of the Code of a nature or to a degree as would warrant any action by the Internal Revenue Service to modify, limit, revoke or supersede such determination letter as it applies to the Borrower. No administrative or judicial proceedings are pending or threatened which may, in any way, adversely affect the classification of the Borrower as an organization (a) described in Section 501(c)(3) of the Code which is exempt from federal income taxation under Section 501(a) of the Code and (b) which is not a "private foundation" as defined in Section 509 of the Code. The Borrower has not received a notice or communication of any kind from the Internal Revenue Service directly or indirectly questioning its status described in the first sentence of this subsection or the tax-exempt status of any bonds issued on its behalf, or indicating that the Borrower or any such bonds specifically are being or will be audited with respect to such status. The Borrower is an organization organized and operated exclusively for charitable purposes and not for pecuniary profit, within the meaning of the Securities Act of 1933, as amended, and no part of the net earnings of the Borrower inures to the benefit of any person, private stockholder or individual, within the meaning of Section 3(a)(4) of the Securities Act of 1933, as amended.

(c) The Borrower is not in default in the payment of the principal of or interest on any of its indebtedness for borrowed money and is not in default under any instrument under and subject to which any indebtedness has been incurred, and no event has occurred and is continuing under the provisions of any such agreement that with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder.

(d) There is no litigation at law or in equity or any proceeding before any governmental agency involving the Borrower pending or, to the knowledge of the Borrower, threatened in which any liability of the Borrower is not adequately covered by insurance or for which adequate reserves are not provided or for which any judgment or order would have a material adverse effect upon the business or assets of the Borrower or affect its existence or authority to do business, the operation of the Facilities, the Plan of Finance, the validity of the Financing Instruments or the performance of the Borrower's obligations thereunder.

(e) The execution and delivery of the Financing Instruments, the performance by the Borrower of its obligations thereunder and the consummation of the transactions therein contemplated do not and will not conflict with, or constitute a breach or result in a violation of, articles of incorporation or bylaws of the Borrower, any agreement or other instrument to which the Borrower is a party or by which it is bound or any constitutional or statutory provision or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Borrower or its property.

(f) The Borrower has obtained all consents, approvals, authorizations and orders of any governmental or regulatory authority ("Consents") that are required to be obtained by the Borrower as a condition precedent to the issuance of the Series 2023A Bonds and the execution and delivery of the Financing Instruments. The Borrower has obtained all Consents obtainable to date for the performance by the Borrower of its obligations hereunder and thereunder, or required as of the date hereof for the operation of the Facilities. The Borrower will obtain when needed all other Consents required for the performance of its obligations under the Financing Instruments, and for the operation of the Facilities and has no reason to believe that all such Consents cannot be promptly obtained when needed.

(g) The Borrower represents and warrants that all the Property (as defined in the Master Indenture) of the Obligated Group complies with all federal, state and local laws and regulations, including but not limited to environmental laws and regulations.

ARTICLE III

FINANCING OF THE PLAN OF FINANCE

Section 3.1 Loan by the Authority. Upon the terms and conditions of this Loan Agreement and the Bond Indenture, the Authority shall lend to the Borrower the proceeds of the sale of the Series 2023A Bonds. The Loan shall be made by depositing proceeds of such sale in accordance with Section 206 of the Bond Indenture. The Loan shall be disbursed to the Borrower as provided in Article V of the Bond Indenture.

Section 3.2 Agreement To Undertake the Plan of Finance. The Borrower shall use the proceeds of the Loan to undertake the Plan of Finance.

Section 3.3 Repayment of Loan. Prior to or simultaneously with the issuance of the Series 2023A Bonds, to evidence its obligations to repay the Loan, the Borrower shall deliver the Note and an original counterpart of this Loan Agreement to the Authority for assignment to the Bond Trustee as security for the payment of the Series 2023A Bonds.

Section 3.4 Borrower to Provide Funds to Complete the Plan of Finance. If the proceeds derived from the Loan are not sufficient to pay in full the costs of the Plan of Finance, the Borrower shall pay such moneys as are necessary to provide for payment in full of such costs of the Plan of Finance. The Borrower shall not be entitled to any reimbursement therefor from the Authority or the Bond Trustee nor shall it be entitled to any abatement, diminution or postponement of its payments hereunder or under the Note.

Section 3.5 Limitation of Authority's Liability. Notwithstanding anything herein to the contrary, any obligation the Authority may incur hereunder in connection with the financing of the Plan of Finance shall not be deemed to constitute a general obligation of the Authority but shall be payable solely from the revenues and receipts derived by it from or in connection with this Loan Agreement, including payments received under the Note.

Notwithstanding any other provision of this Loan Agreement, the Authority shall not be liable to the Borrower, the Bond Trustee, the Master Trustee, the holders of the Series 2023A Bonds or any other person for any failure of the Authority to take action under this Loan Agreement unless the Authority (a) is requested in writing by an appropriate person to take such action, (b) is assured of payment of, or reimbursement for, any reasonable expenses in such action, and (c) is afforded, under the existing circumstances, a reasonable period to take such action. In acting under this Loan Agreement, or in refraining from acting under this Loan Agreement, the Authority may conclusively rely on the advice of its counsel.

Section 3.6 Recordation and Filing. The Borrower shall cause the Deed of Trust and all subsequent amendments and modifications to the Deed of Trust and financing and continuation statements with respect to the security interests granted under the Deed of Trust to be recorded and in effect, all as provided in the Deed of Trust. The Bond Trustee shall have no obligation in connection therewith.

Section 3.7 Mortgagee Title Policy. At the issuance of the Note, the Borrower shall deliver to the Master Trustee a mortgagee title insurance policy or endorsement thereto as required by the Master Indenture.

ARTICLE IV

PAYMENTS ON NOTE

Section 4.1 Amounts Payable. (a) The Borrower shall make all payments required by the Note, the Bond Indenture and the Master Indenture as and when they become due and shall promptly pay all other amounts necessary to enable the Bond Trustee to make the transfers required by Article VI of the Bond Indenture and all other payments required of the Authority under the

Bond Indenture. On or before the tenth day of each month, the Borrower shall transfer to the Bond Trustee, for use under Section 602 of the Bond Indenture, the amount necessary to permit the Bond Trustee to deposit in all funds held by the Bond Trustee the full amounts required by Section 602. The Borrower immediately shall pay to the Bond Trustee any amounts necessary (i) under the Bond Indenture to provide for payment of principal and interest on the Series 2023A Bonds when due at maturity or subject to mandatory sinking fund redemption and (ii) under the Master Indenture to provide the full amount of Debt Service Reserve Fund Requirement in the Reserve Fund if such fund does not contain the full amount of the Debt Service Reserve Fund Requirement.

(b) (1) The Borrower shall pay to the Authority (i) the out-of-pocket expenses, administrative expenses and counsel fees of the Authority, and (ii) the fees of the Authority consisting of an application fee of \$400 which was paid before the date the Series 2023A Bonds were issued, (iii) an administrative fee equal to 0.005 times the Series 2023A Bonds amount up to \$5,000,000, plus 0.001 times the Series 2023A Bonds amount over \$5,000,000, to be paid at closing and (4) its reasonable costs and expenses, including the reasonable fees of its counsel and other advisers, directly related to the Series 2023A Bonds (provided that the amounts so paid shall not equal or exceed an amount that would cause the "yield" on the Note or any other "acquired purpose obligation" to be "materially higher" than the "yield" on the Series 2023A Bonds, as such terms are defined under Section 148 of the Code). The obligations of the Borrower under this subsection shall continue until the payment in full of the Series 2023A Bonds.

(2) The Borrower shall pay, when due and payable, or cause to be paid, an amount equal to (a) the fees and charges of the Bond Trustee incurred in connection with the rendering of its ordinary and extraordinary services as Bond Trustee under the Bond Indenture, including the reasonable fees and expenses of its counsel, (b) the fees and expenses of the rating agencies, if any, for issuing and maintaining their securities rating on the Series 2023A Bonds, and (c) the out-of-pocket expenses, administrative expenses and counsel fees of the Authority. The Borrower may, without constituting grounds for an Event of Default hereunder, withhold payment of any fees and charges of the Bond Trustee for extraordinary services, to contest in good faith the necessity for such extraordinary services of the Bond Trustee and the reasonableness of the related extraordinary expenses of the Bond Trustee provided that if such contested expense has not been resolved within thirty (30) days of the date of invoice, then the Borrower and the Bond Trustee shall select a disinterested nationally recognized bond attorney practicing in the Commonwealth to determine if the extraordinary services were necessary and the related expenses were reasonable, and if not, then what should be paid to the Bond Trustee. If the Borrower should fail to make any of the payments required in this Section, the item or installment which the Borrower has failed to make shall continue as an obligation of the Borrower until the same shall have been fully paid, with interest thereon as provided in Section 4.3 (provided that any amounts in this Section required to be paid by the Borrower shall not equal or exceed an amount that would cause the "yield" on the Note or any other "acquired purpose obligation" to be "materially higher" than the "yield" on the Series 2023A Bonds, as such terms are defined under Section 148 of the Code).

(3) Amounts described in Section 4.7.

(4) All other amounts that the Borrower agrees to pay under the terms of this Loan Agreement.

Section 4.2 Payments Assigned. The Borrower consents to the assignment made by the Bond Indenture of the Note and of certain rights of the Authority under this Loan Agreement to the Bond Trustee. The Borrower shall pay to the Bond Trustee all amounts payable by the Borrower under the Note and this Loan Agreement, except for payments made to the Authority under Sections 4.1(b)(1) and 5.5.

Section 4.3 Default in Payments. If the Borrower fails to make any payments required by the Note or this Loan Agreement when due, the Borrower shall pay to the Bond Trustee interest thereon until paid at the rate equal to the highest rate on any Series 2023A Bonds then Outstanding or, in case of the payment of any amounts not to be used to pay principal of or interest on Series 2023A Bonds at the rate equal to the Prime Rate plus one percent per year.

Section 4.4 Obligations of Borrower Unconditional. The obligation of the Borrower to make the payments on the Note and to observe and perform all other covenants, conditions and agreements hereunder shall be absolute and unconditional, irrespective of any rights of setoff, recoupment or counterclaim it might otherwise have against the Authority or the Bond Trustee. Subject to the prepayment of the Note as provided therein, the Borrower shall not suspend or discontinue any payment on the Note or hereunder or fail to observe and perform any of its other covenants, conditions or agreements hereunder for any cause, including without limitation, any acts or circumstances that may constitute an eviction or constructive eviction, failure of consideration, failure of title to any part or all of the Facilities or commercial frustration of purpose, or any damage to or destruction or condemnation of all or any part of the Facilities, or any change in the tax or other laws of the United States of America, the Commonwealth or any political subdivision of either, or any failure of the Authority or the Bond Trustee to observe and perform any covenant, condition or agreement, whether express or implied, or any duty, liability or obligation arising out of or in connection with the Bond Indenture or this Loan Agreement. The Borrower may, after giving to the Authority and the Bond Trustee ten days' notice of its intention to do so, at its own expense and in its own name, or in the name of the Authority if procedurally required, prosecute or defend any action or proceeding or take any other action involving third persons that the Borrower reasonably deems necessary to secure or protect any of its rights hereunder. In the event the Borrower takes any such action, the Authority shall, solely at the Borrower's expense, reasonably cooperate with the Borrower and take necessary action to substitute the Borrower for the Authority in such action or proceeding if the Borrower shall reasonably request.

Section 4.5 Advances by Authority or Bond Trustee. If the Borrower fails to make any payment or perform any act required of it hereunder, the Authority or the Bond Trustee, without prior notice or demand on the Borrower and without waiving or releasing any obligation or default, may (but shall be under no obligation to) make such payment or perform such act. All amounts so paid by the Authority or the Bond Trustee and all costs, fees and expenses so incurred shall be payable by the Borrower on demand as an additional obligation under the Note, together with interest thereon at the Prime Rate plus one percent per year until paid.

Section 4.6 Agreement of Authority. At the request and expense of the Borrower, the Authority shall (a) at any time moneys held under the Bond Indenture are sufficient to effect redemption of any Series 2023A Bonds and if the same are then redeemable under the Bond Indenture, take all steps that may be necessary to effect redemption thereunder and (b) take any other action required by the Bond Indenture or as directed by the Borrower under the provisions of the Bond Indenture or this Loan Agreement.

Section 4.7 Rebate Requirement. (a) Except with respect to earnings on funds covered by the exceptions provided by Section 148(f)(4)(B) of the Code, at its sole expense on behalf of the Authority, the Borrower shall determine and pay to the United States the rebate amount, as provided in the Tax Agreement, as and when due in accordance with the "rebate requirement" described in Section 148(f) of the Code and Treasury Regulations thereunder, including without limitation, Treasury Regulations Section 1.148. The Borrower shall retain records of all such determinations until six years after the Series 2023A Bonds are deemed paid under Section 801 of the Bond Indenture.

(b) Neither the Authority nor, as its assignee, the Bond Trustee, shall be liable to the Borrower by way of contribution, indemnification, counterclaim, set-off or otherwise for any payment made or expense incurred by the Borrower under this section or the Bond Indenture.

ARTICLE V

SPECIAL COVENANTS

Section 5.1 Compliance with Covenants, Conditions and Agreements in Master Indenture. So long as the Series 2023A Bonds are Outstanding, the Borrower shall comply with, and with respect to the other members of the Obligated Group (as defined in the Master Indenture), covenant to cause each such member to comply with, each and every covenant, condition and agreement in the Master Indenture. Each such covenant, condition and agreement in the Master Indenture is hereby incorporated by reference and made a part of this Loan Agreement with the same effect intended as though the text of each such covenant, condition and agreement were set forth in this Loan Agreement as express covenants, conditions and agreements of the Borrower.

Section 5.2 Merger, Sale and Transfer. Except as provided in Section 3.09 and Section 3.10 of the Master Indenture, the Borrower shall not consolidate with or merge into another entity, or permit one or more other entities to consolidate with or to merge into it, or sell or otherwise transfer to another entity all or substantially all of its assets and thereafter dissolve.

Section 5.3 Examination of Books and Records; Information to the Authority. The Bond Trustee and the Authority shall be permitted, during normal business hours and upon reasonable notice, to examine the books and records (other than confidential resident records) of the Borrower with respect to the Borrower's financial standing or its compliance with its obligations hereunder and under the Master Indenture.

The Borrower shall furnish to the Authority upon request (1) a statement of the amount of principal of the Series 2023A Bonds outstanding and unpaid as of the date of such request and (2)

such information as may be necessary to complete the annual audit of the Authority as required by the Act or any other law, now or hereafter in effect.

Section 5.4 Damage, Destruction, Condemnation and Loss of Title. (a) The Borrower shall give prompt notice to the Bond Trustee and the Authority of (1) any material damage to or destruction of any part of the Facilities, (2) a taking of all or any part of the Facilities or any right therein under the exercise of the power of eminent domain, (3) any loss of any part of the Facilities because of failure of title thereto, or (4) the commencement of any proceedings or negotiations that might result in such a taking or loss. Each such notice shall describe generally the nature and extent of such damage, destruction, taking, loss, proceedings or negotiations.

(b) The Borrower shall apply any Net Proceeds consistent with the provisions of Section 3.05 of the Master Indenture. The Borrower shall simultaneously provide to the Bond Trustee the Officer's Certificates and Consultant reports required to be delivered to the Master Trustee under Section 3.05 of the Master Indenture.

The Borrower shall not by reason of the payment of the cost of replacement, repair, rebuilding or restoration be entitled to any reimbursement from the Authority or the Bond Trustee or to any abatement or diminution of the amount payable under the Note. All real and personal property acquired with Net Proceeds derived from Mortgaged Premises shall be free and clear of all liens and encumbrances of any kind except Permitted Liens (as defined in the Master Indenture) and become part of the Mortgaged Premises and the Borrower shall take all steps necessary to subject such property to the lien and security interest of the Deed of Trust and to obtain an amendment to the mortgagee title policy required by the Master Indenture to insure title to all such real property acquired. Prepayments of the Note shall be used to redeem Series 2023A Bonds under Section 301 of the Bond Indenture.

Section 5.5 Indemnification. (a) The Borrower shall at all times (i) protect, indemnify and save harmless the Authority, the Bond Trustee and their respective officers, directors, employees and agents, and their respective counsel (collectively, the "Indemnitees") from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (hereinafter referred to as "Damages"), including without limitation (1) all amounts paid in settlement of any litigation commenced or threatened against the Indemnitees, if such settlement is effected with the written consent of the Borrower, (2) all expenses reasonably incurred in the investigation of, preparation for or defense of any litigation, proceeding or investigation of any nature whatsoever, commenced or threatened against the Borrower, the Facilities or the Indemnitees, (3) any judgments, penalties, fines, damages, assessments, indemnities or contributions, and (4) the reasonable fees of attorneys, auditors, and consultants, provided that the Damages arise out of:

(1) failure by the Borrower or its officers, employees or agents, to comply with the terms of the Financing Instruments, and any agreements, covenants, obligations, or prohibitions set forth therein;

(2) any action, suit, claim or demand contesting or affecting the title of the Facilities;

(3) any breach of any representation or warranty set forth in the Financing Instruments or any certificate delivered pursuant thereto, and any claim that any representation or warranty of the Borrower contains or contained any untrue or misleading statement of fact or omits or omitted to state any material facts necessary to make the statements made therein not misleading in light of the circumstances under which they were made;

(4) any action, suit, claim, proceeding or investigation of a judicial, legislative, administrative or regulatory nature arising from or in connection with the construction, acquisition, ownership, operation, occupation or use of the Facilities;

(5) any audit, suit, action, administrative proceeding, enforcement action, or governmental or private action of any kind whatsoever commenced against the Borrower, the Facilities, or the Indemnitees that might adversely affect the validity, enforceability or tax-exempt status of the Series 2023A Bonds, the validity or enforceability of the Financing Instruments, or the performance by the Borrower or any Indemnitee of any of their respective obligations thereunder; or

(6) the acceptance or administration of this Loan Agreement, the Bond Indenture, the Master Indenture or any related documents to which the Bond Trustee or the Authority are a party either originally or as an assignee;

provided that such indemnity shall be effective only to the extent of any loss that may be sustained by the Indemnitees in excess of the proceeds net of any expenses of collection, received by the Indemnitees or from any insurance carried with respect to such loss and provided further that the benefits of this section shall not inure to any person other than the Indemnitees.

(b) If any action, suit or proceeding is brought against the Indemnitees for any loss or damage for which the Borrower is required to provide indemnification under this section, the Borrower, upon request, shall at its expense resist and defend such action, suit or proceeding, or cause the same to be resisted and defended by counsel designated by the Borrower and approved by the Indemnitees, which approval shall not be unreasonably withheld, provided that such approval shall not be required in the case of defense by counsel designated by any insurance company undertaking such defense under any applicable policy of insurance. The obligations of the Borrower under this section shall survive any termination of this Loan Agreement, including prepayment of the Note and the resignation or removal of the Bond Trustee.

(c) Nothing contained herein shall require the Borrower to indemnify the Authority for any claim or liability resulting from the Authority's willful wrongful acts or the Bond Trustee for any claim or liability resulting from its gross negligence (under the standard of care set forth in Article X of the Bond Indenture) or its willful misconduct.

(d) All references in this section to the Authority and the Bond Trustee, including references to Indemnitees, shall include their directors, commissioners, officers, employees and agents.

Section 5.6 Maintenance of 501(c)(3) Status; Prohibited Activities. The Borrower shall file all required reports and documents with the Internal Revenue Service so as to maintain

its status as an organization described in Section 501(c)(3) of the Code, and the Borrower shall not operate the Facilities, in any manner and shall not engage in any activities or take any action that might reasonably be expected to result in the Borrower ceasing to be a "501(c)(3) organization" within the meaning of Section 145 of the Code. The Borrower shall promptly notify the Bond Trustee and the Authority of any loss of the Borrower's status as a "501(c)(3) organization" or of any investigation, proceeding or ruling that might result in such loss of status.

Section 5.7 Tax Covenants; Compliance with Indenture. The Borrower agrees that it will not directly or indirectly use or permit the use of any of the proceeds of the Series 2023A Bonds or any other of its funds, or direct the Bond Trustee to invest any funds held by the Bond Trustee under the Bond Indenture or this Loan Agreement, in such manner as would, or enter into, or allow any other person to enter into, any arrangement, formal or informal, that would, or take or omit to take any other action that would, cause any Series 2023A Bond to be an "arbitrage bond" within the meaning of Section 148(a) of the Code. The Borrower acknowledges having read the Bond Indenture and agrees to perform all duties imposed upon it by the Bond Indenture. Insofar as the Bond Indenture and the Tax Agreement impose duties and responsibilities on the Borrower, they are specifically incorporated by reference into this Loan Agreement.

Section 5.8 Investment and Use of Trust Funds. An Authorized Representative of the Borrower shall provide written instructions for the investment, in accordance with Article VII of the Bond Indenture, of all funds held by the Bond Trustee under the Bond Indenture. In any event, beginning on the date of the third anniversary of the issuance of the Series 2023A Bonds, the Borrower shall consult with Bond Counsel and direct the Bond Trustee to invest moneys in the Cost of Issuance Fund or the Construction Fund or transferred therefrom to any other fund only as permitted by the Tax Agreement.

Section 5.9 Operation of the Facilities. The Borrower will operate the Facilities, or cause such Facilities to be operated, as facilities for the residence and care of the aged until payment of the Note in full.

Section 5.10 [Rating Application] The Borrower shall seek a rating of the Series 2023A Bonds from any Rating Agency each year after a determination is made by the Borrower in consultation with an underwriter recognized in the field of life plan community financing that an investment grade rating is reasonably obtainable, until achievement of an investment grade rating; provided that if during any such year the Borrower receives a preliminary indication from such Rating Agency that the Series 2023A Bonds will not be assigned an investment grade rating, the Borrower may withdraw any request for such year to have such Rating Agency assign a rating to the Series 2023A Bonds.]

ARTICLE VI

EVENTS OF DEFAULT AND REMEDIES

Section 6.1 Event of Default Defined. Each of the following events shall be an "Event of Default":

(a) Failure of the Borrower to make any payment on the Note when the same becomes due and payable, whether at maturity, redemption, acceleration or otherwise under the terms thereof or this Loan Agreement.

(b) Failure of the Borrower to observe or perform any of its other covenants, conditions or agreements hereunder, including covenants applicable to other Members of the Obligated Group under Section 5.1, for a period of 30 days after notice in writing (unless the Borrower and the Bond Trustee shall agree in writing to an extension of such time prior to its expiration), specifying such failure and requesting that it be remedied, given by the Authority or the Bond Trustee to the Borrower, or in the case of any default which can be cured, but cannot with due diligence be cured within such 30 day period, failure by the Borrower to proceed promptly to prosecute the curing of the same with due diligence and to cure such within 90 days.

(c) An Event of Default under the Master Indenture, the Deed of Trust or the Bond Indenture.

(d) The Master Trustee shall have declared the aggregate principal amount of any Obligation issued under the Master Indenture and all interest due thereon immediately due and payable in accordance with Section 4.02(a) of the Master Indenture.

Section 6.2 Remedies on Default. Whenever an Event of Default shall have happened and be continuing, the Bond Trustee as the assignee of the Authority, but subject to the provisions of the Bond Indenture, or the Authority (in the case of the Authority's Unassigned Rights) may:

(a) Declare all amounts due under this Loan Agreement and the Note to be immediately due and payable, whereupon all such payments shall become and shall be immediately due and payable; and

(b) Take any action at law or in equity necessary or desirable to collect the amounts then due and thereafter to become due or to enforce observance or performance of any covenant, condition or agreement of the Borrower under the Note or this Loan Agreement.

Notwithstanding any other provision of this Loan Agreement or any right, power or remedy existing at law or in equity or by statute, the Bond Trustee shall not under any circumstances declare the entire unpaid aggregate amount of the Note to be immediately due and payable except in accordance with the provisions of the Master Indenture or at the direction of the Master Trustee in the event the Master Trustee shall have declared the aggregate principal amount of the Obligations issued under the Master Indenture and all interest due thereon immediately due and payable in accordance with the Master Indenture.

If the Bond Trustee exercises any of its rights or remedies under this section, it shall give notice of such exercise to the Borrower (1) in writing in the manner provided in Section 8.2 and (2) by telephone or telegram, provided that failure to give such notice by telephone or telegram shall not affect the validity of the exercise of any right or remedy under this section.

Section 6.3 Application of Amounts Realized in Enforcement of Remedies. Any amounts collected under action taken under Section 6.2 hereof shall be applied in accordance with Section 905 of the Bond Indenture.

Section 6.4 No Remedy Exclusive. No remedy herein conferred on or reserved to the Authority or the Bond Trustee or the holder of the Note is intended to be exclusive of any other remedy, and every remedy shall be cumulative and in addition to every other remedy herein or now or hereafter existing at law, in equity or by statute. No delay or failure to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, and any such right or power may be exercised from time to time and as often as may be deemed expedient.

Section 6.5 Attorneys' Fees and Other Expenses. Upon an Event of Default, the Borrower shall on demand pay to the Authority and the Bond Trustee the reasonable fees and expenses of attorneys and other reasonable expenses incurred by them in the collection of payments due on the Note or the enforcement of performance of any other obligations of the Borrower.

Section 6.6 No Additional Waiver Implied by One Waiver. If either party or its assignee waives a default by the other party under any covenant, condition or agreement herein, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other default hereunder.

ARTICLE VII

PREPAYMENT OF NOTE

Section 7.1 Option To Prepay Note. The Borrower shall have the option to prepay the Note in full and terminate this Loan Agreement if one of the following has occurred:

(a) Damage or destruction of the Mortgaged Premises by fire or other casualty to such extent that, or loss of title to or use of substantially all of the Mortgaged Premises as a result of the exercise of the power of eminent domain or failure of title to the extent that, in the opinion of both the Borrower's Board of Directors (expressed in a resolution) and an independent architect or engineer, both filed with the Bond Trustee, (1) the Mortgaged Premises cannot be reasonably repaired, rebuilt or restored within a period of 12 months to their condition immediately preceding such damage or destruction, or (2) the Borrower is prevented from carrying on its normal operations at the Mortgaged Premises for a period of 12 months, or (3) the cost of repairs, rebuilding or restoration would exceed, by more than one percent of Book Value (as defined in the Master Indenture), the Net Proceeds of insurance (including self-insurance) plus the amounts for which the Borrower is self-insured with respect to deductible amounts.

(b) A change in the Constitution of Virginia or of the United States of America or a legislative or administrative action (whether local, state or federal) or a final decree, judgment or order of any court or administrative body (whether local, state or federal) contested by the Borrower in good faith that (1) in an Opinion of Counsel (as defined in the Bond Indenture) causes this Loan Agreement or the Note to become void or unenforceable or impossible of performance

in accordance with the intent and purpose of the parties as expressed herein, or (2) based on a Consultant's report, causes unreasonable burdens or excessive liabilities to be imposed on the Authority or the Borrower.

(c) The Borrower shall have the option to prepay the Note in part without premium following loss of title to or use of a portion of the Mortgaged Premises as a result of the exercise of the power of eminent domain or failure of title, or damage to or destruction of the Mortgaged Premises if the Borrower shall have furnished to the Bond Trustee:

(1) an Officer's Certificate certifying that the projected Obligated Group Long-Term Debt Service Coverage Ratio for each of the next two full Fiscal Years is not less than 1.30, as shown by projected financial statements for such period, accompanied by a statement of the relevant assumptions upon which such projected financial statements are based; or

(2) a written forecast, projection or other report of a Consultant to the effect that, for each of the next two full Fiscal Years, the projected Obligated Group Long-Term Debt Service Coverage Ratio is not less than 1.20.

The principal amount of the Note that may be prepaid in part may not exceed the principal amount of the Series 2023A Bonds permitted to be redeemed as determined in accordance with Section 301(a) of the Bond Indenture.

(d) To exercise any of the above options, the Borrower shall within 120 days after the event permitting their exercise file the required resolutions and opinions with the Authority and the Bond Trustee and specify a date not more than 60 days thereafter for making such prepayment. In such case the Authority shall cause the Bond Trustee to redeem the Series 2023A Bonds as provided in Section 301(a) of the Bond Indenture.

Section 7.2 Option to Prepay Note in Whole. The Borrower shall have the option to prepay the Note in whole, with any applicable premium, and terminate this Loan Agreement before payment of the Series 2023A Bonds so long as any such payment allocable to principal of the Note shall be used contemporaneously to discharge a like amount of Series 2023A Bonds; provided, however, that the covenants in Sections 4.7, 5.6, 5.7 and 5.8 shall continue until the final maturity date of all Series 2023A Bonds or the earlier date on which provision for payment for all Series 2023A Bonds has been made and the covenant in Section 4.7 shall continue for six years thereafter. In such case the Authority shall cause the Bond Trustee to redeem the Series 2023A Bonds as provided in Section 301 of the Bond Indenture.

Section 7.3 Option To Prepay Note in Part. The Borrower shall have the option to prepay the Note in part, with any applicable premium, so long as any such payment allocable to principal of the Note shall be used contemporaneously to discharge a like amount of Series 2023A Bonds. The amount so prepaid shall, so long as all payments then due under the Note have been made (a) if Series 2023A Bonds are then redeemable as provided in Section 301 of the Bond Indenture, be used to redeem Series 2023A Bonds to the extent possible under such section, and (b) if Series 2023A Bonds are not then redeemable, be transferred to the Bond Fund (as defined in the Bond Indenture).

Section 7.4 Amount Required for Prepayment. To prepay the Note in whole or in part under Sections 5.4, 7.1, 7.2 or 7.3, the Borrower shall pay to the Bond Trustee, for deposit in the Bond Fund of the Bond Indenture, an amount of cash and Defeasance Obligations (as defined in the Bond Indenture), that will be sufficient (1) in the case of prepayment in whole, to discharge the lien of the Bond Indenture under Section 801 thereof, and (2) in the case of prepayment in part, to cause any Series 2023A Bonds that will be paid with the prepayment to be no longer Outstanding under the Bond Indenture. If the Borrower has prepaid the Note, as provided above, the Borrower shall not direct the expenditure of any funds from such prepayment in the Bond Fund for any purpose other than the payment of principal of or premium, if any, or interest on the Series 2023A Bonds to be paid. The Borrower shall instruct the Bond Trustee to give the notice of redemption required by Section 302 of the Bond Indenture if any of the Series 2023A Bonds are to be paid other than at maturity.

ARTICLE VIII

MISCELLANEOUS

Section 8.1 Term of Loan Agreement. This Loan Agreement shall be effective upon its execution and delivery and, subject to earlier termination upon prepayment in full of the Note and other amounts described in Articles IV, VI and VII, shall expire on the first date upon which the Series 2023A Bonds are no longer Outstanding; provided, however, that the covenants in Sections 5.6, 5.7 and 5.8 shall continue until the final maturity date of all Series 2023A Bonds or the earlier redemption date on which provision for payment for all Series 2023A Bonds has been made and the covenant in Section 4.7 shall continue for six years thereafter and the covenants in Section 5.5 shall survive the termination of the Loan Agreement and the discharge of the Bond Indenture. In such case the Authority shall cause the Bond Trustee to redeem the Series 2023A Bonds as provided in Section 301 of the Bond Indenture.

Section 8.2 Notices. Unless otherwise provided herein all demands, notices, approvals, consents, requests, opinions and other communications hereunder shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class registered or certified mail, postage prepaid or, by facsimile, and if sent by facsimile confirmed by telephone, addressed:

(a) if to the Borrower, at c/o Williamsburg Landing, Inc., 5700 Williamsburg Landing Drive, Williamsburg, Virginia 23185 (Attention: Chief Financial Officer);

(b) if to the Bond Trustee, at U.S. Bank Trust Company, National Association, 1051 E. Cary Street, Suite 600, Richmond, Virginia 23219 Attention: U.S. Bank Corporate Trust Services; and

(c) if to the Authority, at 101 Mounts Bay Road Williamsburg, Virginia 23185 (Attention: Chair), with a copy to James City County Attorney, 101 Mounts Bay Road, Building D, Williamsburg, Virginia 23185 (Attention: Chair).

A duplicate copy of each demand, notice, approval, consent, request, opinion or other communication given hereunder by either the Authority or the Borrower to the other shall also be

given to the Bond Trustee. The Borrower, the Bond Trustee or the Authority may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or persons to whose attention they shall be directed.

Section 8.3 Amendments to Loan Agreement and Note. Neither this Loan Agreement nor the Note shall be amended or supplemented and no substitution shall be made for the Note before payment of the Series 2023A Bonds without the consent of the Bond Trustee and the Authority (except as described in Section 4.7), given in accordance with and subject to Article XII of the Bond Indenture.

Section 8.4 Successors and Assigns. This Loan Agreement shall be binding on, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

Section 8.5 Severability. If any provision of this Loan Agreement shall be held invalid by any court of competent jurisdiction, such holding shall not invalidate any other provision hereof.

Section 8.6 Applicable Law; Entire Understanding. This Loan Agreement and the Note shall be governed by the applicable laws of the Commonwealth. This Loan Agreement and the Note (including the applicable provisions of the Bond Indenture, the Master Indenture and the Tax Agreement) express the entire understanding and all agreements between the parties and may not be modified except in writing signed by the parties.

Section 8.7 Limitation of Liability of Directors of Authority. No covenant, agreement or obligation contained in any of the Financing Instruments shall be deemed to be a covenant, agreement or obligation of any past, present or future director, trustee, officer, employee or agent of the Authority or the Borrower in his individual capacity so long as he acts in good faith, and no such director, officer, employee or agent shall be subject to any liability under any of the Financing Instruments or with respect to any other action taken by him provided that he acts in good faith.

Section 8.8 Counterparts. This Loan Agreement may be executed in several counterparts, each of which together shall be an original and all of which shall constitute one instrument.

Section 8.9 Further Assurances. The Authority and the Borrower agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Loan Agreement.

Section 8.10 Trustee as Third Party Beneficiary. The Trustee shall be a third party beneficiary of this Loan Agreement.

Section 8.11 U.S.A. Patriot and Freedom Act Requirements of the Trustee. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. Accordingly, the Bond Trustee will require documentation from each non-

individual person such as a business entity, a charity, a trust, or other legal entity verifying its formation as a legal entity. The Bond Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

[Signature Page Follows]

IN WITNESS WHEREOF, the Authority and the Borrower have caused this Loan Agreement to be executed in their respective corporate names.

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

By: _____
Name: Ellen Smith Gajda
Title: Chair

WILLIAMSBURG LANDING, INC.

By: _____
Name: Jeanne Zeidler
Title: Chair

RECEIPT

Receipt of the foregoing original counterpart of the Loan Agreement dated as of December 1, 2023 between the Economic Development Authority of James City County, Virginia, and Williamsburg Landing, Inc. is hereby acknowledged.

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**, as Bond Trustee

By: _____
Name: _____
Title: _____

\$ _____
Economic Development Authority of James City County, Virginia
Residential Care Facility Revenue Bonds
(Williamsburg Landing)
Series 2024

BOND PURCHASE AGREEMENT

December __, 2023

Economic Development Authority
James City County, Virginia
Williamsburg, Virginia

Williamsburg Landing, Inc.
d/b/a Williamsburg Landing
Williamsburg, Virginia

Ladies and Gentlemen:

The undersigned, B.C. Ziegler and Company (the “Underwriter”), offers to enter into this Bond Purchase Agreement with the Economic Development Authority of James City County, Virginia (the “Authority”) and Williamsburg Landing, Inc., d/b/a Williamsburg Landing (the “Obligor”), which will become binding upon the Authority, the Obligor and the Underwriter upon acceptance evidenced by execution of this Bond Purchase Agreement. Capitalized terms used herein and not defined shall have the meaning assigned to such terms in the hereinafter-defined Loan Agreement, Master Indenture and Bond Indenture.

1. **Purchase and Sale of Series 2024 Bonds.** (a) Upon the terms and conditions and upon the basis of the representations, warranties and covenants contained in this Bond Purchase Agreement, the Underwriter hereby agrees to purchase from the Authority for offering to the public, and the Authority hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of its \$_____ in aggregate principal amount Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2024 (the “Series 2024 Bonds”). The purchase price of the Series 2024 Bonds shall be \$_____ (representing the \$_____ aggregate principal amount of the Series 2024 Bonds, [plus/less] a [net] original issue [premium/discount] of \$_____, and less the underwriter’s discount of \$_____).

(b) Payment of the purchase price for the Series 2024 Bonds shall be made by wire or check in immediately available funds payable to the order of U.S. Bank Trust Company, National Association, as bond trustee (the “Bond Trustee”), for the account of the Authority on January __, 2024, or such other place, time, or date as shall be mutually agreed upon by the Authority, the Obligor and the Underwriter, against delivery of the Series 2024 Bonds to the Bond Trustee on behalf of The Depository Trust Company (“DTC”) under the DTC Fast System of Registration. The date and time of such delivery and payment is

herein called the “Closing.” The delivery of the Series 2024 Bonds shall be made in either temporary or in definitive form (provided neither the printing of a wrong CUSIP number on any Bond nor the failure to print a CUSIP number thereon shall constitute cause to refuse delivery of any Bond) and registered in the name(s) of Cede & Co.

(c) Subject to Section 18, the Underwriter, in its discretion, may permit other securities dealers who are members of the Financial Industry Regulatory Authority, Inc. (“FINRA”) to assist in selling the Series 2024 Bonds, and the Underwriter agrees to pay or re-allow such securities dealers a fee or selling commission to be paid from the underwriting fee provided in Section 8 of this Bond Purchase Agreement. Subject to Section 18, the Underwriter agrees that it will exercise its best efforts not to sell the Series 2024 Bonds in a manner which will jeopardize the tax-exempt status of the interest on the Series 2024 Bonds and, in connection with this Bond Purchase Agreement, agrees that it will exercise its best efforts not to sell Series 2024 Bonds to an “underwriter” or “dealer” for a price lower than 100% of the aggregate principal amount of Series 2024 Bonds being sold. The Underwriter agrees that it will exercise its best efforts to determine whether purchasers of the Series 2024 Bonds are “underwriters” or “dealers.”

(d) The Series 2024 Bonds shall be issued under and secured as provided in a Bond Trust Indenture, dated as of January 1, 2024 (the “Bond Indenture”), between the Authority and the Bond Trustee, and the Series 2024 Bonds shall have the maturities and interest rates, be subject to redemption and be otherwise as described and as set forth in Exhibit A hereto and the Bond Indenture.

(e) The Obligor has caused to be delivered to the Underwriter (i) a letter dated the date hereof, and addressed to the Obligor and the Underwriter from CliftonLarsonAllen LLP (in such capacity, the “Auditor”) as to the performance by the Auditor of certain procedures in connection with the preparation of the Preliminary Official Statement and consenting to the references to such firm in the Preliminary Official Statement, (ii) a consent dated _____, 20__, whereby the Auditor consents to the inclusion in the Preliminary Official Statement of its report on the financial statements of the Obligor included in Appendix B to the Preliminary Official Statement and (iii) a consent dated _____, 20__, whereby CliftonLarsonAllen LLP (in such capacity, the “Feasibility Consultant”), consents to the inclusion in the Preliminary Official Statement of its financial feasibility study included in Appendix C therein and to the references to it included in the Preliminary Official Statement.

2. **Description of Financing.** Pursuant to and in accordance with the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”) and a resolution adopted by the Authority on _____, 2023 (the “Resolution”), the Authority has authorized the issuance and delivery of the Series 2024 Bonds and the loan of the proceeds of the Series 2024 Bonds to the Obligor. The Series 2024 Bonds will be issued under and secured by the Bond Indenture.

Simultaneously with the issuance of the Series 2024 Bonds, the Authority and the Obligor will enter into a Loan Agreement, dated as of January 1, 2024 (the “Loan Agreement”). Pursuant to the Loan Agreement, the Obligor will deliver to the Authority a promissory note securing the Series 2024 Bonds in the principal amount of the Series 2024 Bonds (the “Series 2024 Obligation”), dated as of the date of delivery, the required payments on which will be sufficient to pay, among other things, all principal of and premium, if any, and interest on the Series 2024 Bonds and certain related expenses. Simultaneously with the issuance of the Series 2024 Bonds, the Obligor will enter into a Supplemental Indenture for the Series 2024 Obligation, dated as of January 1, 2024 (the “Series 2024 Supplement”), supplementing the Second Amended and Restated Master Trust Indenture, dated as of October 1, 2021 (the “Master Indenture”), between the Obligor and U.S. Bank Trust Company, National Association, as successor master trustee (the “Master Trustee”). All Obligations under the Master Indenture, including the Series 2024 Obligation, will also be secured by a first mortgage lien on certain real estate of the Obligor, and a security interest in certain personal property of the Obligor created by the Master Indenture and an Amended and Restated Deed of

Trust and Security Agreement **[and Substitution of Deed of Trust Trustees]**, dated as of September 1, 2003 (as previously amended, restated, modified, extended and renewed from time to time, the “Prior Deed of Trust”), between the Obligor and the deed of trust trustee(s). In connection with the issuance of the Series 2024 Bonds, the Prior Deed of Trust will be further supplemented and amended by a Twelfth Amended and Restated Deed of Trust, dated as of January 1, 2024 (as amended, restated, modified, extended and renewed from time to time, the “Deed of Trust”). The Series 2024 Bonds will also be secured by a debt service reserve fund which may be shared on a *pro rata* basis with the outstanding Obligations of the Obligor under the Master Indenture and Obligations issued by the Obligor in the future. **[In addition, the Corporation will grant an Assignment of Contracts dated as of January 1, 2024 (the “Assignment”) to the Master Trustee.]**

The Series 2024 Bonds, the Bond Indenture, the Master Indenture, the Series 2024 Supplement, the Loan Agreement, the Series 2024 Obligation, the Prior Deed of Trust and the Deed of Trust will be in the forms previously supplied to you, with such subsequent modifications as shall be approved by you and us.

3. **Preliminary Official Statement and Official Statement and Offering of Series 2024 Bonds.** The Authority and the Obligor each hereby authorize and ratify the distribution by the Underwriter of the Preliminary Official Statement, dated November __, 2023 (the “Preliminary Official Statement”) and Official Statement of even date with this Bond Purchase Agreement (collectively, the “Official Statement”), relating to the Series 2024 Bonds. The Preliminary Official Statement is “deemed final” as of its date by the Authority and the Obligor for purposes of Rule 15c2-12 (“Rule 15c2-12”) promulgated by the Securities and Exchange Commission (the “Commission”) under the Securities Exchange Act of 1934, as amended (the “1934 Act”), except for the permitted omissions described in paragraph (b)(1) of Rule 15c2-12. The Official Statement is deemed to be a final official statement within the meaning of Rule 15c2-12. The Series 2024 Bonds will be offered for sale by the Underwriter pursuant to a definitive Official Statement.

(a) The Underwriter acknowledges that (i) the Authority has not participated in the preparation of the Official Statement, has made no independent investigation regarding the Official Statement or furnished any information contained in the Official Statement, and (ii) the Authority assumes no responsibility with respect to the sufficiency, accuracy, or completeness of any of the information contained in the Official Statement or any other document used in connection with the offer and sale of the Series 2024 Bonds, except the information contained under the headings “THE AUTHORITY” and “LITIGATION” (as such heading contains information relating to the Authority).

(b) The Obligor shall deliver, or cause to be delivered, to the Underwriter copies of the Preliminary Official Statement in sufficient quantity in order for the Underwriter to comply with Rule 15c2-12(b)(2).

(c) Within seven business days after the execution of this Bond Purchase Agreement and in sufficient time to accompany any confirmation requesting payment from any customer, the Obligor shall deliver, or cause to be delivered, to the Underwriter copies of the Official Statement in sufficient quantity, in the Underwriter’s opinion, to accompany any confirmation that requests payment from any customer and to comply with Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board (the “MSRB”). The Authority and the Obligor hereby confirm that they do not object to distribution of the Official Statement in electronic form.

(d) To the extent required by rules of the Commission or the MSRB, the Authority and the Obligor hereby authorize the Underwriter to deliver the Official Statement to the MSRB, and the Underwriter agrees to make such delivery. The Authority and the Obligor will not amend or supplement the Official Statement without the consent of the Underwriter, which consent will not be unreasonably

withheld. From the date hereof until the earlier of (i) 90 days from the end of the underwriting period (as defined in Rule 15c2-12) (the “End of the Underwriting Period”) or (ii) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case less than 25 days following the End of the Underwriting Period, if any event occurs as a result of which the Authority or the Obligor believes it may be necessary to amend or supplement the Official Statement in order to correct any untrue statement of a material fact contained in the Official Statement or to make the statements therein, in light of the circumstances under which they were made, not misleading, the Authority or the Obligor, as applicable, will notify the Underwriter in writing of such event and, if such event requires, in the opinion of the counsel to the Underwriter, an amendment or supplement to the Official Statement, at the Obligor’s expense the Authority and the Obligor will amend or supplement the Official Statement in a form and in a manner jointly approved by the Authority, the Obligor and the Underwriter, which approval will not be unreasonably withheld, so that the Official Statement, as so amended or supplemented, does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading.

(e) Each of the Authority and the Obligor agrees that it will cooperate with the Underwriter in the qualification of the Series 2024 Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriter shall designate; provided, however, the Authority shall not be required to register as a dealer or broker in any such jurisdiction, nor execute a general consent to service of process or qualify to do business in connection with any such qualification of the Series 2024 Bonds in any such jurisdiction. The Obligor will pay for the reasonable out-of-pocket expenses, including reasonable attorneys’ fees, of the Authority in connection therewith.

4. **Continuing Disclosure.** The obligor will execute and deliver a Continuing Disclosure Agreement, dated as of January 1, 2024 (the “Continuing Disclosure Agreement”), in order to comply with the requirements for the dissemination of certain annual financial information and operating data, including audited financial statements, and notices required by Rule 15c2-12. Pursuant to the Continuing Disclosure Agreement, the Obligor will undertake, as applicable, to provide the annual financial information, operating data and notices of the occurrence of certain events specified therein at the times, to the persons and in the manner set forth therein.

5. **Representations and Warranties of the Authority.** By the Authority’s acceptance hereof it hereby represents and warrants to, and covenants and agrees with, the Underwriter and the Obligor (and it shall be a condition of the obligation of the Underwriter to purchase and accept delivery of the Series 2024 Bonds at the Closing that the Authority shall so represent and warrant as of the date of the Closing) that:

(a) The Authority is a validly existing political subdivision of the Commonwealth of Virginia, a body politic and corporate, and is vested with the rights and powers to issue the Series 2024 Bonds under the Act.

(b) The Authority has the power (1) to enter into and perform its obligations under this Bond Purchase Agreement, the Bond Indenture and the Loan Agreement (collectively with the Offering Documents, hereinafter defined, the “Authority Documents”) and the transactions contemplated thereby, (2) to secure the Series 2024 Bonds as provided in the Authority Documents, (3) to loan a portion of the proceeds of the Series 2024 Bonds to the Obligor so that it may undertake the financing of the project described in the Official Statement, including payment of costs of issuance related to the Series 2024 Bonds, which are authorized under the Act, such loans being in furtherance of the purposes for which the Authority was organized, and (4) to assign the Series 2024 Obligation to the Bond Trustee. The Authority has taken or will take all action required by the Act in connection therewith.

(c) The Authority (1) has duly authorized the execution and delivery of the Authority Documents, (2) has duly authorized the assignment of the Series 2024 Obligation and the issuance, sale and delivery of the Series 2024 Bonds, and (3) has taken or will take all action necessary or appropriate to carry out the issuance, sale and delivery of the Series 2024 Bonds to the Underwriter.

(d) To the knowledge of the Authority, the Authority is not in default in the payment of the principal of, premium, if any, or interest on any of its other indebtedness for borrowed money and is not in default under any instrument under or subject to which any indebtedness for borrowed money has been incurred that would adversely affect the Authority's power or authority to issue the Series 2024 Bonds, to execute and deliver the Authority Documents and to perform the obligations thereunder, and no event has occurred and is continuing under the provisions of any such instrument that with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder; provided, however, that this representation does not include a default with respect to other financings in which the Authority has acted as "conduit" issuer for other public or private entities not affiliated with the Obligor, wherein a default by such public or private entity would not have a material effect on the credit of the Authority or of the Obligor.

(e) The execution and delivery of the Authority Documents, the assignment of the Series 2024 Obligation and the performance by the Authority of its obligations thereunder are within the corporate powers of the Authority and will not conflict with or constitute a breach or result in a violation of (1) the Act or the Authority's bylaws, (2) any federal or Virginia constitutional or statutory provision, (3) to the best of the Authority's knowledge, any current order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Authority or its property or (4) to the best of its knowledge, any agreement or other instrument to which the Authority is a party or by which it is bound.

(f) The Authority by resolution has approved the distribution of the Preliminary Official Statement and the distribution of the Official Statement in connection with the offer and sale of the Series 2024 Bonds.

(g) All authorizations, consents, approvals, findings and certificates of governmental bodies or agencies required to be obtained by the Authority in connection with (1) the execution and delivery by the Authority of the Authority Documents and the issuance of the Series 2024 Bonds, and (2) the performance by the Authority of its obligations under the Authority Documents and the Series 2024 Bonds have been obtained and are in full force and effect; provided, however, that no representation is made with respect to (1) compliance with any applicable Blue Sky or securities laws of any state or (2) consents, filings, approvals, etc., required in connection with the tax-exempt status of the interest on the Series 2024 Bonds.

(h) There is no litigation, inquiry or investigation of any kind before or by any judicial court or governmental agency pending or, to the knowledge of the Authority, threatened against the Authority with respect to (1) its organization or existence, (2) its authority to execute and deliver the Authority Documents or the Series 2024 Bonds or to perform its obligations thereunder, (3) the validity or enforceability of the Series 2024 Bonds or any of the Authority Documents, (4) the title of the officers executing the Authority Documents or the Series 2024 Bonds, or (5) any authority or proceedings relating to the authority of such officers to execute and deliver the Authority Documents or the Series 2024 Bonds on behalf of the Authority, and no such authority or proceedings have been repealed, revoked, rescinded or amended; provided, however, the foregoing does not include any litigation or administrative proceeding that may have been filed against, but not served on, the Authority, and of which it has no knowledge.

(i) When authenticated by the Bond Trustee and delivered to and paid for by the Underwriter in accordance with the terms of the Bond Indenture and this Bond Purchase Agreement, the Series 2024

Bonds will (1) have been duly authorized, executed and issued, (2) constitute legal, valid and binding limited obligations of the Authority, enforceable in accordance with their terms except as limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws and usual equity principles, and (3) be secured by the Bond Indenture.

(j) The Preliminary Official Statement is deemed to be final as of its date within the meaning of the Rule, except for omitted information permitted by paragraph (b)(1) of the Rule, and the Official Statement is deemed to be a final official statement within the meaning of the Rule; provided, however, that the Authority makes no representation with respect to the statements made in the Preliminary Official Statement or the Official Statement except for those statements describing or relating to the Authority under the captions “THE AUTHORITY” and “LITIGATION” (but only regarding information about the Authority).

6. **Representations and Warranties of the Obligor.** By the Obligor’s acceptance hereof, the Obligor hereby represents and warrants to, and covenants and agrees with, the Underwriter and the Authority (and it shall be a condition of the obligation of the Underwriter to purchase and accept delivery of the Series 2024 Bonds at the Closing that the Obligor shall so represent and warrant as of the date of the Closing) that:

(a) The Obligor is a not-for-profit, nonstock corporation duly organized and validly existing in good standing under the laws of the Commonwealth of Virginia and has full power and authority to own its properties and to operate its business, as currently conducted.

(b) The Obligor is (1) an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), and (2) not a “private foundation” as defined in Section 509(a) of the Code. The Obligor has conducted its operations and filed all required reports or documents with the Internal Revenue Service so as to maintain such status. The Obligor is organized and operated exclusively for benevolent, fraternal, charitable or reformatory purposes, and not for pecuniary profit, and no part of its net earnings inures to the benefit of any person, private stockholder or individual, all within the meaning, respectively, of Subsection 3(a)(4) of the Securities Act of 1933, as amended (the “1933 Act”), and of Subsection 12(g)(2)(D) of the Securities Exchange Act of 1934, as amended. The Obligor has not received notice or communication of any kind from the Internal Revenue Service directly or indirectly questioning its status under Section 501(c)(3) of the Code or indicating that it is or will be audited with respect to such status.

(c) The Obligor has authorized the execution and delivery of this Bond Purchase Agreement, the Continuing Disclosure Agreement, the Master Indenture, the Series 2024 Obligation, the Series 2024 Supplement, the Deed of Trust and the Loan Agreement and the Obligor has previously executed and delivered the Master Indenture and the Prior Deed of Trust (collectively, the “Obligor Documents”). The Obligor has approved the Official Statement and the terms of the Bond Indenture. The Obligor will take all action necessary or appropriate to cooperate in the issuance, sale and delivery of the Series 2024 Bonds by the Authority to the Underwriter.

(d) The execution and delivery of the Obligor Documents, the performance of its obligations thereunder and the approval of the Official Statement and the Obligor Documents are within the corporate powers of the Obligor and will not, in any material respect, conflict with or constitute a breach or result in a violation of (1) the articles of incorporation or bylaws of the Obligor, (2) any federal or Virginia constitutional or statutory provision, (3) any agreement or instrument to which the Obligor is a party or by which it is bound, or (4) any current order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Obligor or its property.

(e) The Obligor has obtained all consents, approvals, authorizations and orders of governmental or regulatory authorities (collectively, the “Consents”) that are required to be obtained by the Obligor as a condition precedent to the issuance of the Series 2024 Bonds, the execution and delivery of the Obligor Documents or the performance by the Obligor of its obligations thereunder, with the exception of those Consents not yet required to be obtained and as otherwise disclosed in the Offering Documents. All such Consents previously obtained are in full force and effect. The Obligor will obtain when needed all other Consents required for the performance of its obligations under the Obligor Documents and has no reason to believe that all required or necessary Consents cannot be promptly obtained when needed.

(f) There is no litigation at law or in equity or any proceeding before any governmental agency pending or, to the knowledge of the Obligor, threatened, in which any liability of the Obligor is not adequately covered by insurance, or in which any judgment or order would have a material adverse effect on the business (financial or otherwise) or assets of the Obligor or affect its existence or authority to do business, the validity of the Obligor Documents or the performance by the Obligor of its obligations thereunder.

(g) The Obligor is not a party to any contract or agreement or subject to any charter or other restriction not disclosed in the Official Statement, the performance of or compliance with which may have a material adverse effect on the financial condition or operations of the Obligor.

(h) The Obligor is not in default in the payment of the principal of or interest on any of its indebtedness for borrowed money or under any instrument under or subject to which any indebtedness has been incurred. No event has occurred and is continuing that, with the lapse of time or the giving of notice or both, would constitute an event of default under any such instrument.

(i) The financial statements of the Obligor as set forth in Appendix B to the Official Statement described below (the “Financial Statements”), present fairly the financial condition of the Obligor as of the respective dates, and the results of operations for the respective periods, set forth therein and have been prepared in accordance with generally accepted accounting principles consistently applied, except as otherwise noted therein. Since December 31, 2023, no material and adverse change has occurred in the financial position or results of operations of the Obligor, nor has the Obligor incurred any material liabilities other than in the ordinary course of business or as set forth in or contemplated by the Official Statement.

7. Indemnification.

(a) The Obligor hereby agrees to indemnify and hold harmless the Authority and the Underwriter, together with each officer, employee, agent and member of the governing body of the Authority and the Underwriter and each person who controls the Authority or the Underwriter within the meaning of either the Securities Act of 1933, as amended (the “1933 Act”), or the 1934 Act from and against any and all losses, claims, damages, liabilities, costs and expenses (including, without limitation, fees and disbursements of counsel and other expenses incurred by them or any of them in connection with investigating or defending any loss, claim, damage, or liability or any suit, action, or proceeding, whether or not resulting in liability), to which they or any of them may become subject under the 1933 Act, the 1934 Act, or any other applicable statute or regulation, whether federal or state, or at common law or otherwise, insofar as such losses, claims, damages, liabilities, costs and expenses (or any suit, action, or proceeding in respect thereof) arise out of or are based upon any untrue or misleading statement or alleged untrue or misleading statement of a material fact contained in the Official Statement or in any amendment or supplement to any of the foregoing, or arise out of or are based upon the omission or alleged omission to state therein a fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which such statements were made, not misleading, provided, however, the Obligor

will not be liable in any such case to (i) the Underwriter to the extent that any such loss, claim, damage, liability, cost, or expense arises out of or is based upon any untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished by the Underwriter specifically for use in connection with the preparation thereof, or (ii) the Authority with respect to statements and information contained therein under the headings “THE AUTHORITY” and “LITIGATION” (as such heading contains information relating to the Authority) in the Official Statement. This indemnity agreement will be in addition to any liability that the Obligor may otherwise have.

(b) The Underwriter shall indemnify and hold harmless the Authority and the Obligor, each of their respective members, officers and employees, and each person who controls the Authority or the Obligor within the meaning of Section 15 of the Securities Act, to the same extent as the foregoing indemnity from the Obligor to the Underwriter, but only with reference to written information relating to the Underwriter furnished by it specifically for inclusion in the Official Statement. This indemnity agreement will be in addition to any liability that the Underwriter may otherwise have. The Obligor acknowledges that the statements set forth under the heading “UNDERWRITING” in the Official Statement constitute the only information furnished in writing by or on behalf of the Underwriter for inclusion in the Official Statement. The Underwriter shall also pay for or reimburse the Authority for any legal or other expenses incurred by the Authority in connection with investigating any claim against it and defending any action alleging noncompliance with Blue Sky laws with respect to the Series 2024 Bonds.

(c) Promptly after receipt by any party entitled to indemnification under this Section of notice of the commencement of any suit, action, or proceeding, such indemnified party shall, if a claim in respect thereof is to be made against the Obligor or the Underwriter under this Section, notify the Obligor or the Underwriter, in writing, as the case may be, of the commencement thereof, but the omission so to notify the Obligor or the Underwriter shall not relieve such party from any liability which it may have to any indemnified party otherwise than under this Section or from any liability under this Section unless the failure to provide notice prejudices the defense of such suit, action, or proceeding. In case any such action is brought against any indemnified party and it notifies the indemnifying party of the commencement thereof, the indemnifying party shall be entitled, but not obligated, to participate therein, and to the extent that it may elect by written notice delivered to the indemnified party, promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party, and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties at the sole cost and expense at the indemnifying party. Upon such indemnified party’s receipt of notice from the indemnifying party of the indemnifying party’s election to so assume the defense of such action and approval by the indemnified party of counsel, which approval shall not be unreasonably withheld, the indemnifying party shall not be liable to such indemnified party under this Section for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel representing the indemnified parties under this paragraph who are parties to such action), (ii) the indemnifying party shall not have employed counsel reasonably satisfactory to the indemnified party to represent the indemnified party within a reasonable time after the indemnifying party’s receipt of notice of commencement of the action, or (iii) the indemnifying party has authorized the employment of counsel for the indemnified party at the expense of the indemnifying party pursuant to the

provisions hereof; and except that, if clause (i) or (iii) is applicable, such liability shall be only in respect of the counsel referred to in such clause (i) or (iii).

(d) An indemnifying party shall not be liable for any settlement of any such action effected without its consent, which consent shall not be unreasonably withheld, but if settled with the consent of the indemnifying party, the indemnifying party agrees to indemnify and hold the indemnified party or parties, including an officer, employee, agent, member or director, or other controlling person of an indemnified party, harmless from and against any loss or liability, including reasonable legal and other expenses incurred in connection with the defense of the action, by reason of such settlement to the extent of the indemnification provided for in this paragraph.

(e) In the event and to the extent that any indemnified party is entitled to indemnification from an indemnifying party under the terms of paragraph (a) or paragraph (b) above in respect of any of the losses, claims, damages, liabilities, costs, or expenses referred to therein, but such indemnification is unavailable to such indemnified party in respect of any such losses, claims, damages, liabilities, costs, or expenses due to such indemnification being impermissible under applicable law or otherwise, then the indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, liabilities, costs, or expenses in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party and such indemnified party, respectively, from the offering of the Series 2024 Bonds, the relative fault of the indemnifying party and such indemnified party, respectively, in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities, costs, or expenses, as well as any other relevant equitable considerations. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact related to information supplied by the indemnifying party or the indemnified party and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission of the indemnifying party or the indemnified party. The Obligor and the Underwriter, on behalf of the Underwriter, respectively, agree that it would not be just and equitable if contribution pursuant to this paragraph (e) were determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to above in this paragraph (e). The amount paid or payable by any indemnified party as a result of the losses, claims, damages, liabilities, costs, or expenses referred to above in this paragraph (e) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with defending any such action or claim. This paragraph (e) shall not apply in the event of losses, claims, damages, liabilities, costs, or expenses caused by or attributable to the willful misconduct or gross negligence of an indemnified party. Notwithstanding, anything to the contrary contained in this paragraph (e), it is understood and agreed that this paragraph (e) is not intended, and shall not be construed, to expand, broaden, or increase in any way, whether in terms of scope, amount, or otherwise, the liability of the Obligor or the Underwriter in respect of any of the losses, claims, damages, liabilities, costs, or expenses referred to in paragraph (a) or paragraph (b) or otherwise, as that liability is set forth in paragraph (a) or paragraph (b) above.

8. Underwriting Fee and Costs.

(a) In consideration of the Underwriter's execution of this Bond Purchase Agreement, and for the performance of the Underwriter's obligations hereunder, the Obligor agrees to pay or cause to be paid to the Underwriter a total underwriting fee, including all of its expenses, in an amount equal to \$_____ which shall be due and payable at the Closing. The Underwriter is authorized to deduct its underwriting fees from the proceeds of the Series 2024 Bonds as the underwriter's discount.

(b) Whether or not the Series 2024 Bonds are sold by the Authority, the Underwriter shall be under no obligation to pay any expenses incident to the performance of the Authority's or the Obligor's

obligations hereunder. All costs incurred in connection with the issuance or attempted issuance of the Series 2024 Bonds and all expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Series 2024 Bonds (including, without limitation, reasonable attorneys' fees and expenses, including bond counsel, Underwriter's Counsel (as identified herein), the Obligor's counsel, accountants' fees and expenses, trustee's fees, trustee's counsel, title insurance and the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Series 2024 Bonds, the Bond Documents and all other agreements and documents contemplated hereby) shall be paid by the Obligor.

9. **Conditions to the Underwriter's Obligations.** The Underwriter's obligations hereunder shall be subject to the due performance in all material respects by the Obligor and the Authority of their obligations and agreements to be performed hereunder at or prior to the Closing and to the accuracy of and compliance in all material respects with their representations and warranties contained herein, as of the date hereof and as of the Closing, and are also subject to receipt of the following evidence and documents and satisfaction of the following conditions, as appropriate, at or prior to the closing:

(a) Each of the Authority Documents and the Obligor Documents shall have been duly authorized, executed and delivered by the respective parties thereto in the forms heretofore approved by the Underwriter with only such changes therein as shall be mutually agreed upon by the parties thereto and the Underwriter, and shall be in full force and effect on the date of the Closing.

(b) At or before the Closing, the Underwriter shall receive:

i. Copies of the original counterparts of this Bond Purchase Agreement, the Authority Documents and the Obligor Documents.

ii. The following opinions, dated the date of the Closing, in form and substance satisfactory to the Underwriter and its counsel:

(i) bond counsel opinion of McGuireWoods LLP, Bond Counsel ("Bond Counsel"), in the form set forth in Appendix E to the Official Statement;

(ii) supplemental opinion of Bond Counsel in the form set forth as Exhibit B to this Bond Purchase Agreement;

(iii) an opinion of Kaufman & Canoles, P.C., counsel to the Obligor, in substantially the form set forth as Exhibit C to this Bond Purchase Agreement and in form and substance satisfactory to Underwriter's Counsel;

(iv) an opinion of the attorney for James City County, Virginia, counsel to the Authority, in substantially the form set forth as Exhibit D to this Bond Purchase Agreement;

(v) opinions of Womble Bond Dickinson (US) LLP, Underwriter's Counsel; and

(vi) such other opinions as may be reasonably requested by the Underwriter.

iii. A closing certificate of the Authority, satisfactory in form and substance to the Underwriter, executed by the authorized representatives of the Authority, or of any other of the Authority's duly authorized officers satisfactory to the Underwriter, dated as of the date of the Closing, to the effect that: (i) the Authority has duly performed or complied with all of its

obligations and conditions to be performed and satisfied hereunder at or prior to the Closing and that each of its representations and warranties contained herein is true and correct in all material respects as of the Closing; (ii) the Authority has authorized, by all necessary action, the execution, delivery, receipt and due performance of the Series 2024 Bonds and the Authority Documents; (iii) no litigation is pending, or, to his or her knowledge, threatened against the Authority, to restrain or enjoin the issuance or sale of the Series 2024 Bonds or in any way affecting any authority for or the validity of the Series 2024 Bonds or the Authority Documents, the Authority's existence or powers or its right to use the proceeds of the Series 2024 Bonds; (iv) the information contained under the headings "THE AUTHORITY" and "LITIGATION" (as such heading contains information relating to the Authority) in the Official Statement does not as of the date thereof and as of the date of the Closing contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein pertaining to the Authority, in light of the circumstances under which they were made, not misleading; and (v) the execution, delivery, receipt and due performance of the Series 2024 Bonds and the Authority Documents under the circumstances contemplated hereby and thereby and the Authority's compliance with the provisions thereof will not, to the best of the Authority's knowledge, conflict with or constitute on the Authority's part a breach of or a default under any existing law or court or administrative regulation, decree, or order or any agreement, indenture, lease, or other instrument to which the Authority is subject or by which the Authority is bound.

iv. A copy, certified as of the date of the Closing by the Authority to be a true and correct copy, of the Resolution.

v. A closing certificate of the Obligor, satisfactory in form and substance to the Underwriter and Bond Counsel, executed by an authorized representative of the Obligor, dated as of the date of the Closing, to the effect that: (i) since the date hereof there has not been any material adverse change in the business, properties, financial position, or results of operations of the Obligor, whether or not arising from transactions in the ordinary course of business, other than as previously disclosed in writing to the Underwriter and except in the ordinary course of business, the Obligor has not suffered or incurred any material liability, other than as previously disclosed in writing to the Underwriter; (ii) there is no action, suit, proceeding, or, to the best of the officer's knowledge, any inquiry or investigation at law or in equity or before or by any public board or body pending or, to his or her knowledge, threatened against or affecting the Obligor or any affiliate or its property or, to his or her knowledge after making due inquiry with respect thereto, any basis therefor, wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated hereby or the validity or enforceability of the Series 2024 Bonds, the Bond Indenture or the Obligor Documents which have not been previously disclosed in writing to the Underwriter and which is not disclosed in the Official Statement; (iii) to his or her knowledge, all information furnished to the Underwriter for use in connection with the marketing of the Series 2024 Bonds and the information contained in the Official Statement and all of the information contained in the Official Statement was, as of the respective dates thereof, and is as of the date of the Closing, true in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading; (iv) the Obligor has duly authorized, by all necessary action, the execution, delivery, receipt and due performance of the Obligor Documents; (v) the Obligor has duly performed or complied with all of its obligations and conditions to be performed and satisfied hereunder at or prior to the Closing; and (vi) the representations contained herein have not been amended, modified, or rescinded and are in full force and effect, and the information and representations and warranties contained herein are true and correct, as of the Closing.

vi. A certificate or certificates, dated the date of the Closing, signed by the Secretary of the Obligor or another authorized officer of the Obligor acceptable to the Underwriter, to the effect that (1) attached thereto is a copy of the articles of incorporation of the Obligor, and all amendments thereto, certified as of a recent date by the Virginia State Corporation Commission ("VSCC"), and that such documents have not been amended since such date; (2) attached thereto is a true and complete copy of the bylaws of the Obligor, as in effect on the date of such certification; and (3) attached thereto is a true and complete copy of the resolutions of the Board of Directors of the Obligor authorizing the execution and delivery of the Obligor Documents and the approval of the Official Statement and the Bond Indenture and all transactions contemplated by such documents.

vii. A certificate, dated no earlier than ten business days prior to the date of the Closing, issued by the VSCC to the effect that the Obligor is in good standing as of the date of such certificate.

viii. Receipts evidencing the proper recording of the Deed of Trust or delivery of these documents to the Title Company pursuant to acceptable closing instructions.

ix. A "pro-forma" copy of an endorsement to the existing title insurance policy securing the Prior Deed of Trust, naming the Master Trustee as insured in an amount required under the Master Indenture as of the Closing date, insuring that the Deed of Trust constitutes a first lien on the Facilities (as defined in the Deed of Trust) only to those exceptions as have been approved by the Underwriter and its counsel.

x. Certificates of insurance showing coverages of the types and amounts set forth in the Master Indenture and a certificate of an Insurance Consultant (as defined in the Master Indenture), to the effect that the insurance coverage, with respect to type and amount, complies with the requirements of the Master Indenture.

xi. A bring-down letter of the Auditor dated the date of the Closing and addressed to the Obligor and the Underwriter confirming and amending in certain respects their agreed upon procedures letter of _____, 20__, together with a consent letter of the Auditor consenting to the use of the financial statements set forth in Appendix B to the Official Statement.

xii. A letter of the Feasibility Consultant dated the date of Closing and addressed to the Obligor and the Underwriter stating that such firm consents to the inclusion in the Official Statement of its financial feasibility study included in Appendix C therein and to the references to such firm in the Official Statement.

xiii. Evidence satisfactory to Bond Counsel that the Obligor is an organization described in Section 501(c)(3) of the Code.

xiv. Evidence satisfactory to Bond Counsel that the arbitrage provisions of the Code have been satisfied and a completed Internal Revenue Service Form 8038 signed by an authorized representative of the Authority.

xv. Executed consents of Guernsey Tingle (the "Architect"), W.M. Jordan Company, (the "Contractor"), and Matthews Development Company, LLC, with respect to certain information set forth in Appendix A to the Official Statement, in each case in form and substance satisfactory to the Underwriter;

xvi. Executed copy of the construction contract between the Contractor and the Obligor, in a form satisfactory to the Underwriter[, **with an acknowledgement by the Contractor of the assignment thereof pursuant to the Assignment**];

xvii. Executed copy of the architect contract between the Architect and the Obligor, in a form satisfactory to the Underwriter[, **with an acknowledgement by the Architects of the assignment thereof pursuant to the Assignment**];

xviii. Evidence of the issuance of payment and performance bonds issued by a bonding company reasonably acceptable to the Underwriter each in an amount not less than 100% of the aggregate amount of the guaranteed maximum price set forth in the construction contract, in form and substance satisfactory to the Underwriter[, **together with (i) an acknowledgement by the bonding company of the assignment thereof pursuant to the Assignment or (ii) an endorsement thereto including the Master Trustee as an additional obligee/beneficiary, in form and substance acceptable to the Master Trustee**];

xix. Such additional certificates and other documents, agreements and opinions as the Underwriter and Bond Counsel may reasonably request to evidence performance of or compliance with the provisions hereof and the transactions contemplated hereby, all such certificates and other documents to be satisfactory in form and substance to the Underwriter.

All opinions shall be addressed to the Underwriter and may also be addressed to such other parties as the giver of such opinion agrees to. All certificates, if addressed to any party, shall also be addressed to the Underwriter.

All such opinions, letters, certificates and documents shall be in compliance with the provisions hereof only if they are in all material respects satisfactory to the Underwriter and to counsel to the Underwriter, as to which both the Underwriter and its counsel shall act reasonably. If any condition of the Underwriter's obligations hereunder to be satisfied prior to the Closing is not so satisfied, this Bond Purchase Agreement may be terminated by the Underwriter by notice in writing to the Obligor and the Authority. The Underwriter may waive compliance by the Obligor or the Authority of any one or more of such conditions or extend the time for their performance and such waiver shall be evidenced by the Underwriter's payment for the Series 2024 Bonds.

10. **The Underwriter's Right to Cancel**. The Underwriter shall have the right to cancel its obligations hereunder by notifying the Authority and the Obligor in writing and in compliance with Section 13 hereof of its election so to do between the date hereof and the Closing, if at any time hereafter and on or prior to the Closing:

(a) Legislation shall be favorably reported by a committee of the House or Representatives or the Senate of Congress of the United States or be passed by, the House of Representatives or the Senate, or recommended to the Congress of the United States of America for passage by the President of the United States of America, or be enacted by the Congress of the United States of America, or a decision by a court established under Article III of the Constitution of the United States of America or the Tax Court of the United States of America shall be rendered, or a ruling, regulation, or order of the Treasury Department of the United States of America or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in or proposes the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the Obligor, any of its affiliates, state and local governmental units or by any similar body or upon interest received on obligations of the general character of the Series 2024 Bonds which, in the Underwriter's opinion, materially and adversely affects the market price of the Series 2024 Bonds.

(b) Any legislation, ordinance, rule, or regulation shall be introduced in or be enacted by any governmental body, department, or agency of the United States or of any state, or a decision by any court of competent jurisdiction within the United States or any state shall be rendered which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Series 2024 Bonds.

(c) A stop order, ruling, regulation, or official statement by, or on behalf of, the Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, or sale of obligations of the general character of the Series 2024 Bonds, or the issuance, offering, or sale of the Series 2024 Bonds, including all the underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provisions of the federal securities laws, including without limitation the registration provisions of the 1933 Act, or the registration provisions of the 1934 Act, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect (the "1939 Act").

(d) Legislation shall be introduced by amendment or otherwise in, or be enacted by, the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered to the effect that obligations of the general character of the Series 2024 Bonds including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act, or that the Bond Indenture is not exempt from qualification under or from other requirements of the 1939 Act, or with the purpose or effect of otherwise prohibiting the issuance, offering, or sale of obligations of the general character of the Series 2024 Bonds, as contemplated hereby or by the Official Statement.

(e) Any event shall have occurred, or information becomes known, which, in the Underwriter's reasonable opinion, makes untrue in any material respect any representation by or certificate of the Authority or the Obligor hereunder, or any statement or information furnished to the Underwriter by the Authority or the Obligor for use in connection with the marketing of the Series 2024 Bonds or any material statement or information contained in the Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; provided, however, that the Authority and the Obligor shall be granted a reasonable amount of time in which to cure any such untrue or misleading statement or information.

(f) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

(g) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to the Series 2024 Bonds or obligations of the general character of the Series 2024 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or a change to the net capital requirements of, the Underwriter.

(h) A general banking moratorium or suspension or limitation of banking services shall have been established by federal, District of Columbia, Connecticut or New York authorities.

(i) A default has occurred with respect to the obligations of, or proceedings have been instituted under the federal bankruptcy laws or any similar state laws by or against, any state of the United States or any city located in the United States having a population in excess of one million persons or any entity issuing obligations on behalf of such a city or state.

(j) Any proceeding shall be pending, or to the knowledge of the Underwriter, threatened, to restrain, enjoin, or otherwise prohibit the issuance, sale, or delivery of the Series 2024 Bonds by the

Authority or the purchase, offering, sale, or distribution of the Series 2024 Bonds by the Underwriter, or for any investigatory or other proceedings under any federal or state securities laws or the rules and regulations of FINRA relating to the issuance, sale, or delivery of the Series 2024 Bonds by the Authority or the purchase, offering, sale, or distribution of the Series 2024 Bonds by the Underwriter.

(k) A war involving the United States of America shall have been declared, or any conflict involving the armed forces of the United States of America shall have escalated, or acts of terrorism shall have been committed against the citizens or the government of the United States of America or the property of either, or any other national emergency relating to the effective operation of government or the financial community shall have occurred, which, in the Underwriter's reasonable opinion, materially adversely affects the market price of the Series 2024 Bonds.

11. **Conditions of the Obligor's and Authority's Obligations.** The Obligor's and Authority's obligations hereunder are subject to the Underwriter's performance of its obligations hereunder. The Underwriter represents that it is duly authorized to execute and deliver this Bond Purchase Agreement and that upon execution and delivery of this Bond Purchase Agreement by the other parties hereto, this Bond Purchase Agreement shall constitute a legal, valid and binding agreement of the Underwriter enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency, or other similar laws affecting the enforcement of creditor's rights generally and by general principles of equity affecting remedies. The Obligor covenants to use its best efforts to accomplish, or cause to be accomplished, the conditions set forth herein prior to the Closing.

The Authority's obligations hereunder to sell the Series 2024 Bonds to the Underwriter shall also be subject to the satisfaction of all of the conditions set forth in Section 9 above (unless waived by the Underwriter and such waiver is reasonably acceptable to the Authority), the performance by the Authority and the Obligor of the obligations and agreements to be performed thereby at or prior to the date of Closing, including those hereunder, and to the accuracy in all material respects of the representations, warranties and covenants of the Authority and the Obligor contained herein and in the Authority Documents and the Obligor Documents as of the date hereof and as of the date of Closing; and shall also be subject to the following conditions: (i) the Authority shall receive the purchase price for the Series 2024 Bonds to be delivered and sold hereunder and (ii) all certificates, opinions and other documents relating to the transactions contemplated by this Bond Purchase Agreement shall be satisfactory in form and substance to the Authority, Bond Counsel and the Obligor.

12. **Representations, Warranties and Agreements to Survive Delivery.** All of the Obligor's and the Authority's representations, warranties and agreements shall remain operative and in full force and effect (unless expressly waived in writing by the Underwriter), regardless of any investigations made by the Underwriter or on its behalf, and shall survive delivery of the Series 2024 Bonds to the Underwriter and the resale by the Underwriter on behalf of the Authority of the Series 2024 Bonds.

13. **Notice.** All notices and other communications hereunder shall be effective if and only if in writing and delivered personally, transmitted by facsimile which the sender's facsimile machine indicates has been sent (in the case of an addressee whose facsimile number is supplied), sent by Federal Express or similar courier, or mailed by registered or certified mail (return receipt requested), charges or postage prepaid, to the addressee at the address that shall most recently have been designated, by effective notice hereunder from the addressee to the sender, as the addressee's desired address for notices hereunder (or, prior to any such notice, at the address for the addressee set forth below):

if to the Authority, to:

Economic Development Authority
of James City County, Virginia
101-C Mounts Bay Road

Williamsburg, Virginia
Attention: Chairman

with a copy to:

James City County Attorney
101-C Mounts Bay Road
Williamsburg, Virginia

with a copy to:

McGuireWoods LLP
Gateway Plaza
800 East Canal Street
Richmond, Virginia 23219-3916
Attention: T. W. Bruno
Telephone Number: (804) 775-1030
Facsimile Number: 804-440-7731

if to the Obligor:

Williamsburg Landing, Inc.
d/b/a Williamsburg Landing
5700 Williamsburg Landing Drive
Williamsburg, Virginia 23185
Attention: President/CEO
Telephone Number: (757) 565-6500

with a copy to:

Kaufman & Canoles, P.C.
4801 Courthouse Street, Suite 300
Williamsburg, Virginia 23188
Attention: Paul Gerhardt, Esq.
Telephone Number: (757) 259-3860

if to the Underwriter, to:

B.C. Ziegler and Company
4801 Cox Road, Suite 103
Glen Allen, Virginia 23060
Attention: Thomas M. Brewer
Telephone Number: (804) 793-8490
Facsimile Number: (804) 290-4339

Unless otherwise provided, written notices so delivered, transmitted, sent or mailed shall be effective on the earlier of (a) actual delivery, (b) the date of transmission, if by facsimile on or before 5:00 p.m. of the addressee's local time, or (c) as applicable, either (i) the first business day following the date of deposit with a qualified guaranteed next day courier service or (ii) the third business day following the date postmarked by the United States Post Office. Any refusal to accept delivery of any such communication shall be considered successful delivery thereof.

14. **Applicable Law; Nonassignability.** This Bond Purchase Agreement shall be governed by the laws of the Commonwealth of Virginia. This Bond Purchase Agreement shall not be assigned by the Authority, the Obligor, or the Underwriter.

15. **Parties In Interest.** This Bond Purchase Agreement shall be binding upon, and has been and is made for the benefit of, the Authority, the Obligor, the Underwriter and, to the extent expressed, any person controlling the Authority, the Obligor or the Underwriter and their respective executors, administrators, successors and assigns and no other person shall acquire or have any right or interest under or by virtue hereof. The term "successors and assigns" shall not include any purchaser, as such, of any

16. **Non-Fiduciary Acknowledgement.** Each of the Authority and the Obligor acknowledges and agrees that (i) the purchase and sale of the Series 2024 Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between it and the Underwriter, (ii) in connection with such transaction, the Underwriter is acting solely as a principal and not as an advisor, (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), agent or a fiduciary of the Obligor or the Authority, (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the Obligor or the Authority with respect to the offering of the Series 2024 Bonds or the process leading thereto (whether or not such Underwriter, or any affiliate of such Underwriter, has advised or is currently advising the Obligor or the Authority on other matters) or any other obligation to the Obligor or the Authority except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the Underwriter has financial and other interests that differ from those of the Obligor and the Authority and (v) it has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Series 2024 Bonds.

17. **Waiver and Release of Personal Liability.** Notwithstanding anything in this Bond Purchase Agreement to the contrary, the obligations and agreements of the Authority contained herein shall be deemed the obligations and agreements of the Authority, and not any member, director, officer, agent or employee of the Authority in his or her individual capacity, and the members, directors, officers, agents and employees of the Authority shall not be liable personally hereon or be subject to any personal liability or accountability based upon or in respect hereof or of any transaction contemplated hereby.

18. **Establishment of Issue Price.** (a) The Underwriter agrees to assist the Authority in establishing the issue price of the Series 2024 Bonds and shall execute and deliver to the Authority at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix I, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2024 Bonds.

(b) **[Except as otherwise set forth in Exhibit A attached hereto,]** the Authority will treat the first price at which 10% of each maturity of the Series 2024 Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the Authority the price or prices at which it has sold to the public each maturity of Series 2024 Bonds. **[If at that time the 10% test has not been satisfied as to any maturity of the Series 2024 Bonds, the Underwriter agrees to promptly report to the Authority the prices at which it sells the unsold Series 2024 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing has occurred, until either (i) the Underwriter has sold all Series 2024 Bonds of that maturity or (ii) the 10% test has been satisfied as to the Series 2024 Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing may be at reasonable periodic intervals or otherwise upon request of the Authority or Bond Counsel.]** For purposes of this Section, if Series 2024 Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2024 Bonds.

[(c) The Underwriter confirms that it has offered the Series 2024 Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Series 2024 Bonds for which the 10% test has not been satisfied and for which the Authority and the Underwriter agree that the restrictions set forth in the

next sentence shall apply, which will allow the Authority to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2024 Bonds, the Underwriter will neither offer nor sell unsold Series 2024 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2024 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Authority promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2024 Bonds to the public at a price that is no higher than the initial offering price to the public.]

(d) The Underwriter confirms that:

(1) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Series 2024 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Series 2024 Bonds of each maturity allocated to it, whether or not the Closing has occurred, until either all Series 2024 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2024 Bonds of that maturity, provided that, the reporting obligation after the Closing may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Series 2024 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2024 Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(2) any selling group agreement relating to the initial sale of the Series 2024 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2024 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2024 Bonds of each maturity allocated to it, whether or not the Closing has occurred, until either all Series 2024 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Series 2024 Bonds of that maturity, provided that, the reporting obligation after the Closing may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the

hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) the Authority acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2024 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Series 2024 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds.

(f) The Underwriter acknowledges that sales of any Series 2024 Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2024 Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

- (1) “public” means any person other than an underwriter or a related party,
- (2) “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2024 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2024 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2024 Bonds to the public),
- (3) a purchaser of any of the Series 2024 Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (4) “sale date” means the date of execution of this Bond Purchase Agreement by all parties.

This Bond Purchase Agreement shall become legally effective upon its acceptance by the Authority, as evidenced by the signature of its Chairman, or other authorized representative, in the space provided therefor below, and upon the approval and agreement of this Bond Purchase Agreement by the

Obligor, as evidenced by the signatures of its authorized representative in the space provided therefor below.

[Signatures to Bond Purchase Agreement on Following Page]

19. **Execution of Counterparts.** This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

Very truly yours,

B.C. ZIEGLER AND COMPANY

By: _____
Thomas M. Brewer
Managing Director

[Signature Page 1 of 3]

Accepted as of the date
first above written:

**WILLIAMSBURG LANDING, INC. D/B/A
WILLIAMSBURG LANDING**

By:_____

Name:_____

Title:_____

[Signature Page 2 of 3]

Accepted as of the date
first above written:

**ECONOMIC DEVELOPMENT AUTHORITY OF
JAMES CITY COUNTY, VIRGINIA**

By:_____

Name:_____

Title:_____

[Signature Page 3 of 3]

EXHIBIT A

TERMS OF BONDS

\$ _____
Economic Development Authority of James City County, Virginia
Residential Care Facility Revenue Bonds
(Williamsburg Landing)
Series 2024

<u>Due</u> _____ 1	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Initial Public</u> <u>Offering Price</u>	<u>Yield</u>	<u>At Least 10% Sold</u> <u>at Initial Public</u> <u>Offering Price</u>	<u>Maturities Subject</u> <u>to Hold-the-</u> <u>Offering-Price Rule</u>
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_____ 1, 20__ call date at 103%.

Optional Redemption

The Series 2024 Bonds will be subject to redemption by the Authority, at the direction of Williamsburg Landing, prior to maturity, in whole, or in part by lot, at any time on or after _____ 1, 20__, at a redemption price equal to the applicable percentage of the principal amount to be redeemed plus accrued interest thereon to the redemption date, in accordance with the table provided below:

<u>Redemption Period</u>	<u>Price</u>
_____ 1, 20__ through _____, 20__	_____%
_____ 1, 20__ through _____, 20__	_____
_____ 1, 20__ through _____, 20__	_____
_____ 1, 20__ and thereafter	_____

Mandatory Sinking Fund Redemption

The Series 2024 Bonds maturing on _____ 1, 20__, are required to be redeemed on _____ 1, in amounts and at a price of par plus accrued interest to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

* Maturity

The Series 2024 Bonds maturing on _____ 1, 20__, are required to be redeemed on _____ 1, in amounts and at a price of par plus accrued interest to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

* Maturity

The Series 2024 Bonds maturing on _____ 1, 20__, are required to be redeemed on _____ 1, in amounts and at a price of par plus accrued interest to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
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* Maturity

Extraordinary Redemption

The Series 2024 Bonds are subject to extraordinary redemption as described under “THE SERIES 2024 BONDS – Extraordinary Redemption” in the Official Statement.

EXHIBIT B

Form of Supplemental Opinion of Bond Counsel

January __, 2024

B.C. Ziegler and Company
Richmond, Virginia

\$ _____
Economic Development Authority of James City County, Virginia
Residential Care Facility Revenue Bonds
(Williamsburg Landing)
Series 2024

Ladies and Gentlemen:

Reference is made to our opinion delivered today as Bond Counsel for the Economic Development Authority of James City County, Virginia (the “Authority”), in connection with the issuance and sale by the Authority of the above-referenced bonds (the “Bonds”). We hereby advise you that we now deliver such opinion for your benefit as well as the benefit of the Authority, and you are entitled to rely upon such opinion as if it were addressed to you. Unless otherwise defined, each capitalized term used in this opinion has the meaning given in the Bond Trust Indenture, dated as of January 1, 2024 (the “Indenture”), between the Authority and U.S. Bank Trust Company, National Association, as bond trustee.

At your request, we have reviewed (a) the Bond Purchase Agreement, dated December __, 2023 (the “Bond Purchase Agreement”), among the Authority, Williamsburg Landing, Inc., and B.C. Ziegler and Company, as underwriter, (b) portions of the Official Statement of the Authority, dated December __, 2023, relating to the Bonds (the “Official Statement”), and (c) certified copies of the proceedings of the Authority with respect to the Bond Purchase Agreement and the Official Statement, as well as such other papers as we deem necessary for purposes of the opinions expressed below.

Based on the foregoing, we are of the opinion that:

1. The Bond Purchase Agreement has been duly authorized, executed and delivered by the Authority and, assuming the due authorization and execution by the other parties thereto, constitutes a valid and legally binding obligation of the Authority, and is enforceable against the Authority in accordance with its terms. The enforceability of the obligations of the Authority under the Bond Purchase Agreement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and similar laws, and by usual equity principles.

2. The statements in the Official Statement in the sections entitled “GENERAL STATEMENT – Series 2024 Bonds, - Security for Obligations and – Master Indenture”, “THE SERIES 2024 BONDS”, “SECURITY FOR THE SERIES 2024 BONDS,” “SERIES 2024 BONDS ELIGIBLE FOR INVESTMENT AND SECURITY FOR PUBLIC DEPOSITS,” “TAX MATTERS,” “LEGALITY,” “RELATIONSHIP OF PARTIES” (but only with respect to McGuireWoods LLP), “FINANCING DOCUMENTS AND SELECTED COVENANTS,” and “FINANCIAL REPORTING AND CONTINUING DISCLOSURE – Financial Reporting – Continuing Disclosure – General, and – Information Required,” and in Appendix D and Appendix E accurately and fairly summarize the material provisions of the Bonds and the documents, statutes and opinions referred to therein.

3. The offering, sale and delivery of the Bonds do not require registration of the Bonds, or any separate security represented by the Bonds, under the Securities Act of 1933, as amended, and the Bond Indenture, the Master Indenture and the Supplemental Indenture for Series 2024 Obligation are not required to be qualified as Trust Indentures pursuant to the Trust Agreement Act of 1939, as amended.

Very truly yours,

EXHIBIT C

Form of Opinion of Obligor's Counsel

January __, 2024

U.S. Bank Trust Company, National Association,
as Bond Trustee and Master Trustee
Richmond, Virginia

Economic Development Authority of
James City County, Virginia
Williamsburg, Virginia

B.C. Ziegler and Company, as Underwriter
of the Series 2024 Bonds
Richmond, Virginia

McGuireWoods LLP
Richmond, Virginia

\$ _____
Economic Development Authority of James City County, Virginia
Residential Care Facility Revenue Bonds
(Williamsburg Landing)
Series 2024

Ladies and Gentlemen:

We have acted as counsel for Williamsburg Landing, Inc., a not-for-profit Virginia nonstock corporation (the "Borrower"), in connection with the issuance by the Economic Development Authority of James City County, Virginia (the "Issuer") of its \$_____ Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2024 pursuant to a Bond Trust Indenture, dated as of January 1, 2024 (the "Bond Indenture"), between the Issuer and U.S. Bank Trust Company, National Association, as bond trustee (in such capacity, the "Bond Trustee"). The proceeds of the Series 2024 Bonds are being loaned by the Issuer to the Borrower pursuant to the provisions of a Loan Agreement, dated as of January 1, 2024 (the "Loan Agreement"), between the Borrower and the Issuer. Payments required under the Loan Agreement are to be made by the Borrower to the Bond Trustee pursuant to a Promissory Note Designated the Series 2024 Obligation (the "Series 2024 Obligation") issued under a Supplemental Indenture for Series 2024 Obligation, dated as of January 1, 2024 (the "Supplemental Indenture"), which supplements the Second Amended and Restated Master Trust Indenture, dated as of October 1, 2021 (the "Master Indenture"), between the Borrower and U.S. Bank Trust Company, National Association, as successor master trustee (in such capacity, the "Master Trustee"). The proceeds of the Series 2024 Bonds are to be expended by the Borrower as provided in the Master Indenture and the Loan Agreement. Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed thereto in the Master Indenture or the Loan Agreement.

In rendering the opinions hereinafter set forth, we have examined the following documents (items (i) through (vii) being hereinafter collectively referred to as the "Bond Documents"):

- (i) The Master Indenture.
- (ii) The Supplemental Indenture, together with the form of the Series 2024 Obligation.
- (iii) The Bond Indenture, together with the forms of the Series 2024 Bonds.
- (iv) The Loan Agreement.

(v) The Bond Purchase Agreement, dated December __, 2023 (the “Bond Purchase Agreement”), among the Borrower, the Issuer, and B.C. Ziegler and Company (the “Underwriter”).

(vi) The Continuing Disclosure Agreement, dated as of January 1, 2024, executed by the Borrower in connection with the issuance of the Series 2024 Bonds.

(vii) An unrecorded copy of the Twelfth Amended and Restated [**Credit Line Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing**], dated as of January 1, 2024 (the “Deed of Trust”), granted by the Borrower to the trustee named therein for the benefit of the Master Trustee, to be recorded in the Clerk’s Office of the Circuit Court of James City County and City of Williamsburg, Virginia (the “Clerk’s Office”). The Deed of Trust amends and restates the Eleventh Amended and Restated Credit Line Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing dated as of October 1, 2021 (the “Existing Deed of Trust”), granted by the Borrower to the trustee named therein for the benefit of the Master Trustee, which was recorded in the Clerk’s Office on October __, 2021, as Instrument No. _____. The Existing Deed of Trust, as supplemented and amended by the Deed of Trust, is referred to herein as the “Deed of Trust”.

(viii) The Official Statement, in preliminary and final form, prepared in connection with the offering and sale of the Series 2024 Bonds (the “Official Statement”).

(ix) The General Certificate of Borrower, dated January __, 2024 (the “General Certificate”).

(x) The Articles of Incorporation, Bylaws and an authorizing resolution of the board of the Borrower (the “Organizational Documents”).

(xi) The Certificate of Good Standing of recent date, issued by the Virginia State Corporation Commission, with respect to the Borrower (the “Good Standing Certificate”).

(xii) The determination letter (the “Determination Letter”) evidencing the status of the Borrower as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

(xiii) Unrecorded copies of the following Uniform Commercial Code (“UCC”) Financing Statement Amendments (collectively, the “Financing Statement Amendments”): (A) UCC Financing Statement Amendment filed in the Clerk’s Office as File No. ____ on ____, 20__, (B) the UCC Financing Statement Amendment filed in the UCC Office of the Virginia State Corporation Commission (the “SCC Filing Office”) on ____, 20__ as File No. ____, and (C) the UCC Financing Statement Amendment filed in the SCC Filing Office on ____, 20__ as File No. ____.

With your consent, our examination has been confined solely to the above-enumerated documents and our opinions, as set forth herein, are based solely on the information contained therein, without any independent verification or investigation. As to various questions of fact material to our opinions, we have also relied upon representations of the Borrower in the Bond Documents to which it is a party, certifications by officers and representatives of the Borrower (including, without limitation, in the General Certificate), and determinations and certifications of public officials (including, without limitation, in the Good Standing Certificate). We have assumed that no events have occurred subsequent to the dates of such representations, determinations and certifications that would cause such representations, determinations or certifications to be inaccurate in any respect and that such representations, determinations and certifications are complete and accurate as of the date hereof.

We have not consulted with any other law firms representing the Borrower, and do not have independent knowledge of the day to day operations of the Borrower.

The opinions set forth herein are subject to the following assumptions:

A. Each of the Bond Trustee, the Master Trustee, the Issuer, and the Underwriter is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and has all of the necessary right, power and authority to execute and deliver each of the Bond Documents to which it is a party and to enter into and perform its obligations thereunder.

B. Each of the Bond Trustee, the Master Trustee, the Issuer and the Underwriter has duly authorized, executed and delivered each of the Bond Documents to which it is a party, and each of the Bond Documents to which it is a party constitutes a legal, valid, and binding obligation of the Bond Trustee, the Master Trustee, the Issuer or the Underwriter, as applicable, enforceable against the Bond Trustee, the Master Trustee or the Underwriter, as applicable.

C. The Deed of Trust will be duly recorded in the Clerks' Office and the applicable recording taxes thereon paid.

D. At the time of recording of the Deed of Trust, the Borrower will have valid title to the real property described in the Deed of Trust (the "Real Property"), and the Real Property is in existence and is accurately described in the Deed of Trust.

E. The descriptions of the personal property (the "Personal Property") contained in the Deed of Trust, the Master Indenture and the Financing Statements (as defined below) are accurate descriptions of the property in which the Borrower has rights or the power to transfer rights within the meaning of Section 8.9A-203(b)(2) of the Code of Virginia of 1950, as amended (the "Virginia Code").

F. The Borrower will use the proceeds of the Series 2024 Bonds only for the purposes authorized by the Bond Documents.

G. All documents delivered to us are accurate and complete, and each such document delivered as an original is authentic and each such document delivered as a copy conforms to the original document in all respects.

H. The signatures of all persons are genuine and authentic, and each such person is legally competent.

I. The conduct of all parties complies with any legal requirements of good faith, fair dealing and conscionability, and there has been no fraud, duress, undue influence, misunderstanding or mutual mistake of fact.

J. There are no agreements or understandings among the parties, written or oral, and there is no usage of trade or course of prior dealing among the parties that would define, supplement, or qualify the terms of the Bond Documents.

K. The Bond Trustee, the Master Trustee, the Issuer and the Underwriter, and their respective agents, have acted in good faith and without notice of any defense against the enforcement of any rights created by, or adverse claim to any property or security interest transferred or created as a part of, the Bond Documents.

L. The parties, other than the Borrower, will act in accordance with, and not take any actions forbidden by, the Bond Documents, and the Borrower will obtain all permits and governmental approvals required in the future, and take all other actions similarly required, for the performance of its obligations under the Bond Documents.

M. All statutes, rules, and regulations are valid and constitutional.

PART I

Based upon the foregoing, and subject to the assumptions and qualifications contained herein, it is our opinion as of the date hereof that:

1. Based solely on the Good Standing Certificate, the Borrower is a nonstock corporation validly existing and in good standing under the laws of the Commonwealth of Virginia. The Borrower has the full power and authority to own its properties and to operate its business as described in the Official Statement.

2. Based upon the Organizational Documents, the Determination Letter, the General Certificate and other inquiry: (a) the Borrower is an organization described in Section 501(c)(3) of the Code, organized and operated exclusively for religious, charitable, scientific, literary and educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual; (b) the Borrower is not a private foundation as defined in Section 509(a) of the Code; and (c) the proposed use of the proceeds of the Series 2024 Bonds is substantially related to the Borrower's exempt purposes. We have no reason to believe that the Borrower (i) has received any notice or other communication from the Internal Revenue Service questioning, directly or indirectly, its status under Section 501(c)(3) of the Code, (ii) has failed to file timely and complete tax information returns required of a 501(c)(3) organization, or (iii) has engaged in conduct inconsistent with having status as a 501(c)(3) organization.

3. The Borrower has the authority under the Organizational Documents and applicable corporate law to execute and deliver the Bond Documents to which it is a party, to perform the obligations of the Borrower provided for therein, and to deliver the Official Statement, all of which have been duly authorized by all necessary corporate action undertaken by the Borrower.

4. Each of the Bond Documents to which the Borrower is a party has been duly executed and delivered by the Borrower and constitutes the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms.

5. The Borrower has duly and properly delivered and approved the Official Statement and its use in connection with the offering and sale of the Series 2024 Bonds.

6. The Deed of Trust is in a proper form to be recorded in the Clerk's Office, which is the office in which a lien upon the Real Property and fixtures described in the Deed of Trust must be recorded to provide constructive notice of the lien created thereby in any real property and fixtures as to which perfection is governed by real property law. Upon its recordation, the Deed of Trust will continue to create a valid lien upon the Borrower's right, title and interest in the Real Property and fixtures described therein. The Deed of Trust and the Master Indenture are each in proper form to create in favor of the Master Trustee a security interest in all right, title and interest of the Borrower in that portion of the Personal Property, by a category defined under Article 9 of the UCC in which a security interest may be created under Article 9 of the UCC (such portion of the Personal Property is hereinafter referred to as the "Article 9 Collateral").

7. The Financing Statement Amendments filed in the Clerk's Office and in the SCC Filing Office (together, the "Filing Offices"), as applicable, are the only offices where the Financing Statement

Amendments were required to be filed to amend the initial financing statements designated therein. Based on our review of the original financing statements as amended by the Financing Statement Amendments (as so, amended, the “Financing Statements”), such Financing Statements were, upon their filing, and continue to be sufficient to perfect a security interest in the Borrower’s right, title and interest in the Article 9 Collateral (other than Article 9 Collateral which is as-extracted collateral, timber to be cut, or goods that are or are to become fixtures and located or to be located on real property other than the Real Property as described in the Financing Statements) and perfection is effected by the filing of a financing statement in the Commonwealth of Virginia; except (a) perfection of the Master Trustee’s security interest in proceeds will be limited to the extent provided in Sections 8.9A-315 and 8.9A-322 of the Virginia Code; (b) continuation statements with respect to each of the Financing Statements must be filed within the six (6) month period immediately preceding the fifth (5th) anniversary of the initial filing and thereafter within the six (6) month period immediately preceding each subsequent five (5) year period; (c) the security interest of the Master Trustee will cease to be perfected (i) as to any Personal Property acquired by the Borrower more than four (4) months after the Borrower changes its name so as to make the then filed financing statements seriously misleading, unless an amendment to the financing statement which renders the financing statement not seriously misleading is filed within four (4) months after the change, and (ii) as to Personal Property otherwise disposed of by the Borrower if such disposition is authorized to be made free of such security interest; and (d) to the extent the security interest is perfected pursuant to the laws of the jurisdiction specified in Sections 8.9A-301(1) or 8.9A-305(c) of the Virginia Code, the security interest will cease to be perfected upon the earlier of (i) the time perfection would have ceased under the law of that jurisdiction, (ii) the expiration of four months after the change in the debtor’s location to another jurisdiction, and (iii) the expiration of one (1) year after transfer of collateral to a person in another jurisdiction that thereby becomes a debtor, unless in any such case the security interest is perfected in the other jurisdiction before said expiration. Other events occurring subsequent to the date hereof may affect the perfection or priority of the security interest created in the Personal Property.

8. The execution and delivery by the Borrower of the Bond Documents to which it is a party and the performance by the Borrower of its obligations thereunder, under the circumstances contemplated thereby, are within the Borrower’s corporate powers and do not (a) constitute a breach, or result in a violation, of the Organizational Documents, (b) result in a material breach or default under the Master Indenture or any loan or financing agreement evidenced or secured by the Obligations, as defined in and issued under the Master Indenture, or any other agreement that is listed on **Schedule 1** attached hereto, or (c) violate any judgment, order or decree of any court or governmental authority with respect to which the Borrower is a named party and which has been disclosed to us in the General Certificate.

9. No consent, authorization, or approval of any agency or authority of the Commonwealth of Virginia is required for the execution and delivery by the Borrower of the Bond Documents to which the Borrower is a party, other than such consents, authorizations or approvals already obtained.

10. The registration of the Series 2024 Obligation under the Securities Act of 1933, as amended, and the qualification of the Master Indenture (as supplemented by the Supplemental Indenture) under the Trust Indenture Act of 1939, as amended, are not required.

11. We have not been engaged to represent the Borrower in any pending litigation in which the Borrower is a named defendant that challenges the validity or enforceability of, or seeks to enjoin the performance of, any of the Bond Documents or challenges the accuracy or completeness of the Official Statement.

The foregoing opinions are subject to the following additional limitations and qualifications:

a. Our opinion is based solely upon Federal law and the laws of the Commonwealth of Virginia (without giving effect to Virginia’s principles of conflict of laws) and we express no opinion based upon the

laws of any other state. This opinion does not address, and expressly excludes, any consideration of (i) local laws (e.g., laws of cities, counties, towns and other political subdivisions and districts), (ii) securities laws (except in connection with the statements in paragraph 11), (iii) antitrust and unfair competition laws, (iv) tax laws (except in connection with the statements in paragraph 2), (v) labor laws, (vi) pension and employee benefit laws, (vii) intellectual property laws, (viii) health and safety laws, (ix) subdivision, zoning, environmental, and land use laws, (x) criminal laws, including, without limitation, racketeering and forfeiture laws, (xi) laws pertaining to fiduciary duties, (xii) laws relating to margin requirements, (xiii) laws relating to handicapped persons, including, without limitation, the Federal Architectural Barriers Act, and the Americans With Disabilities Act of 1990, as interpreted by applicable agencies, (xiv) laws relating to national and local emergencies, (xv) the Federal Assignment of Claims Act, (xvi) the Interstate Land Sales Full Disclosure Act, (xvii) the Term Asset-Backed Securities Loan Facility created under the Federal Reserve Act, (xviii) consumer protection laws, (xix) banking laws, including, without limitation, the Financial Institutions Reform Recovery and Enforcement Act of 1989, and (xx) laws related to terrorism or money-laundering, including, without limitation, (A) the “Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001” (Public Law 107-56), (B) Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, relating to “Blocking Property and Prohibiting Transactions with Persons who Commit, Threaten to Commit, or Support Terrorism,” and (C) Foreign Investment Risk Review Modernization Act of 2018.

b. Our opinion on the validity, binding nature and enforceability of the obligations of the Borrower contained in the Bond Documents to which the Borrower is a party is subject to the provisions of applicable Federal or state bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, or similar law relating to, or affecting the enforcement of, creditors' rights generally, now or hereafter in effect, and to any judicially developed doctrines related thereto.

c. Our opinion on the validity, binding nature and enforceability of the obligations of the Borrower contained in the Bond Documents to which the Borrower is a party is subject to general principles of equity (regardless of whether considered in a proceeding at law or in equity), including, without limitation, the possible unavailability of specific performance or injunctive relief in the enforcement of provisions of the Bond Documents, and may be limited by defenses such as estoppel, waiver or other equitable considerations.

d. We advise you that certain provisions contained in the Bond Documents may be limited or rendered unenforceable by applicable laws or court decisions. We do believe, however, that subject to the other qualifications, exceptions and limitations expressed herein, the Bond Documents would not be rendered invalid as a whole or preclude an action at law for the repayment of the Series 2024 Bonds or the Series 2024 Obligation or the foreclosure, as against the Borrower, in accordance with applicable law, of the liens created by the Deed of Trust and the Master Indenture upon acceleration of the indebtedness secured thereby after a material default in the Bond Documents.

e. We express no opinion as to (i) the ownership of any real property or personal property, or (ii) the creation, perfection or priority of any liens or security interests, including the liens created by the Bond Documents, except to the extent set forth in paragraphs 6 and 7 above. In that connection, we advise you that we have not, for purposes of this opinion, made or undertaken to make any investigation as to the existence of, or the state of title to, any of the Real Property or Personal Property described in any of the Bond Documents or in any financing statement, or made any other investigation with respect thereto.

f. We express no opinion as to any matters pertaining to the ownership, construction, maintenance, use, or operation of any Real Property or Personal Property.

g. We express no opinion with respect to terms in any of the Bond Documents (i) authorizing self-help or permitting the unilateral or ex parte appointment of a receiver, (ii) permitting the Bond Trustee, the Master Trustee, the Underwriter, or any other party, or their respective agents, to bring suit against less than all parties liable thereon without affecting the liability of the other parties thereto, (iii) prohibiting oral modifications of the Bond Documents, (iv) regarding choice of law or forum selection, (v) indemnifying a party for, or releasing, exculpating or exempting a party from, liability for its own action or inaction to the extent such action or inaction is wrongful, reckless, grossly negligent or unlawful or where such indemnification, release, exculpation or exemption is contrary to public policy, (vi) concerning the payment of late charges and penalties, (vii) waiving obligations of good faith, fair dealing, diligence, or reasonableness, (viii) providing that an election of remedies does not affect a party's right to other remedies, (ix) permitting the Bond Trustee, the Master Trustee, the Underwriter or any other party or their respective agents to use force or otherwise breach the peace when enforcing their rights, (x) providing that any unenforceable terms shall not affect the enforceability of any other terms where the unenforceable terms are an essential part of the agreement, (xi) to the effect that the failure or delay of the Bond Trustee, the Master Trustee or the Underwriter or their respective agents in exercising a right or remedy will not operate as a waiver of such right or remedy, (xii) waiving or varying, or attempting to waive or vary, provisions of the Bond Documents or the UCC which may not be waived or varied or which may not be waived or varied prior to default, or (xiii) purporting to create a lien on, or a security interest in, Rents (as defined in the Deed of Trust) which do not constitute rent within the meaning of Section 55.1-1403 of the Virginia Code.

h. We express no opinion as to the effectiveness of any attempt to create a security interest in any assets or personal property by use of such phrases as “other tangible personal property”, “other personalty”, or other similar super-generic description. We also express no opinion regarding the security interest in any goods which are an accession to, or commingled or processed with, other goods to the extent that the security interest is limited by Section 8.9A-335 or Section 8.9A-336 of the Virginia Code.

i. We express no opinion which is not expressly stated herein including, without limitation, any opinion as to any agreements referred to in any of the Bond Documents or incorporated therein by reference.

j. We express no opinion as to any state or federal laws regulating the Bond Trustee, the Master Trustee or the Underwriter or the conduct of their respective businesses that might relate to the Bond Documents or the transactions contemplated thereby including, without limitation, as to whether the loan of proceeds of the Series 2024 Bonds complies with any statutory, regulatory or other loan limits applicable to the Bond Trustee, the Master Trustee or the Underwriter with respect to the Borrower or any other person, or complies with any statutes, laws, rules, or regulations which prescribe permissible and lawful investments for the Bond Trustee, the Master Trustee or the Underwriter.

k. We have not been asked to, and do not render any opinion herein with respect to the general business affairs or credit worthiness of the Borrower.

PART II

We have also participated in various conferences with the officers and employees of the Borrower, the Borrower's independent accountants and financial advisor, bond counsel, the Underwriter and counsel to the Underwriter. At those conferences, the contents of portions of the Official Statement were discussed and revised. Because of the inherent limitations in the independent verification of factual matters and the character of determinations involved in the preparation of the Official Statement, we are not passing upon, do not assume any responsibility for, and make no representations that we have independently verified the accuracy, completeness or fairness of the statements contained in the Official Statement. We also do not express any advice, view or belief or include in our reference to the Official Statement in the following

sentence the financial statements and other financial, operating, demographic, and statistical information included in the Official Statement, including, without limitation, the financial statements and other financial, operating and statistical information contained in Appendices A and B to the Official Statement. Subject to the foregoing, however, on the basis of our participation in the conferences referred to above and our examination of the documents referred to herein and in the course of our representation as counsel to the Borrower, we advise you that nothing has come to our attention that would lead us to believe that the sections of the Official Statement captioned “WILLIAMSBURG LANDING,” “PLAN OF FINANCING,” “ESTIMATED SOURCES AND USES OF FUNDS,” “CERTAIN BONDHOLDERS’ RISKS,” “LITIGATION” (as to the Borrower), and Appendix A contain any untrue statement of a material fact or omit to state a material fact that is necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading. The foregoing paragraph is only addressed to and, notwithstanding the reliance provisions hereinafter set forth, may be relied upon only by the Underwriter.

RELIANCE

This opinion letter shall be interpreted in accordance with the Legal Opinion Principles issued by the Committee on Legal Opinions of the American Bar Association's Section of Business Law as published in 53 Business Lawyer 831 (May, 1998).

The opinions set forth herein may be relied upon by you only in connection with the transaction described herein and for no other purpose and, provided such reliance is actual and reasonable under the then-existing circumstances (including, without limitation, any changes in law, facts or other developments known to, reasonably knowable by, a subsequent owner of the Series 2024 Bonds at the time of becoming an owner of the Series 2024 Bonds) by such subsequent owner of the Series 2024 Bonds; provided, however, no subsequent owner of the Series 2024 Bonds shall have any greater rights than an addressee of this opinion and this opinion shall not be considered reissued to any subsequent owners of the Series 2024 Bonds. This opinion may not be distributed to or relied upon by any other person, quoted in whole or in part, or otherwise reproduced in any other document (except that copies of this opinion may be included in any binder or compilation of documents for the transaction to which this opinion relates), nor is it to be filed with any governmental agency other than the Issuer and regulatory authorities having jurisdiction over the Bond Trustee, the Master Trustee or the Underwriter, except with our prior written consent.

We do not undertake to advise you of any changes in the opinions expressed herein resulting from any matters that might hereafter come or be brought to our attention.

Very truly yours,

EXHIBIT D

Form of Authority Counsel Opinion

January __, 2024

B.C. Ziegler and Company
Richmond, Virginia

McGuireWoods LLP
Richmond, Virginia

U.S. Bank Trust Company, National Association,
as bond trustee
Richmond, Virginia

Williamsburg Landing, Inc.,
d/b/a Williamsburg Landing
Williamsburg, Virginia

\$ _____
Economic Development Authority of James City County, Virginia
Residential Care Facility Revenue Bonds
(Williamsburg Landing)
Series 2024

Ladies and Gentlemen:

I have acted as counsel to the Economic Development Authority of James City County, Virginia (the “Authority”) in connection with the issuance by the Authority of the above-referenced bonds (the “Series 2024 Bonds”).

In so acting, I have reviewed, among other things, the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), the Authority’s bylaws and minute books, and originals or certified copies of the following:

(a) Ordinances adopted and readopted by the Board of Supervisors of James City County, Virginia, on November 13, 1968 and December 11, 1968, respectively, creating the Authority pursuant to the Act;

(b) Resolutions of the Authority authorizing the issuance of the Bonds, adopted on _____, 2023 (the “Resolutions”), authorizing among other things, the execution and delivery or use of the following:

i. Bond Purchase Agreement, dated December __, 2023 (the “Bond Purchase Agreement”), between the Authority, Williamsburg Landing, Inc., d/b/a Williamsburg Landing (“Williamsburg Landing”), and B.C. Ziegler and Company (the “Underwriter”);

ii. Bond Trust Indenture, dated as of January 1, 2024 (the “Bond Indenture”), between the Authority and the U.S. Bank Trust Company, National Association, as bond trustee (the “Bond Trustee”);

iii. Loan Agreement, dated as of January 1, 2024 (the “Loan Agreement”), between the Authority and Williamsburg Landing;

iv. The Series 2024 Obligation (the “Series 2024 Obligation”), of Williamsburg Landing in the original principal amount equal to the aggregate principal amount of the Series 2024 Bonds with an Authority’s assignment thereof to the Bond Trustee;

v. Form of the Series 2024 Bond; and

vi. Preliminary Official Statement, dated November __, 2023 (the “Preliminary Official Statement”), and the Official Statement dated as of even date with the Bond Purchase Agreement (the “Official Statement”), relating to the sale of the Bonds.

(c) Such other documents, records, agreements and certificates of the Authority and other parties as I deemed necessary or appropriate to enable us to render the opinions expressed below.

The Bond Purchase Agreement, the Bond Indenture, the Loan Agreement, and the assignment of the Series 2024 Obligation are referred to in this letter as the “Authority Documents.”

For purposes of the opinions expressed below, I have assumed that all signatures on documents and instruments examined are genuine, all documents submitted as originals are authentic, and all documents submitted as copies conform to the originals. In addition, I have assumed, without independent investigation or verification, the due authorization, execution, and deliver of the Authority Documents by all parties thereto other than the Authority.

As to factual matters, I have relied upon findings of the Authority contained in the Authority Documents, certificates of public officials furnished to me, and certifications by representatives of the Authority. I have no reason to believe that such findings and certifications are incomplete or inaccurate. Whenever the phrase “to my knowledge” is used herein, it refers to my actual knowledge without independent investigation.

Where reference is made in this letter to matters I know or which are within my knowledge, such reference should be understood to mean only that I do not know of any fact or circumstance contradicting the statement which ensues.

Based on the foregoing, and upon such other investigation as I consider necessary for the purpose of expressing this opinion, and subject to the limitations contained herein, I am of the opinion that:

1. The Authority is duly organized and validly existing, and in good standing as an industrial development authority under the Act and has all necessary power and authority to (a) execute and deliver the Series 2024 Bonds and the Authority Documents and (b) perform its obligations under the Authority Documents.

2. The Resolutions have been duly adopted by the Authority and are in full force and effect on the date hereof. The officers of the Authority executing the Series 2024 Bonds, the Authority Documents and the Official Statement and the officers listed on the general certificate of the Authority delivered on the date hereof have been duly elected or appointed and are qualified to serve as such officers.

3. The Authority Documents have each been duly authorized, executed and delivered by the Authority, and, subject to paragraph 5 below, each constitutes a valid and binding agreement of the Authority, enforceable against the Authority in accordance with its terms.

4. The Series 2024 Bonds have been duly authorized, executed, issued and delivered by the Authority, constitute valid and binding limited obligations of the Authority, enforceable in accordance with their terms, subject to paragraph 5 below.

5. The obligations of the Authority under the Resolutions, the Series 2024 Bonds and the Authority Documents are subject to the provisions of applicable bankruptcy, insolvency, reorganization, moratorium or similar laws, now or hereafter in effect, relating to or affecting the enforcement of creditors’

rights generally. Such obligations are also subject to usual equitable principles, which may limit the specific enforcement of certain remedies but which do not affect the validity of such documents.

6. The adoption, execution and delivery of and performance by the Authority of its obligations under the Resolutions, the Series 2024 Bonds and the Authority Documents and the assignment of the Series 2024 Obligation will not violate any provisions of (a) the Act or the Authority's bylaws, (b) any other Virginia law, or (c) to the best of my knowledge after due investigation, any agreement or other instrument, order, rule regulation, decree or ordinance to which the Authority is a party or by which it is bound.

7. To the best of my knowledge, no litigation, inquiry, or investigation of any kind in or by a judicial or administrative court or agency is pending or threatened against the Authority (a) with respect to the organization or existence of the Authority, its authority to execute or deliver the Series 2024 Bonds or the Authority Documents, the validity or enforceability of any of such instruments, or any authority or proceedings relating to the execution and delivery of such instruments on behalf of the Authority, or the assignment of the Series 2024 Obligation, and no such authority or proceedings have been repealed, revoked, rescinded, or amended or (b) to restrain or enjoin the issuance or delivery of the Series 2024 Bonds or any other bonds of the Authority or the execution or delivery by the Authority of the Authority Documents or the assignment by the Authority of the Series 2024 Obligation.

8. To the best of my knowledge, the information with respect to the Authority contained in the Official Statement under the sections entitled "THE AUTHORITY" and "LITIGATION" is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made in such sections concerning the Authority, in light of the circumstances under which they were made, not misleading. The Authority has duly authorized and consented to the use of the Official Statement in the offering and sale of the Series 2024 Bonds. The Authority has not verified, has not passed upon, and does not assume any responsibility for the accuracy and completeness of the statements contained in the Official Statement except as specifically set out above in this paragraph 8.

I have not been requested to express, and therefore do not express, any opinion as to (1) the tax-exempt status of interest on the Series 2024 Bonds, (2) the necessity of registration of the Series 2024 Bonds under the Securities Act of 1933, as amended, or any state blue sky law, any required qualification or registration under the Trust Indenture Act of 1939, as amended, (3) the accuracy or completeness of any other information concerning the business or financial resources of Williamsburg Landing or any other person that may have been relied on by the purchasers of the Series 2024 Bonds, (4) the ownership of or status of title to any property covered by the Authority Documents or the priority of any liens or encumbrances thereon or the enforceability of any remedy that may be dependent upon the status of ownership of such property, or (5) the applicability of, or the enforceability of any documents under, the laws of any state other than the Commonwealth of Virginia.

This opinion is solely for your benefit. This opinion may not be distributed to or relied upon by any other person or entity, quoted in whole or in part or otherwise reproduced in any other document, nor is it to be filed with any governmental agency other than the Authority, except with the prior written consent of the Office of the County Attorney for James City County, Virginia.

Finally, I do not undertake to advise you of any changes in the opinions expressed herein resulting from matters that might hereafter come or be brought to my attention.

Sincerely yours,

FORM OF ISSUE PRICE CERTIFICATE

\$ _____
Economic Development Authority of James City County, Virginia
Residential Care Facility Revenue Bonds
(Williamsburg Landing)
Series 2024

The undersigned, B.C. Ziegler and Company (the “Underwriter”), hereby certifies as set forth below with respect to the sale and issuance by the Economic Development Authority of James City County, Virginia (the “Authority”) of the above-captioned bonds (the “Bonds”).

1. Purchase Contract. The Underwriter, the Authority and Williamsburg Landing, Inc., d/b/a Williamsburg Landing (the “Borrower”) have entered into a Bond Purchase Agreement (the “Bond Purchase Agreement”) in connection with the Bonds. The Bond Purchase Agreement has not been modified since its execution on December __, 2023.

2. Sale of the Bonds. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A. *[Note: to be revised if there are any hold-the-price maturities]*

3. Defined Terms.

[Note: to be revised if there are any hold-the-price maturities]

(a) “Maturity” means the Bonds with the same credit and payment terms. The Bonds with different maturity dates, or the Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter. A person is a “Related Party” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other)

(c) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Authority and

Williamsburg Landing with respect to certain of the representations set forth in the respective Tax Certificates and with respect to compliance with the federal income tax rules affecting their Bonds, and by McGuireWoods LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038, and other federal income tax advice it may give to the Authority and the Borrower from time to time relating to the Bonds.

B.C. ZIEGLER AND COMPANY

By: _____

Its: Managing Director

Dated: January __, 2024

BOND PURCHASE AND LOAN AGREEMENT

between

ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA

_____, as Lender

and

WILLIAMSBURG LANDING, INC.

Dated as of December 1, 2023

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EXHIBIT A Form of Series 2023B Bond

EXHIBIT B Form of Requisition

THIS BOND PURCHASE AND LOAN AGREEMENT is dated as of December 1, 2023, and is between the **ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (as more particularly defined below, the "Authority"), _____, a _____ (as more particularly defined below, the "Lender"), and **WILLIAMSBURG LANDING, INC.**, a Virginia nonstock corporation (as more particularly defined below, the "Borrower").

WITNESSETH:

WHEREAS, the Authority intends to issue and sell its Economic Development Authority of James City County, Virginia Residential Care Facility Revenue Bonds (Williamsburg Landing) Series 2023B in the original principal amount of \$_____ (as more particularly defined below, the "Series 2023B Bond") to the Lender;

WHEREAS, the Authority will use the proceeds of the Series 2023B Bond to make a loan to the Borrower (1) to finance the costs of designing, constructing and equipping an expansion of the Borrower's independent living units at its senior living community (the "Community") located in and around 5700 Williamsburg Landing Drive, Williamsburg, Virginia 23185, which expansion will consist of the designing, constructing, equipping, and improving up to 39 units in the form of triplexes and apartment buildings along with the designing, construction and equipping of a community center that is expected to include an art studio, theater, dining space and multi-purpose rooms; and (2) to finance other capital projects at the Community all within the existing structures or existing parking facilities located at the Community and amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Bonds (the "Project");

WHEREAS, the Authority intends to loan the proceeds from the sale of the Series 2023B Bond to the Borrower under this Agreement; and the Borrower intends to issue and deliver to the Authority a promissory note dated the date of its delivery (as more particularly defined below, the "Series 2023B Note"), to evidence the Borrower's obligation to repay such loan;

WHEREAS, the Series 2023B Note will be secured under a Second Amended and Restated Master Trust Indenture dated as of October 1, 2021, between the Borrower, and U.S. Bank Trust Company, National Association, as successor master trustee (as more particularly defined below, the "Master Trustee"), as previously supplemented and amended and as further supplemented by a Supplemental Indenture for Series 2023B Obligation dated as of December 1, 2023 (as more particularly defined below, the "Related Supplement"), between the Borrower and the Master Trustee (as more particularly defined below, the "Master Indenture"); and

WHEREAS, the Authority, the Lender and the Borrower desire to set forth the terms and conditions with respect to such financing.

NOW, THEREFORE, the parties hereto agree as follows:

**ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION**

Section 1.1 Definitions. Each capitalized term used and not defined in this Agreement has the meaning given to it in the Master Indenture, as hereinafter defined. In addition to other terms defined elsewhere in this Agreement, the following terms shall have the following meanings in this Agreement unless the context otherwise requires:

"1933 Act" means the Securities Act of 1933, as amended.

"501(c)(3) Organization" shall mean an organization described in Section 501(c)(3) of the Code and exempt from tax under Section 501(a) of the Code.

"Act" means the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended.

["Adjusted SOFR Rate" has the meaning assigned to it in the Series 2023B Bond.]

"Advance" has the meaning given to it in Section 4.1.

"Agreement" means this Bond Purchase and Loan Agreement, as the same may be altered, amended, modified or supplemented from time to time.

"Authority" means the Economic Development Authority of James City County, Virginia, and its successors and assigns.

"Authorized Representative" means the President or the Chief Financial Officer of the Borrower and any other officer of the Borrower designated as an "Authorized Representative" in a certificate signed by the President or the Chief Financial Officer of the Borrower.

"Authorizing Resolution" means the resolution of the Authority adopted on November 14, 2023, authorizing the issuance of the Series 2023B Bond.

"Bond" means the Residential Care Facility Revenue Bonds (Williamsburg Landing) Series 2023B, issued by the Authority pursuant to this Agreement, in a principal amount of up to \$_____ and substantially in the form attached as Exhibit A.

"Bond Counsel" means McGuireWoods LLP, or other nationally recognized bond counsel satisfactory to the Lender.

"Borrower" means Williamsburg Landing, Inc., a Virginia nonstock corporation, and its successors and assigns.

"Business Day" means a day other than a Saturday, Sunday, legal holiday or any other day when the Lender is authorized or required by applicable law to be closed.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following of general applicability: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or, pursuant to the accord commonly referred to as "Basel III" or the United States or foreign regulatory authorities, shall in each case be deemed to be a "Change in Law," regardless of the date enacted, adopted or issued.

"Closing Date" means the date when the conditions set forth in Section 3.2 have been satisfied (or waived by the Lender), and the Lender has made an initial Advance of the proceeds of the Series 2023B Bond, all of which is anticipated to occur on December ___, 2023.

"Code" means the Internal Revenue Code of 1986, as amended, including applicable regulations and revenue rulings thereunder.

"Control" shall mean the power, directly or indirectly, to direct or cause the direction of the management and policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. The terms "Controlling", "Controlled by", and "under common Control with" have meanings correlative thereto.

"Cost(s) of the Project", "Cost" or "Costs" means all costs and allowances which the Authority or the Borrower may properly pay or accrue for the Project and which, under generally accepted accounting principles, are chargeable to the capital account of the Project or could be so charged either with a proper election to capitalize such costs or, but for a proper election, to expense such costs, including (without limitation) the following costs:

- (a) fees and expenses incurred in preparing the plans and specifications for the Project (including any preliminary study or planning or any aspect thereof); any labor, services, materials and supplies used or furnished in site improvement and construction; any equipment for the Project; and all real and tangible personal property deemed necessary by the Borrower and acquired in connection with the Project;

- (b) fees for architectural, engineering, supervisory and consulting services;

- (c) any fees and expenses incurred in connection with perfecting and protecting title to the Project and any fees and expenses incurred in connection with preparing, recording or filing such documents, instruments or financing statements as either the Borrower or the Authority may deem desirable to perfect or protect the rights of the Authority or the Lender under the Financing Instruments;

- (d) any Costs of Issuance;

(e) interest on the Series 2023B Bond related to the Project during construction of the Project and for up to one year thereafter;

(f) any administrative or other fees charged by the Authority or reimbursement thereto of expenses in connection with the Project until it is completed; and

(g) any other costs and expenses relating to the Project which could constitute costs or expenses for which the Authority may expend proceeds of the Series 2023B Bond under the Act.

"Costs of Issuance" means "issuance costs" within the contemplation of Section 147(g) of the Code, including, without limitation, any counsel fees, financial advisor fees, rating agency fees, trustee fees, paying agent and certifying and authenticating agent fees, accountant fees, printing costs and costs incurred in connection with the required public approval of the Series 2023B Bond.

"Deed of Trust" means the Twelfth Amended and Restated Credit Line Deed of Trust, Security Agreement and Assignment of Leases and Rents dated as of December 1, 2023, by the Borrower for the benefit of certain deed of trust trustees named therein, as the same may be altered, amended, modified or supplemented from time to time.

"Environmental Laws" means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by or with any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, release or threatened release of any Hazardous Material or to health and safety matters.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended and in effect from time to time, and any successor statute thereto and the regulations promulgated and rulings issued thereunder.

"Event of Default" means any of the events set forth in Section 9.1.

["Event of Taxability" means (i) a Change in Law that changes the ability of the holder to exclude all or a portion of the interest on the Series 2023B Bond from its gross income for federal income tax purposes (but excluding changes in the marginal corporate tax rates applicable to the Lender or any prior Lender to which the provisions of Section 6.5(a)(i) shall apply), or (ii) a final decree or judgment of any federal court or a final action of the Internal Revenue Service determining that interest paid or payable on all or a portion of the Series 2023B Bond is or was includable in the gross income of the Lender for federal income tax purposes; provided, that no such decree, judgment, or action will be considered final for these purposes, however, unless the Borrower has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of any Lender, and until the conclusion of any appellate review, if sought.

Such an Event of Taxability shall mean and shall be deemed to have occurred on the first to occur of the following:

(a) on the effective date of any change of law that changes the ability of the holder to exclude all or a portion of the interest on the Series 2023B Bond from its gross income for federal income tax purposes;

(b) on that date when the Borrower or the Authority files any statement, supplemental statement or other tax schedule, return or document which discloses that an Event of Taxability shall have in fact occurred;

(c) on the date when the Lender or any prior Lender notifies the Borrower that it has received a written opinion by any attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that an Event of Taxability shall have occurred unless, within 180 days after receipt by the Borrower of such notification from such Lender or any prior Lender, the Borrower shall deliver to each Lender and prior Lender (A) a ruling or determination letter issued to or on behalf of the Borrower by the Director or any District Director of Internal Revenue (or any other governmental official exercising the same or a substantially similar function from time to time) or (B) a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance to the effect that, after taking into consideration such facts as form the basis for the opinion that an Event of Taxability has occurred, an Event of Taxability shall not have occurred;

(d) on the date when the Borrower or the Authority shall be advised in writing by the Director or any District Director of Internal Revenue (or any other government official or agent exercising the same or a substantially similar function from time to time) that, based upon filings of the Borrower or the Authority or upon any review or audit of the Borrower or upon any other ground whatsoever, an Event of Taxability shall have occurred;

(e) on that date when the Borrower shall receive notice from the Lender or prior Lender that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of such Lender or any prior Lender the interest on the Series 2023B Bond paid to such Lender or prior Lender due to the occurrence of an Event of Taxability (a "Determination of Taxability"); provided, however, that no Event of Taxability shall occur under clauses (c) or (d) above unless the Borrower has been afforded the opportunity, at its expense, to contest any such assessment; and provided further that no Event of Taxability shall occur until such contest, if made, has been finally determined; and provided further that upon demand from any Lender or any prior Lender, the Borrower shall immediately reimburse such Lender or prior Lender for any payments such Lender (or any prior Lender) shall be obligated to make as a result of the Determination of Taxability during any such contest; or

(f) on the date when the Borrower shall be advised in writing of a final decree or judgment from a court holding that an Event of Taxability shall have occurred.]

"Excluded Taxes" means, with respect to the receipt by the Lender of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes and branch profits Taxes, in each case, imposed as a result of the Lender being organized under the laws of, or having its principal office located in, the jurisdiction imposing such Tax (or any political subdivision

thereof), and (b) any U.S. federal withholding Taxes that are imposed on amounts payable to the Lender pursuant to a law in effect on the date hereof, except in each case to the extent that amounts with respect to such Taxes are imposed as a result of a failure by the Lender to satisfy the conditions for avoiding withholding under FATCA.

"FATCA" means Sections 1471 through 1474 of the Code as of the date of this Agreement, any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b) of the Code.

"Financing Instruments" means this Agreement, the Series 2023B Bond, the Series 2023B Note, the Master Indenture, the Related Supplement, the Deed of Trust, the Tax Certificate and any other documents evidencing, securing or pertaining to the Indebtedness evidenced by the Series 2023B Bond and the Series 2023B Note.

"Freedom Act" means the USA FREEDOM Act (Pub. L. 114-23; signed into law on June 2, 2015), as amended and in effect from time to time, and any successor act.

"GAAP" has the meaning given to it in Section 1.2(e).

"Governmental Authority" means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"Indemnified Taxes" means Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Financing Instrument.

"Lender" means _____, as holder of the Series 2023B Bond, or any subsequent holder thereof.

"Master Indenture" means Second Amended and Restated Master Trust Indenture dated as of October 1, 2021, between the Borrower and the Master Trustee, as the same may be altered, amended, modified, or supplemented from time to time.

"Master Trustee" means U.S. Bank Trust Company, National Association, as successor master trustee under the Master Indenture.

"Material Adverse Effect" means, with respect to any event, act, condition or occurrence of whatever nature (including any adverse determination in any litigation, arbitration, or governmental investigation or proceeding), whether singularly or in conjunction with any other event or events, act or acts, condition or conditions, occurrence or occurrences whether or not related, a material adverse change in, or a material adverse effect on, (a) the business, results of operations, financial condition, assets, liabilities or prospects of the Members of the Obligated Group taken as a whole, (b) the ability of the Borrower to perform any of its obligations under the Financing Instruments, (c) the rights and remedies of the Lender under any of the Financing Instruments or (d) the legality, validity or enforceability of any of the Financing Instruments.

"Net Proceeds" means the gross proceeds from any insurance recovery or condemnation award remaining after payment of attorney's fees, fees and all other expenses incurred in the collection of such gross proceeds.

"Payment of the Series 2023B Bond" means payment in full of the Series 2023B Bond and the making in full of all other Required Payments due and payable at the time of such payment.

"Person" shall mean any individual, partnership, limited liability company, corporation, association, joint venture, trust or other entity, or any Governmental Authority.

"Project" has the meaning given to it in the Recitals hereto.

"Qualified Buyer" means any "qualified institutional buyer," as defined in Rule 144A promulgated under the 1933 Act that is also a financial institution.

"Related Person" means (a) an organization that is under common management or Control with another organization, or (b) a related person, as defined in Section 144(a)(3) of the Code or Section 145(b)(3) of the Code.

"Related Supplement" means the Supplemental Indenture for the Series 2023B Obligation dated as of December 1, 2023, between the Borrower and the Master Trustee, as the same may be altered, amended, modified, or supplemented from time to time.

"Required Payment" means any payment of money required under the terms of the Financing Instruments to be made by the Borrower for their own account or for the account of the Authority.

"Requirements of Law" means the articles or certificate of incorporation, bylaws, partnership certificate and agreement, or limited liability company certificate of organization and agreement, as the case may be, and other organizational and governing documents of such Person, and any law, treaty, rule or regulation, or determination of a Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Requisition" means a properly completed and executed requisition by the Borrower to the Lender, in the form attached as Exhibit B setting forth the amount of the Series 2023B Bond proceeds to be advanced by the Lender.

"Reserve Fund" has the meaning assigned to it in the Supplemental Indenture for the Series 2023B Obligation.

"Restricted Gift" means a gift, devise or bequest collected by the Borrower that is conditioned upon its use by the Borrower for (a) the renovation, construction, equipping or installation of the facilities financed or refinanced with the Series 2023B Bond proceeds or payment of the price thereof, or (b) the payment or prepayment, in whole or in part, of the Series 2023B Bond.

"Series 2023B Bond" means the Authority's Residential Care Facility Revenue Bonds (Williamsburg Landing) Series 2023B, as the same may be altered, amended, modified or supplemented from time to time.

"Series 2023B Note" means the promissory note issued by the Borrower pursuant to this Agreement in a principal amount equal to the principal amount of the Series 2023B Bond, as the same may be altered, amended, modified, or supplemented from time to time.

"State" means the Commonwealth of Virginia.

["Taxable Adjusted SOFR Rate" has the meaning given it in the Series 2023B Bond.]

["Taxable Date" means the date of the Event of Taxability.]

["Taxable Period" means the period starting on the Taxable Date and ending when the Borrower pay interest on the Series 2023B Bond at the Taxable Adjusted SOFR Rate.]

"Taxes" means any and all present or future taxes, levies, imposts, duties, deductions withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Tax Certificate" means the Tax Certificate and Agreement dated as of the Closing Date, between the Authority and the Borrower.

"Tax-Exempt Bond" means an obligation the interest on which is excluded from gross income for federal income tax purposes and shall include any interest in a regulated investment company to the extent provided in Treasury Regulations Section 1.150-1(b); provided, however, that no specified private activity bond (as defined in Section 57(a)(5)(C) of the Code) shall be deemed to be a Tax-Exempt Bond.

"Title Company" means Fidelity National Title Insurance Company.

"Title Insurance Policy" means loan policy no. _____ issued by the Title Company.

"Trade or Business" means a trade or business as such term is used in Section 141(b)(6) of the Code.

"UCC" means the Uniform Commercial Code as in effect in the State or other applicable state.

"Unrelated Trade or Business" means a Trade or Business of a 501(c)(3) Organization that is an unrelated trade or business (determined by applying Section 513(a) of the Code) of such 501(c)(3) Organization.

"Virginia Code" means the Code of Virginia of 1950, as amended.

Section 1.2 Rules of Construction. The following rules shall apply to the construction of the Financing Instruments unless the context otherwise requires:

(a) Words importing the singular number shall include the plural number and vice versa, and any gender shall connote any other gender.

(b) All references in a Financing Instrument to particular articles or sections are references to articles or sections of such Financing Instrument unless otherwise indicated.

(c) The headings and Table of Contents in any Financing Instrument are solely for convenience of reference and shall not constitute a part of such Financing Instrument, nor shall they affect its meaning, construction or effect.

(d) Words importing the prepayment or calling for prepayment of the Series 2023B Bond shall not be deemed to refer to or connote the payment of the Series 2023B Bond at its stated maturity.

(e) All accounting terms used in any Financing Instrument which are not expressly defined therein shall have the meanings respectively given to them in accordance with generally accepted accounting principles ("GAAP"). All financial computations made pursuant to any Financing Instrument shall be made in accordance with generally accepted accounting principles consistently applied, and all balance sheets and other financial statements shall be prepared in accordance with generally accepted accounting principles consistently applied.

ARTICLE II REPRESENTATIONS AND FINDINGS

Section 2.1 Representations and Findings by Authority. The Authority makes the following representations and findings as the basis for its undertakings hereunder:

(a) The Authority is duly organized and existing under the Act, is a political subdivision of the State vested with the rights and powers conferred upon it under the Act, has the power to execute and deliver the Financing Instruments to which it is a party, to perform its obligations thereunder, to issue the Series 2023B Bond to finance the Project, and to loan the proceeds from the sale of the Series 2023B Bond to the Borrower under this Agreement, each constituting an authorized undertaking under the Act and such loan being in furtherance of the purposes for which the Authority was organized, and to carry out its other obligations under such Financing Instruments. By proper action the Authority has duly authorized the execution, delivery

and performance of such Financing Instruments to which it is a party, the performance of its obligations thereunder and the issuance of the Series 2023B Bond and, simultaneously with the execution and delivery of this Agreement, has issued and sold the Series 2023B Bond. No proceedings to dissolve the Authority have been instituted.

(b) The execution and delivery of, and compliance by the Authority with the terms and conditions of, the Financing Instruments to which the Authority is a party will not conflict with, or constitute or result in a default under or violation of, (i) the Act or, to the best of its knowledge, any existing law, rule or regulation applicable to it, (ii) any indenture, mortgage, deed of trust, lien, lease, contract, note, order, judgment, decree or other agreement, instrument or restriction of any kind to which the Authority or any of its assets is subject, or (iii) the by-laws or any other rules or procedures of the Authority; provided, however, that no representation is made regarding (i) compliance with any applicable blue sky or securities laws of any state or (ii) consents, filings, approvals, etc., required in connection with the tax-exempt status of the interest on the Series 2023B Bond.

(c) Upon the execution and delivery of this Agreement, no further approval, consent or withholding of objection on the part of any regulatory body, federal, state or local, is required in connection with (i) the issuance and delivery of the Series 2023B Bond by the Authority, (ii) the execution or delivery of, or compliance by the Authority with the terms and conditions of, the other Financing Instruments to which it is a party, or (iii) the assignment by the Authority of the Series 2023B Note.

(d) No litigation, inquiry or investigation of any kind in or by any judicial or administrative court or agency is pending or, to the knowledge of the Authority, threatened against the Authority with respect to (i) the organization or existence of the Authority, (ii) its authority to execute or deliver the Financing Instruments to which it is a party, (iii) the validity or enforceability of any such Financing Instruments or the transactions contemplated hereby or thereby, (iv) the title of any officer of the Authority who executed such Financing Instruments, or (v) any authority or proceedings related to the execution and delivery of such Financing Instruments on behalf of the Authority, and no such authority or proceedings have been repealed, revoked, rescinded or amended but are in full force and effect.

(e) Based on the representations of the Borrower regarding the Project, the Authority has found that the financing of the Project will serve the purposes of the Act.

(f) None of the directors of the Authority has a personal interest (as defined in Section 2.2-3101 of the Virginia Code) in any Financing Instrument or in any transaction contemplated thereby or is an officer or employee of the Borrower or the Lender.

(g) In connection with the authorization, issuance and sale of the Series 2023B Bond, the Authority has complied with the applicable provisions of the Constitution and laws of the State, including the Act.

(h) To its knowledge, the Authority is not in default under any of the provisions of the laws of the State where any such default would adversely affect the issuance, validity or enforceability of the Series 2023B Bond or the transactions contemplated by this Agreement.

It is specifically understood and agreed that the Authority makes no representation, covenant or agreement as to the financial position or business condition of the Borrower and does not represent or warrant as to any statements, materials, representations or certifications furnished by the Borrower in connection with the sale of the Series 2023B Bond, or as to the correctness, completeness or accuracy thereof.

Section 2.2 Representations by the Borrower. The Borrower makes the following representations as the basis for their undertakings hereunder:

(a) The Borrower is a nonstock corporation duly incorporated and in good standing under the laws of the State. The Borrower has the power and authority to own and operate its properties, including the Facilities, and to enter into the Financing Instruments to which it is a party and the transactions contemplated thereby and to perform its obligations thereunder, and by proper action has duly authorized the execution and delivery of such Financing Instruments.

(b) The loan to the Borrower of the proceeds from the sale of the Series 2023B Bond by the Authority will constitute an inducement to the Borrower to locate or maintain the facilities financed and/or refinanced with the proceeds of the Series 2023B Bond in James City County, Virginia, which will provide improved residential facilities for the residence or care of the aged to protect and promote the health and welfare of the inhabitants of the State.

(c) The Borrower intends to operate the Facilities, or cause such to be operated, as facilities for the residence and care of the aged until the Payment of the Series 2023B Bond.

(d) No litigation at law or in equity or any proceeding before any Governmental Authority involving the Borrower is pending or, to the knowledge of the Borrower, threatened in which any liability of the Borrower is not adequately covered by insurance or in which any judgment or order would have a material adverse effect upon the business or assets of the Borrower, its ability to do business, the Facilities, the financing of the Project, the validity of the Financing Instruments to which the Borrower is a party or the performance of its obligations thereunder. Neither the Borrower nor the Facilities is subject to any material claim, dispute or litigation that has not been previously disclosed to the Lender in writing.

(e) The execution and delivery of, and compliance by the Borrower with the terms and conditions of, the Financing Instruments to which it is a party will not conflict with, or constitute or result in a default under or violation of, (i) the Borrower's organizational documents, (ii) any agreement or other instrument to which the Borrower is a party or by which it or its property is bound, or (iii) any constitutional or statutory provision or order, rule, regulation, decree or ordinance of any court, government or Governmental Authority having jurisdiction over the Borrower or its property. This Agreement has been duly executed and delivered by the Borrower, and constitutes, and each other Financing Instrument to which the Borrower is a party, when executed and delivered by the Borrower will constitute, valid and binding obligations of the Borrower, enforceable against it in accordance with their respective terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(f) The Borrower has obtained all consents, approvals, authorizations and orders of any governmental or regulatory authority that are required to be obtained by the Borrower as a condition precedent to the issuance of the Series 2023B Bond or the execution and delivery of the Financing Instruments to which the Borrower is a party, or that are required to date for the performance by the Borrower of its obligations under the Financing Instruments and the financing of the Project. The Borrower has no reason to believe that any such consents, approvals, authorizations or orders which may be required in the future cannot be obtained as and when needed.

(g) The facilities financed or refinanced with the proceeds of the Series 2023B Bond are located entirely at the location referred to in the Authorizing Resolution and in the notice of the public hearing held by the Authority with respect to the Series 2023B Bond.

(h) The Borrower is a 501(c)(3) Organization that is not a private foundation (within the meaning of Section 509(a) of the Code). The Borrower has conducted its operations and filed all required reports and documents with the Internal Revenue Service (the "Service") so as to maintain its status as a 501(c)(3) Organization, the letter from the Service to the effect that the Borrower is a 501(c)(3) Organization has not been modified, limited or revoked and the Borrower has not received a notice from the Service inquiring about, threatening or proposing to audit its status as a 501(c)(3) Organization. The Borrower is in compliance with all terms, conditions and limitations, if any, contained in such letter or any other notification from the Service. In particular, (i) the Borrower is organized and operated exclusively for benevolent or charitable purposes, (ii) no part of the net earnings of the Borrower have inured to the benefit of any private shareholder or individual, (iii) no substantial part of the activities of the Borrower has consisted of carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise permitted by Section 501(h) of the Code), and (iv) the Borrower has not participated or intervened (through the publishing or distribution of statements or otherwise) in any political campaign on behalf of or in opposition to any candidate for public office. The Borrower is not organized or operated exclusively for religious purposes.

(i) The Borrower has not collected, and does not expect to collect, Restricted Gifts, that exceed, in the aggregate, the difference between (i) the anticipated aggregate cost of (A) the renovation, construction, equipping and installation of the Project financed with the proceeds of the Series 2023B Bond and (B) the costs of issuing the Series 2023B Bond, and (ii) the original principal amount of the Series 2023B Bond plus the anticipated earnings from the investment of the proceeds thereof.

(j) No person other than the Borrower has been a user of any portion of the Facilities since the acquisition of such portion by the Borrower. No portion of such Facilities have been used in an Unrelated Trade or Business by the Borrower.

(k) The Borrower normally receives at least 75% of its support (as such term is used for purposes of Section 509 of the Code) in the form of gross receipts from the performance of services and the furnishing of facilities by the Borrower in an activity which is not an Unrelated Trade or Business (not including such receipts from any person or any bureau or similar agency of a governmental unit, as described in Section 170(c)(1) of the Code, in any taxable year to the extent such receipts exceed the greater of \$5,000 or 1% of the Borrower's support in such taxable

year) from persons other than disqualified persons (as defined in Section 4946 of the Code) with respect to the Borrower.

(l) The information contained in the certifications of the Borrower delivered at the time of the execution and delivery of this Agreement with respect to compliance with the requirements of the Code, including the information in IRS Form 8038 filed by the Authority with respect to the Series 2023B Bond is true and correct in all respects.

(m) The Borrower has timely filed or caused to be filed all Federal income tax returns and all other material tax returns that are required to be filed by it, and has paid all Taxes shown to be due and payable on such returns or on any assessments made against it or its property and all other Taxes imposed on it or any of its property by any Governmental Authority, except (a) to the extent the failure to do so would not have a Material Adverse Effect or (b) where the same are currently being contested in good faith by appropriate proceedings and for which the Borrower has set aside on its books adequate reserves in accordance with GAAP. As of the Closing Date, the charges, accruals and reserves on the books of any Member of the Obligated Group in respect of such Taxes are adequate, and no tax liabilities that could be materially in excess of the amount so provided are anticipated.

(n) The Borrower is in compliance with (a) all Requirements of Law and all judgments, decrees and orders of any Governmental Authority, and (b) all indentures, agreements or other instruments binding upon it or its properties, except where non-compliance, either individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(o) As of the date of execution and delivery of this Agreement, there exists no Event of Default on the part of the Borrower or any condition or event which would constitute, or with the passage of time or the giving of notice, or both, would constitute an Event of Default on the part of the Borrower hereunder.

ARTICLE III ISSUANCE OF BOND

Section 3.1 Sale and Purchase of Bond. (a) The Authority shall issue and sell the Series 2023B Bond to the Lender and secure the Series 2023B Bond by assigning the Series 2023B Note, endorsed without recourse to the order of the Lender, to the Lender upon the terms and conditions set forth herein.

(b) The Lender represents that it is purchasing the Series 2023B Bond for its own account as evidence of a loan and has no present intention of reselling or disposing of the Series 2023B Bond or engaging in any "distribution" thereof (as that term is used in the 1933 Act, and the regulations of the Securities and Exchange Commission thereunder). The Lender is a Qualified Buyer as defined in Rule 144A promulgated under the 1933 Act. The Lender has not offered, offered to sell, offered for sale or sold the Series 2023B Bond by means of any form of general solicitation or general advertising.

(c) The Lender represents that it is familiar with the operations and financial condition of the Borrower based upon information furnished to the Lender by the Borrower and has made such inquiries as it deems appropriate in connection with the purchase of the Series 2023B Bond. In determining to purchase the Series 2023B Bond, the Lender has not relied upon any information (including financial information) relating to the Borrower provided by the Authority, nor has it relied upon the omission of the Authority to provide any such information. The Lender relieves the Authority of any liability for failure to provide such information.

(d) The Lender shall not assign or offer the Series 2023B Bond, or any participation therein, for sale in any state of the United States without first (a) either (i) taking all necessary action to qualify the Series 2023B Bond for offer and sale under the securities and "Blue Sky" laws of the United States and such state, or (ii) determining that no such action is necessary because of a registration exemption or exemptions, and (b) providing to the purchaser of the Series 2023B Bond, or any participant therein, all material information in the Lender's possession necessary to evaluate the risks and merits of the investment represented by the purchase of or participation in the Series 2023B Bond.

(e) The Lender understands that the scope of engagement of McGuireWoods LLP as bond counsel with respect to the Series 2023B Bond has been limited to matters set forth in its bond counsel opinion based on its review of such proceedings and documents as they deem necessary to approve the validity of the Series 2023B Bond and the excludability of the interest thereon for federal and state income tax purposes, and that McGuireWoods LLP has not made any assurances or opinion as to the accuracy or completeness of any information that may have been furnished to the Lender or relied upon by the Lender in acquiring the Series 2023B Bond.

(f) The Lender shall not assign, transfer, or participate (or any combination of the foregoing) any portion of the Series 2023B Bond to any Person other than Qualified Buyers.

Section 3.2 Conditions Precedent to Closing. The Lender agrees to accept delivery of the Series 2023B Bond only upon delivery to it, in form and substance satisfactory to it, of the following:

(a) Executed copies of the Financing Instruments, with the Series 2023B Note having been assigned to the Lender by the Authority.

(b) Evidence of the due authorization, execution and delivery of the Financing Instruments by the parties thereto.

(c) A certified copy of the Authorizing Resolution.

(d) The written opinion of McGuireWoods LLP, as Bond Counsel, that the Series 2023B Bond has been validly authorized and issued by the Authority and, subject to customary exceptions, that in addition to other customary opinions, interest thereon is excludable from gross income for federal income tax purposes and exempt from income taxation by the State.

(e) The written opinion of Kaufman & Canoles, P.C., as counsel for the Borrower, relating to the organization and existence of the Borrower, the Borrower's status as 501(c)(3) Organization, the power of the Borrower to enter into the Financing Instruments to which it is a party, the enforceability of such Financing Instruments and such other matters as the Lender may reasonably request, all subject to customary assumptions and exceptions.

(f) The written opinion of counsel to the Authority, relating to the organization of the Authority, the due approval, validity and enforceability of the Series 2023B Bond, and such other matters as the Lender may reasonably request.

(g) Receipts evidencing the proper recording of the Deed of Trust or delivery of these documents to the Title Company pursuant to acceptable closing instructions.

(h) A "pro forma" copy of an endorsement to the Title Insurance Policy, naming the Master Trustee as insured in an amount required under the Master Indenture as of the Closing Date, insuring that the Deed of Trust constitutes a first lien on the Mortgaged Property subject only to those exceptions as have been approved by the Lender, containing such endorsements as may be required by the Lender, and otherwise in form and substance satisfactory to the Lender, including without limitation advancing the effective date of the Title Insurance Policy to the date of recordation of the Deed of Trust and including the Deed of Trust as part of the insured instrument.

(i) Certificates of insurance which provide satisfactory evidence of the Borrower's paid property insurance, flood hazard insurance (if applicable) and commercial general liability insurance covering the Facilities, with terms and amounts of insurance acceptable to the Lender.

(j) Evidence satisfactory to the Lender that the Borrower has paid or will pay all fees, costs and expenses (including fees and costs of the Lender's counsel) then required to be paid pursuant to this Agreement and all other Financing Instruments.

(k) Such other documentation, certificates and opinions as may be reasonably required by the Lender.

Section 3.3 Execution. The Series 2023B Bond shall be executed on behalf of the Authority by the Chair or Vice Chair of the Authority and shall have impressed thereon the official seal of the Authority attested by the Secretary or an Assistant Secretary of the Authority.

ARTICLE IV DISPOSITION OF PROCEEDS

Section 4.1 Advances of Proceeds. Upon satisfaction of the requirements set forth in Section 4.2, the Lender shall, on more than one occasion, advance the principal amount of the Series 2023B Bond (each an "Advance") directly to or for the account of the Borrower. Each such Advance shall be deemed to have been made by the Lender to the Authority under the Series 2023B Bond and then advanced by the Authority to the Borrower under this Agreement. The Borrower shall use the proceeds advanced to it to pay or reimburse itself for Costs of the Projects,

including any Costs of Issuance. The outstanding principal amount of the Series 2023B Bond shall be the sum of all principal Advances, less the aggregate amount of all principal payments which have been made on the Series 2023B Bond (whether upon principal installment payment dates, by prepayment, upon acceleration or otherwise).

Section 4.2 Advance Procedures. The Borrower shall request Advances by providing the Lender with a Requisition with exhibits, invoices and receipts attached, signed by an Authorized Representative stating:

(a) The amount to be advanced (with a copy of all applicable invoices to be paid or that have been paid by the Borrower and the payment of which is being reimbursed to the Borrower).

(b) The payment of the Requisition will not result in an amount greater than 2% of the aggregate proceeds of the Series 2023B Bond, the Series 2023A Bonds, and the Series 2023C Bonds being expended for Costs of Issuance.

(c) The payment of the Requisition will not result in any of the proceeds of the Bond expended or to be expended under such Requisition and all prior Requisitions being used directly or indirectly in the trade or business carried on by a Related Person, or by any person who is not a "501(c)(3) corporation" within the meaning of Section 145 of the Code.

(d) The obligation stated on the Requisition is a proper charge and the obligation has not been the basis for a prior requisition that has been paid.

(e) No Event of Default exists, or any event which, upon Lender giving a notice of Default and Borrower fails to cure within the applicable time period, could become an Event of Default.

(f) The representations and warranties made in the Financing Instruments must be true and correct on and as of the date of each Advance.

(g) As of the date of making such Advance, no event shall have occurred, nor shall any condition exist, that could have a material adverse effect on the enforceability of the Financing Instruments, be materially adverse to the financial condition of Borrower, materially impair the ability of Borrower to fulfill the material obligations of Borrower under the Financing Instruments, or otherwise have any material adverse effect whatsoever on the Project.

As of the date of any such Requisition, the Borrower shall have caused the Lender to have received copies of all necessary governmental licenses, certificates, permits and approvals with respect to and for all work then completed.

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ARTICLE V LOAN BY THE AUTHORITY

Section 5.1 Loan by the Authority; Repayment of Loan. Upon the terms and conditions of this Agreement, the Authority shall lend to the Borrower the proceeds of the Series 2023B Bond. Prior to or simultaneously with the issuance of the Series 2023B Bond, to evidence its obligations to repay such loan, the Borrower shall deliver the Series 2023B Note to the Authority for assignment to the Lender as security for the Payment of the Series 2023B Bond. The Authority hereby assigns the Series 2023B Note to the Lender and shall also execute the form of assignment affixed to the Series 2023B Note. The Borrower hereby consents to the assignment of the Series 2023B Note to the Lender by the Authority.

Section 5.2 Series 2023B Note as Obligation. The Series 2023B Note shall constitute an "Obligation" under the Master Indenture, and the Borrower represents and warrants that the Indebtedness represented by this Agreement and the Series 2023B Note is authorized and permitted under the Master Indenture and that the Borrower is in full compliance with the provisions thereof.

ARTICLE VI PAYMENTS

Section 6.1 Amounts Payable.

(a) The Borrower shall make, or cause to be made, all payments required under the Series 2023B Note and, for the account of the Authority, shall make, or cause to be made, all payments required under the Series 2023B Bond, as and when the same become due (whether at maturity, by acceleration or otherwise), in the manner set forth in the Series 2023B Bond and shall make, or cause to be made, all other Required Payments in the manner set forth in the applicable Financing Instruments. Payments to the Lender shall be made in lawful money of the United States of America at the address of the Lender set forth in Section 11.9 or at such other place as the Lender may direct in writing. Any amount at any time paid to the Lender as a payment of principal of or interest on the Series 2023B Bond shall be credited against the Borrower's obligations hereunder and under the Series 2023B Note (but subject to collection of any instrument, draft, check or order for payment received by the Lender).

(b) The Borrower shall pay to the Authority (i) the out-of-pocket expenses, administrative expenses and counsel fees of the Authority, and (ii) the fees of the Authority consisting of an application fee of \$400 which was paid before the date the Series 2023B Bonds were issued, (iii) an administrative fee equal to 0.005 times the Series 2023B Bonds amount up to \$5,000,000, plus 0.001 times the Series 2023B Bonds amount over \$5,000,000, to be paid at closing and (4) its reasonable costs and expenses, including the reasonable fees of its counsel and other advisers, directly related to the Series 2023B Bonds (provided that the amounts so paid shall not equal or exceed an amount that would cause the "yield" on the Note or any other "acquired purpose obligation" to be "materially higher" than the "yield" on the Series 2023B Bonds, as such terms are defined under Section 148 of the Code). The obligations of the Borrower under this subsection shall continue until the payment in full of the Series 2023B Bonds..

(c) The Borrower shall pay (i) the reasonable fees and expenses of the Lender, the Master Trustee, bond counsel, counsel to the Lender, counsel to the Master Trustee and all other costs, fees and expenses incidental to the financing hereunder, the issuance of the Series 2023B Bond and the costs of producing the Financing Instruments, and (ii) all taxes of any kind whatsoever lawfully assessed, levied or imposed with respect to the transactions contemplated by this Agreement. The obligations of the Borrower under this subsection shall survive Payment of the Series 2023B Bond.

Section 6.2 Interest Rate; Payments of Principal and Interest.

(a) [The outstanding principal balance of the Series 2023B Bond shall bear interest at the Adjusted SOFR Rate, which rate shall be subject to adjustment from time to time as set forth in the Series 2023B Bond. Payments of principal and interest shall be due and payable as set forth in the Series 2023B Bond. The Series 2023B Bond shall be subject to mandatory prepayment, optional prepayment and mandatory tender as provided herein and in the Series 2023B Bond. Upon an Event of Default the interest rate on the Series 2023B Bond shall immediately and automatically be changed to the Default Rate (as defined in the Series 2023B Bond). If an Event of Taxability occurs, the interest rate on the Series 2023B Bond shall be changed to the Taxable Adjusted SOFR Rate as provided in the Series 2023B Bond.]

(b) The Borrower agrees (and agrees to execute any other agreements to confirm) that all payments due pursuant the Series 2023B Bond, the Series 2023B Note and this Agreement shall be made by ACH Direct Debit from an account maintained by the Borrower with the Lender.

Section 6.3 Unconditional Obligations. The obligations of the Borrower to make, or cause to be made, Required Payments and to perform and observe all other covenants, conditions and agreements hereunder shall be general obligations of the Borrower and shall be absolute and unconditional, irrespective of any defense or any rights of setoff, recoupment or counterclaim the Borrower might otherwise have against the Authority or the Lender. Nothing in this Section shall be construed as a waiver by the Borrower of any rights or claims of the Borrower may have against the Authority or the Lender under this Agreement or otherwise, but any recovery upon such rights and claims shall be had from the Authority or the Lender separately. Subject to Section 11.1, the Borrower shall not suspend or discontinue any such payment hereunder or fail to observe and perform any of its other covenants, conditions and agreements under the Financing Instruments for any cause, including without limitation any acts or circumstances that may constitute failure of consideration, failure of title to any part or all of the Facilities, or commercial frustration of purpose, or any damage to or destruction of all or any part of the Facilities, or any change in the tax or other laws of the United States of America, the State or any political subdivision of either, or any failure of the Authority or the Lender to observe and perform any covenant, condition or agreement, whether express or implied, or any duty, liability or obligation contained in or arising out of or in connection with any Financing Instrument.

Section 6.4 Payments Assigned. The Borrower consents to the assignment of the Series 2023B Note and of certain rights of the Authority under this Agreement to the Lender and agrees to pay, or cause to be paid, to the Lender all amounts payable pursuant to the Series 2023B

Note and this Agreement, except for any amounts payable directly to the Authority or the Master Trustee pursuant to the provisions hereof.

Section 6.5 Yield Protection Provisions.

(a) [If, after the issuance of the Series 2023B Bond, any Change in Law shall (i) impose, modify or deem applicable any reserve, special deposit or similar requirement that is not otherwise included in the determination of the Adjusted SOFR Rate against assets of, deposits with or for the account of, or credit extended by, the Lender (except any such reserve requirement reflected in the Adjusted SOFR Rate), (ii) impose on the Lender any other condition affecting this Agreement or the Series 2023B Bond, or (iii) subject the Lender to any Taxes (other than Indemnified Taxes and Excluded Taxes) with respect to the Series 2023B Bond, and the result of any of the foregoing is to increase the cost to the Lender of owning the Series 2023B Bond, then, from time to time, the Lender may provide the Borrower with written notice and demand with respect to such increased costs or reduced amounts, and within five Business Days after receipt of such notice and demand the Borrower shall pay to the Lender such additional amounts as will compensate the Lender for any such increased costs incurred or reduction suffered.

(b) If, after the date of this Agreement, the Lender shall have reasonably determined that a Change in Law shall have occurred that has or would have the effect of reducing the rate of return on the Lender's capital, on the Series 2023B Bond or otherwise, as a consequence of its ownership of the Series 2023B Bond to a level below that which the Lender could have achieved but for such adoption, change or compliance (taking into consideration the Lender's or its affiliates' policies with respect to capital adequacy) by an amount deemed by the Lender to be material, then from time to time, promptly upon demand by the Lender, the Borrower hereby agrees to pay the Lender such additional amount or amounts as will compensate the Lender for such reduction. The Borrower shall pay to the Lender such additional amount or amounts as will compensate the Lender for such reduction, provided that at such time the Lender shall generally be assessing such amounts on a non-discriminatory basis against borrowers having loans similar to the loan evidenced by the Series 2023B Bond. A certificate of the Lender claiming compensation under this subsection and setting forth the additional amount or amounts to be paid to it hereunder shall be conclusive absent manifest error. In determining any such amount, the Lender may use any reasonable averaging and attribution methods. The Lender shall notify the Borrower in writing of any adjustments pursuant to this paragraph.

(c) Immediately upon the occurrence of an Event of Taxability, the Borrower agrees to pay to the Lender certain additional amounts, as follows: (i) an additional amount equal to the difference between (x) the amount of interest paid on the Series 2023B Bond during the Taxable Period and (y) the amount of interest that would have been paid on the Series 2023B Bond during the Taxable Period had the Series 2023B Bond borne interest at the Taxable Adjusted SOFR Rate; plus (ii) an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Lender as a result of the occurrence of such Event of Taxability. Following the occurrence of an Event of Taxability, neither the Lender nor the Authority shall be obligated to contest or protest the determination that interest on the Series 2023B Bond is or was taxable, nor cooperate with the Borrower in pursuing any such contest or protest, but they may do so in their discretion if indemnified by the Borrower to their satisfaction.

(d) All adjustments of the interest rate on the Series 2023B Bond made pursuant to the terms of the Series 2023B Bond, and all amounts payable under this Section 6.5, shall be binding on the Authority and the Borrower absent manifest error.

(e) Failure or delay on the part of the Lender to demand compensation pursuant to this Section 6.5 shall not constitute a waiver of the Lender's right to demand such compensation.

(f) The provisions set forth in Section 6.5(c) shall survive payment of the Series 2023B Bond until such time as the federal statute of limitations under which the interest on the Series 2023B Bond could be declared taxable under the Code shall have expired.

(g) The Borrower shall not be required to compensate the Lender under this Section for any costs or losses incurred more than six months prior to the date that the Lender notifies the Borrower of the Change in Law giving rise to such costs or losses and of the Lender's intention to claim compensation under this Section; provided, however, that if the change giving rise to such increased costs or reductions is retroactive, then such six-month period shall be extended to include the period of such retroactive effect.]

ARTICLE VII SPECIAL COVENANTS

Section 7.1 Maintenance and Modifications by the Borrower. The Borrower shall, at its own expense, keep the Facilities in as reasonably safe condition as its operations shall permit and keep the Facilities in good repair and operating condition, ordinary wear and tear excepted, making from time to time all necessary repairs, renewals and replacements. The Borrower may, at its own expense, make any additions, modifications or improvements to the Facilities that they deem desirable.

Section 7.2 Taxes, Charges and Liens. The Borrower (a) shall pay, as the same become due, all taxes and governmental charges of any kind whatsoever lawfully assessed, levied or imposed with respect to payments under this Agreement, the Facilities or any machinery, equipment or other property installed or brought by the Borrower thereon, and (b) shall pay as the same become due all utility and other charges incurred in the operation, maintenance, use and occupancy of the Facilities and all assessments and charges lawfully made by a governmental body for public improvements to the Facilities. The Borrower may, however, contest in good faith any such tax, assessment or charge after giving the Lender ten days' advance notice of such contest, in which event the Borrower may permit such tax, charge or assessment to remain unpaid, or such lien to remain unsatisfied and undischarged, during the period of such contest and any appeal therefrom, provided such proceedings have the effect of preventing forfeiture or sale of the property or asset subject to such tax, assessment or charge and against which adequate reserves have been set aside for the payment thereof in the event the Borrower loses such contest.

Section 7.3 Insurance. The Borrower shall maintain, or cause to be maintained, insurance in accordance with the Master Indenture.

Section 7.4 Cure by Authority or the Lender. If the Borrower shall fail to make any payment or perform any act required of the Borrower hereunder, the Authority or the Lender, without prior notice to or demand upon the Borrower and without releasing any obligation or waiving any default, may (but shall be under no obligation to) make such payment or perform such act. All amounts so paid by the Authority or the Lender and all costs, fees and expenses so incurred, including reasonable counsel fees, shall be immediately due and payable by the Borrower as an additional obligation under this Agreement, [together with interest thereon at the Taxable Adjusted SOFR Rate, to the extent permitted by law].

Section 7.5 Use of Facilities. The Borrower shall obtain and maintain all necessary permits and approvals for the operation and maintenance of the Facilities and shall comply with all lawful requirements of any governmental body regarding the use or condition of the Facilities, whether now existing or later enacted or foreseen or unforeseen or whether involving any change in governmental policy or requiring structural or other changes to the Facilities and irrespective of the cost of making the same. Upon request by the Lender, the Borrower shall furnish to the Lender evidence of the Borrower's compliance with the requirements of the preceding sentence. The Borrower shall use the portion of the Facilities the acquisition, renovation or construction of which is financed and/or refinanced, in whole or in part, from the proceeds of the Series 2023B Bond for the purposes contemplated by the Authorizing Resolution until Payment of the Series 2023B Bond; provided that the Borrower may change the use of the Facilities, or cause such use to be changed, if the Borrower shall have first delivered to the Lender an opinion of Bond Counsel that such change in use will not adversely affect the exclusion of interest on the Series 2023B Bond from gross income for federal income tax purposes.

Section 7.6 Indemnification.

(a) The Borrower shall at all times (i) protect, indemnify and save harmless the Authority, the Lender and their respective officers, directors, commissioners, employees and agents, the Authority's counsel, and any person who "controls" within the meaning of Section 15 of the Securities Act of 1933, as amended, or Section 20(a) of the Securities Exchange Act of 1934, as amended, the Authority or the Lender (collectively, the "Indemnified Parties"), from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including, without limitation, attorneys' fees and expenses and settlement amounts) imposed upon or incurred by or asserted against any Indemnified Party on account of or related to (A) any failure of the Borrower to comply with any of the terms, warranties, covenants or representations in the Financing Instruments, or (B) any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Facilities or the use thereof; and (ii) at all times protect, indemnify and save harmless the Indemnified Parties from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation, attorneys' fees and expenses and settlement amounts) imposed upon or incurred by or asserted against the Indemnified Parties on account of or related to (A) the initial sale, issuance or offering for sale of the Series 2023B Bond or (B) any action related to the acts, representations, covenants, obligations or other matters contemplated by, required by or related to the Financing Instruments; provided that such indemnity shall be effective only to the extent of any loss that may be sustained by an Indemnified Party in excess of the proceeds received by it from any insurance carried with respect to such loss and provided further that the benefits of this Section shall not inure to any person other than the Indemnified Parties. Nothing contained herein

shall require the Borrower to indemnify the Authority for any claim or liability resulting from its gross negligence or its willful, wrongful acts or any other Indemnified Party for any claim or liability resulting from its or his gross negligence or willful, wanton acts.

(b) The Borrower shall also indemnify and hold harmless the Indemnified Parties against any and all losses, claims, damages or liabilities caused by any untrue statement or alleged untrue statement of a material fact contained in information submitted by the Borrower to the Authority or to the Lender with respect to the initial issuance and purchase of the Series 2023B Bond or caused by any omission or alleged omission of any material fact necessary to be stated therein in order to make such statements to the Authority and the Lender not misleading or incomplete.

(c) If any action is brought against any Indemnified Party in respect of which indemnity may be sought from the Borrower under subsection (a) or (b) above, such Indemnified Party shall promptly notify the Borrower in writing, and the Borrower shall assume the defense thereof, including the employment of counsel, the payment of all expenses and the right to negotiate and consent to settlement. Each Indemnified Party has the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel will be at the expense of such Indemnified Party unless the employment of such counsel has been specifically authorized by the Borrower. The Borrower will not be liable for any settlement of any such action made without its consent, but if such action is settled with the consent of the Borrower or if there be a final judgment for the plaintiff in such action, the Borrower shall indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment.

(d) The obligations of the Borrower under this Section shall survive Payment of the Series 2023B Bond. All references in this Section to any Indemnified Party shall include its members, directors, commissioners, officers, employees and agents.

Section 7.7 Tax Exemption for Bond.

(a) Neither the Authority nor the Borrower shall cause any proceeds of the Series 2023B Bond to be expended except pursuant to this Agreement. The Borrower shall not (i) permit the proceeds of the Series 2023B Bond to be expended in any way that would result in (A) more than 5% of the proceeds of the Series 2023B Bond being used (directly or indirectly) in one or more Trades or Businesses of one or more persons other than 501(c)(3) Organizations or in one or more Unrelated Trades or Businesses, (B) more than 5% of the proceeds of the Series 2023B Bond being used (directly or indirectly) to make or finance loans to one or more persons other than 501(c)(3) Organizations or to one or more 501(c)(3) Organizations with respect to one or more Unrelated Trades or Businesses, or (C) Costs of Issuance in excess of 2% of the aggregate proceeds of the Series 2023B Bond, Series 2023A Bonds, and Series 2023C Bonds being financed from the proceeds from the sale of such bonds, or (ii) take or omit to take any other action with respect to the use of such proceeds if the taking of or omission to take such action would result in interest on the Series 2023B Bond being includable, in whole or in part, in the gross income of the owner of the Series 2023B Bond for federal income tax purposes under Section 103 of the Code. The Borrower shall not take or omit to take any action if the taking of or omission to take such action

would cause such interest to be so includable. All property which is provided by the proceeds of the Series 2023B Bond shall be owned by the Borrower at all times.

(b) The Borrower shall not (A) take or omit to take any action, or make or approve any investment or use of any proceeds of the Series 2023B Bond or any other moneys or the taking or omission of any other action, which would cause the Series 2023B Bond to be an arbitrage bond within the meaning of Section 148 of the Code, or (B) approve the use of any proceeds from the sale of the Series 2023B Bond otherwise than in accordance with the Authority's "non-arbitrage" certificate given at the issuance of the Series 2023B Bond barring any unforeseen circumstances, in which event the Borrower shall use such proceeds with due diligence and shall comply with such certificate to the extent feasible. Without limiting the generality of the foregoing, the Borrower shall at its sole expense take all action required under Sections 145 and 148 of the Code and regulations thereunder to prevent loss of the exclusion from gross income for federal income tax purposes of interest on the Series 2023B Bond under such sections.

(c) The Borrower shall (i) take all such actions as may be necessary to cause the Borrower to continue to be a 501(c)(3) Organization which is not a private foundation (within the meaning of Section 509(a) of the Code), and (ii) not take any action which might cause the Borrower to cease to be such a 501(c)(3) Organization. The Borrower shall file in a timely manner all reports and other documents which are required to be filed with any governmental body (A) by such a 501(c)(3) Organization or (B) in order to remain such a 501(c)(3) Organization.

(d) The Borrower and the Authority (at the request and expense of the Borrower) shall file any reports or statements and take such other action as may be required from time to time to cause the Series 2023B Bond to be and remain a qualified 501(c)(3) bond within the meaning of Section 145 of the Code.

Section 7.8 References to Bond Ineffective after Bond Paid. Upon Payment of the Series 2023B Bond, all references in this Agreement to the Series 2023B Bond shall be ineffective, and the Authority and the Lender shall thereafter have no rights hereunder, except as explicitly provided herein.

Section 7.9 Proof of Payment of Taxes and Other Charges. The Borrower shall upon request furnish the Authority or the Lender proof of payment of any taxes, governmental charges, utility charges, insurance premiums or other charges required to be paid by the Borrower under this Agreement.

Section 7.10 Inspection and Right of Access. The Lender, the Authority and their duly authorized agents shall have the right at all reasonable times and upon reasonable notice to enter upon and inspect any part of the Facilities and to examine, inspect and make copies of the books, records and accounts of the Borrower insofar as such books, records and accounts relate to the Project or the Facilities, other than confidential medical or personnel records.

Section 7.11 Compliance with Laws. The Borrower will (a) comply with all laws, rules, regulations and requirements of any Governmental Authority applicable to its businesses and properties, including without limitation, all Environmental Laws, ERISA and OSHA, except where the failure to do so, either individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, and (b) use and keep the Facilities, and will require that others use and keep the Facilities, only for lawful purposes, without violation of any federal, state or local law, statute or ordinance. The Borrower shall secure and maintain all permits and licenses, if any, necessary for the operation of the Facilities. The Borrower shall comply in all respects with all laws of the jurisdictions in which its operations involving any component of Facilities may extend and of any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the items of the Facilities or its interest or rights under this Agreement and the other Financing Instruments.

ARTICLE VIII

DAMAGE, DESTRUCTION, CONDEMNATION AND LOSS OF TITLE

Section 8.1 Parties to Give Notice. In case of any material damage to or destruction of any part of the Facilities, the Borrower shall give prompt notice thereof to the Authority, the Lender and the Master Trustee. In case of a taking of any part of the Facilities or any right therein under the exercise of the power of eminent domain or any loss thereof because of failure of title thereto or the commencement of any proceedings or negotiations which might result in such a taking or loss, the Borrower shall give prompt notice to the Authority, the Lender and the Master Trustee. Each such notice shall describe generally the nature and extent of such damage, destruction, taking, loss, proceedings or negotiations.

Section 8.2 Damage, Destruction, Condemnation and Loss of Title.

(a) If before Payment of the Series 2023B Bond any part of the Facilities is damaged or destroyed by fire or other casualty, condemned or lost because of failure of title, the Borrower shall give prompt notice to the Master Trustee and the Lender and shall cause the Net Proceeds received by it on account of any such damage, destruction or condemnation to be applied as determined by the Borrower subject, however to the other conditions and requirements of this Section 8.2 (i) to the prepayment of the obligations secured under the Master Indenture in accordance with the Master Indenture, (ii) to payment of the cost of the replacement, repair, rebuilding or restoration, either on completion thereof or as the work progresses, of the Facilities to substantially the same condition as prior to such damage, destruction, condemnation or loss of title, with such alterations and additions as the Borrower may determine and as will not impair the capacity or character of the Facilities for the purpose for which such are then being used or are intended to be used, or (iii) with the approval of the Lender, to the construction, renovation and equipping of a facility comparable in capacity and purposes to the Facilities on a site chosen by the Borrower and approved by the Lender. Subsections (a)(ii) and (a)(iii) above are subject to the restrictions of Section 3.05 of the Master Indenture. In the event of any such damage, destruction or loss of title, the Lender may (but shall be under no obligation to) make proof of loss to any insurance company if not promptly made by the Borrower.

(b) The Net Proceeds and any funds provided by the Borrower shall be held by the Borrower or the Master Trustee in a special escrow account.

(c) If Net Proceeds applied to replacement, repair, rebuilding or restoration shall not be sufficient to pay in full such cost, the Borrower shall pay or make arrangements satisfactory to the Lender to pay that portion of the cost in excess of such Net Proceeds. The Borrower will not by reason of the payment of such excess cost be entitled to any interest other than its interest under this Agreement or to any reimbursement from the Authority or the Lender or to any abatement or diminution of the payments required hereunder or under the Series 2023B Note.

(d) Any balance of such escrowed funds remaining after payment of the cost of replacement, repair, rebuilding or restoration shall be paid to the Borrower.

(e) Notwithstanding anything to the contrary in Section 8.2(a), the application of Net Proceeds hereunder shall be *pari passu* with any similar rights accorded the other holders of Obligations.

ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

Section 9.1 Event of Default. Each of the following shall be an Event of Default:

(a) Failure of the Borrower to make, or cause to be made, any payment of principal of or interest or fees owed hereunder or on the Series 2023B Bond, the Series 2023B Note or any other Financing Instruments when due and the continuation of such failure for five Business Days.

(b) Failure of the Borrower to observe or perform any of its other covenants, conditions or agreements hereunder, which does not constitute an Event of Default under any other provision of this Section 9.1, for a period of 30 days after notice (unless the Borrower and the Lender shall agree in writing to an extension of such time prior to its expiration) specifying such failure and requesting that it be remedied, given by the Lender to the Borrower, or in the case of any such default that can be cured but cannot with due diligence be cured within such 30-day period, failure of the Borrower to proceed promptly to cure the same and thereafter prosecute the curing of the same with due diligence; provided, however, that any such cure period shall not exceed 120 days.

(c) A reasonable determination by the Lender that any warranty, representation or other statement by or on behalf of the Borrower or the Authority contained herein or in any other Financing Instrument or any financial statement or other information furnished in connection with the issuance or sale of the Series 2023B Bond was false or misleading in any material respect at the time it was made or delivered.

(d) An Event of Default shall occur under any of the other Financing Instruments, which is not otherwise an Event of Default hereunder.

Section 9.2 Remedies on Default. Upon the occurrence and continuation of an Event of Default, the Lender may:

(a) Declare all payments hereunder and under the Series 2023B Bond and the Series 2023B Note to be immediately due and payable, whereupon the same shall become immediately due and payable, and exercise any remedy provided under the Master Indenture or any other Financing Instrument or which is otherwise available at law or in equity.

(b) Take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or under the Series 2023B Bond or the Series 2023B Note or to enforce observance or performance of any covenant, condition or agreement of the Borrower under the Financing Instruments.

Any balance of the moneys collected pursuant to action taken under this Section remaining after payment of all costs and expenses of collection and amounts due hereunder shall be paid to the Lender and applied toward the making of Required Payments then due and payable, provided that after Payment of the Series 2023B Bond and payment of all other sums required by applicable law any such balance shall be paid to the Borrower.

Section 9.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Lender is intended to be exclusive of any other remedy, and every remedy shall be cumulative and in addition to every other remedy herein or now or hereafter existing at law, in equity or by statute. No delay or failure to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, and any such right or power may be exercised from time to time and as often as may be deemed expedient.

Section 9.4 Counsel Fees and Other Expenses. The Borrower shall on demand pay to the Authority and the Lender the reasonable counsel fees and other reasonable expenses incurred by either of them in the collection of payments hereunder or the enforcement of any other obligation of the Borrower upon an Event of Default. Further, the Borrower's obligation to pay the expenses of the Authority, the Lender, or any other expenses (including those of the Master Trustee) because of the occurrence of an Event of Default shall survive Payment of the Series 2023B Bond.

Section 9.5 No Additional Waiver Implied by One Waiver. If any party or its assignee waives a default by any other party under any covenant, condition or agreement herein, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 9.6 Set-Off. (a) Subject to paragraph (b) below, the Borrower hereby grants to the Lender a right of setoff as security for obligations under this Agreement and the Series 2023B Bond, whether now existing or hereafter arising, upon and against all deposits, credits, collateral and property now or hereafter in the possession, custody, safekeeping or control of the Lender or any affiliate of the Lender or any entity under common Control with the Lender, or in transit to any of them. At any time after the occurrence of and during the continuance of an Event of Default, without further demand or notice, the Lender may setoff the same or any part thereof and apply

the same to any obligations under this Agreement and the Series 2023B Bond, even though unmatured and regardless of the adequacy of any other collateral securing the Series 2023B Bond.

(b) The Lender's rights under Section 6.2(b) and the foregoing provisions of this Section to setoff or otherwise apply against any obligations under this Agreement and the Series 2023B Bond any deposits, credits, collateral and property of the Borrower shall be subject to any restrictions or requirements set forth in the documents securing any Obligation, that apply to the Lender as the holder of the Series 2023B Note. The Lender agrees to pay amounts over to the Master Trustee to the extent the Lender receives more than other holders of any Obligations on a pro rata basis as a result of its rights under Section 6.2(b) or this Section.

ARTICLE X PREPAYMENT

Section 10.1 Option to Prepay. (a) The Series 2023B Bond may be prepaid at the option of the Authority (at the direction of the Borrower) according to its terms. Whenever the Borrower shall direct the Authority to make a prepayment of the Series 2023B Bond, the Borrower shall prepay its obligations under this Agreement and the Series 2023B Note by making such prepayment for the account of the Authority. Such prepayment of the Borrower's obligations hereunder and under the Series 2023B Note shall be deemed prepayment of the Series 2023B Bond in the same amount. Prepayment of the Series 2023B Bond in full shall discharge the Borrower from its obligations under this Agreement and the Series 2023B Note (other than obligations which survive Payment of the Series 2023B Bond), but only if such prepayment shall constitute Payment of the Series 2023B Bond.

ARTICLE XI MISCELLANEOUS

Section 11.1 Term of Agreement. This Agreement shall be effective upon execution and delivery hereof. Subject to earlier satisfaction upon prepayment of all of the Borrower's obligations hereunder pursuant to Article X and the making in full of all other Required Payments due and payable at the date of such prepayment and subject to any provisions hereof which survive Payment of the Series 2023B Bond, the Borrower's obligations hereunder shall expire on the date provided in the Series 2023B Bond for the final payment of principal and all accrued interest thereon, or if all Required Payments have not been made on such date, when all Required Payments shall have been made.

Section 11.2 Successors and Assigns. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns. No assignment by the Borrower shall relieve the Borrower of its obligations hereunder.

Section 11.3 Limitation of Authority's Liability. (a) To the extent permitted by law, no recourse shall be had for the enforcement of any obligation, promise or agreement of the Authority contained herein or in the other Financing Instruments to which the Authority is a party or for any claim based hereon or thereon or otherwise in respect hereof or thereof against any director, commissioner, officer, agent, attorney or employee, as such, in his or her individual

capacity, past, present or future, of the Authority or of any successor entity, either directly or through the Authority or any successor entity whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. No personal liability whatsoever shall attach to, or be incurred by, any director, commissioner, officer, agent, attorney or employee as such, past, present or future, of the Authority or any successor entity, either directly or through the Authority or any successor entity, under or by reason of any of the obligations, promises or agreements entered into between the Authority and the Borrower or the Lender, whether herein contained or to be implied herefrom as being supplemental hereto; and all personal liability of that character against every such director, commissioner, officer, agent, attorney and employee is, by the execution of this Agreement and as a condition of, and as part of the consideration for, the execution of this Agreement, expressly waived and released.

(b) No provision hereof shall be construed to impose a charge against the general credit of the Authority or any personal or pecuniary liability upon any past, present or future director, commissioner, officer, employee or agent of the Authority. No director, commissioner, officer, agent or employee of the Authority shall incur any personal liability in acting or proceeding or in not acting or not proceeding in accordance with the terms of this Agreement, nor will any such person executing the Series 2023B Bond be liable personally on the Series 2023B Bond by reason of the issuance thereof.

(c) Notwithstanding any other provision of this Agreement, the Authority shall not be liable to the Borrower, the Lender or any other Person for any failure of the Authority to take action under this Agreement unless the Authority (i) is requested in writing by an appropriate Person to take such action, (ii) is assured of payment of or reimbursement for any expense in such action, and (iii) is afforded, under the existing circumstances, a reasonable period to take such action, and except with respect to any action for specific performance or any action in the nature of a prohibitory or mandatory injunction, neither the Authority nor any director of the Authority nor any other official, employee or agent of the Authority shall be liable to the Borrower, the Lender or any other Person for any action taken by the Authority or by its directors, officers, servants, agents or employees, or for any failure to take action under this Agreement or the other Financing Instruments to which the Authority is a party. In acting under this Agreement, or in refraining from acting under this Agreement, the Authority may conclusively rely on the advice of its counsel.

(d) THE OBLIGATIONS OF THE AUTHORITY UNDER THE FINANCING INSTRUMENTS TO WHICH IT IS A PARTY ARE NOT GENERAL OBLIGATIONS OF THE AUTHORITY BUT ARE LIMITED OBLIGATIONS PAYABLE SOLELY FROM THE REVENUES AND RECEIPTS DERIVED BY THE AUTHORITY FROM THE LOAN OF THE PROCEEDS OF THE SERIES 2023B BOND PURSUANT TO THIS AGREEMENT, INCLUDING PAYMENTS RECEIVED UNDER THE SERIES 2023B NOTE, WHICH REVENUES AND RECEIPTS HAVE BEEN PLEDGED AND ASSIGNED TO SUCH PURPOSES. THE OBLIGATIONS OF THE AUTHORITY HEREUNDER SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA, SHALL BE

OBLIGATED TO PAY THE OBLIGATIONS HEREUNDER OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES, RECEIPTS AND PAYMENTS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, IS PLEDGED TO THE PAYMENT OF THE OBLIGATIONS HEREUNDER. THE AUTHORITY HAS NO TAXING POWER.

Section 11.4 Reports. In order that the Authority may comply with the provisions of the Virginia Code regarding the filing of annual reports with the Secretary of the Commonwealth of Virginia, the Borrower (if requested by the Authority) shall furnish, or shall cause the Lender to furnish, to the Authority no later than April 1 of each year a statement setting forth (a) the outstanding principal balance on the Series 2023B Bond as of the date of such statement, and (b) whether payments due under the Series 2023B Bond are current. In order that the Authority may comply with the provisions of the Virginia Code requiring an annual audit of the Authority's records, the Lender (if requested by the Authority) shall furnish to the Authority, at the expense of the Borrower, such additional information with respect to the Series 2023B Bond as the Authority or its auditors may reasonably request.

Section 11.5 Registration of the Series 2023B Bond. The Series 2023B Bond shall be issued in registered form without coupons, payable to the registered owner or registered assigns. The Secretary of the Authority shall keep books for the registration of transfer of the Series 2023B Bond as the Series 2023B Bond registrar. The transfer of the Series 2023B Bond may be registered only upon an assignment executed by the registered owner in such form as shall be satisfactory to the Borrower and the Authority, such registration to be made on the registration books and endorsed on the Series 2023B Bond by the Lender. The person in whose name the Series 2023B Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of and interest and any other payment on the Series 2023B Bond shall be made only to or upon the order of the registered owner thereof or his legal representative.

Section 11.6 Severability. If any provision of this 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.

Section 11.7 Applicable Law; Entire Understanding. This Agreement shall be governed by the applicable laws of the State. The Financing Instruments express the entire understanding and all agreements between the parties and may not be modified except in a writing signed by the parties. No Financing Instrument may be modified before Payment of the Series 2023B Bond without the consent of the Lender and the Borrower.

Section 11.8 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original, and all of which together shall constitute but one and the same instrument.

Section 11.9 Notices. Except as may otherwise be provided herein, all demands, notices, approvals, consents, requests and other communications hereunder and under the other Financing

Instruments shall be in writing and shall be personally delivered, delivered or given by first class mail, postage prepaid, or overnight courier addressed as follows:

- (a) If to the Borrower, at:

Williamsburg Landing, Inc.
5700 Williamsburg Landing Drive
Williamsburg, Virginia 23185
Attention: Chief Financial Officer

- (b) If to the Authority, at:

101 Mounts Bay Road
Williamsburg, Virginia 23185
(Attention: Chairman),

with a copy to:

James City County Attorney
101 Mounts Bay Road, Building D
Williamsburg, Virginia 23185
(Attention: Chair)

- (c) If to the Lender, at:

Attention: _____

All such demands, notices, approvals, consents, requests and other communications shall be deemed to have been given on (i) the date received if personally delivered, (ii) two Business Days after deposited in the mail if delivered by mail, or (iii) the date sent if sent by overnight courier. The Borrower, the Authority and the Lender may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests and other communications shall be sent or persons to whose attention the same shall be directed.

Section 11.10 Other Agreements. To the extent that the execution and delivery of any Financing Instrument by the Borrower, or the performance of its obligations thereunder, would constitute a violation of or default under any other agreement to which the Lender and the Borrower is a party, such other agreement is hereby amended to permit such execution and delivery or such performance, as the case may be, and any default under such agreement resulting from such execution and delivery or such performance is hereby waived.

Section 11.11 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereunder (including in connection with any amendment, waiver or

other modification hereof or of any other Financing Instruments), the Borrower and the Authority each acknowledge and agree, that: (a)(i) the Borrower and the Authority have consulted their own legal, accounting, regulatory and tax advisors to the extent they have deemed appropriate, (ii) the Borrower and the Authority are capable of evaluating, and understand and accept, the terms, risks and conditions of the transactions contemplated hereby and by the other Financing Instruments, (iii) the Lender is not acting as a municipal advisor or financial advisor to the Borrower or the Authority and (iv) the Lender has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act to the Borrower or the Authority with respect to the transactions contemplated hereby and the discussions, undertaking and procedures leading thereto (irrespective of whether the Lender has provided other services or is currently providing other services to the Borrower or Authority on other matters); (b)(i) the Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Borrower or any Authority, or any other Person and (ii) the Lender has no obligation to the Borrower or Authority, with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Financing Instruments; and (c) the Lender may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and Authority, and the Lender has no obligation to disclose any of such interests to the Borrower or Authority. To the fullest extent permitted by law, the Borrower and Authority hereby waive and release any claims that either may have against the Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby. If the Borrower or Authority would like a municipal advisor in this transaction that has legal fiduciary duties to the Borrower or Authority, the Borrower or Authority are free to engage a municipal advisor to serve in that capacity. The Financing Instruments are entered into pursuant to and in reliance upon the bank exemption and/or the institutional buyer exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq., to the extent that such rules apply to the transactions contemplated hereunder.

Section 11.12 Permission to Use Information. The Borrower agrees and consents that the Lender shall be permitted to use information related to the loan transaction in connection with marketing, press releases or other transactional announcements or updates provided to investors or trade publications, including, but not limited to, the placement of the logo or other identifying name on marketing materials or of "tombstone" advertisements in publications of its choice as its own expense.

Section 11.13 Freedom Act Notice. The Lender hereby gives the Borrower notice that pursuant to the requirements of the Freedom Act, the Lender is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Lender to identify the Borrower in accordance with the Freedom Act.

Section 11.14 Waiver of Jury Trial. THE BORROWER AND THE LENDER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION, WHETHER IN CONTRACT OR TORT OR OTHERWISE, AT LAW OR IN EQUITY, BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THE SERIES 2023B NOTE

AND ANY OTHER DOCUMENT OR INSTRUMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION WITH THE SERIES 2023B NOTE, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDER ENTERING INTO OR ACCEPTING THE SERIES 2023B NOTE. FURTHER, BORROWER HEREBY CERTIFIES THAT NO REPRESENTATIVE OR AGENT OF THE LENDER, NOR THE LENDER'S COUNSEL, HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE LENDER WOULD NOT, IN THE EVENT OF SUCH LITIGATION, SEEK TO ENFORCE THIS WAIVER OF RIGHT TO JURY TRIAL PROVISION.

Section 11.15 Waiver of Damages other than Direct or Actual. TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, THE BORROWER AND THE LENDER HEREBY IRREVOCABLY WAIVE (AND IRREVOCABLY AGREE NOT TO ASSERT) ANY CLAIM WHATSOEVER FOR SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOST PROFITS (AS OPPOSED TO DIRECT OR ACTUAL DAMAGES) AGAINST EACH OTHER (OR AGAINST EACH OTHER'S RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, ATTORNEYS OR AGENTS) AT ANY TIME ARISING UNDER OR RELATING TO THE SERIES 2023B BOND OR THE FINANCING INSTRUMENTS, ANY RELATED DOCUMENT, OR ANY TRANSACTION CONTEMPLATED HEREIN OR THEREIN.

Section 11.16 Commercial Loan. The Lender has purchased Series 2023B Bond for its own account as evidence of a commercial loan made in the ordinary course of its business and with no present intention of distributing or reselling the Series 2023B Bond or any part thereof, and further it is the Lender's present intention to hold the Series 2023B Bond to the stated tender date, or earlier redemption, but subject, nevertheless, to the disposition of the Series 2023B Bond being at all times within the control of the undersigned and that the Series 2023B Bond will not be sold in contravention of the Securities Exchange Act of 1934 or the Securities Act of 1933, as amended, as amended, or in contravention of the securities laws of any state.

[Signature Page Follows]

IN WITNESS WHEREOF, the Authority, the Lender and the Borrower have caused this Agreement to be executed in their respective names, all as of the date first above written.

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

By: _____
Name: Ellen Smith Gajda
Title: Chair

_____, as Lender

By: _____

Name: _____

Title: _____

WILLIAMSBURG LANDING, INC.

By: _____

Name: Jeanne Zeidler

Title: Chair

EXHIBIT A

FORM OF SERIES 2023B BONDS

(See Attached)

EXHIBIT B
FORM OF REQUISITION

(See Attached)

[Red Herring Language] THIS PRELIMINARY OFFICIAL STATEMENT AND THE INFORMATION CONTAINED HEREIN ARE SUBJECT TO COMPLETION OR AMENDMENT IN A FINAL OFFICIAL STATEMENT. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, and there shall not be any sale of the Series 2024 Bonds (as defined herein) offered hereby in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED NOVEMBER __, 2023

NEW ISSUE - BOOK ENTRY ONLY

NOT RATED

[To be reviewed by Bond Counsel.] In the opinion of Bond Counsel, under current law and assuming the compliance with certain covenants by and the accuracy of certain representations and certifications of the Authority, Williamsburg Landing and other persons and entities described in the section “TAX MATTERS” herein, interest on the Series 2024 Bonds (i) is excludable from the gross income of the owners thereof for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended, and (ii) is not a specific item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is further of the opinion that interest on the Series 2024 Bonds is excludable from gross income for purposes of income taxation by the Commonwealth of Virginia. See the section “TAX MATTERS” herein regarding other tax considerations.

ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA

\$ _____*
Residential Care Facility Revenue Bonds
(Williamsburg Landing)
Series 2024

[WILLIAMSBURG LANDING LOGO]

Dated: Date of Delivery

Due: As shown on the inside cover

The above-referenced bonds (the “Series 2024 Bonds”) are being issued by the Economic Development Authority of James City County, Virginia (the “Authority”), under a Bond Trust Indenture, dated as of January 1, 2024 (the “Bond Indenture”), between the Authority and U.S. Bank Trust Company, National Association, as Bond Trustee (the “Bond Trustee”). The Series 2024 Bonds will be limited obligations of the Authority and (except to the extent that payment thereof may be made from the proceeds of the sale of the Series 2024 Bonds or any investment income therefrom) will be payable solely from the revenues received pursuant to a promissory note (the “Series 2024 Obligation”) issued under a Second Amended and Restated Master Trust Indenture, dated as of October 1, 2021 (the “Master Indenture”), between U.S. Bank Trust Company, National Association, as successor trustee (the “Master Trustee”), and Williamsburg Landing, Inc., a not-for-profit Virginia nonstock corporation (the “Corporation” or “Williamsburg Landing”) and, with respect to the Series 2024 Obligation, a Supplemental Indenture for Series 2024 Obligation, dated as of January 1, 2024, between the Master Trustee and the Obligated Group (the “Obligated Group”), initially consisting solely of the Corporation.

The Authority will loan the proceeds of the Series 2024 Bonds to Williamsburg Landing pursuant to a Loan Agreement, dated as of January 1, 2024 (the “Loan Agreement”), between the Authority and the Obligated Group. The proceeds of the Series 2024 Bonds will be used to provide funds to be used with other available funds to (a) pay or reimburse the Corporation for paying a portion of the costs of the Project (as defined in Appendix A hereto); and (b) provide amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2024 Bonds.

* Preliminary; subject to change.

A more detailed description of the use of proceeds of the Series 2024 Bonds is set forth in “ESTIMATED SOURCES AND USES OF FUNDS.” Certain terms used herein are defined in Appendix D.

Aggregate payments on the Series 2024 Obligation will be required to be sufficient to pay the principal of, premium, if any, and interest on the Series 2024 Bonds as they become due and payable. The Series 2024 Obligation will be secured by a first lien deed of trust on the real estate portion of the Williamsburg Landing campus, certain other rights under the Master Indenture, and a security interest in certain property of the Obligated Group, including its Pledged Assets (as defined herein). As security for the Series 2024 Bonds, the Authority will assign to the Bond Trustee (1) all right, title and interest in and to the Series 2024 Obligation, (2) all rights under the Master Indenture and the Deed of Trust (as defined herein) as owner of the Series 2024 Obligation and (3) substantially all right, title and interest in and to the Loan Agreement, as more fully described in “SECURITY FOR THE SERIES 2024 BONDS.”

The Series 2024 Bonds will be issued in fully registered form, registered in the name of Cede & Co., as nominee for The Depository Trust Company, Jersey City, New Jersey (“DTC”), which will act as securities depository for the Series 2024 Bonds. Individual purchases of beneficial ownership interest in the Series 2024 Bonds will be made in book-entry form only and individual purchasers will not receive physical delivery of bond certificates. The Series 2024 Bonds will be issued in authorized denominations of \$5,000 and multiples thereof. Interest on the Series 2024 Bonds will be payable on _____ 1, 20__ and thereafter semi-annually on each _____ 1 and _____ 1. Payments of principal of and interest on the Series 2024 Bonds will be made by the Bond Trustee, to Cede & Co., as nominee for DTC, for disbursement to DTC participants, to be disbursed subsequently to the beneficial owners of the Series 2024 Bonds. The Series 2024 Bonds are subject to optional, mandatory and extraordinary redemption prior to maturity as described in “THE SERIES 2024 BONDS.” FOR A DISCUSSION OF CERTAIN RISKS ASSOCIATED WITH THE PURCHASE OF THE SERIES 2024 BONDS, SEE “CERTAIN BONDHOLDERS’ RISKS.”

This cover page contains certain information for quick reference only. It is not a summary of this Official Statement. Investors should read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2024 Bonds and the premium, if any, and the interest thereon shall not be deemed to constitute a debt or a pledge of faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and James City County, Virginia. Neither the Commonwealth of Virginia nor any political subdivision thereof, including the Authority and James City County, Virginia, shall be obligated to pay the principal of or premium, if any, or interest on the Series 2024 Bonds or other costs incident thereto except from the revenues and receipts pledged therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and James City County, Virginia, is pledged to the payment of the principal of or premium, if any, or interest on the Series 2024 Bonds or other costs incident thereto.

The Series 2024 Bonds are offered when, as, and if issued by the Authority and received by the Underwriter, subject to the approval of their validity by McGuireWoods LLP, Richmond, Virginia, Bond Counsel, as described herein. Certain legal matters will be passed upon for the Authority by the Office of County Attorney for James City County, Virginia; for Williamsburg Landing by Kaufman & Canoles, a Professional Corporation, Williamsburg, Virginia; and for the Underwriter by Womble Bond Dickinson (US) LLP, Raleigh, North Carolina. Delivery of the Series 2024 Bonds is expected in New York, New York, on or about January __, 2024, through the facilities of DTC.

December __, 2023



MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS^{®*}

Series 2024 Bonds

\$ _____ Serial Bonds

Due (_____ 1)	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP^{®†}</u>
---------------------------	------------------------------------	---------------------------------	---------------------	----------------------------------

\$ - ____% Term Bonds Due: 1, 20__ Yield: ____% CUSIP^{®†}: _____

\$ - ____% Term Bonds Due: 1, 20__ Yield: ____% CUSIP^{®†}: _____

\$ - ____% Term Bonds Due: 1, 20__ Yield: ____% CUSIP^{®†}: _____

* Preliminary; subject to change.

† A registered trademark of The American Bankers Association. CUSIP data is provided by CUSIP Global Services (“CGS”) managed on behalf of the American Bankers Association by S&P Capital IQ. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP numbers are provided for convenience of reference and none of the Authority, Williamsburg Landing or the Underwriter take responsibility for the accuracy of such data.

THE UNDERWRITER MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE SERIES 2024 BONDS, INCLUDING TRANSACTIONS TO (A) OVER ALLOT IN ARRANGING THE SALE OF THE SERIES 2024 BONDS AND (B) MAKE PURCHASES AND SALES OF SERIES 2024 BONDS FOR LONG OR SHORT ACCOUNT, ON A WHEN-ISSUED BASIS OR OTHERWISE, AT SUCH PRICES, IN SUCH AMOUNTS AND IN SUCH MANNER AS THE UNDERWRITER MAY DETERMINE.

The Series 2024 Bonds are exempt from registration under the Securities Act of 1933 and the Virginia Securities Act. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations should not be relied upon as having been authorized by the Authority, the Obligated Group or the Underwriter. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2024 Bonds by any person in any state in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth herein has been obtained from the Authority, the Obligated Group, DTC and other sources that are deemed to be reliable, but is not guaranteed as to accuracy or completeness by the Underwriter. The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The Authority assumes no responsibility as to the accuracy or completeness of any information herein other than set forth in “THE AUTHORITY” and with respect to the Authority in “LITIGATION.” This Official Statement speaks as of its date except where specifically noted otherwise and is subject to change without notice. Neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create an implication that there has been no change in the affairs of the Authority or the Obligated Group since the date hereof or imply that any information herein is accurate or complete as of any later date.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement contains disclosures which contain “forward-looking statements.” Forward-looking statements include all statements that do not relate solely to historical or current fact, and can be identified by use of words like “may,” “believe,” “will,” “expect,” “project,” “estimate,” “anticipate,” “plan,” or “continue.” These forward-looking statements are based on the current plans and expectations of the Obligated Group (as defined herein) and are subject to a number of known and unknown uncertainties and risks, many of which are beyond the Obligated Group’s control, which could significantly affect current plans and expectations and the future financial position and results of operations of the Obligated Group. See “CERTAIN BONDHOLDERS’ RISKS” herein. As a consequence, current plans, anticipated actions and future financial position and results of operations may differ from those expressed in any forward-looking statements made by or on behalf of the Obligated Group. Investors are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this Official Statement, including Appendix A and Appendix C.

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OFFICIAL STATEMENT

ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA

\$ _____ *

**Residential Care Facility Revenue Bonds
(Williamsburg Landing)
Series 2024**

GENERAL STATEMENT

Series 2024 Bonds

This Official Statement, including the cover page and appendices, is provided to furnish information regarding the \$ _____ * Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2024 (the “Series 2024 Bonds”). The Series 2024 Bonds are being issued by the Economic Development Authority of James City County, Virginia, a political subdivision of the Commonwealth of Virginia (the “Authority”), pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), a Resolution of the Authority adopted _____, 2023 (the “Resolution”) and a Bond Trust Indenture, dated as of January 1, 2024 (the “Bond Indenture”), between the Authority and U.S. Bank Trust Company, National Association, as Bond Trustee (the “Bond Trustee”).

Concurrently with the issuance of the Series 2024 Bonds, the Authority will enter into a Loan Agreement, dated as of January 1, 2024 (the “Loan Agreement”) with Williamsburg Landing, Inc. (d/b/a “Williamsburg Landing”). Pursuant to the Loan Agreement, the Authority will loan the proceeds of the Series 2024 Bonds to Williamsburg Landing to provide funds, together with other available funds, to be used to (1) pay or reimburse the Corporation for paying a portion of the costs of the Project (as defined in Appendix A hereto); and (2) fund amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2024 Bonds. A more detailed description of the use of proceeds of the Series 2024 Bonds is set forth in “ESTIMATED SOURCES AND USES OF FUNDS.” Certain terms used herein are defined in Appendix D.

The Series 2024 Bonds will bear the legend:

THE SERIES 2024 BONDS AND THE PREMIUM, IF ANY, AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2024 BONDS OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED THEREFOR. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2024 BONDS OR OTHER COSTS INCIDENT THERETO.

No recourse may be had for the enforcement of any obligation, promise or agreement of the Authority contained in the Bond Indenture, the Series 2024 Bonds or the other Financing Instruments to which the Authority is a party or for any claim based on the Bond Indenture, the Series 2024 Bonds or the other Financing Instruments to which the Authority is a party or otherwise in respect of the Bond Indenture, the Series 2024 Bonds or the other Financing Instruments to which the Authority is a party against any director, member, officer, agent, attorney or

* Preliminary; subject to change.

employee, as such, in his or her individual capacity, past, present or future, of the Authority or of any successor entity, either directly or through the Authority or any successor entity whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. No personal liability whatsoever will attach to, or be incurred by, any director, member, officer, agent, attorney or employee as such, past, present or future, of the Authority or of any successor entity, either directly or through the Authority or any successor entity, under or by reason of any of the obligations, promises or agreements entered into in the Series 2024 Bonds or between the Authority and the Bond Trustee, whether contained in the Bond Indenture or implied from the Bond Indenture as being supplemental thereto; and all personal liability of that character against every such director, member, officer, agent, attorney and employee is, by the execution of the Bond Indenture and as a condition of, and as part of the consideration for, the execution of the Bond Indenture, expressly waived and released.

The Series 2024 Bonds are limited obligations of the Authority payable solely from payments made by Williamsburg Landing under the Loan Agreement and a promissory note designated Promissory Note Designated Series 2024 Obligation (the “Series 2024 Obligation”), executed and delivered by the Obligated Group under the hereinafter defined Master Indenture, initially consisting solely of Williamsburg Landing, each individually a “Member” and collectively with any future Members, the “Obligated Group.” The Series 2024 Obligation is being issued pursuant to a Second Amended and Restated Master Trust Indenture, dated as of October 1, 2021, as supplemented (the “Master Indenture”), including a Supplemental Indenture for Series 2024 Obligation, dated as of January 1, 2024, each between U.S. Bank Trust Company, National Association, as successor Master Trustee, and the Obligated Group (the “Obligated Group”), initially consisting solely of the Corporation. Stated aggregate payments on the Series 2024 Obligation will be sufficient to pay the principal, premium, if any, and interest on the Series 2024 Bonds as they become due and payable. The Series 2024 Obligation will be the joint and several general obligation of each Member of the Obligated Group. As of the date of issuance of the Series 2024 Bonds, Williamsburg Landing will be the sole Member of the Obligated Group.

Security for Obligations

The Series 2024 Obligation constitutes an “Obligation” under the Master Indenture which requires satisfaction of certain requirements under the Master Indenture. See “FINANCING DOCUMENTS AND SELECTED COVENANTS.”

As security for the Series 2024 Obligation and all other Obligations issued under the Master Indenture, Williamsburg Landing has entered into an Amended and Restated Deed of Trust, dated as of September 1, 2003 (as amended, the “Prior Deed of Trust”), pursuant to which it has (a) conveyed a first mortgage lien on the real estate portion of the Williamsburg Landing campus, together with all buildings, improvements and fixtures thereon, subject to Permitted Liens and (b) granted a security interest in the equipment located at the Williamsburg Landing campus (the “Equipment”), subject to the right of the Obligated Group to transfer certain Equipment free of the security interest created in the Equipment under certain circumstances. In connection with the issuance of the Series 2024 Bonds, the Prior Deed of Trust will be further supplemented and amended by a Twelfth Amended and Restated Deed of Trust and Security Agreement, dated as of January 1, 2024 (as amended or supplemented from time to time, the “Deed of Trust”).

The Williamsburg Landing campus and all facilities subsequently subjected to such lien are referred to herein as the “Mortgaged Premises.” In addition, under the Master Indenture, each Member of the Obligated Group has pledged and assigned all Pledged Assets to the Master Trustee as security for all Obligations issued thereunder, including the Series 2024 Obligation, and will grant a security interest in all of the foregoing, subject to Permitted Liens and subject to the right of the Members to transfer certain Pledged Assets free of the security interest created in the Pledged Assets under certain circumstances.

As security for the Series 2024 Bonds, the Authority will assign to the Bond Trustee (a) all right, title and interest in and to the Series 2024 Obligation, (b) all rights under the Master Indenture and the Deed of Trust as owner of the Series 2024 Obligation and (c) substantially all right, title and interest in and to the Loan Agreement. See “SECURITY FOR THE SERIES 2024 BONDS.”

Master Indenture

The Master Indenture permits each Member of the Obligated Group to incur additional Indebtedness evidenced by Obligations issued under the Master Indenture (including the Series 2024 Obligation) that will be secured *pari passu* with all other Obligations by the lien on the Mortgaged Premises and the security interests in the Pledged Assets and Equipment. The incurrence of such additional Indebtedness is subject to the compliance with one or more tests set forth in more detail in the Master Indenture. See “FINANCING DOCUMENTS AND SELECTED COVENANTS” and Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

The Members of the Obligated Group have previously incurred indebtedness secured by the Master Indenture. For more information on such indebtedness and the related outstanding Obligations that will be on parity with the Series 2024 Obligation, see “PLAN OF FINANCING – Master Indenture Obligations” herein.

The Members of the Obligated Group are also subject to certain covenants under the Master Indenture restricting, among other things, incurrence of Indebtedness, creation of Liens, consolidation or merger and disposition of assets.

Williamsburg Landing

Included in Appendix A is a description of Williamsburg Landing, Williamsburg Landing’s facility and its operations. The Master Indenture permits Persons that are not Members of the Obligated Group and other corporations that are successor corporations to any Member of the Obligated Group through merger or consolidation as permitted by the Master Indenture to become Members of the Obligated Group upon compliance with certain financial and other requirements. Upon compliance with certain requirements, Members of the Obligated Group may withdraw from the Obligated Group.

Bondholders’ Risks

Payment of the Series 2024 Bonds is primarily dependent on revenues to be generated by Williamsburg Landing. A description of certain risks affecting the generation of such revenues is set forth in “CERTAIN BONDHOLDERS’ RISKS.”

Continuing Disclosure

Williamsburg Landing has undertaken to provide certain limited continuing disclosure as described further in “FINANCIAL REPORTING AND CONTINUING DISCLOSURE.”

THE AUTHORITY

The Authority was created by an ordinance adopted by the Board of Supervisors of James City County, Virginia (the “Board of Supervisors”), to promote and further the purposes of the Act. The Authority is a political subdivision of the Commonwealth of Virginia governed by a seven-member board of directors appointed by the Board of Supervisors. The Authority is empowered, among other things, to acquire, construct, own, lease and dispose of various types of facilities, including medical facilities and facilities for the residence or care of the aged, and to finance the same by the issuance of its revenue bonds and to refund bonds previously issued by it and to assist 501(c)(3) organizations by refinancing existing debt for facilities for the residence or care of the aged. The Series 2024 Bonds will be limited obligations of the Authority. The Authority has no taxing power. Prior to August 1, 1999, the Authority was known as the Industrial Development Authority of James City County, Virginia.

Pursuant to the Bond Indenture and the Loan Agreement, the Authority will have no ongoing responsibility with respect to the facilities of Williamsburg Landing or the security for the Series 2024 Bonds. All of the rights, privileges, duties and obligations of the Authority (except as expressly reserved in the Bond Indenture) are assigned to the Bond Trustee pursuant to the Bond Indenture.

The Authority has issued revenue obligations for various other facilities. Each is payable from receipts and revenues derived by the Authority from the facility on behalf of which such bonds or notes were issued and is secured separately and distinctly from the issues for each other facility.

THE SERIES 2024 BONDS

General Description

The Series 2024 Bonds will bear interest from their date at rates set forth on the inside cover of this Official Statement payable on _____ 1, 20____, and on each _____ 1 and _____ 1 thereafter. The Series 2024 Bonds will mature on _____ 1 in the years and amounts as set forth on the inside cover of this Official Statement.

The record dates for the Series 2024 Bonds are _____ [15] (for the _____ 1 payment date) and _____ [15] (for the _____ 1 payment date). The interest rate applicable to all Series 2024 Bonds shall be a rate per year consisting of 360 days, with computations of interest over any period of less than 360 days to be made on the basis of twelve 30-day months.

The Series 2024 Bonds will be registered as to principal and interest in the name of Cede & Co., as nominee for DTC, or otherwise as hereinafter described. Purchases of beneficial ownership interests in the Series 2024 Bonds will be made only in book-entry form and purchasers will not receive certificates representing their interests in the Series 2024 Bonds so purchased. If the book-entry system is discontinued, bond certificates will be delivered as described in the Bond Indenture, and Beneficial Owners (as hereinafter defined) will become the registered owners. See Appendix G – The DTC Book-Entry Only System hereto for a description of the DTC Book-Entry Only System.

The Series 2024 Bonds will be issued as registered bonds in denominations of \$5,000 and multiples thereof. As long as the Series 2024 Bonds are held by DTC or its nominee, interest will be paid to Cede & Co., as nominee of DTC, in next day funds on each interest payment date. If the book-entry system is discontinued, interest on Series 2024 Bonds will be payable by check or draft mailed to the registered owner. Principal will be payable at the principal corporate trust office of the Bond Trustee.

THE SERIES 2024 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY. THE SERIES 2024 BONDS AND THE PREMIUM, IF ANY, AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA, SHALL BE OBLIGATED TO PAY PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON, OR THE PURCHASE PRICE OF, THE SERIES 2024 BONDS OR OTHER COSTS INCIDENT THERETO, EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED THEREFOR. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2024 BONDS OR OTHER COSTS INCIDENT THERETO.

Exchange of Bonds

As long as the Series 2024 Bonds are held by DTC or its nominee, Beneficial Owners may transfer their interest in the Series 2024 Bonds through the facilities of DTC as described in Appendix G. If the book-entry system is discontinued, exchanges of Series 2024 Bonds may be made at the principal corporate trust office of the Bond Trustee for an equal aggregate principal amount of other Series 2024 Bonds of the same series and maturity, of authorized denominations and bearing interest at the same rate.

Upon receipt by the Authority and the Bond Trustee of evidence satisfactory to them that any Series 2024 Bond has been mutilated, lost or destroyed, the Authority may execute and the Bond Trustee may authenticate and deliver a new Series 2024 Bond upon receipt of payment of the reasonable expenses and charges of the Authority and the Bond Trustee and indemnity satisfactory to them.

Mandatory Sinking Fund Redemption of Series 2024 Bonds

As a sinking fund, the Bond Trustee is required to redeem Series 2024 Bonds maturing on _____ 1, 20__, on _____ 1 in years and in principal amounts and at a price of 100% of the principal amount of the Series 2024 Bonds to be redeemed plus accrued interest thereon to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

(maturity)

As a sinking fund, the Bond Trustee is required to redeem Series 2024 Bonds maturing on _____ 1, 20__, on _____ 1 in years and in principal amounts and at a price of 100% of the principal amount of the Series 2024 Bonds to be redeemed plus accrued interest thereon to the redemption date, as follows:

<u>Year</u>	<u>Amount</u>
-------------	---------------

(maturity)

The Bond Indenture provide for a credit against payments required to be made on any mandatory sinking fund redemption date specified by Williamsburg Landing for the Series 2024 Bonds of the same series and maturity, in an amount equal to the principal amount of such Series 2024 Bonds that have been redeemed (otherwise than by mandatory sinking fund redemption) before the mandatory sinking fund redemption date or purchased by the Authority or Williamsburg Landing and delivered to the Bond Trustee for cancellation as described in the Bond Indenture for the Series 2024 Bonds, provided the principal amount of such Series 2024 Bonds have not previously been applied as a credit against any other mandatory sinking fund redemption payment.

Optional Redemption

The Series 2024 Bonds will be subject to redemption by the Authority, at the direction of Williamsburg Landing, prior to maturity, in whole, or in part by lot, at any time on or after _____ 1, 20__, at a redemption price equal to the applicable percentage of the principal amount to be redeemed plus accrued interest thereon to the redemption date, in accordance with the table provided below:

<u>Redemption Period</u>	<u>Price</u>
_____ 1, 20__ through _____ 30, 20__	
_____ 1, 20__ through _____ 30, 20__	
_____ 1, 20__ and thereafter	

Extraordinary Redemption

The Series 2024 Bonds are required to be redeemed in whole at any time upon payment of 100% of the principal amount thereof, without premium, plus interest accrued to, but not including, the redemption date in the event Williamsburg Landing exercises its option to prepay the Series 2024 Obligation upon occurrence of any of the following:

(1) Damage or destruction of the Mortgaged Premises by fire or other casualty to such extent that, or loss of title to or use of substantially all of the Mortgaged Premises as a result of the exercise of the power of eminent domain or failure of title to the extent that, in the opinion of both Williamsburg Landing's board of directors (expressed in a resolution) and an independent architect or engineer filed with the Bond Trustee, (a) the Mortgaged Premises cannot be reasonably repaired, rebuilt or restored within a period of 12 months to its condition immediately preceding such damage or destruction, or (b) Williamsburg Landing is prevented from carrying on its normal operations at the Mortgaged Premises for a period of 12 months, or (c) the cost of repairs, rebuilding or restoration would exceed, by more than one percent of Book Value, the Net Proceeds of insurance (including self-insurance) plus the amounts for which Williamsburg Landing is self-insured with respect to deductible amounts.

(2) A change in the Constitution of Virginia or of the United States of America or a legislative or administrative action (whether local, state or federal) or a final decree, judgment or order of any court or administrative body (whether local, state or federal) contested by Williamsburg Landing in good faith that (a) in an Opinion of Counsel causes the Loan Agreement or the Series 2024 Obligation to become void or unenforceable or impossible of performance in accordance with the intent and purpose of the parties as expressed in the Loan Agreement or (b) based on a Consultant's Report, causes unreasonable burdens or excessive liabilities to be imposed on the Authority or Williamsburg Landing.

(3) Loss of title to or use of a portion of the Mortgaged Premises as a result of the exercise of the power of eminent domain or failure of title, or damage to or destruction of the Mortgaged Premises if Williamsburg Landing shall have furnished to the Bond Trustee certain supporting documentation.

The Series 2024 Bonds are subject to redemption in part by the Authority at the direction of Williamsburg Landing at any time upon payment of 100% of the principal amount to be redeemed, without premium, plus accrued interest to, but not including, the redemption date in the event of partial damage to, destruction of, condemnation of or loss of title to a portion of the Mortgaged Premises. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

Manner of Redemption

Whenever Series 2024 Bonds are redeemed, whether by mandatory sinking fund redemption, optional redemption, extraordinary redemption or otherwise, the Bond Trustee shall cause notice of the call for redemption identifying the Series 2024 Bonds to be redeemed to be sent by first class mail not less than 30 nor more than 60 days prior to the redemption date to the registered owner of each Series 2024 Bond to be redeemed at his address as it appears on the registration books of the Bond Trustee. **During the period that DTC or its nominee is the registered holder of the Bonds, the Bond Trustee will not be responsible for mailing notices of redemption to the Beneficial Owners of the Bonds.** See Appendix G - The DTC Book-Entry Only System hereto.

If less than all of the Series 2024 Bonds are called for extraordinary optional redemption, an Authorized Representative of Williamsburg Landing may direct the Bond Trustee to redeem specific maturities of Series 2024 Bonds from each maturity then outstanding, to the extent practicable, in the proportion that the principal amount of the Series 2024 Bonds of such maturity bears to the total principal amount of all Series 2024 Bonds under the Bond Indenture and then outstanding or in inverse order of maturity, and the Bond Trustee shall redeem in accordance with such instructions. If less than all the Series 2024 Bonds of any maturity are called for optional redemption, the Series 2024 Bonds to be redeemed shall be selected by DTC in accordance with its procedures, or if DTC is not the securities depository, then by lot in such manner as the Bond Trustee shall determine. If funds have been deposited with the Bond Trustee for such purpose, each Series 2024 Bond duly called for redemption will cease to bear interest on its redemption date.

Purchase in Lieu of Redemption

The Authority and, by their acceptance of the Series 2024 Bonds, the owners of the Series 2024 Bonds, irrevocably grant to Williamsburg Landing the option to purchase, at any time and from time to time, any Series 2024 Bond which has been called for redemption under the provisions of the Bond Indenture at a price equal to the principal amount thereof, plus any applicable premium, and plus the interest accrued on the principal amount to be redeemed to the date fixed for redemption. To exercise such option, Williamsburg Landing will give the Bond Trustee a written request exercising such option within the time period specified herein as though such written request were a written request of the Authority for redemption, and the Bond Trustee will thereupon give notice of such purchase in the manner specified herein as though such purchase were a redemption, and the purchase of such Series 2024 Bonds will be mandatory and enforceable against the owners of any such Series 2024 Bonds. On the date fixed for purchase under any exercise of such option, the Borrower will pay the purchase price of the Series 2024 Bonds then being purchased to the Bond Trustee in immediately available funds, and the Bond Trustee will pay the same to the registered owner against delivery thereof. Following such purchase, the Bond Trustee will cause such Series 2024 Bonds to be registered in the name of Williamsburg Landing or its nominee and shall deliver them to Williamsburg Landing or its nominee. In the case of the purchase of less than all of the Series 2024 Bonds, the particular Series 2024 Bonds to be purchased shall be selected in the manner specified herein as though such purchase were a redemption. No purchase of the Series 2024 Bonds under this provision shall operate to extinguish the indebtedness of the Authority evidenced thereby.

Acceleration Upon Default; Other Remedies

All principal and accrued interest on the Series 2024 Bonds may become immediately due and payable, without premium, upon an Event of Default under the Bond Indenture if the Bond Trustee (1) exercises its option to so declare or (2) is directed to so declare by the holders of at least 25% in aggregate principal amount of Series 2024 Bonds then outstanding. The Bond Trustee's receipt of proceeds upon acceleration may be dependent upon the Bond Trustee and the Master Trustee taking certain action. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

SECURITY FOR THE SERIES 2024 BONDS

General

The principal of, premium, if any, and interest on the Series 2024 Bonds will be payable solely from moneys paid by the Obligated Group pursuant to the Loan Agreement and the Series 2024 Obligation. The Series 2024 Obligation is a joint and several obligation of each current Member of the Obligated Group and any future Member. Initially, Williamsburg Landing will be the sole Member of the Obligated Group. Pursuant to the Bond Indenture, the Authority will assign to the Bond Trustee (a) its right, title and interest in and to the Series 2024 Obligation, (b) any of its rights under the Master Indenture and the Deed of Trust and (c) its right, title and interest in and to the Loan Agreement, including the right to receive loan payments thereunder (except for certain reserved rights, including its rights to indemnification and the payment of certain expenses, its rights to give certain approvals and consents and its right to receive certain documents, information and notices). The Series 2024 Bonds will further be secured by the moneys and securities held by the Bond Trustee in certain funds and accounts created under the Bond Indenture and the Master Indenture, including the Debt Service Reserve Fund described below with respect to the Series 2024 Bonds.

Limited Obligations

THE SERIES 2024 BONDS ARE LIMITED OBLIGATIONS OF THE AUTHORITY. THE SERIES 2024 BONDS AND THE PREMIUM, IF ANY, AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA, SHALL BE OBLIGATED TO PAY PRINCIPAL OF OR PREMIUM,

IF ANY, OR INTEREST ON, OR THE PURCHASE PRICE OF, THE SERIES 2024 BONDS OR OTHER COSTS INCIDENT THERETO, EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED THEREFOR. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND JAMES CITY COUNTY, VIRGINIA, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2024 BONDS OR OTHER COSTS INCIDENT THERETO.

Mortgage; Equipment

Pursuant to the Deed of Trust, as security for the payment of amounts due on any Obligations issued under the Master Indenture, including the Series 2024 Obligation, the Obligated Group has conveyed a first mortgage lien on the Williamsburg Landing campus, together with all buildings, improvements and fixtures thereon constituting the Williamsburg Landing campus subject to Permitted Liens. **[Simultaneously with the delivery of the Series 2024 Bonds, the Obligated Group will deliver to the Master Trustee a mortgagee title insurance policy on the Williamsburg Landing campus in an aggregate amount equal to the aggregate amount of the Obligations secured thereby.]**

In addition, pursuant to the Deed of Trust, Williamsburg Landing has pledged, assigned and granted to the Master Trustee a security interest in the Equipment at the Williamsburg Landing campus as security for the payment of amounts due on the Series 2024 Obligation and any other Obligations issued under the Master Indenture. The security interest in the Equipment at the Williamsburg Landing campus will be perfected to the extent and only to the extent that such security interest may be perfected by filing financing statements under the UCC. Continuation statements with respect to such filings must be filed periodically to continue the perfection of such security interest. The security interest in the Equipment is subject to Permitted Liens that exist prior to or that may be created subsequent to the time the security interest in the Equipment attaches and is subject to the right of the Members of the Obligated Group to transfer Property and Equipment free of the security interest created in the Equipment under certain circumstances.

The mortgage lien and security interest on real and personal property covers only the Williamsburg Landing campus and does not cover any other real and personal property owned or operated by Williamsburg Landing or any related entities. Under certain circumstances, if additional parity indebtedness is incurred by the Obligated Group to finance new facilities or improvements to existing facilities, the Obligated Group will be required to extend the lien and security interest of the Deed of Trust to cover such facilities (see Appendix D – Copies and Proposed Forms of the Financing Documents hereto). All facilities owned and operated by the Obligated Group, including the Mortgaged Premises but excluding any Excluded Property, are referred to herein as the “Obligated Group Facilities.” For the circumstances in which Obligated Group Facilities may be transferred from the Obligated Group, see Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

[In connection with the issuance of the Series 2024 Bonds, the Deed of Trust will be amended to add the approximately 15-acre tract of land on which the Project will be located to the lien and security interest created by the Deed of Trust. At such point, such property shall cease to be Excluded Property and will become a portion of the Mortgaged Premises.]

Pledged Assets

Under the Master Indenture, each Member of the Obligated Group will grant to the Master Trustee a security interest in its Pledged Assets. During the continuance of an Event of Default under the Master Indenture, all Pledged Assets shall be transferred to the Master Trustee and applied as required in the Master Indenture. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

“Pledged Assets” mean Gross Receipts and all inventory, accounts (including accounts receivable and contract rights), documents, instruments, other moneys, chattel paper and general intangibles, now owned or hereafter acquired by any Member of the Obligated Group, and all proceeds thereof, all as defined in the UCC, including without limitation all rights under residency agreements with respect to, or leases of, residential units in the residence and care facilities owned by Williamsburg Landing and other facilities owned by any Members;

provided, however, that Pledged Assets shall not include contract rights consisting of charitable pledges that are designated by the donor or the Member at the time made for certain specific purposes nor any assets derived from Excluded Property.

“Gross Receipts” mean all revenues, income, receipts and money (other than proceeds of borrowings) received in any period by or on behalf of each Member, including, but without limiting the generality of the foregoing, (a) revenues derived from its operations, (b) gifts, grants, bequests, donations and contributions and the income therefrom, exclusive of any gifts, grants, bequests, donations and contributions to the extent specifically restricted by the donor to a particular purpose inconsistent with their use for the payment of Indebtedness, (c) proceeds derived from (i) insurance, except to the extent otherwise required by the Master Indenture to be used for a particular purpose inconsistent with their use for the payment of Obligations, (ii) accounts, (iii) securities and other investments, (iv) inventory and other tangible and intangible property, (v) medical or hospital or disability insurance including without limitation long-term care insurance, indemnity or reimbursement programs or agreements, and (vi) contract rights and other rights and assets now or hereafter owned, held, or possessed by each Member, (d) rentals received from the leasing of real or tangible personal property and (e) Entrance Fees; provided, however, that Entrance Fees shall be considered Gross Receipts only when and to the extent they are not held in escrow for the benefit of the payor thereof pursuant to any requirement of law.

Cash held by Williamsburg Landing may not be subject to any perfectible security interest under the UCC. The security interest in any item of inventory will be inferior to the interest of a buyer in the ordinary course of business and will be inferior to a purchase money security interest, as defined in the UCC, perfected in connection with the sale to Williamsburg Landing of such item. The lien on certain other Pledged Assets may not be enforceable against third parties unless such other Pledged Assets are transferred and delivered to the Master Trustee (which transfer the Obligated Group is not required by the Master Indenture to make prior to a default thereunder and which transfer may be set aside if it occurs within 90 days of the filing of a petition of bankruptcy), is subject to exception under the UCC and may be lost if the proceeds are commingled or expended by the Obligated Group. In addition, the federal government restricts the assignment of rights arising out of Medicare, Medicaid and other federal programs.

In the event of the bankruptcy of a Member of the Obligated Group pursuant to the Federal Bankruptcy Code, any receivables in favor of such bankrupt member coming into existence and any Pledged Assets of such bankrupt member received on or after the date which is 90 days (or, in some circumstances, one year) prior to the commencement of proceedings in the Bankruptcy Court with respect to such bankrupt member may no longer be subject to the lien granted to secure the Obligations and, with respect to the Pledged Assets, the interest of the Master Trustee holding Obligations for the benefit of the Holders would be shared with general creditors of such bankrupt member. Under certain circumstances, a Bankruptcy Court or a court of equity may have the power to direct the use of Pledged Assets to meet expenses of the bankrupt entity before paying debt service on the Obligations. With respect to Pledged Assets not subject to the lien, the holders of Obligations under the Master Indenture would occupy the position of an unsecured creditor.

The Master Indenture and the Obligated Group

The Members of the Obligated Group have previously incurred indebtedness secured by the Master Indenture. For more information on such indebtedness and the related outstanding Obligations that will be on parity with the Series 2024 Obligation, see “PLAN OF FINANCING – Master Indenture Obligations” herein. Such outstanding Obligations are referred to as the “Current Obligations” herein.

Upon the issuance of the Series 2024 Bonds, the only Obligations that will be outstanding are the Series 2024 Obligation and the Current Obligations. See “PLAN OF FINANCING” herein. The Series 2024 Obligation, the Current Obligations and any other Obligation issued by the Members of the Obligated Group will be the joint and several obligations of each and every Member of the Obligated Group. All Obligations will rank on a parity basis with each other and will be equally and ratably secured by the Master Indenture. The Master Indenture requires all Members to make payments sufficient to pay all Obligations when due.

Williamsburg Landing is currently the sole Member of the Obligated Group. The Master Indenture provides that affiliates of any Member of the Obligated Group and other entities approved by such Members may be

admitted to the Obligated Group upon the satisfaction of certain conditions. Each Member, as a co-obligor and not as guarantor, will jointly and severally covenant to pay the principal of, premium, if any and interest on all Obligations issued under the Master Indenture and to perform any and all other covenants, agreements and obligations under the Master Indenture, subject to the right of such Member to withdraw from the Obligated Group under certain circumstances. (See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.) The enforceability of the obligations of Members of the Obligated Group may be limited in certain circumstances. (See “Bankruptcy” and “Limitations on Enforceability of Remedies” in “CERTAIN BONDHOLDERS’ RISKS.”)

The Members agree in the Master Indenture that they will not create or suffer the creation or existence of any lien on any of their respective facilities, other than certain Permitted Liens. Any lien so created, although not a Permitted Lien, may nonetheless be enforceable against such Members. In addition, the Members of the Obligated Group are subject to restrictions and limitations with respect to the incurrence of indebtedness, consolidation and merger, transfer of assets and addition and withdrawal of Members of the Obligated Group. In the Master Indenture, the Members of the Obligated Group will make certain covenants with respect to the maintenance of their property. The Members of the Obligated Group will also covenant that, upon the occurrence of an Event of Default, they will pay over to the Master Trustee, if so directed, all Pledged Assets. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

Covenants; Additional Indebtedness

The Members of the Obligated Group are subject to covenants under the Master Indenture relating to maintenance of a Long-Term Debt Service Coverage Ratio, a Liquidity Covenant and restricting, among other things, incurrence of Indebtedness, creation of Liens, consolidation and merger, disposition of assets, addition of Members to the Obligated Group and withdrawal of Members from the Obligated Group (see “FINANCING DOCUMENTS AND SELECTED COVENANTS” and Appendix D – Copies and Proposed Forms of the Financing Documents hereto).

THE MASTER INDENTURE PERMITS EACH MEMBER OF THE OBLIGATED GROUP TO INCUR ADDITIONAL INDEBTEDNESS EVIDENCED BY OBLIGATIONS ISSUED UNDER THE MASTER INDENTURE THAT WILL SHARE THE SECURITY FOR THE SERIES 2024 OBLIGATION ON A PARITY WITH THE SERIES 2024 OBLIGATION. SUCH ADDITIONAL OBLIGATIONS WILL NOT BE SECURED BY THE MONEY OR INVESTMENTS IN ANY FUND OR ACCOUNT HELD BY THE BOND TRUSTEE UNDER THE BOND INDENTURE AS SECURITY FOR THE SERIES 2024 BONDS.

Debt Service Reserve Fund

The Supplemental Indenture for Series 2021A Obligation, dated as of October 1, 2021, between the Corporation and the Master Trustee, established the Series 2021A Reserve Fund (the “2021A Reserve Fund”) to secure the Authority’s Residential Care Facility Revenue Refunding Bonds, Series 2021A (the “Series 2021A Bonds”). The Series 2024 Bonds will also be secured by the Series 2021A Reserve Fund on a parity with the Series 2021A Bonds and any other hereafter-issued Obligations secured by the 2021A Reserve Fund. The Debt Service Reserve Requirement for the 2021A Reserve Fund is an amount equal to \$_____.* Upon issuance of the Series 2024 Bonds, \$_____ will be deposited in the 2021A Reserve Fund. Funds on deposit in the 2021A Reserve Fund will be used to make up any deficiencies in the bond funds for the Series 2021A Bonds, the Series 2024 Bonds (and any other Obligations secured by the 2021A Reserve Fund). The Master Indenture requires the Master Trustee to use amounts in the 2021A Reserve Fund to make transfers to the Bond Trustee for deposit in the Interest Account and the Principal Account of the Bond Fund to the extent necessary to pay interest on and principal of (whether at maturity, by acceleration or in satisfaction of the sinking fund requirement therefor) the Series 2024 Bonds, whenever and to the extent that the money on deposit in the Interest Account and the Principal Account of the Bond Fund is insufficient for such purposes.

The Master Trustee may establish (or combine) one or more Debt Service Reserve Funds as security for one or more Obligations issued under the Master Indenture. Each Debt Service Reserve Fund, including the 2021A

* Preliminary; subject to change.

Reserve Fund, may serve as security for more than one Obligation under the Master Indenture, in which case all Obligations secured under such Debt Service Reserve Fund will be secured equally and ratably by amounts on deposit in such Debt Service Reserve Fund. Each Debt Service Reserve Fund will be required to be funded in an amount equal to the applicable Debt Service Reserve Fund Requirement. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

[Assignment of Construction Contracts?]

Other Covenants of Williamsburg Landing

In the Loan Agreement, Williamsburg Landing will make certain additional covenants with respect to maintenance of the Williamsburg Landing campus, use of bond proceeds and maintenance of its existence as a tax-exempt, nonprofit corporation. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

Defeasance

When the interest on, and the principal and redemption premium (as the case may be) of all Series 2024 Bonds have been paid, or there have been deposited with the Bond Trustee an amount of money or other qualifying obligations (which includes securities other than government obligations) the maturing principal of which, when due and payable, shall provide sufficient amounts to pay the principal of, premium, if any, and interest due and to become due on the Series 2024 Bonds on or prior to the redemption date or maturity date thereof, such Series 2024 Bonds shall be no longer deemed outstanding under the Bond Indenture and the Bond Trustee shall cancel the obligations of the Authority to the holders of the Series 2024 Bonds. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

WILLIAMSBURG LANDING

Williamsburg Landing is a Virginia non-stock corporation that is exempt from federal income taxation under Section 501(c)(3) of the Code. Attached as Appendix A to this Official Statement is a description of Williamsburg Landing, its operations and the facilities owned and operated by Williamsburg Landing.

FINANCIAL STATEMENTS

The financial statements of Williamsburg Landing and its affiliates, included in Appendix B to this Official Statement, as of and for the years ended December 31, 2021 and 2022 have been audited by CliftonLarsonAllen LLP, independent accountants, as stated in their reports thereon, which appear in Appendix B hereto.

PLAN OF FINANCING

General

Proceeds of the Series 2024 Bonds, together with other available funds, will be used to (a) pay or reimburse the Corporation for paying a portion of the costs of the Project and (b) fund amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2024 Bonds. The costs of the various portions of the plan of financing can be found below under “ESTIMATED SOURCES AND USES OF FUNDS” below.

For information on the Project, see “THE PROJECT” in Appendix A hereto.

Master Indenture Obligations

The following table sets forth the indebtedness incurred by Williamsburg Landing secured by the Master Indenture and the Obligation related to such indebtedness upon the issuance of the Series 2024 Bonds.

Indebtedness	Estimated Outstanding Principal Amount	Related Obligation
Economic Development Authority of the City of Williamsburg, Virginia Revenue Bond (Williamsburg Landing Project), Series 2007		Replacement Series 2007 Obligation
Economic Development Authority of Mathews County, Virginia Revenue Bond (Williamsburg Landing Project), Series 2011A		Replacement Series 2011A Obligation
Economic Development Authority of Mathews County, Virginia Revenue Bond (Williamsburg Landing Project), Series 2011B		Replacement Series 2011B Obligation
Economic Development Authority of Mathews County, Virginia Revenue Bond (Williamsburg Landing Project), Series 2012		Replacement Series 2012 Obligation
Economic Development Authority of Mathews County, Virginia Revenue Bond (Williamsburg Landing, Inc.), Series 2016A		Replacement Series 2016A Obligation
Economic Development Authority of James City County, Virginia Residential Care Facility Revenue Refunding Bonds (Williamsburg Landing), Series 2021A		Promissory Note Designated the Series 2021A Obligation
Economic Development Authority of James City County, Virginia Residential Care Facility Revenue Refunding Bonds (Williamsburg Landing), Series 2021B (Federally Taxable)		Promissory Note Designated the Series 2021B Obligation

Except with respect to the Series 2021A Bonds and the Series 2021B Bonds, the indebtedness set forth in the above table is held by Towne Bank and is referred to as the “Bank-Held Bonds” herein. The Obligations set forth in the above table are referred to herein as the “Current Obligations.”

FINANCIAL FEASIBILITY STUDY

CliftonLarsonAllen LLP, independent certified public accountants, has prepared a final feasibility study dated _____, 2023 (the “Feasibility Study”), which is included as Appendix C hereto. The Feasibility Study includes management's financial forecast of the Obligated Group for the five (5) years ending December 31, 2027. As stated in the Feasibility Study, there will usually be differences between the forecasted data and actual results because events and circumstances frequently do not occur as expected and those differences may be material. **THE FEASIBILITY STUDY SHOULD BE READ IN ITS ENTIRETY, INCLUDING MANAGEMENT’S NOTES AND ASSUMPTIONS SET FORTH THEREIN.**

The following table reflects the forecasted funds available for debt service and other financial ratios as of and for the fiscal years ending December 31, 2023 through 2027 and has been extracted from management's financial forecast included in the Feasibility Study.

FORECASTED SCHEDULE OF FINANCIAL RATIOS
FOR THE FIVE YEARS ENDING DECEMBER 31,
(IN THOUSANDS OF DOLLARS, EXCEPT RATIOS)

<u>Long-Term Debt Service Coverage Ratio</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Change in net assets without donor restriction					
Deduct:					
Amortization of entrance fees					
Add:					
Change in value of swap agreement					
Write-off of bond issuance costs					
Depreciation					
Interest expense					
Entrance fees received, net of refunds ⁽¹⁾					
Income Available for Debt Service					
Maximum Annual Debt Service⁽²⁾					
Long-Term Debt Service Coverage Ratio					

Days' Cash on Hand

Cash and cash equivalents	
Investments	
Statutory operating reserve	
Less: Donor-restricted—Residents' Assistance Fund	
Total	
Operating Expenses	
Plus (less):	
Amortization of bond issuance costs	
Depreciation	
Total	
Daily Operating Expenses ⁽³⁾	
Days' Cash on Hand	

⁽¹⁾ [To be inserted.]

ESTIMATED SOURCES AND USES OF FUNDS*

Williamsburg Landing's estimates of sources and uses of funds in connection with the issuance of the Series 2024 Bonds is provided below.

SOURCES OF FUNDS

Proceeds of the Series 2024 Bonds
[Plus/Less] Original Issue [Premium/Discount] _____

TOTAL SOURCES OF FUNDS _____

USES OF FUNDS

Project Costs
Capitalized Interest
Deposit into 2021A Reserve Fund⁽¹⁾
Costs of Issuance⁽²⁾ _____

TOTAL USES OF FUNDS _____

⁽¹⁾ This amount plus the amount of the balance of funds on deposit in the 2021A Reserve Fund (approximately \$_____) will equal the Debt Service Reserve Fund Requirement for the 2021A Reserve Fund, which will secure the Obligations related to the Series 2021A Bonds and the Series 2024 Bonds on a parity basis.

⁽²⁾ Includes Underwriter's discount, legal fees, accounting and feasibility study fees, printing costs, fees and expenses of the Bond Trustee and the Master Trustee and other miscellaneous fees and expenses.

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* Preliminary; subject to change.

ANNUAL DEBT SERVICE REQUIREMENTS

The following table sets forth for each fiscal year ending on December 31, the amounts payable to holders of the Series 2024 Bonds, the Series 2021 Bonds and the Bank-Held Bonds. Totals may not foot due to rounding.

Fiscal Year Ending December 31,	Series 2024 Bonds		Series 2021 Bonds		Bank-Held Bonds ¹	Total Debt Service
	Principal ¹	Interest	Principal ¹	Interest		
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
2050						
TOTAL						

¹ Preliminary; subject to change.

² The Bank-Held Bonds that will remain outstanding following the issuance of the Series 2024 Bonds bear interest at adjustable rates that are fixed for set terms and then reset to new fixed rates based on formulas set forth in the related financing documents. For purposes of this table, the Bank-Held Bonds are assumed to bear interest at an average blended rate of ____% per annum until final maturity.

CERTAIN BONDHOLDERS' RISKS

General Risk Factors

The Series 2024 Bonds are limited obligations of the Authority, payable solely from and secured exclusively by the funds pledged thereto, including the payments to be made by Williamsburg Landing under the Loan Agreement.

A BONDHOLDER IS ADVISED TO READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING THE APPENDICES HERETO, AND SPECIAL REFERENCE IS MADE TO THE SECTION "SECURITY FOR THE SERIES 2024 BONDS" AND THIS SECTION FOR A DISCUSSION OF CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE SERIES 2024 BONDS.

Certain risks are inherent in the successful development and operation of facilities such as the Community, as described in Appendix A. Such risks should be considered in evaluating the Community's ability to generate sufficient revenues to pay principal of, premium, if any, and interest on the Series 2024 Bonds when due. This section discusses some of these risks but is not intended to be a comprehensive listing of all risks associated with the payment of the Series 2024 Bonds or any other indebtedness secured on a parity with the Series 2024 Bonds.

No representation or assurance is given or can be made that revenues will be realized by the Obligated Group (which in the context of this discussion of risk factors, should be understood to include Williamsburg Landing individually and together with future Members of the Obligated Group, if any) sufficient to ensure the payment of the principal and interest on the Series 2024 Bonds in the amounts and at the times required to pay debt service on the Series 2024 Bonds when due. The ability of the Obligated Group to generate sufficient revenues may be impacted by a number of factors. Some, but not necessarily all of these risk factors are discussed in this section below; these risk factors should be considered by investors considering any purchase of the Series 2024 Bonds. Neither the Underwriter nor the Authority has made any independent investigation of the extent to which any factors may have an adverse effect on the revenues of the Obligated Group.

Limited Obligations

The Series 2024 Bonds and the interest thereon are limited obligations of the Authority, payable solely from the funds pledged therefor, and not from any other fund or source of the Authority, and are secured under the Bond Indenture and the Master Indenture as described herein.

The Series 2024 Bonds and the premium, if any, and the interest thereon shall not be deemed to constitute a debt or a pledge of faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and James City County, Virginia. Neither the Commonwealth of Virginia nor any political subdivision thereof, including the Authority and James City County, Virginia, shall be obligated to pay the principal of or premium, if any, or interest on the Series 2024 Bonds or other costs incident thereto except from the revenues and receipts pledged therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and James City County, Virginia, is pledged to the payment of the principal of or premium, if any, or interest on the Series 2024 Bonds or other costs incident thereto.

The Series 2024 Bonds are limited obligations of the Authority and have the following sources of payment:

(1) ***Loan payments received by the Bond Trustee from Williamsburg Landing pursuant to the terms of the Loan Agreement and the Series 2024 Obligation.*** The Authority has no obligation to pay the Series 2024 Bonds except from loan payments derived from Williamsburg Landing pursuant to the Loan Agreement and the Series 2024 Obligation. The Series 2024 Bonds and the interest thereon are limited obligations of the Authority as described above under "Limited Obligations." Under the Loan Agreement and the Series 2024 Obligation, which the Authority will assign to the Bond Trustee (excluding the Unassigned Rights), Williamsburg Landing will be required to make loan payments directly to the Bond Trustee in amounts sufficient to enable the Bond Trustee to pay the principal of, premium, if any, and interest on the Series 2024 Bonds. Such loan payments are, however, anticipated to be derived solely from operation of the Community and investment earnings. Profitable operation of the Community depends in large part on achieving and maintaining certain occupancy levels throughout the term of

the Series 2024 Bonds. However, no assurance can be made that the revenues derived from the operation of the Community will be realized by Williamsburg Landing in the amounts necessary, after payment of operating expenses of the Community, to pay maturing principal of, premium, if any, and interest on the Series 2024 Bonds.

(2) ***Revenues received from operation of the Community by a receiver upon a default under the Master Indenture.*** Attempts to have a receiver appointed to take charge of properties pledged to secure loans are frequently met with defensive measures such as the initiation of protracted litigation and/or the initiation of bankruptcy proceedings, and such defensive measures can prevent the appointment of a receiver or greatly increase the expense and time involved in having a receiver appointed. Prospects for uninterrupted payment of principal and interest on the Series 2024 Bonds in accordance with their terms are largely dependent upon the source described in (1) above, which is wholly dependent upon the success of Williamsburg Landing in operating the Community in a profitable manner.

(3) ***Proceeds realized from the sale or lease of the Community to a third party by the Master Trustee.*** Attempts to sell or foreclose on commercial property or otherwise realize upon security for obligations may be met with defensive measures such as protracted litigation and/or bankruptcy proceedings, and such defensive measures can greatly increase the expense and time involved in achieving such foreclosure or other realization. Only the Community is pledged to secure the Series 2024 Obligation and the other Obligations under the Master Indenture. In addition, the Master Trustee could experience difficulty in selling or leasing the Community upon foreclosure or sale due to the special-purpose nature of a continuing care retirement facility and the proceeds of such sale may not be sufficient to fully pay the owners of the Series 2024 Bonds and the other holders of Obligations.

The best prospects for uninterrupted payment of principal and interest on the Series 2024 Bonds in accordance with their terms is the source described in (1) above, which is wholly dependent upon the success of Williamsburg Landing in operating the Community in a profitable manner. Even if the Community is operating profitably, other factors could affect Williamsburg Landing's ability to make loan payments under the Loan Agreement and the Series 2024 Obligation.

General Risks of Long-Term Care Facilities

There are many diverse factors not within the Obligated Group's control that have a substantial bearing on the risks generally incident to the operation of the Community. These factors include statutory and/or regulatory imposed fiscal or operating requirements or policies, adverse use of adjacent or neighboring real estate, the ability to maintain the Community, continued community acceptance of the Community, changes in demand for the Community, changes in the number of competing facilities, changes in the costs of operation of the Community, changes in either State or federal laws affecting long-term care programs, the limited income of the elderly, changes in the long-term care and health care industries, difficulties in or restrictions on the Obligated Group's ability to raise rates charged, general economic conditions and the availability of working capital. In recent years, a number of long-term care facilities throughout the United States have defaulted on various financing obligations or otherwise have failed to perform as originally expected. There can be no assurance that the Obligated Group will not experience one or more of the adverse factors that caused other facilities to struggle or fail. Certain other factors that cannot be determined at this time also may adversely affect the operation of facilities like the Community.

New and changing methods of care delivery and coverage for payment thereof, such as web-based home monitoring, telemedicine, mobile health, home and community based care and smartphone technology will likely change the way in which providers of health services to the elderly deliver home health, hospice and other community-based services. These developments will further the ability of the home health and hospice industry to care for patients in their homes. The proliferation and availability of technological changes are expected to increase the ability of the elderly to remain in their homes longer into their lives than has historically been feasible, which could result in significantly reduced demand for communities such as the Community. Efforts to reduce hospital readmissions and costs in the overall care continuum will further the use of these new and changing technologies and reimbursement models. These changes may allow other companies, including hospitals and other healthcare organizations that are not currently providing home health and hospice care, to expand their services to include home health services, hospice care or similar services. The Obligated Group may encounter increased competition in the

future that could negatively impact patient referrals to it, limit its ability to maintain or increase its market position and adversely affect the Obligated Group's financial performance.

Increases of Costs

The cost of providing health care services may increase due to many reasons, including increases in salaries paid to nurses and other health care personnel and due to shortages in such personnel that may require the use of employment agencies. Additionally, recent changes to federal wage and labor laws will likely impact the Obligated Group. The COVID-19 pandemic has increased certain medical and operating costs.

Failure to Achieve or Maintain Occupancy or Turnover

The economic feasibility of the Community depends in large part upon the ability of Williamsburg Landing to attract and retain sufficient numbers of residents to the Community and to achieve and maintain substantial occupancy throughout the term of the Series 2024 Bonds. This depends to some extent on factors outside management's control such as the residents' right to terminate their Residency Agreements, subject to the conditions provided in the Residency Agreements.

Demand for services of the Community could also be affected by many factors, including (1) advances in scientific and medical technology; (2) increased or more effective competition from nursing home and long-term care facilities, assisted living facilities, other home and community based care and services and apartment complexes which target elderly residents now or hereafter located in the service area of the Community; and (3) the effects of managed care.

Moreover, if a substantial number of independent living unit residents live beyond the anticipated life expectancies assumed by management or if permanent transfers to the healthcare center are substantially less than assumed by management, or if market changes require a reduction (or limit the rate of increase) in the amount of the entrance fees payable by new residents of the Community, the amount of additional entrance fees would be reduced, with a consequent impairment of the Obligated Group's revenues. Such impairment would also result if the Obligated Group is unable to remarket independent living units becoming available when residents die, withdraw, or are permanently transferred to the health care centers.

Actual Results May Differ from Historical and Projected Results

Certain audited and unaudited historical financial information regarding Williamsburg Landing is set forth in Appendices A and B. There can be no assurance that the financial results achieved in the future will be similar to historical results. Such future results will vary from historical results and the variations may be material. Therefore, the historical financial results cannot be taken as a representation that Williamsburg Landing will be able to fulfill its obligations under the Loan Agreement, the Master Indenture and the Series 2024 Obligation.

Additions to the Obligated Group

Upon satisfaction of certain conditions in the Master Indenture, other entities can become Members of the Obligated Group. The Obligated Group currently has no plans to add additional Members to the Obligated Group. However, if and when new Members are added, the Obligated Group's financial situation and operations will likely be altered from that of the Obligated Group as currently constituted. See the form of the Master Indenture set forth in Appendix D hereto.

Transfers Out of the Obligated Group

Under the terms of the Master Indenture, the Obligated Group, subject to certain restrictions, may transfer assets to organizations outside the Obligated Group, and in certain circumstances existing Members of the Obligated Group can withdraw from the Obligated Group. See the form of the Master Indenture set forth in Appendix D hereto.

The Mortgaged Premises; Limited Value at Foreclosure

Williamsburg Landing has executed the Deed of Trust encumbering the Williamsburg Landing campus to secure its obligations pursuant to the Master Indenture. The Williamsburg Landing campus and all facilities subsequently subjected to such lien are referred to herein as the “Mortgaged Premises.” Similar deeds of trust may be executed and delivered under certain circumstances involving additional Indebtedness or admission of any new Obligated Group Members. In the event that there is a default under the Master Indenture, the Master Trustee has the right to foreclose on or sell the Mortgaged Premises under certain circumstances.

[Simultaneously with the delivery of the Series 2024 Bonds, the Obligated Group will deliver to the Master Trustee a mortgagee title insurance policy on the Mortgaged Premises in an aggregate amount equal to the aggregate amount of the Obligations secured thereby. In the future, other lenders or bondholders may not require an increase in the amount of title insurance upon issuance of other Obligations. See Appendix D. There has been no survey of the Mortgaged Premises in connection with the issuance of the Series 2024 Bonds, and the mortgagee title insurance policy may contain an exception for matters that a current survey would disclose. A current survey could reveal encumbrances which may adversely affect the value realized at foreclosure.]

All amounts collected upon sale of the Mortgaged Premises pursuant to the Deed of Trust will be used to pay certain costs and expenses incurred by, or otherwise related to, the sale of the Mortgaged Premises and the performance of the Master Trustee under the Deed of Trust, and then to pay amounts owing under the Master Indenture in accordance with the provisions of the Master Indenture. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

In the event that the power of sale under the Deed of Trust is actually exercised, then, in addition to the customary costs and expenses of operating and maintaining the Mortgaged Premises, the party or parties succeeding to the interest of Williamsburg Landing in the Mortgaged Premises (including the Master Trustee, if such party was to acquire the interest of Williamsburg Landing in the Mortgaged Premises) could be required to bear certain associated costs and expenses, which could include: the cost of complying with federal, state or other laws, ordinances and regulations related to the removal or remediation of certain hazardous or toxic substances; the cost of complying with laws, ordinances and regulations related to health and safety, and the continued use and occupancy of the Mortgaged Premises, such as the Americans with Disabilities Act; and costs associated with the potential reconstruction or repair of the Mortgaged Premises in the event of any casualty or condemnation.

In case of any sale under the Deed of Trust, by virtue of judicial proceedings or otherwise, the Mortgaged Premises may be sold in its entirety or in parcels, by one sale or by several sales, as may be deemed by the trustees to be appropriate and without regard to any right of Williamsburg Landing or any other person to the marshalling of assets (provided that all rights of residents under their respective residence and care or other occupancy agreements continue in full force and effect and that the beneficiary under the Deed of Trust and any purchaser accept and perform all of Williamsburg Landing’s obligations under such residence and care or other occupancy agreements).

The Mortgaged Premises have been specifically constructed for skilled nursing, personal care and senior independent living purposes. The number of entities that could be expected to purchase the Mortgaged Premises at a foreclosure sale is limited, and thus the ability of the Master Trustee to realize funds from the sale of the Mortgaged Premises for any use except as a nursing, personal care and senior independent living facility, upon an event of default may be limited. Under State law, licenses to operate skilled nursing and personal care facility are not transferable. Accordingly, an entity purchasing the Mortgaged Premises at a foreclosure sale would need to obtain its own license to operate the nursing and personal care portion of the Mortgaged Premises.

Any valuation of the Mortgaged Premises is based on future projections of income, expenses, capitalization rates, and the availability of a partial or total property tax exemption. Additionally, the value of the Mortgaged Premises will at all times be dependent upon many factors beyond the control of Williamsburg Landing, such as changes in general and local economic conditions, changes in the supply of or demand for competing properties in the same locality, and changes in real estate and zoning laws or other regulatory restrictions. A material change in any of these factors could materially change the value of the Mortgaged Premises. Any weakened market condition may also depress the value of the Mortgaged Premises. Any reduction in the market value of the Mortgaged Premises could adversely affect the security available to the owners of the Series 2024 Bonds. There is no assurance

that the amount available upon foreclosure or sale of the Mortgaged Premises after the payment of costs will be sufficient to pay the amounts owing by Williamsburg Landing on the Series 2024 Obligation and the other Obligations secured thereby.

In the event of sale, a prospective purchaser of the Mortgaged Premises may assign less value to the Mortgaged Premises than the value of the Mortgaged Premises while owned by Williamsburg Landing since such purchaser may not enjoy the favorable financing rates associated with the Series 2024 Bonds and other benefits. To the extent that buyers whose income is not tax-exempt may be willing to pay less for the Mortgaged Premises than nonprofit buyers, then the resale of the Mortgaged Premises after foreclosure or sale may require more time to solicit nonprofit buyers interested in assuming the financing now applicable to the Mortgaged Premises. In addition, there can be no assurance that the Mortgaged Premises could be sold at one hundred percent (100%) of its fair market value in the event of foreclosure or sale. Although the Master Trustee will have available the remedy of public sale under the Deed of Trust in the event of a default (after giving effect to any applicable grace periods, and subject to any legal rights which may operate to delay or stay such sale, such as may be applicable in the event of Williamsburg Landing's bankruptcy), there are substantial risks that the exercise of such a remedy will not result in recovery of sufficient funds to satisfy all Williamsburg Landing's obligations.

Risks of Real Estate Investment

Ownership and operation of real estate, such as the Mortgaged Premises, involves certain risks, including the risk of adverse changes in general economic and local conditions (such as the possible future oversupply and lagging demand for rental housing for the aged), adverse use of adjacent or neighboring real estate, initial and continued community acceptance of the Mortgaged Premises, increased competition from other senior living facilities, changes in the cost of operation of the Mortgaged Premises, damage caused by adverse weather, climate change and delays in repairing such damage, population decreases, uninsured losses, failure of residents to pay rent, operating deficits and mortgage foreclosure, lack of attractiveness of the Mortgaged Premises to residents, adverse changes in neighborhood values, and adverse changes in zoning laws, federal and local rent controls, other laws and regulations and real property tax rates. Such losses also include the possibility of fire or other casualty or condemnation. If the Mortgaged Premises, or any parts of the Mortgaged Premises, become uninhabitable during restoration after damage or destruction, the residence units or common areas affected may not be available during the period of restoration, which could adversely affect the ability of Williamsburg Landing to generate sufficient revenues to pay debt service on the Series 2024 Bonds.

Uncertainty of Full Occupancy and Entrance Fee Collection

Payment of the Series 2024 Bonds is dependent on the continuing ability of the Obligated Group to (i) fill those facilities that accept residents who purchase the right to live there by paying "entrance fees" ("Entrance Fees"), (ii) collect new Entrance Fees from residents occupying apartment and cottage units vacated by deceased residents, residents permanently transferred to assisted living or nursing care facilities operated by the Obligated Group or residents leaving such facilities for other reasons, and (iii) keep the facilities substantially occupied by residents who can pay the full amount of the Entrance Fees and/or monthly service fees. See "THE COMMUNITY" in Appendix A for a description of the facilities that receive Entrance Fees.

Management assumes that regular increases in both Entrance Fees and monthly service fees will be necessary to offset increasing costs due primarily to inflation. There can be no assurance that such increases can or will be made or that increases in expenses will be no greater than assumed. Also, since many of the residents may be living on fixed incomes or incomes that do not readily change in response to changes in economic conditions, there can be no assurance that any such fee increases can be paid by residents or that such increases will not adversely affect the utilization of the Obligated Group Facilities. While Williamsburg Landing can accept new residents unable to pay in full the Entrance Fees and monthly service fees, it intends to do so only to the extent of available benevolent funds to pay their expenses. Residents are screened for financial qualification prior to admission. Residents who unexpectedly become unable to make their monthly payments through no fault of their own are generally allowed to remain residents, even though the costs of caring for them could have an adverse effect on the financial condition of Williamsburg Landing. As a charitable tax-exempt organization, Williamsburg Landing may be unable or unwilling to require residents who lack adequate financial resources to leave the Community. In the future, the Obligated Group could possibly be required to accept residents unable to pay all fees

or be required to provide services to a certain number of indigent persons unable to pay any fees, in order to maintain its tax exempt status. See “Financial Assistance” below.

In addition, the number of persons who can afford payment of the substantial Entrance Fees and monthly service fees may be affected by general economic conditions. In particular, a depressed housing market may prevent prospective residents from selling their homes and generating cash to pay Entrance Fees.

The Entrance Fees and monthly fees for the Obligated Group Facilities are described in “THE COMMUNITY” in Appendix A. As set forth therein, the Obligated Group has set such fees based on, among other things, anticipated revenue needs and analysis of the market areas. If actual operating experience is substantially different from that anticipated, the revenues of the Obligated Group could be less than needed.

The ability of the Obligated Group to generate income to pay the Series 2024 Bonds will be affected by its ability to attract and retain residents who can afford to pay the Entrance Fees and the monthly service fees associated with the Obligated Group Facilities. Other residential care facilities have demonstrated a wide variety of factors that can adversely affect occupancy.

Sale of Homes; Economic Conditions

Many prospective residents of the Community will be required to sell their current homes to pay the Entrance Fees prior to occupancy or to meet other financial obligations under their residency agreements. If prospective residents encounter difficulties in selling their current homes due to local or national economic conditions affecting the sale and finance of residential real estate, such prospective residents may not have sufficient funds to pay the Entrance Fees or to meet other obligations under their residency agreements, thereby causing a delay in remarketing of vacated independent living units, which would have an adverse impact on the revenues of the Obligated Group.

Competition

The Community is located in an area where other continuing care retirement facilities and other competitive facilities exist or may be developed. The Community may also face additional competition in the future as a result of changing demographic conditions and the construction of new, or the renovation or expansion of existing, continuing care facilities in the geographic area served by the Community. Williamsburg Landing will also face competition from other forms of retirement living including condominiums, apartment buildings and facilities not specifically designed for the elderly, some of which may be designed to offer similar facilities, but not necessarily similar services, at lower prices. In addition, there are few entry barriers to future competitors because competing facilities generally do not require a certificate of need approval for residential living facilities. All of these factors combine to make the elderly housing industry volatile and subject to material change that cannot be currently predicted. See Appendix C hereto.

Caution Regarding Forward-Looking Statements

When used in this Official Statement and in any continuing disclosure by the Obligated Group, in the Obligated Group’s press releases and in oral statements made with the approval of an authorized representative of the Obligated Group, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project” or similar expressions are intended to identify “forward looking statements.” Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those presently anticipated or projected. The Obligated Group cautions readers not to place undue reliance on any such forward-looking statements. The Obligated Group advises readers that certain factors could affect the financial performance of the Obligated Group and could cause the actual results of the Obligated Group for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements.

[COVID-19 and Future Pandemics or any Future Similar Related or Unrelated Disease Outbreaks]

The COVID-19 pandemic, together with public and private sector responses to the virus, has affected, and is expected to continue to affect for the foreseeable future, normal economic operations worldwide, including in Virginia. Although the full impact of COVID-19 on the Obligated Group’s

operations or its future operating revenues and expenses cannot be fully predicted at this time, the COVID-19 situation had, and may continue to have, an impact on the Obligated Group's finances and operations. Further, the Obligated Group's business and financial results may be affected by a similar related or unrelated international, national, or localized outbreak of a highly contagious disease, epidemic, or pandemic. While most residents and staff at the Community have been vaccinated against COVID-19, an outbreak of COVID-19 or another international, national, or localized outbreak of highly contagious disease, epidemic, or pandemic could result in decreased occupancy, temporary shutdown or diversion of residents, direct or indirect liability, increased costs, staffing shortages, marketing and branding concerns and other adverse impacts on the Obligated Group. For specific information on the Obligated Group's response to the COVID-19 pandemic, including its efforts to comply with guidelines of the Centers for Disease Control and Prevention, Centers for Medicaid and Medicare Services and the Commonwealth of Virginia, and the impact of the COVID-19 pandemic on the Obligated Group's finances, see "FINANCIAL INFORMATION – Impact of the COVID-19 Pandemic" in Appendix A hereto.

Further, the COVID-19 pandemic has altered the behavior of businesses and people in a manner that is having substantial negative effects on local, regional and global economies. Stock markets in the U.S. and globally have recently seen significant volatility attributed to COVID-19 concerns. The continued spread of COVID-19 or any other similar international, national, or localized outbreaks of contagious diseases in the future may materially adversely impact global, national, state and local economies and, accordingly, may materially adversely impact the financial condition of the Obligated Group.]

Utilization Demand

Several factors could, if implemented, affect demand for services provided at the Community including: (i) efforts by insurers and governmental agencies to reduce utilization of skilled nursing home and long-term care facilities by such means as preventive medicine and home health care programs; (ii) advances in scientific and medical technology; (iii) a decline in the population, a change in the age composition of the population or a decline in the economic conditions of the service area for the Community; and (iv) increased or more effective competition from retirement communities and long-term care facilities now or hereafter located in the service area of the Community.

Economic Stability

In recent years there have been many challenges to global and national economic stability which have, at times, resulted in substantial disruption to the financial markets and losses to investment portfolios resulting in reduced availability for credit, aggressive fluctuations in interest rates, reduced economic activities and general financial strain. Any future market turmoil could affect the market and demand for the Series 2024 Bonds in addition to adversely affecting the value of any investments of the Obligated Group, the market value of homes in the market area of the Obligated Group and the ability of residents and prospective residents to pay entrance fees, monthly fees or otherwise meet their financial obligations under their agreements with Williamsburg Landing.

Nature of Income of the Elderly

A large percentage of the monthly income of some residents of the Community is fixed income derived from pensions and social security. If, due to inflation or otherwise, substantial increases in monthly fees are required to cover increases in operating costs, nursing care costs, wages, benefits and other expenses, residents may have difficulty paying or may be unable to pay such increased monthly fees. Williamsburg Landing's actuary conducts a financial analysis of each potential resident before a Residency Agreement is executed to determine the likely ability of the resident to meet the financial obligations to Williamsburg Landing; however, no assurance may be given that future events, including life expectancy, will not result in residents encountering difficulty in paying monthly fees.

Financial Assistance

Williamsburg Landing may assist residents financially who become unable to pay monthly service and other fees of Williamsburg Landing by reason of circumstances beyond their control through its benevolent assistance fund. See “FINANCIAL INFORMATION – Benevolence Assistance” in Appendix A hereto. The increased cost of care resulting from cost increases generally and financial assistance to a significant number of residents could adversely affect the financial condition of Williamsburg Landing.

State Regulation; Rights and Activities of Residents

Under Virginia laws, the Obligated Group’s assisted living units are regulated by the Virginia Department of Social Services as “assisted living facilities” and the nursing care beds are subject to extensive legislative, regulatory and inspection requirements of various federal and state agencies. The Virginia Continuing Care Provider Registration and Disclosure Act, Section 38.2-4900 et seq. of the Code of Virginia (the “Virginia Continuing Care Law”) requires the Obligated Group to provide to the Commonwealth and each resident a detailed disclosure statement and in certain circumstances requires the escrowing of deposits of entrance fees. The Virginia Continuing Care Law also regulates the form of resident contracts and establishes certain rights of residents, including the right to organize, to obtain refunds under certain circumstances and not to have resident contracts cancelled except for good cause. The Virginia Continuing Care Law gives the State Corporation Commission of Virginia the power to promulgate regulations and issue injunctions and cease-and-desist orders.

The Obligated Group’s management believes that it is in material compliance with the Virginia Continuing Care Law and that continued compliance will not materially affect its operation, but there is no certainty that the Virginia Continuing Care Law or actions by the State Corporation Commission of Virginia will not adversely affect operation of the Community or the financial condition of the Obligated Group.

The enactment of further legislation restricting operation of life care facilities, creating additional residents’ rights or requiring certain financial reserves could adversely affect the financial condition of the Obligated Group. In addition, the ability of the Master Trustee to foreclose its lien on the Community or enforce other rights under the Financing Instruments may be adversely affected by litigation on behalf of residents. Although under the current Residency Agreements, residents will have no special lien or claim against any property of the Obligated Group, there can be no certainty that residents could not successfully claim or otherwise restrict the use of the Obligated Group’s property in bankruptcy proceedings or other disputes. Although the Obligated Group expects to continue to use the continuing care concept of contracting with residents, it is under no obligation to do so.

Certificate of Public Need

Under the Virginia Medical Care Facilities Certificate of Public Need Law, the Obligated Group must obtain a Certificate of Public Need (“COPN”) for any significant changes in its capacity to provide health care services, for the addition of certain health care services, or for certain capital expenditures. The COPN law generally may affect the Obligated Group’s ability to undertake other improvements to the Community necessary to attract new residents. Further, legislation is periodically introduced in the Virginia legislature that could amend the COPN law and could result in unforeseen impacts on the Obligated Group’s services and operations. At this time, no determination can be made as to whether such state legislation will be enacted or, if enacted, its impact on the Community.

All of the nursing beds currently offered at Williamsburg Landing are capable of receiving direct admits from the general public. Williamsburg Landing has the ability to construct additional nursing beds in the future should it chose to do so.

National Legislation

The Obligated Group is subject to federal and state regulatory actions, legislative and policy changes by those governmental and private agencies that administer the Medicare and Medicaid programs and other third-party payors, and actions by, among others, the National Labor Relations Board and other federal, state and local governments and private agencies. A wide variety of bills and regulations intended to regulate, control or alter the method of financing health care costs and health care operations are often proposed and introduced in Congress, state legislatures and regulatory agencies. Because of the many possible financial effects that could result from

enactment of any bills or regulatory actions proposing to regulate the health care industry, it is not possible at this time to predict with assurance the effect on the business of the Obligated Group, if any, of such laws, bills or regulatory actions.

Third-Party Payments

Skilled nursing facilities that accept payment from Medicare and Medicaid are required to comply with federal and state laws that affect the rights of residents, including the Federal Nursing Home Reform Act and related regulations. In addition, state laws establish the rights and responsibilities of residents of nursing homes and assisted living facilities. Failure to comply with these laws can result in regulatory action, monetary fines, loss or restriction of licensure or certification, prohibitions on admitting new residents and other remedies. There is no certainty that compliance with the laws or regulatory actions under them will not adversely affect operation of the Communities or the financial condition of the Obligated Group.

The health care industry in general is subject to regulation by a number of federal, state and local governmental agencies, including the Centers for Medicare and Medicaid Services. As a result, the industry is sensitive to legislative changes in such programs and is affected by reductions in governmental spending for such programs. Congress has in the past enacted a number of provisions that affect health care providers and additional legislative changes can be expected. Previous legislative actions have included limitation of payments to nursing homes under the Medicare and Medicaid programs. Additional legislation dealing with nursing home revenues could be introduced that, if enacted, might have an adverse impact upon the revenues of the Community.

At this time, all of the skilled nursing beds are certified for Medicare and approximately ___% and ___% of the Obligated Group's fiscal years 2021 and 2022, respectively, annual operating revenues are derived from Medicare. Nine of the skilled nursing beds are certified for Medicaid and approximately ___% and ___% of the Obligated Group's fiscal years 2021 and 2022, respectively, annual operating revenues are derived from Medicaid as described in "THE COMMUNITY" in Appendix A.

Federal and State Health Care Laws and Regulations; Medicare and Medicaid

The Obligated Group's independent living units are not currently subject to significant federal governmental regulation, other than laws and regulations applicable generally to developers and operators of residential real estate. For example, the Obligated Group must comply with the Federal Fair Housing Act and Fair Housing Amendments Act of 1988, 42 U.S.C.A. §3601 et seq., as amended, (which among other things, prohibits discrimination in housing) and the Americans with Disabilities Act of 1990, 42 U.S.C.A. §12101 et seq., as amended (which mandates the elimination of discrimination against individuals with disabilities and imposes certain standards relating to the construction and/or renovation of certain buildings and structures). Compliance with such regulatory requirements may adversely affect the Obligated Group's financial results. Failure to comply with such requirements could also result in the imposition of various fines and other remedies.

Skilled nursing facilities ("SNFs") that accept payment from Medicare and Medicaid are required to comply with federal and state laws that affect the rights of residents, including the Federal Nursing Home Reform Act and related regulations. In addition, state laws establish the rights and responsibilities of residents of nursing homes and assisted living facilities. Failure to comply with these laws can result in regulatory action, monetary fines, loss or restriction of licensure or certification, prohibitions on admitting new residents and other remedies. There is no certainty that compliance with the laws or regulatory actions under them will not adversely affect operation of the Community or the financial condition of the Obligated Group.

There is an expanding and increasingly complex body of law, regulation and policy (both federal and state) relating to the Medicaid and Medicare programs, which is not directly related to payments under such programs. This includes operating requirements, reporting and other technical rules as well as broadly stated prohibitions regarding improper inducements for referrals, referrals by physicians for designated health services to entities with which the physicians have a prohibited financial relationship, and payment of kickbacks in connection with the purchase of goods and services. Violations of prohibitions against false claims, improper inducements and payments, prohibited physician referrals, and illegal kickbacks may result in civil and/or criminal sanctions, refunding of payments and penalties. Civil penalties range from monetary fines that may be levied on a per-violation

basis to temporary or permanent exclusion from the Medicaid and Medicare programs. The determination that any of the facilities of the Obligated Group were in violation of these laws could have a material adverse effect on finances of the Obligated Group.

Medicare is a federal insurance program that, among other things, provides reimbursement for nursing facility care in Medicare-certified facilities. Generally, a resident will qualify for Medicare reimbursement only if the resident's admission to the nursing home facility is immediately subsequent to the resident's three or more day stay at an acute care facility. Medicare reimbursement for nursing care is limited to a renewable 100-day period for each qualified resident. Medicare currently reimburses providers of nursing care utilizing a case-mix classification model, the Patient Driven Payment Model (PDPM). PDPM is carried out under the Skilled Nursing Facility (SNF) Prospective Payment System (PPS) by classifying skilled nursing facility residents in a covered Part A stay. The Patient Driven Payment Model was effective 10/1/2019 and includes five case-mix adjusted components (based on data driven patient characteristics) and a variable per diem (VPD) adjustment that adjusts the per diem rate over the course of the stay. The skilled nursing facility (SNF) prospective payment system's federal rates account for differences in area wage levels, using a wage index issued by CMS. The SNF PPS wage index does not take into account geographic reclassification, but is calculated using hospital wage data and applied to SNFs.

Other future legislation, regulation or actions by the federal government are expected to continue the trend toward more limitations on reimbursement for long term care services. At present, no determination can be made concerning whether or in what form such legislation or regulation could be introduced and enacted. Similarly, the impact of future cost control programs and future regulations upon the Obligated Group's financial performance cannot be determined at this time. The current congressional discussions regarding decreasing the federal budget in connection with raising the federal debt may result in lowering Medicare payments to providers such as the Obligated Group.

Medicare Reimbursement. Medicare reimbursement to SNFs depends on several factors, including the character of the facility, the beneficiary's circumstances, and the type of items and services provided. Extended care services furnished by SNFs are generally only covered if the patient spent at least three consecutive days as a hospital inpatient prior to admission to the SNF and if the patient was admitted to the SNF within 30 days of discharge from a qualifying hospital stay. Medicare Part A generally covers institutional health services, including hospital, home health, nursing home care, and certain other services, and Medicare Part B generally covers certain physician services, medical supplies, and durable medical equipment. The Medicare Advantage Program, also known as Medicare Part C, enables Medicare beneficiaries to choose to obtain their Part A and Part B benefits through a variety of risk-based plans. Medicare Part D assists beneficiaries with paying for prescription drugs. Medicare is administered by the Centers for Medicare & Medicaid Services ("CMS"), an agency of the U.S. Department of Health and Human Services ("HHS"). HHS's rule-making authority is substantial, and its rules are extensive and complex. Substantial deference is given by courts to rules promulgated by HHS.

Participation in any federal healthcare program is heavily regulated. Providers and suppliers that participate in the Medicare program must agree to be bound by the terms and conditions of the program, such as meeting quality standards for rendering covered services and adopting and enforcing policies to protect patients from certain discriminatory practices and must disclose certain ownership interests and/or managing control information. If a healthcare entity fails to substantially comply with any applicable conditions of participation in the Medicare and Medicaid programs or performs certain prohibited acts, the entity's participation in these programs may be terminated, and civil and/or criminal penalties may be imposed as well as repayment of amounts paid to the healthcare entity.

The government uses Medicare reimbursement as a key tool to implement healthcare policies, to allocate healthcare resources and to control utilization, facility and provider development and expansion, and technology use and development. Changes in Medicare funding levels and the transition of Medicare enrollees into Medicare managed care plans, could have an adverse effect on the Obligated Group's revenues. There is frequent debate over the federal budget commitment to the Medicare program. Congress has consistently attempted to curb the growth of federal spending on healthcare programs. The pressure to curb the rate of increase in federal spending in healthcare programs overall and on a per-beneficiary basis is expected to increase as the United States population ages. Among other effects, this pressure may result in reduced payment rates for healthcare services and in increased utilization of managed care in the Medicare and Medicaid programs. In addition, Congress and other governmental agencies, and

uninsured patients through certain federal and state class action litigation, have focused on the availability of healthcare to indigent and uninsured or underinsured patients, and the obligations of tax-exempt, not-for-profit healthcare organizations to these populations. Additional legislation or regulation in these areas could have an adverse effect on the results of operations of Williamsburg Landing.

The Affordable Care Act, discussed in more detail below, affects how healthcare services are covered, delivered, and reimbursed while expanding coverage to previously uninsured individuals and reducing government healthcare spending. In addition to the reimbursement reductions and adjustments under the Affordable Care Act and as discussed herein, the Budget Control Act of 2011 requires automatic spending reductions to reduce the federal deficit, including Medicare spending reductions of up to 2% per fiscal year, with a uniform percentage reduction across all Medicare programs. These automatic spending reductions began in 2013, with CMS imposing a 2% reduction on Medicare claims, and have been extended through 2025. CMS contracts with non-government organizations or agencies to serve as the fiscal agents between providers and CMS to process enrollment in and claims for payment by the Medicare program. These agents apply the Medicare coverage rules to determine the appropriateness of claims. To service Part A and Part B providers, CMS has contracted the Medicare fiscal intermediary and Medicare carrier functions to Medicare Administrative Contractors (“MACs”), which are geographically assigned.

The Balanced Budget Act of 1997 mandates the implementation of a per diem prospective payment system (“PPS”) for SNFs covering all costs (routine, ancillary and capital) related to the services furnished to beneficiaries under Part A of the Medicare program. Major elements of the current system include the following:

Rates. Federal rates are set using allowable costs from FY 1995 cost reports. The rates also include an estimate of the cost of services which, prior to July 1, 1998, had been paid under Part B but furnished to SNF residents during a Part A covered stay. FY 1995 costs are updated to FY 1998 by a SNF market basket minus 1 percentage point for each of fiscal years 1996, 1997 and 1998. Providers which received new provider exemptions in FY 1995 are excluded from the data base. Routine cost limit exceptions payments are also excluded. The data is aggregated nationally by urban and rural area to determine standardized federal per diem rates to which case mix and wage adjustments apply.

Case Mix Adjustment. Payments under the SNF PPS are case-mix adjusted in order to reflect the relative resource intensity that would typically be associated with a given patient’s clinical condition, as identified through the resident assessment process. The SNF PPS also includes an administrative presumption whereby a beneficiary who is correctly assigned one of the designated, more intensive case-mix classifiers on the initial 5-day, Medicare-required assessment is automatically classified as meeting the SNF level of care definition up to and including the assessment reference date (ARD) for that assessment. (A beneficiary who is not assigned one of the designated case-mix classifiers is not automatically classified as either meeting or not meeting the definition, but instead receives an individual level of care determination using the existing administrative criteria.)

- o For services furnished prior to October 1, 2019, CMS has designated for this purpose all groups encompassed by the following categories under the Resource Utilization Groups, version IV (RUG-IV) model: Rehabilitation plus Extensive Services; Ultra High Rehabilitation; Very High Rehabilitation; High Rehabilitation; Medium Rehabilitation; Low Rehabilitation; Extensive Services; Special Care High; Special Care Low; and Clinically Complex.
- o For services furnished on or after October 1, 2019, CMS designates for this purpose the following classifiers under the Patient Driven Payment Model (PDPM): Those nursing groups encompassed by the Extensive Services, Special Care High, Special Care Low, and Clinically Complex nursing categories; PT and OT groups TA, TB, TC, TD, TE, TF, TG, TJ, TK, TN, and TO; SLP groups SC, SE, SF, SH, SI, SJ, SK, and SL; and the NTA component’s uppermost (12+) comorbidity group.

Geographic Adjustment. The labor portion of the federal rates is adjusted for geographic variation in wages using the hospital wage index.

Annual Updates. Payment rates are adjusted each Federal fiscal year using a SNF market basket index (PDF).

Transition. A three-year transition that blends a facility-specific payment rate with the federal case mix adjusted rate is used. The facility-specific rate includes allowable costs (from FY 1995 cost reports) including exceptions payments. Payments associated with ‘new provider’ exemptions are included but limited to 150 percent of the routine cost limit. It also includes an add-on for related Part B costs similar to the federal rate.

Payments of Medicare patients in SNFs are now based on a Patient-Driven Payment Model (“PDPM”). Under the current PDPM, SNFs are paid a single per diem rate per based upon the resident’s clinical characteristics. PDPM rates are based on the expected resource needs of patients and cover routine services, therapy services and nursing costs. SNF PDPM payment rates are adjusted annually. There is no guarantee that the SNF rates, as they may change from time to time, will cover the actual costs of providing care to Medicare SNF patients.

The Health Care Reform Statutes also required the Secretary of the United States Department of Health and Human Services (“DHHS”) to develop a “value based” purchasing program (based on performance and quality measures and other factors) for SNFs. DHHS is required to publish the measures selected with respect to fiscal year 2014, including procedures for the public to review such data. This will eventually result in a mandatory requirement for nursing homes reporting on key performance and other quality performance measures and the development of a pay for performance program for SNFs which will impact reimbursement to SNFs. Compliance with the performance and other quality performance measures will be essential for full reimbursement under the Medicare Program. In 2014, the Health Care Reform Statutes require that the annual update to the standard federal rate for discharges during the rate year will be reduced by two percentage points for each facility that does not report quality data. The Secretary is also required to study the impact of expanding Medicare’s health care acquired conditions reduced payment policy to SNFs. Because the Health Care Reform Statutes are relatively new, the full impact of these provisions is unknown and subsequent laws, regulation and guidance impacting Medicare policy and reimbursement may provide additional changes which may adversely impact skilled nursing homes.

Medicare has also increased its efforts to recover overpayments. CMS is expanding its use of Recovery Audit Contractors (“RACs”) to further assure accurate payments to providers. RACs search for potentially improper Medicare payments from prior years that may have been detected through CMS existing program integrity efforts. RACs use their own software and review processes to determine areas for review. Once a RAC identifies a potentially improper claim as a result of an audit, it applies an assessment to the provider’s Medicare reimbursement in an amount estimated to equal the overpayment from the provider pending resolution of the audit. In 2014, the RAC project returned approximately \$2.4 billion to the Medicare program, with Florida accounting for \$139 million of this amount. Such audits may result in reduced reimbursement for past alleged overpayments and may slow future Medicare payments to providers pending resolution of appeals process with RACs, as well as increase purported Medicare overpayments and associated costs for the Obligated Group.

Other future legislation, regulation or actions by the federal government are expected to continue to trend toward more restrictive limitations on reimbursement for the long-term care services. At present, no determination can be made concerning whether, or in what form, such legislation or regulation could be introduced and enacted. Similarly, the impact of future cost control programs and future regulations upon the financial performance of the Obligated Group cannot be determined at this time.

Medicare Reporting Requirements. Medicare regulations provide that all entities furnishing services for which payment may be made under Medicare are required to submit certain information to CMS. Persons who fail to submit the required information or who fail to report the information accurately and completely are subject to civil or criminal money penalties. As these requirements are numerous, technical and complex, there can be no assurance that one or more Members of the Obligated Group may not incur such penalties in the future. These penalties could have a material adverse effect on the Obligated Groups revenues and/or its ability to operate.

Government Health Program Regulations Governing Fraud and Abuse and Certain Referrals. Federal and state health care fraud and abuse laws generally regulate services furnished to beneficiaries of federal and state (including Medicare) and private health insurance plans, and they impose penalties for improper billing and other abuses. Under these laws, health care providers may be punished for billing for services that were not provided, not

medically necessary, provided by an improper person, accompanied by an illegal inducement to use or not use another service or product, or billed in a manner that does not comply with applicable government requirements. Violations of these laws are punishable by a range of criminal, civil and administrative sanctions. If the Obligated Group violates one of the fraud and abuse laws, among other possible sanctions, federal or state authorities could recover amounts paid, exclude the Obligated Group from participation in the Medicare program, impose civil monetary penalties, and suspend Medicare payments. The federal government (and individuals acting on its behalf) have brought many investigations, prosecutions and civil enforcement actions under the fraud and abuse laws in recent years. In some cases, the scope of the fraud and abuse laws are so broad that they may result in liability for business transactions that are traditional or commonplace in the health care industry.

There is an increasingly expanding and complex body of state and federal law, regulation and policy relating to relationships between providers of health care services to patients and potential referral sources such as, but not limited to, physicians. The federal and state illegal remuneration statutes and anti-kickback statutes applicable to Medicare, Medicaid, and all federal and state health care programs (“Government Programs”) prohibits the offer, payment, solicitation, or receipt of any remuneration, directly or indirectly, covertly or overtly, in cash or in kind, for (1) the referral of patients, or arranging for the referral of patients, for the provision of items or services for which payment may be made under the Government Programs; or (2) the purchase, lease or order, or arranging for the purchase, lease or order, of any good, facility, service or item for which payment may be made under the Government Programs. A violation of the illegal remuneration statute constitutes a felony criminal offense, and applicable sanctions include imprisonment of up to five years, fines up to \$25,000 per violation and exclusion from the Medicare program. In addition, the government may pursue civil penalties of up to \$50,000 per violation plus three times the amount of any government overpayment.

The federal civil False Claims Act (“Civil FCA”) prohibits anyone from knowingly submitting a false, fictitious or fraudulent claim to the federal government. Violation of the Civil FCA can result in civil money penalties and fines, including treble damages. Private individuals may initiate actions on behalf of the federal government in lawsuits called qui tam actions. The plaintiffs, or “whistleblowers,” can recover significant amounts from the damages awarded to the government. In several cases, Civil FCA violations have been alleged solely on the existence of alleged kickback arrangements or violations of Section 1877 of the Social Security Act (commonly known as the “Stark Law”), even in the absence of evidence that false claims had been submitted as a result of those arrangements. The Patient Protection and Affordable Care Act (“ACA”) creates Civil FCA liability for knowingly failing to report and return an overpayment within a specified time. The federal criminal False Claims Act (“Criminal FCA”) prohibits the knowing and willful making of a false statement or misrepresentation of a material fact in submitting a claim to the government. Sanctions for violation of the Criminal FCA include imprisonment, fines, and exclusions.

The Civil Monetary Penalties Law in part authorizes the government to impose money penalties against individuals and entities committing a variety of acts. For example, penalties may be imposed for the knowing presentation of claims that are (i) incorrectly coded for payment, (ii) for services that are known to be medically unnecessary, (iii) for services furnished by an excluded party, or (iv) otherwise false. An entity that offers remuneration to an individual that the entity knows is likely to induce the individual to receive care from a particular provider may also be fined. Moreover, the Obligated Group may not knowingly make a payment, directly or indirectly, to a physician as an inducement to reduce or limit services to Medicare or Medicaid patients under the physician’s direct care. ACA amended the Civil Monetary Penalties Law to authorize civil monetary penalties for a number of additional activities, including (i) knowingly making or using a false record or statement material to a false or fraudulent claim for payment; (ii) failing to grant the Office of Inspector General timely access for audits, investigations or evaluations; and (iii) failing to report and return a known overpayment within statutory time limits. Violations of the Civil Monetary Penalties Law can result in substantial civil money penalties plus three times the amount claimed.

In addition to the anti-kickback and illegal remuneration statutes, the Stark Law imposes certain restrictions upon referring physicians and providers of certain designated health services, including long term care services, under the Medicare and Medicaid programs. Subject to certain exceptions, the Stark Law provides that if a physician (or a family member of a physician) has a financial relationship with an entity (i) the physician may not make a referral to the entity for the furnishing of designated health services reimbursable under the Medicare and Medicaid programs, and (ii) the entity may not bill for designated health services furnished pursuant to a prohibited referral.

Entities and physicians committing an act in violation of the Stark Law are subject to civil money penalties and exclusion from the Medicare and Medicaid programs. Mandated by ACA, the recently published Medicare self-referral disclosure protocol (“SRDP”) is intended to allow providers to self-disclose actual or potential violations of the Stark Law. ACA provides for discretion to reduce penalties for providers submitting an SRDP. As a result of the scarcity of case law interpreting the Stark Law, there can be no assurance that the Obligated Group will not be found in violation of the Stark Law or that self-disclosure of a potential violation would result in reduced penalties for the Obligated Group.

Sanctions could be applied in many situations where skilled nursing facilities participate in joint ventures with entities that may be in a position to make referrals or to which skilled nursing facilities may be in a position to make referrals, enter into personal service and management contracts, enter into space and equipment rental agreements, waive co-payments and deductibles, etc. Such sanctions could result in a material adverse effect on the financial position of the Obligated Group, exclusion from Government Programs, loss of license or disciplinary action by licensing agencies, and/or substantial civil monetary penalties.

Management of the Obligated Group does not believe that it is involved in activities that pose a significant risk of sanctions under these referral laws. However, there can be no assurance that such challenge or investigation will not occur in the future.

Audits. Most health care providers are audited for compliance with the requirements for participation in the Medicare program. If audits discover alleged overpayments, the Obligated Group could be required to pay a substantial repayment of prior payments. The federal government contracts with third-party RACs, on a contingent fee basis, to audit the propriety of payments to Medicare providers. The centers for Medicare and Medicaid Services recently passed rules resulting in several more types of Medicare and or Medicaid audits. Medicare zone program integrity contractors (“ZPICs”) transitioned from the program safeguard contractor (“PSC”) program, target potential fraud and abuse and are tasked with ensuring the integrity of all Medicare-related claims per assigned jurisdiction. PSCs, ZPICs, affiliated contractors (“ACs”), and Medicare administrative contractors (“MACs”) must ensure that they pay the right amount for covered and correctly coded services rendered to eligible beneficiaries by legitimate providers. Four parallel strategies are employed in meeting this goal: (i) preventing fraud through effective enrollment and through education of providers and beneficiaries, (ii) early detection through, for example, medical review and data analysis, (iii) close coordination with partners, including PSCs, ZPICs, ACs, MACs, and law enforcement agencies, and (iv) fair and firm enforcement policies. The Obligated Group has not received claims or been a party to settlement negotiations outside of the routine audit processes. Nevertheless, ultimate liability could exceed reserves, and any excess could be substantial. Medicare regulations also provide for withholding payment in certain circumstances, which could adversely affect the Obligated Group’s cash flow.

Virginia Medicaid. Virginia has accepted federal Medicaid expansion effective January 1, 2019. Certain state health care reimbursement policies and programs may affect Virginia Medicaid reimbursement. Examples of such policies are described below:

Virginia Medicaid Managed Care Programs. Certain states, including Virginia, have transitioned all or a portion of their state Medicaid programs to Medicaid managed care programs. Medicaid managed care provides for the delivery of Medicaid health benefits and additional services through contracted arrangements between state Medicaid agencies and managed care organizations that accept a set per member per month (capitation payment) payment for these services. Providers serving Medicaid managed care beneficiaries may be reimbursed at a rate which does not adequately reflect the cost of care provided and may experience increased administrative burdens.

Virginia Medicaid Waivers. Virginia has previously entered into, and may in the future enter into, one or more “State Medicaid Waivers” with the federal government. A State Medicaid Waiver is a request that the federal government waive certain Medicaid program requirements so that the state can test new ways to deliver or pay for care in its Medicaid program. Management cannot predict whether Virginia will apply for any new State Medicaid Waivers in the future, whether its existing State Medicaid Waivers will be allowed to expire, or whether either event will materially adversely affect the business or financial condition of the Obligated Group.

Virginia Provider Fee Programs. Certain states, including Virginia, have created programs that impose a fee or tax on health care providers, the proceeds of which are intended to be used as a mechanism to generate new in-

state funds that can be matched with federal funds so that the state receives additional federal Medicaid funding. In many cases, the cost of the tax is paid back to providers through an increase in the Medicaid reimbursement rate for their patient services. The Obligated Group has benefitted overall from the provider fee program. The elimination or reduction in Virginia's current provider fee program could materially adversely affect the business or financial condition of the Obligated Group. Congress has considered proposals to limit the use of provider taxes. This would restrict states' ability to generate increased federal matching funds for Medicaid, shifting additional costs to states. If Virginia were not able to find additional funds to replace provider tax funding with other state sources, limits on provider taxes could result in Virginia Medicaid program cuts.

Limitations on Enforceability of Remedies

The realization of any rights upon a default will depend upon the exercise of various remedies specified in the Bond Indenture, the Master Indenture, the Loan Agreement and the Deed of Trust. Any attempt by the Bond Trustee or Master Trustee to enforce such remedies may require judicial action, which is often subject to discretion and delay. Under existing law, certain of the legal and equitable remedies specified in the Bond Indenture, the Master Indenture, the Loan Agreement and the Deed of Trust may not be readily available.

Any default in the performance of most of the covenants set forth in the Bond Indenture, the Master Indenture, the Loan Agreement or the Deed of Trust would constitute an Event of Default only following notice and lapse of time, as further described in Appendix D – Copies and Proposed Forms of the Financing Documents. The Master Trustee may give such notice of a default under the Master Indenture at any time in its discretion, but is not required to give such notice without the request of the holders of at least 25% in aggregate principal amount of the Obligations outstanding under the Master Indenture. Events of Default specified by the Master Indenture are remediable through enforcement action taken by the Master Trustee in its discretion or at the request of the holders of not less than 25% in aggregate principal amount of the Obligations outstanding under the Master Indenture, subject to the right of the holders of a majority in aggregate principal amount of Obligations then outstanding to waive such Event of Default and otherwise direct all proceedings to be taken in connection with the enforcement of the terms and conditions of the Master Indenture or any other proceedings thereunder.

Upon issuance of the Series 2024 Bonds, the principal amount of the Series 2024 Obligation will constitute approximately ____%* of all Obligations outstanding under the Master Indenture. The proportion of the principal amount of the Series 2024 Obligation to the principal amount of all Obligations at any time outstanding under the Master Indenture is subject to change. The bank or trust company serving as Bond Trustee or Master Trustee may acquire other Obligations, either as holder for its own account or in a fiduciary capacity similar to that of the Master Trustee. In exercising its duties and discretion, the Master Trustee might exercise its rights under different Obligations differently, reducing such proportion that otherwise might have been sufficient for the Master Trustee to control enforcement proceedings under the Master Indenture. The Master Trustee and Bond Trustee may in certain circumstances have other conflicts of interest. Upon an acceleration of the Series 2024 Obligation with the other Obligations issued under the Master Indenture, after paying the expenses and other amounts due the Master Trustee, amounts available to pay the Obligations will be prorated among all holders of Obligations without preference or priority of principal or premium over interest or of interest over principal or premium, or of any Obligation over any other Obligation.

Organized Resident Activity

Williamsburg Landing may, from time to time, be subject to pressure from organized groups of residents seeking, among other things, to raise the level of services or to maintain the level of monthly service fees with respect to the Community or other charges without increase. Moreover, Williamsburg Landing may be subject to conflicting pressures from different groups of residents, some of whom may seek an increase in the level of services while others wish to hold down monthly service fees and other charges. No assurance can be given that Williamsburg Landing will be able satisfactorily to meet the needs of such resident groups.

* Preliminary; subject to change.

Personnel

Williamsburg Landing employed approximately ____ full-time and ____ part-time employees as of September 30, 2023. Management of Williamsburg Landing believes that its salary and benefits package is competitive with other comparable institutions in the respective areas in which Williamsburg Landing operates and that its employee relations are satisfactory. The health care industry has at times experienced a shortage of qualified health care personnel. Williamsburg Landing competes with other health care providers and with non-health care providers for both professional and nonprofessional employees. Williamsburg Landing, like many similar institutions, has experienced turnover with its personnel. However, while Williamsburg Landing has been able to retain the services of an adequate number of qualified personnel to staff its Community appropriately and maintain its standards of quality care, there can be no assurance that continued shortages will not in the future affect its ability to attract and maintain an adequate staff of qualified health care personnel. A lack of qualified personnel could result in significant increases in labor costs or otherwise adversely affect its operating results. In addition, if Williamsburg Landing is forced to employ temporary staff through employment agencies, its employment costs will be substantially increased.

Labor Union Activity and Staffing

The employees of the Obligated Group are not represented by a union and management is not aware of any labor organizational efforts. The unionization of the Obligated Group's employees, however, could have an adverse effect on the Obligated Group's financial condition. Furthermore, although the Obligated Group has been able to attract desirable employees in the past, low unemployment in the Williamsburg area may adversely affect the availability of and the wages of future staff, which in turn may adversely affect the Obligated Group's financial condition. In recent years, the residential and health care industry has also suffered from a shortage of skilled nursing personnel that has forced up nursing wage scales. Management of the Obligated Group believes that it will be able to retain current personnel and hire any additional required staff, but the presence of other residential health care providers may make it difficult over time to attract and retain skilled personnel.

Malpractice Claims and Losses

The Obligated Group maintains professional and general liability insurance. The operations of the Obligated Group may be affected by increases in the incidence of malpractice lawsuits against elder care facilities and care providers in general and by increases in the dollar amount of client damage recoveries. These may result in increased insurance premiums and an increased difficulty in obtaining or renewing malpractice insurance. It is not possible at this time to determine either the extent to which malpractice coverage will continue to be available to the Obligated Group or the premiums at which such coverage can be obtained.

Insurance and Legal Proceedings

The provision of personal and health care services entails an inherent risk of liability. In recent years, participants in the senior living and health care services industry have become subject to an increasing number of lawsuits alleging negligence, malpractice or related legal theories, many of which involve large claims and result in the incurrence of significant defense costs. Williamsburg Landing carries insurance coverage in amounts deemed adequate by management and consistent with other comparable institutions. However, there can be no assurance that any current or future claims will not be covered by or exceed applicable insurance coverage. A claim against Williamsburg Landing not covered by, or in excess of, Williamsburg Landing's insurance could have a material adverse effect upon Williamsburg Landing.

In addition, Williamsburg Landing's insurance policies must be renewed annually. Because the increased litigation in the retirement and nursing care business has resulted in increased insurance premiums and an increased difficulty in obtaining insurance at reasonable rates, there can be no assurance that insurance coverage will continue to be available to Williamsburg Landing at reasonable premiums, if at all.

In its role as an owner and operator of real properties, the Obligated Group may be subject to liability for investigating and remediating any hazardous substances that have come to be located on its real property, including any such substances that may have migrated off of its real property. In addition, Williamsburg Landing's operations include the handling, use, storage and disposal of hazardous, infectious and toxic materials and wastes. Such

handling, use or release by Williamsburg Landing may produce risks of damage to individuals, property or the environment; interruption of operations or increased costs; legal liability, damages, injunctions or fines, or the triggering of investigations, administrative proceedings, penalties or other government agency actions. There can be no assurance that Williamsburg Landing will not encounter such risks in the future, and such risks may result in material adverse consequences to the operations or financial condition of Williamsburg Landing. Williamsburg Landing is not aware of any environmental liability with respect to any of its properties that it believes would have a material adverse effect on Williamsburg Landing's business, financial condition, or results of operations. Williamsburg Landing believes that its operations and Facilities are in compliance in all material respects with all federal, state, and local laws, ordinances, and regulations regarding hazardous or toxic substances or petroleum products.

Williamsburg Landing currently is not a party to any legal proceeding that its management believes would have a material adverse effect on its business, financial condition, or results of operations.

The Master Indenture requires Williamsburg Landing to carry certain insurance. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto. Uninsured claims and increases in insurance premiums could, to the extent not covered by increased revenues, adversely affect the financial condition of Williamsburg Landing.

Environmental Matters

Health care providers are subject to a wide variety of federal, state and local environmental and occupational health and safety laws and regulations which address, among other things, health care operations, facilities and properties owned or operated by health care providers. Among the type of regulatory requirements faced by health care providers are (a) air and water quality control requirements, (b) waste management requirements, including medical waste disposal, (c) specific regulatory requirements applicable to asbestos, polychlorinated biphenyls and radioactive substances, (d) requirements for providing notice to employees and members of the public about hazardous materials handled by or located at the clinics, (e) requirements for training employees in the proper handling and management of hazardous materials and wastes and (f) other requirements.

In its role as the owner and operator of properties or facilities, Williamsburg Landing may be subject to liability for investigating and remedying any hazardous substances that may have migrated off of its property. Typical health care operations include, but are not limited to, in various combinations, the handling, use, storage, transportation, disposal and discharge of hazardous, infectious, toxic, radioactive, flammable and other hazardous materials, wastes, pollutants or contaminants. As such, health care operations are particularly susceptible to the practical, financial and legal risks associated with compliance with such laws and regulations. Such risks may (a) result in damage to individuals, property or the environment, (b) interrupt operations and increase their cost, (c) result in legal liability, damages, injunctions or fines and (d) result in investigations, administrative proceedings, penalties or other governmental agency actions. There is no assurance that Williamsburg Landing will not encounter such risks in the future, and such risks may result in material adverse consequences to the operations or financial condition of Williamsburg Landing.

At the present time, management of Williamsburg Landing is not aware of any pending or threatened claim, investigation or enforcement action regarding such environmental issues which, if determined adversely to Williamsburg Landing, would have a material adverse effect on its operations or financial condition.

Tax-Exempt Status of Williamsburg Landing

Williamsburg Landing has received a letter from the Internal Revenue Service ("IRS") recognizing it as exempt from federal income taxes pursuant to Section 501(c)(3) of the Code of 1986, as amended (an "Exempt Organization"). In order to maintain such status, Williamsburg Landing will be required to conduct its operations in a manner consistent with representations it has previously made to the IRS and with current and future IRS regulations and rulings governing Exempt Organizations operating facilities for the residence and care of the elderly. In recent years, the IRS and members of Congress have expressed concern about the need for more restrictive rules governing Exempt Organizations generally and, in particular, the acceptance of low to moderate income residents by retirement communities in order to utilize tax-exempt financing. Loss of tax-exempt status would likely have a significant adverse effect on Williamsburg Landing and its operations and could result in the includability of interest

on the Series 2024 Bonds in gross income for federal income tax purposes for holders of the Series 2024 Bonds retroactively to their date of issue. See “TAX MATTERS”. Although Williamsburg Landing has covenanted in the Loan Agreement to take all appropriate measures to maintain its tax-exempt status, compliance with current and future regulations and rulings of the IRS could adversely affect its ability to charge and collect revenues, finance or refinance indebtedness on a tax exempt basis or otherwise generate revenues necessary to provide for payment of the Series 2024 Bonds.

Market for Series 2024 Bonds; Absence of Rating

The Series 2024 Bonds have not received any credit rating by any securities rating agency. The absence of any such rating could adversely affect the ability of holders to sell the Series 2024 Bonds or the price at which the Series 2024 Bonds can be sold. Although it is the present practice of the Underwriter to make a secondary market in the bond issues that they offer, they are under no obligation to do so. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular bond issue, these secondary marketing practices in connection with a particular bond issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially lower than the original purchase price. While there can be no guarantee or assurance that their present secondary marketing practices will always be continued, the Underwriter presently intends to make a secondary market in the Series 2024 Bonds, subject to the foregoing limitations. Nevertheless, there can be no guarantee that there will be a secondary market for the Series 2024 Bonds or, if a secondary market exists, that the Series 2024 Bonds can be sold for any particular price.

Additions and Changes in the Obligated Group

The Master Indenture allows Williamsburg Landing, in certain circumstances, to add members to the Obligated Group. Although any entity that becomes an Obligated Group Member is required to guarantee or to assume joint and several liability for the Master Obligations issued under the Master Indenture, the enforceability of the guaranty or assumption may be limited under the Federal Bankruptcy Code or the Virginia Uniform Voidable Transaction Act or similar laws affecting creditors’ rights if the Obligated Group Member was insolvent or undercapitalized at the time of (or became insolvent or undercapitalized by reason of) the guaranty or assumption and did not receive “reasonably equivalent value” for the guaranty or assumption.

When an entity becomes an Obligated Group Member, the allowable amount of debt which may be incurred under the Master Indenture by the Obligated Group Members may increase because the amount of such debt that the Obligated Group Members may incur is based on the historical or projected combined revenues of the Obligated Group Members. If an Obligated Group Member incurred additional debt based upon the revenues of another Obligated Group Member whose guaranty or assumption subsequently was held unenforceable, the interests of the owners of the Series 2024 Bonds would be diluted, because all outstanding debt then must be paid from a diminished, legally accessible flow of revenues.

The security interest in Gross Receipts granted by the Obligated Group Members to the Master Trustee pursuant to the Master Indenture may be affected by various matters, including (i) federal bankruptcy laws which could, among other things, preclude enforceability of the security interest as to Gross Receipts arising subsequent to the commencement of bankruptcy proceedings and limit such enforceability as to Gross Receipts arising prior to such commencement, to the extent a security interest therein would constitute a voidable preference, (ii) rights of third parties in cash, securities and instruments not in possession of the Master Trustee, including accounts and general intangibles converted to cash, (iii) rights arising in favor of the United States of America or any agency thereof, (iv) present or future prohibitions against assignment in any federal statutes or regulations, (v) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction and rights of donors of property, (vi) claims that might obtain priority if continuation statements are not filed in accordance with applicable laws, (vii) the rights of holders of prior perfected security interest in equipment and other goods owned by the Obligated Group Members and in the proceeds of sale of such property, (viii) statutory liens, and (ix) the rights of parties secured by Permitted Liens (as defined in Appendix D hereto). If an event of default does occur, it is uncertain that the Master Trustee could successfully obtain an adequate remedy at law or in equity on behalf of the owners of the Series 2024 Bonds. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

Additional Indebtedness

The Master Indenture permits any Member of the Obligated Group to incur additional Indebtedness, which may be equally and ratably secured with the Series 2024 Obligation. Any such additional parity indebtedness would be entitled to share ratably with the holders of the Series 2024 Obligation, as set forth in the Master Indenture, in any money realized from the exercise of remedies in the event of a default under the Master Indenture. The issuance of additional parity indebtedness could impair the ability of Williamsburg Landing to maintain its compliance with certain covenants described in the proposed form of Master Indenture in Appendix D hereto. There is no assurance that, despite compliance with the conditions upon which additional Indebtedness may be incurred at the time such debt is created, the ability of Williamsburg Landing to make the necessary payments to repay the Series 2024 Obligation may not be materially adversely affected upon the incurrence of additional Indebtedness. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

Risk of Early Redemption

Purchasers of the Series 2024 Bonds, including those who purchase Series 2024 Bonds at a price in excess of their principal amount or who hold such bonds trading at a price in excess of par, should consider the fact that the Series 2024 Bonds are subject to optional and mandatory redemption at a redemption price equal to their principal amount plus accrued interest upon the occurrence of certain events. This could occur, for example, in the event that the Series 2024 Bonds are prepaid as a result of a casualty or condemnation award affecting the Mortgaged Premises or there is a default under the Deed of Trust. See “THE SERIES 2024 BONDS.” Under such circumstances, a purchaser of the Series 2024 Bonds whose bonds are called for early redemption may not have the opportunity to hold such bonds for a time period consistent with such purchaser’s original investment intentions and may lose any premium paid for the Series 2024 Bonds.

Bankruptcy

Although the security under the Deed of Trust and the lien on the Pledged Assets given for the benefit of holders of Obligations are superior to the claims of other creditors (subject to the limitations set forth in “SECURITY FOR THE SERIES 2024 BONDS”), bankruptcy and similar proceedings against Williamsburg Landing and usual equity principles may affect the enforcement of rights to such security. The filing by, or against, Williamsburg Landing or the Authority for relief under the United States Bankruptcy Code (the “Bankruptcy Code”) would have an adverse effect on the ability of the Master Trustee and holders of the Series 2024 Bonds to enforce their claim or claims to the security granted by the Master Indenture, and their claim or claims to money owed them as unsecured claimants, if any. The filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against Williamsburg Landing or the Authority, as applicable, and their respective property and as an automatic stay of any act or proceeding to enforce a lien against such property. Moreover, following such a filing the revenues and accounts receivable and other property of Williamsburg Landing or the Authority, as applicable, acquired after the filing (and under some conditions prior to the filing) would not be subject to the liens and security interests created under the Master Indenture. In addition, the bankruptcy court has the power to issue any order, process or judgment that is necessary or appropriate to carry out the provisions of the Bankruptcy Code; such a court order could require that the property of Williamsburg Landing or the Authority, as applicable, including the Gross Receipts of Williamsburg Landing and proceeds thereof, to be used for the benefit of Williamsburg Landing, despite the lien and security interest of the Master Trustee and the Deed of Trust therein.

The amount of the secured claim which could be filed by the Master Trustee on behalf of the holders of the Series 2024 Bonds would be limited to the value of the Pledged Assets and the Mortgaged Premises. This amount would likely be less than the principal amount of all Obligations including the Series 2024 Obligation, since the failure of the Mortgaged Premises to produce sufficient revenues to pay operating expenses and debt service requirements prior to the bankruptcy would reduce the value of the Mortgaged Premises. To the extent the amount owed with respect to the Series 2024 Obligation and any other Obligations exceeded the value of the Mortgaged Premises and the Pledged Assets as of the date of the valuation, the excess would be an unsecured claim which would rank on parity with the claims of unsecured general creditors of Williamsburg Landing. As a result, if the Mortgaged Premises was sold following commencement of a bankruptcy proceeding, it is unclear how much the holders of the Series 2024 Bonds would receive.

In a bankruptcy proceeding, the debtor could file a plan of reorganization which modifies the rights of creditors generally, or any class of creditors, secured or unsecured. The holders of the Series 2024 Bonds may only receive post-petition interest on the Series 2024 Bonds to the extent the value of their security exceeds their claim. The plan, when confirmed by the court, binds all creditors who had notice or knowledge of the plan and discharges all claims against the debtor provided for in the plan.

No plan may be confirmed unless, among other conditions, the plan is in the best interests of creditors, is feasible and has been accepted by each class of claims impaired thereunder. Each class of claims has accepted the plan if at least two-thirds in dollar amount and more than one-half in number of the allowed claims of the class that are voted with respect to the plan are cast in its favor. Even if the plan is not so accepted, it may be confirmed if the court finds that the plan is fair and equitable with respect to each class of non-accepting creditors impaired thereunder and does not discriminate unfairly in favor of junior creditors. More particularly, the Bankruptcy Code would permit the liquidation of Williamsburg Landing or the adoption of a reorganization plan for Williamsburg Landing or the Authority, as applicable, even though such plan had not been accepted by (1) the holders of a majority in aggregate principal amount of the Series 2024 Bonds, if the plan is “fair and equitable” and does not discriminate unfairly against the holders of the Series 2024 Bonds as a class and is in the “best interest of the creditors,” which may mean that the holders of the Series 2024 Bonds are provided with the benefit of their original lien or the “indubitable equivalent;” or (2) any holder of the Series 2024 Bonds if the holders of the Series 2024 Bonds, as a class, are deemed unimpaired under the plan.

In addition, if the bankruptcy court were to conclude that the holders of the Series 2024 Bonds have “adequate protection,” it may (1) substitute other security for the security subject to the lien of the Master Indenture or (2) subordinate the lien of the holders of the Series 2024 Bonds to persons who supply credit to Williamsburg Landing or the Authority, as applicable, after commencement of the case. In the event of the bankruptcy of Williamsburg Landing or the Authority, any amount realized by the Master Trustee or holders of the Series 2024 Bonds may depend on the bankruptcy court’s interpretation of “indubitable equivalent” and “adequate protection” under the existing circumstances. Any transfers made to the holders of the Series 2024 Bonds or the Master Trustee at or prior to the commencement of the case may be avoided and recaptured if such transfers are (1) avoidable by a judicial lien creditor who obtained its lien on the date the case commenced (regardless of whether such a creditor actually exists), (2) preferential or fraudulent or (3) voidable under applicable law by any actual unsecured creditor. The holders of the Series 2024 Bonds may also be subject to avoidance and recapture of post-petition transfers, turnover of property of the debtor which they, the Master Trustee or a custodian hold and assumption, assignment or rejection of executory contracts.

Certain judicial decisions have cast doubt upon the right of a trustee, in the event of a health care facility’s bankruptcy, to collect and retain for the benefit of holders of the Series 2024 Bonds portions of revenues consisting of Medicare and other governmental receivables.

See also subsections “Mortgage; Equipment” and “Pledged Assets” in “SECURITY FOR THE SERIES 2024 BONDS.”

Amendments to Documents

Certain amendments to the Master Indenture, the Bond Indenture, the Loan Agreement and the Deed of Trust may be made without notice to or the consent of the holders of the Series 2024 Bonds. Such amendments could affect the security for the Series 2024 Bonds. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

Certain Amendments to Bond Indenture and Master Indenture

In general, the Bond Indenture permit amendments to be made thereto (except for certain amendments that do not require Bondholder consent) only with the consent of the holders of a majority in aggregate principal amount of the Bonds of all series Outstanding affected by such amendment and not less than a majority in aggregate principal amount of all other Series 2024 Bonds so affected. The Bond Indenture further provides that without the consent of the owners of all Bonds at the time Outstanding nothing therein contained shall permit, or be construed as permitting, any of the following:

- (1) an extension of the maturity of the principal of or the interest on any Series 2024 Bond, or
- (2) a reduction in the principal amount of any Series 2024 Bond or the rate of interest thereon, or
- (3) an extension of time or a reduction in amount of any payment required by any sinking fund that may be applicable to any Series 2024 Bond, or
- (4) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or
- (5) a reduction in the aggregate principal amount of Series 2024 Bonds required for consent to such supplemental indenture, without the consent and approval of the holders of all of the Series 2024 Bonds then outstanding.

Notwithstanding the foregoing, the Bond Indenture provides that (i) during any period of time in which an Event of Default has occurred and is continuing, an amendment of the type described in clauses described in clauses (1), (2), (3), (4) or (5) above may be made with the consent of the Holders of at least eighty percent (80%) in aggregate principal amount of all Outstanding Series 2024 Bonds; provided, however, any such amendment shall not result in a change in preference or priority of any Series 2024 Bond over any other Series 2024 Bond and no such amendment described in clauses (1), (2), (3), (4) or (5) shall result in a disproportionate change, reduction or modification with respect to any Series 2024 Bonds.

This provision is intended to make it easier for Williamsburg Landing to restructure its indebtedness, including the Series 2024 Bonds, if an Event of Default has occurred, without having to file for bankruptcy under the federal Bankruptcy Code. In the absence of a provision such as this in the Bond Indenture, such a change in payment terms of the Series 2024 Bonds could only be made under a plan of reorganization approved by a Bankruptcy Court. The consent of the holders of 100% of the Series 2024 Bonds would be extremely difficult to obtain, and a bankruptcy filing would necessarily involve delay and expense which could affect the ability of Williamsburg Landing to accomplish a successful reorganization. The eighty percent (80%) consent requirement would only be in effect if an Event of Default occurred and was continuing.

Prospective purchasers of the Series 2024 Bonds are advised that this provision means there is a risk that if an Event of Default occurs, there may be an amendment made to the Bond Indenture which affects the payment provisions of the Series 2024 Bonds such purchaser holds, the priority of payment of such Series 2024 Bonds or other matters described in clauses (1) through (5) above. This amendment may be made without the consent of such purchasers, if the holders of eighty percent (80%) in aggregate principal amount of the Series 2024 Bonds of the same maturity consent to such amendment, and the other conditions to such are met.

The Master Indenture contains a similar provision to that described above. See Appendix D – Copies and Proposed Forms of Principal Financing Documents hereto.

Certain Matters Relating to Enforceability of the Master Indenture

The obligations of the Obligated Group and any future Member of the Obligated Group under the Series 2024 Obligation will be limited to the same extent as the obligations of debtors typically are affected by bankruptcy, insolvency and the application of general principles of creditors' rights and as additionally described below.

The accounts of the Obligated Group and any future Member of the Obligated Group will be combined for financial reporting purposes and will be used in determining whether various covenants and tests contained in the Master Indenture (including tests relating to the incurrence of Additional Indebtedness) are met, notwithstanding the uncertainties as to the enforceability of certain obligations of the Obligated Group contained in the Master Indenture which bear on the availability of the assets and revenues of the Obligated Group to pay debt service on Master Obligations, including the Series 2024 Obligation pledged under the Master Indenture as security for the Series 2024 Bonds. The obligations described herein of the Obligated Group to make payments of debt service on Master Obligations issued under the Master Indenture (including transfers in connection with voluntary dissolution or liquidation) may not be enforceable to the extent (1) enforceability may be limited by applicable bankruptcy, moratorium, reorganization or similar laws affecting the enforcement of creditors' rights and by general equitable principles and (2) such payments (a) are requested with respect to payments on any Master Obligations issued by a

Member other than the Member from which such payment is requested, issued for a purpose which is not consistent with the charitable purposes of the Member of the Obligated Group from which such payment is requested or issued for the benefit of a Member of the Obligated Group which is not a “governmental unit” within the meaning of Section 141 of the Code or any person organized under the laws of the United States of America, or any state thereof, that is an organization described in Section 501(c)(3) of the Code exempt from federal income taxation under Section 501(a) of the Code; (b) are requested to be made from any money or assets which are donor-restricted or which are subject to a direct or express trust which does not permit the use of such money or assets for such a payment; (c) would result in the cessation or discontinuation of any material portion of the health care or related services previously provided by the Member of the Obligated Group from which such payment is requested; or (d) are requested to be made pursuant to any loan violating applicable usury laws. The extent to which the assets of any future Member of the Obligated Group may fall within the categories (b) and (c) above with respect to the Series 2024 Obligation cannot now be determined. The amount of such assets which could fall within such categories could be substantial.

A Member of the Obligated Group may not be required to make any payment on any Obligation, or portion thereof, the proceeds of which were not loaned or otherwise disbursed to such Member of the Obligated Group to the extent that such payment would render such Member of the Obligated Group insolvent or which would conflict with or not be permitted by or which is subject to recovery for the benefit of other creditors of such Member of the Obligated Group under applicable laws. There is no clear precedent in the law as to whether such payments from a Member of the Obligated Group in order to pay debt service on the Series 2024 Obligation may be voided by a trustee in bankruptcy in the event of bankruptcy of a Member of the Obligated Group, or by third-party creditors in an action brought pursuant to Virginia fraudulent conveyance statutes. Under the Bankruptcy Code, a trustee in bankruptcy and, under Virginia fraudulent conveyance statutes and common law, a creditor of a related guarantor, may avoid any obligation incurred by a related guarantor if, among other bases therefor, (1) the guarantor has not received fair consideration or reasonably equivalent value in exchange for the guaranty and (2) the guaranty renders the guarantor insolvent, as defined in the Bankruptcy Code or Virginia fraudulent conveyance statutes, or the guarantor is undercapitalized.

Application by courts of the tests of “insolvency,” “reasonably equivalent value” and “fair consideration” has resulted in a conflicting body of case law. It is possible that, in an action to force a Member of the Obligated Group to pay debt service on an Obligation for which it was not the direct beneficiary, a court might not enforce such a payment in the event it is determined that such Member is analogous to a guarantor of the debt of the Obligated Group who directly benefited from the borrowing and that sufficient consideration for such Member’s guaranty was not received and that the incurrence of such Obligation has rendered or will render the such Member insolvent.

Liquidation of Security May Not be Sufficient in the Event of a Default

The Bond Trustee and the Authority must look solely to the Mortgaged Premises, the Pledged Assets, and any funds held under the Bond Indenture and the Master Indenture to pay and satisfy the Series 2024 Bonds in accordance with their terms. The Bondholders are dependent upon the success of the Community and the value of the assets of Williamsburg Landing for the payment of the principal of, redemption price, if any, and interest on, the Series 2024 Bonds. Williamsburg Landing has not made any representations to Bondholders regarding the current market value of the Community. In the event of a default, the value of the Mortgaged Premises may be less than the amount of the outstanding Series 2024 Bonds, since the Mortgaged Premises exists for the narrow use as a continuing care retirement community. The special design features of a continuing care facility and the continuing rights of residents under continuing care and lease agreements may make it difficult to convert the Mortgaged Premises to other uses, which may have the effect of reducing its attractiveness to potential purchasers.

Availability of Remedies

The remedies available to the Bond Trustee, the Master Trustee and the owners of the Series 2024 Bonds upon an event of default under the Bond Indenture and the Master Indenture are in many respects dependent upon judicial actions that are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including, specifically, the United States Bankruptcy Code, the remedies provided in the Bond Indenture and the Master Indenture may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2024 Bonds will be qualified as to the enforceability of the

various legal instruments by limitations imposed by general principals of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors' generally and laws relating to fraudulent conveyances.

Limitations on Security Interest in Pledged Assets and Other Collateral

The security interest in the Pledged Assets and the proceeds thereof will be perfected to the extent, and only to the extent, that such security interest may be perfected by filing financing statements under the Uniform Commercial Code of the Commonwealth of Virginia (the "UCC"). Continuation statements with respect to such filings must be filed periodically as required by law to continue the perfection of such security interest. To the extent that the security interest in such property cannot be perfected by filing a financing statement, the security interest therein may not be enforceable against third parties unless such collateral is transferred to the Master Trustee (which is required only upon the occurrence of an Event of Default under the Master Indenture). In such event, the Master Trustee may not be able to compel certain third-party payors to make payment directly to the Master Trustee. The enforcement of the security interest in such collateral may further be limited by the following: (a) statutory liens, (b) rights arising in favor of the United States of America or any agency thereof, (c) current or future prohibitions against assignment contained in any federal or State statutes or regulations, (d) constructive trusts, equitable liens or other rights impressed or conferred by any state or federal court in the exercise of its equitable jurisdiction and (e) federal bankruptcy laws, Commonwealth of Virginia receivership or fraudulent conveyance laws or similar laws affecting creditors' rights that may affect the enforceability of the Master Indenture or the security interest in such collateral.

See also subsections "Mortgage; Equipment" and "Pledged Assets" in the section "SECURITY FOR THE SERIES 2024 BONDS" herein on limitations on security interest in the Pledged Assets and the Equipment.

Health Care Reform

The enactment of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 and the Health Care and Education Reconciliation Act of 2021 (collectively, "ACA") represents a significant reform of federal health care legislation. Additionally, Congress continues to consider the adoption of additional laws to modify several aspects of such legislation. The ACA has significantly altered and continues to alter the delivery of healthcare in the United States, including healthcare coverage, financing and payment, and legal obligations of health insurers, providers, and employers. The ACA and its continued implementation have been and remain politically controversial and subject to potential legislative or judicial changes and challenges. Therefore, it is not possible to predict the impact any modifications or full or partial repeal of the ACA, or any replacement health care legislation may have on the Obligated Group. Any legal, legislative, or executive actions that alter the health care marketplace, reduce federal spending, increase the number of individuals without insurance coverage, reduces the number of individuals seeking health care services, or otherwise alters or affects the health care marketplace could have a material effect on the Obligated Group.

Many ACA provisions could have a significant impact on health care providers, including their operations and revenues, and such impact could be negative. For example, expanded health insurance coverage, in particular, could affect the composition of the population enrolled in various public and private health plans, potentially resulting in a capacity strain on provider networks or unanticipated service costs. The ACA attempts to increase competition among private health insurers by providing for transparent state insurance exchanges. The ACA also prevents private insurers from adjusting insurance premiums based on health status, gender, or other specified factors. Further, to offset the cost of expanded health care coverage and implementation of reform, the ACA includes cuts in Medicare reimbursement and increased taxes. Cost-cutting provisions will impact health care providers by reducing or eliminating reimbursement for failure to satisfy certain quality requirements and reduction of Medicare market basket updates.

The ACA reduces payments for services to federally-insured patients because Congress expected that providers will realize savings in bad debt and charity care expenses, since they are expected to provide care to fewer uninsured patients as a result of mandated increases in insurance coverage. The constitutionality of certain ACA provisions designed to expand health insurance coverage has faced numerous challenges. While the private insurance mandate has been upheld by the Supreme Court, certain provisions were found to be unconstitutional. Members of Congress continue to propose a repeal or amendment of the ACA and there is no assurance that it will

be continued in its current form. It is difficult to predict the full impact of the ACA's continued implementation due to the law's complexity, lack of implementing regulations or interpretive guidance and gradual implementation, as well as an inability to foresee how states, businesses and individuals will respond to the choices afforded them by the law. The Obligated Group is therefore unable to predict the full impact of the ACA on it at this time.

Health care providers are likely to be subjected to decreased reimbursement as a result of implementation of recommendations of the ACA-created Independent Payment Advisory Board, whose directive is to reduce Medicare cost growth. The Board's recommended reductions would be automatically implemented unless Congress adopts alternative legislation that meets equivalent savings targets. ACA provisions relating to SNFs include requirements that facilities (i) make certain disclosures regarding ownership; (ii) implement compliance and ethics programs; and (iii) make certain disclosures regarding expenditures for wages and benefits for direct care staff. In addition, the ACA may affect SNF reimbursement through the creation of value-based purchasing payment and post-acute care payment bundling programs and may place limitations on SNF payments for health care acquired conditions. Investors are encouraged to review legislative, legal, and regulatory developments as they occur and to assess the elements and potential effects of the health care reform initiative as it evolves.

Third-Party Payments and Managed Care

In the environment of increasing managed care, the Obligated Group can expect additional challenges in maintaining its resident population and attendant revenues. Third-party payors, such as health maintenance organizations, direct their subscribers to providers who have agreed to accept discounted rates or reduced per diem charges. Continuing care retirement communities are less sensitive to this directed utilization than standalone skilled nursing facilities; however, the risk may increase and the Obligated Group may be required to accept residents under such conditions should managed care cost reduction measures now pervasive in the health care industry continue to grow.

The health care industry in general is subject to regulation by a number of federal, state and local governmental agencies. As a result, the industry is sensitive to legislative changes in such programs and is affected by reductions in governmental spending for such programs. Congress has in the past enacted a number of provisions that affect health care providers, and additional legislative changes can be expected. Previous legislative actions have included limitation of payments to nursing homes under the Medicare program. Additional legislation dealing with nursing home revenues could be introduced that, if enacted, might have an adverse impact upon the revenues of the Obligated Group.

Uncertainty of Investment Income

A portion of Williamsburg Landing's revenues available to pay debt service is expected to come from investment income and net realized gains on the investment of available funds. The amount of such interest earnings and gains will fluctuate with changes in prevailing interest rates and financial market conditions.

Cybersecurity

Like many organizations, the Obligated Group is highly dependent on digital technologies. These systems necessarily hold large quantities of highly sensitive protected health information that is highly valued on the black market. As a result, the electronic systems and networks of organizations like the Obligated Group are considered likely targets for cyber-attacks and other potential breaches of their systems. In addition to regulatory fines and penalties, the healthcare entities subject to the breaches may be liable for the costs of remediating the breaches, damages to individuals whose information has been breached, reputational damage and business loss, and damage to the information technology infrastructure. The Obligated Group has taken, and continues to take, measures to protect its information technology system against such cyber-attacks, but there can be no assurance that the Obligated Group will not experience a significant breach. If such a breach occurs, the financial consequences of such a breach could have a materially adverse impact on the Obligated Group. Williamsburg Landing does carry cybersecurity insurance.

Risks Associated with the Bank-Held Bonds and Other Bank Financing

The Bank-Held Bonds and their relationship to the Series 2024 Bonds create certain risks to the holders of the Series 2024 Bonds not associated with a transaction consisting of a single series of fixed rate, publicly offered bonds. The Bank-Held Bonds will constitute approximately ____%* of all Obligations outstanding under the Master Indenture at the time the Series 2024 Bonds are issued. The Bank-Held Bonds currently bear interest at fixed rates. Such rates are fixed until [2026] but will reset based on formulas set forth in the related financing documents which are tied to U.S. Treasury rates.

[Upon issuance of the Series 2024 Bonds, Towne Bank will hold all of the Bank-Held Bonds and is expected to be the holder of approximately ____%* of all Obligations outstanding under the Master Indenture. Additionally, Towne Bank, as the holder of the Bank-Held Bonds and the related Obligations, will have the right to require acceleration of such Obligations upon the occurrence of an Event of Default under the Master Indenture. The Master Trustee will be required to accelerate the Series 2024 Obligation if it accelerates on behalf of any of those Obligations.]

The financing documents under which the Bank-Held Bonds were issued to Towne Bank (the “Bank Debt Documents”) contain certain covenants of the Obligated Group that are either not contained in the Master Indenture or the Loan Agreement or that are similar but vary in some respects from the covenants contained in the Master Indenture and the Loan Agreement including certain reporting requirements.

Thus, although Williamsburg Landing may be in compliance with the provisions of the Master Indenture, it may nonetheless be in default under the terms of the Bank Debt Documents, which could lead to an Event of Default under the Master Indenture. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto to see the covenants contained in the Master Indenture and the Loan Agreement.

[As discussed in Appendix A under “FINANCIAL INFORMATION – Other Indebtedness,” Williamsburg Landing maintains a variable rate revolving line of credit (the “Line of Credit”) with M&T Bank (“M&T”) with a maximum available commitment of \$2,300,000 for the purpose of constructing pre-sold independent living cottages from time to time. The financing documents for the Line of Credit include covenants that differ from the Master Indenture. Williamsburg Landing’s obligations under the Line of Credit, however, are not secured by the Master Indenture or an Obligation issued thereunder. Rather, the obligations are secured by a pledge amount of \$1,100,838 in an operating account held by M&T, which is the sole collateral for the Line of Credit.]

In addition to the Bank-Held Bonds, the Obligated Group may incur additional debt in the future, through private placements with one or more financial institutions (each, “Bank Debt”). The terms of each Bank Debt will likely be negotiated separately and could create certain risks that could negatively affect the Obligated Group’s ability to make the payments on the Series 2024 Bonds. The risks associated with Bank Debt include, but are not limited to, the following:

(a) being variable rate (which would subject the Obligated Group to interest rate risk, if interest rates were to increase);

(b) having a balloon payment at maturity or call date (which would subject the Obligated Group to either a large payment of cash at maturity or require the Obligated Group to obtain alternate financing, and there could be no guarantee that the Obligated Group could accomplish either); and

(c) having financial covenants that are more restrictive than those in the Master Indenture, the Bond Indenture, the Loan Agreement or the Series 2024 Obligation (which could result in a situation where the Obligated

* Preliminary; subject to change.

Group is in default of its obligations under Bank Debt but not the Series 2024 Bonds and thus result in an acceleration of the Series 2024 Bonds), and

(d) having the holder of the Bank Debt exercise certain remedies if the Obligated Group defaults on its obligations under the Master Indenture (specifically, if the holder of one or more issues of Bank Debt controls a significant proportion of the Obligations outstanding under the Master Indenture, that holder could exercise certain remedies in a default scenario).

Risks Associated with Swaps

The Obligated Group may enter into interest rate swaps or hedge agreements from time to time. Such agreements may be issued as Derivative Obligations under the Master Indenture, and may provide that all payments due thereunder, including termination payments, be on parity with all Obligations under the Master Indenture, including the Series 2024 Obligation. Any interest rate swap or other hedge agreement to which any Member of the Obligated Group is a party may, at any time, have a negative value. There may also be automatic termination events under the swap agreements and other provisions that give the Obligated Group or the swap provider the right to terminate the applicable swap agreement. If either a swap or other hedge counterparty or the Obligated Group terminates such an agreement when the agreement has a negative value to the Obligated Group, the Obligated Group would generally be obligated to make a termination payment to the counterparty in the amount of such negative value, and such payment could be substantial. An early termination of a swap or hedge agreement entered into by the Obligated Group could reduce the amount of funds available to the Obligated Group to pay the principal of and interest due on the Series 2024 Bonds. In addition, if certain events occur, the Obligated Group may be required to deliver collateral to secure the amount that would be owed to the counterparty under any interest rate swap or other hedge agreement if such agreement were to be terminated at that time, and the amount of collateral required to be delivered could be substantial. A required posting of collateral could reduce the amount of funds available to the Obligated Group to pay the principal of and interest due on the Series 2024 Bonds.

Federal Tax Matters

Possible Changes in Williamsburg Landing's Tax Status. The possible modification or repeal of certain existing federal income or state tax laws or other loss by Williamsburg Landing of the present advantages of certain provisions of the federal income or state tax laws could materially and adversely affect the status of Williamsburg Landing and thereby the revenues of Williamsburg Landing. Williamsburg Landing has obtained a determination letter from the IRS to the effect that Williamsburg Landing is exempt from federal income taxation under Section 501(a) of the Code by virtue of being an organization described in Section 501(c)(3) of the Code. As an exempt organization, Williamsburg Landing is subject to a number of requirements affecting its operation. The failure of Williamsburg Landing to remain qualified as an exempt organization would affect the funds available to Williamsburg Landing for payments to be made under the Loan Agreement. Failure of Williamsburg Landing or the Authority to comply with certain requirements of the Code, or adoption of amendments to the Code to restrict the use of tax-exempt bonds for facilities such as those being refunded with Series 2024 Bond proceeds, could cause interest on the Series 2024 Bonds to be included in the gross income of holders of Series 2024 Bonds or former holders of Series 2024 Bonds for federal income tax purposes.

It is not possible to predict the scope or effect of future legislative or regulatory actions with respect to taxation of charitable organizations. There can be, however, no assurance that future changes in the laws and regulations of the federal, state or local governments will not materially and adversely affect the operations and revenues of Williamsburg Landing by requiring it to pay income taxes.

Intermediate Sanctions. Section 4958 of the Code, provides the IRS with an "intermediate" tax enforcement tool to combat violations by tax-exempt organizations of the private inurement prohibition of the Code. Previous to the "intermediate sanctions law," the IRS could punish such violations only through revocation of an entity's tax-exempt status. Intermediate sanctions may be imposed where there is an "excess benefit transaction," defined to include a disqualified person (i.e., a director, officer or other related party) (1) engaging in a non-fair market value transaction with the tax-exempt organization; (2) receiving excessive compensation from the tax-exempt organization; or (3) receiving payment in an arrangement that violates the private inurement proscription. A disqualified person who benefits from an excess benefit transaction will be subject to a "first tier" penalty excise tax

equal to 25% of the amount of the excess benefit. Organizational managers who participate in an excess benefit transaction knowing it to be improper are subject to a first-tier penalty excise tax of 10% of the amount of the excess benefit, subject to a maximum penalty of \$10,000. A “second tier” penalty excise tax of 200% of the amount of the excess benefit may be imposed on the disqualified person (but not the organizational manager) if the excess benefit transaction is not corrected in a specified time period.

Bond Audit. IRS officials have stated that more resources will be allocated to audits of tax-exempt bonds in the charitable organization sector. The Series 2024 Bonds may be subject to audit, from time to time, by the IRS. Williamsburg Landing believes that the Series 2024 Bonds properly comply with applicable tax laws and regulations. In addition, Bond Counsel will render an opinion with respect to the tax-exempt status of the Series 2024 Bonds, as described under the heading “TAX MATTERS” below. No ruling with respect to the tax-exempt status of the Series 2024 Bonds has been or will be sought from the IRS, however, and opinions of counsel are not binding on the IRS or the courts, and are not guarantees. There can be no assurance, therefore, that an audit of the Series 2024 Bonds will not adversely affect the Series 2024 Bonds.

Other Tax Status Issues. The IRS has also issued Revenue Rulings dealing specifically with the manner in which a facility providing residential services to the elderly must operate in order to maintain its exemption under Section 501(c)(3). Revenue Rulings 61-72 and 72-124 hold that, if otherwise qualified, a facility providing residential services to the elderly is exempt under Section 501(c)(3) if the organization (1) is dedicated to providing, and in fact provides or otherwise makes available services for, care and housing to aged individuals who otherwise would be unable to provide for themselves without hardship, (2) to the extent of its financial ability, renders services to all or a reasonable proportion of its residents at substantially below actual cost, and (3) renders services that minister to the needs of the elderly and relieve hardship or distress. Revenue Ruling 79-18 holds that a facility providing residential services to the elderly may admit only those tenants who are able to pay full rental charges, provided that those charges are set at a level that is within the financial reach of a significant segment of the community’s elderly persons, and that the organization is committed by established policy to maintaining persons as residents, even if they become unable to pay the monthly charges after being admitted to the facility.

Other Legislation. Section 7872 of the Code (Treatment of Loans with Below Market Interest Rates), provides for, in certain circumstances, the imputation of interest income to a lender when the rate of interest charged by the lender is below prevailing market rates (as determined under a formula) or, even if the below market interest rate loan would otherwise be exempt from the provisions of Section 7872, when one of the principal purposes for such below market rate loan is the avoidance of federal income taxation.

A refundable entrance fee payment made by a resident to certain continuing care facilities has been determined under Section 7872 to constitute a below market interest rate loan by the resident to the facility to the extent that the resident is not receiving a market rate of interest on the refundable portion of the entrance fee. Section 7872(h) provides a “safe harbor” exemption for certain types of refundable entrance fees. The statutory language of Section 7872 does not permit a conclusive determination as to whether the Residency Agreements come within the scope of the continuing care facility safe harbor or within the statute itself.

Provided the residency agreement falls within the scope of Section 7872, the safe harbor exemption under Section 7872(h) is applicable (i) if such loan was made pursuant to a continuing care contract, (ii) if the resident (or the resident’s spouse) has attained age 62 before the close of the year and (iii) irrespective of the amount of the “loan” by the resident (or the resident’s spouse) to the continuing care facility. Section 425 of the Tax Relief and Health Care Act of 2006 amended Section 7872(h) to make the exemption for loans to qualifying care facilities permanent.

Any determination of applicability of Section 7872 could have the effect of discouraging potential residents from becoming or remaining residents of the Facility.

In recent years the IRS and members of Congress have expressed concern about the need for more restrictive rules governing the tax-exempt status of 501(c)(3) organizations generally and of retirement communities in particular. Legislation has been previously introduced restricting the ability of such organizations to utilize tax-exempt bonds unless they maintain a required percentage of low to moderate income residents. Although Williamsburg Landing has covenanted to take all appropriate measures to maintain its tax-exempt status, compliance with current and future regulations and rulings of the IRS could adversely affect the ability of Williamsburg Landing

to charge and collect revenues at the level required by the Loan Agreement, finance or refinance indebtedness on a tax-exempt basis or otherwise generate revenues necessary to provide for payment of the Series 2024 Bonds.

Other Risk Factors

Various other risk factors, such as fluctuations in interest rates and changes in tax laws affecting Williamsburg Landing's cost of capital, could also affect the future financial strength or operational efficiency of Williamsburg Landing, and therefore its ability to make required payments of principal and interest on the Series 2024 Obligation. A significant portion of the budget of Williamsburg Landing relates to fixed expenses, which cannot be easily reduced or eliminated.

The occurrence of any of the following events, or other unanticipated events, could adversely affect the operations of Williamsburg Landing:

- (1) Litigation;
- (2) Reinstatement or establishment of mandatory governmental wage, rent or price controls;
- (3) Inability to control increases in operating costs, including salaries, wages and fringe benefits, supplies and other expenses, given an inability to obtain corresponding increases in revenues from residents whose incomes will largely be fixed;
- (4) Adoption of other federal, state or local legislation or regulations having an adverse effect on the future operating or financial performance of Williamsburg Landing;
- (5) The cost and availability of energy;
- (6) Increased unemployment or other adverse economic conditions in the service areas of the Obligated Group which would increase the proportion of patients who are unable to pay fully for the cost of their care
- (7) Any increase in the quantity of indigent care provided which is mandated by law or required due to increased needs of the Community in order to maintain the charitable status of Williamsburg Landing;
- (8) Inflation or other adverse economic conditions;
- (9) Inability to control the diminution of patients' assets or insurance coverage with the result that the patients' charges are reimbursed from government reimbursement programs rather than private payments;
- (10) Changes in tax, pension, social security or other laws and regulations affecting the provisions of health care and other services to the elderly;
- (11) The occurrence of natural disasters, including hurricanes, volcanic eruptions and typhoons, floods or earthquakes, which may damage the Community, interrupt utility service to the Community, or otherwise impair the operation and generation of revenues from the Community;
- (12) Cost and availability of any insurance, such as malpractice, fire, automobile and general comprehensive liability, that organizations such as Williamsburg Landing generally carry.
- (13) The actuarial assumptions regarding life expectancy and inflation used by the Obligated Group to calculate Entrance Fees and Monthly Service Fees prove inaccurate.
- (14) Unionization, employee strikes and other adverse labor actions which could result in a substantial increase in expenditures without a corresponding increase in revenues.

UNDERWRITING

The Authority, Williamsburg Landing and the Underwriter will enter into a Bond Purchase Agreement (the “Bond Purchase Agreement”) which provides that the Underwriter will purchase the Series 2024 Bonds at a purchase price reflecting an underwriter’s discount of \$_____.

The obligation of the Underwriter to pay for the Series 2024 Bonds is subject to certain terms and conditions set forth in the Bond Purchase Agreement, including delivery of specified opinions of counsel and of a certificate of Williamsburg Landing that there has been no material adverse change in its condition (financial or otherwise) from that set forth in this Official Statement. Williamsburg Landing has agreed in the Bond Purchase Agreement to indemnify the Underwriter against certain liabilities relating to this Official Statement. The Underwriter may offer and sell Series 2024 Bonds to certain dealers (including dealer banks and dealers depositing Series 2024 Bonds into investment trusts) and others at prices lower than the public offering prices stated on the inside cover of this Official Statement. Such initial public offering prices may be changed from time to time by the Underwriter.

SERIES 2024 BONDS ELIGIBLE FOR INVESTMENT AND SECURITY FOR PUBLIC DEPOSITS

The Act provides that bonds issued pursuant thereto shall be securities in which all public officers and public bodies of the Commonwealth of Virginia and all its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, trustees and other fiduciaries may properly and legally invest funds. No representation is made as to the eligibility of the Series 2024 Bonds for investment or any other purpose under any law of any other state. The Act also provides that bonds issued pursuant thereto may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth of Virginia for any purpose for which the deposit of bonds or obligations of the Commonwealth of Virginia is now or may hereafter be authorized by law.

TAX MATTERS

[To be reviewed by Bond Counsel.]

Series 2024 Bonds

Opinion of Bond Counsel - Federal Income Tax Status of Interest. The opinion of McGuireWoods LLP, Richmond, Virginia, (“Bond Counsel”), will state that, under current law and assuming the compliance with the Covenants, as hereinafter defined, by the Authority, Williamsburg Landing and certain other persons and entities, interest on the Series 2024 Bonds (i) is excludable from the gross income of the owners of the Series 2024 Bonds for purposes of federal income taxation under Section 103 of the Code, and (ii) is not a specific item of tax preference for purposes of the federal alternative minimum tax. See Appendix E for the form of the opinion of Bond Counsel for the Series 2024 Bonds.

Bond Counsel will express no opinion regarding other federal tax consequences arising with respect to the Series 2024 Bonds.

Bond Counsel’s opinion speaks as of its date, is based on current legal authority and precedent, covers certain matters not directly addressed by such authority and precedent, and represents Bond Counsel’s judgment as to the proper treatment of interest on the Series 2024 Bonds for federal income tax purposes. Bond Counsel’s opinion does not contain or provide any opinion or assurance regarding the future activities of the Authority or the Obligated Group or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Authority and Williamsburg Landing have covenanted, however, to comply with the requirements of the Code.

Reliance and Assumptions; Effect of Certain Changes. As to questions of fact materials to its opinion, Bond Counsel is relying upon and assuming the accuracy of certifications and representations of the Authority,

Williamsburg Landing, public officials and certain other third parties, which Bond Counsel has not independently verified.

In addition, Bond Counsel is assuming continuing compliance with the Covenants (as hereinafter defined) by the Authority and Williamsburg Landing. The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied after the issuance of the Series 2024 Bonds in order for interest on the Series 2024 Bonds to be and remain excludable from gross income for purposes of federal income taxation. These requirements include, by way of example and not limitation, the requirement that each Member of the Obligated Group maintain its status as an organization described in Section 501(c)(3) of the Code, restrictions on the use, expenditure and investment of the proceeds of the Series 2024 Bonds and the use of the property refunded by the Series 2024 Bonds, limitations on the source of the payment of and the security for the Series 2024 Bonds, and the obligation to rebate certain excess earnings on the gross proceeds of the Series 2024 Bonds to the Treasury of the United States (the “Treasury”). The Bond Indenture, the Loan Agreement and the tax certificate delivered at closing contain covenants (the “Covenants”) under which the Authority and Williamsburg Landing have agreed to comply. A failure to comply with the Covenants could cause interest on the Series 2024 Bonds to become includable in gross income for federal income tax purposes retroactively to their date of issue. In the event of noncompliance with the Covenants, the available enforcement remedies may be limited by applicable provisions of law and, therefore, may not be adequate to prevent interest on the Series 2024 Bonds from becoming includable in gross income for federal income tax purposes. Compliance by the Authority with its respective Covenants does not require the Authority to make any financial contribution for which it does not receive funds from the Obligated Group.

Bond Counsel has no responsibility to monitor compliance with the Covenants after the date of issue of the Series 2024 Bonds.

Certain requirements and procedures contained, incorporated or referred to in the Bond Indenture, the Loan Agreement and the tax certificate, including the Covenants, may be changed and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth therein. Bond Counsel expresses no opinion concerning any effect on the excludability of interest on the Series 2024 Bonds from gross income for federal income tax purposes of any such subsequent change or action that may be made, taken or omitted upon the advice or approval of counsel other than Bond Counsel.

Certain Collateral Federal Tax Consequences. The following is a brief discussion of certain collateral federal income tax matters with respect to the Series 2024 Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner thereof. Prospective purchasers of the Series 2024 Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning or disposing of the Series 2024 Bonds.

Prospective purchasers of the Series 2024 Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, certain insurance companies, certain corporations (including S corporations and foreign corporations), certain foreign corporations subject to the “branch profits tax,” individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations and taxpayers attempting to qualify for the earned income tax credit.

In addition, prospective purchasers should be aware that the interest paid on, and the proceeds of the sale of, tax-exempt obligations, including the Series 2024 Bonds, are in many cases required to be reported to the IRS in a manner similar to interest paid on taxable obligations. Additionally, backup withholding may apply to any such payments made after March 31, 2007 to any owner of a Series 2024 Bond who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any owner of a Series 2024 Bond who is notified by the IRS of a failure to report all interest and dividends required to be shown on federal income tax returns. The reporting and withholding requirements do not in and of themselves affect the excludability of interest on the Series 2024 Bonds from gross income for federal tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Original Issue Discount. The “original issue discount” (“OID”) on any Series 2024 Bond is the excess of such bond’s stated redemption price at maturity (excluding certain “qualified stated interest” that is unconditionally

payable at least annually at prescribed rates) over the issue price of such bond. The “issue price” of a bond is the initial offering price to the public at which price a substantial amount of such bonds of the same maturity was sold. The issue price for each maturity of the Series 2024 Bonds is expected to be the initial public offering price set forth on the inside front cover page of this Official Statement, but is subject to change based on actual sales. Accrued OID on the Series 2024 Bonds with OID (the “OID Bonds”) is excludable from gross income for purposes of federal and Virginia income taxation. However, the portion of the OID that is deemed to have accrued to the owner of an OID Bond in each year may be included in determining the alternative minimum tax with respect to the Series 2024 Bonds and the distribution requirements of certain investment companies and may result in some of the collateral federal income tax consequences mentioned in the preceding subsection. Therefore, owners of OID Bonds should be aware that the accrual of OID in each year may result in alternative minimum tax liability, additional distribution requirements or other collateral federal and Virginia income tax consequences although the owner may not have received cash in such year.

OID is treated under Section 1288 of the Code as accruing under a constant yield method that takes into account compounding on a semiannual or more frequent basis. If an OID Bond is sold or otherwise disposed of between semiannual compounding dates, then the OID which would have accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

In the case of an original owner of an OID Bond, the amount of OID that is treated as having accrued on such OID Bond is added to the owner’s cost basis in determining, for federal income tax purposes, gain or loss upon its disposition (including its sale, redemption or payment at maturity). The amounts received upon such disposition that are attributable to accrued OID will be excluded from the gross income of the recipients for federal income tax purposes. The accrual of OID and its effect on the redemption, sale or other disposition of OID Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above.

Prospective purchasers of OID Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the OID accrued upon sale or redemption of such OID Bonds and with respect to state and local tax consequences of owning OID Bonds.

Bond Premium. In general, if an owner acquires a bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the bond after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that bond (a “Premium Bond”). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner’s yield over the remaining term of the Premium Bond, determined based on constant yield principles. An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner’s original acquisition cost. Prospective purchasers of any Premium Bond should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of such Premium Bond.

Effects of Future Enforcement, Regulatory and Legislative Actions. The IRS has established a program to audit tax-exempt obligations to determine whether the interest thereon is includable in gross income for federal income tax purposes. If the IRS does audit the Series 2024 Bonds, the IRS will, under its current procedures, treat the Authority as the taxpayer. As such, the beneficial owners of the Series 2024 Bonds will have only limited rights, if any, to participate in the audit or any administrative or judicial review or appeal thereof. Any action of the IRS, including but not limited to the selection of the Series 2024 Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the marketability or market value of the Series 2024 Bonds.

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and various state legislatures. Such legislation may effect changes in federal or state income tax rates and the application of federal or state income tax laws (including the substitution of another type of tax), or may repeal or reduce the benefit of the excludability of interest on the tax-exempt obligations from gross income for federal or state income tax purposes.

The U.S. Department of the Treasury and the IRS are continuously drafting regulations to interpret and apply the provisions of the Code and court proceedings may be filed the outcome of which could modify the federal or state tax treatment of tax-exempt obligations. There can be no assurance that legislation proposed or enacted after the date of issue of the Series 2024 Bonds, regulatory interpretation of the Code or actions by a court involving either the Series 2024 Bonds or other tax-exempt obligations will not have an adverse effect on the Series 2024 Bonds' federal or state tax status, marketability or market price of the Series 2024 Bonds or on the economic value of the tax-exempt status of the interest on the Series 2024 Bonds.

Prospective purchasers of the Series 2024 Bonds should consult their own tax advisors regarding the potential consequences of any such pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Opinion of Bond Counsel -Virginia Income Tax Consequences

Bond Counsel's opinion also will state that, under current law, interest on the Series 2024 Bonds is excludable from the gross income of the owners thereof for purposes of income taxation by the Commonwealth of Virginia. Bond Counsel will express no opinion regarding (i) other tax consequences arising with respect to the Bonds under the laws of the Commonwealth of Virginia or (ii) any consequences arising with respect to the Series 2024 Bonds under the tax laws of any state or local jurisdiction other than the Commonwealth of Virginia. Prospective purchasers of the Series 2024 Bonds should consult their own tax advisors regarding the tax status of interest on the Series 2024 Bonds in a particular state or local jurisdiction other than the Commonwealth of Virginia.

LEGALITY

Certain legal matters relating to the authorization, issuance and sale of the Series 2024 Bonds are subject to the approving opinion of McGuireWoods LLP, Richmond, Virginia, Bond Counsel. Such opinion will be available at the time of delivery of the Series 2024 Bonds. Bond Counsel's opinion, in substantially the form set forth in Appendix E, will be limited to matters relating to the authorization and validity of the Series 2024 Bonds and to the exemption of interest on the Series 2024 Bonds under current Federal and Virginia income tax laws, as applicable, and will make no statement as to the ability of the Obligated Group to provide for payment of the Series 2024 Bonds.

Certain legal matters will be passed upon for the Authority by the Office of the County Attorney for James City County, Virginia; for Williamsburg Landing by its counsel, Kaufman & Canoles, a Professional Corporation, Williamsburg, Virginia, and for the Underwriter by its counsel, Womble Bond Dickinson (US) LLP, Raleigh, North Carolina.

LITIGATION

There is now no litigation of any nature to which the Authority is a party pending or, to the knowledge of the Authority, threatened against it to restrain or enjoin the issuance, sale, execution or delivery of the Series 2024 Bonds or in any way contesting or affecting the validity of the Series 2024 Bonds or any proceedings taken with respect to the issuance or sale thereof, or in any way contesting or affecting the validity of or application of any moneys or the security provided for the Series 2024 Bonds or the existence or powers of the Authority in connection with the issuance of the Series 2024 Bonds; provided, however, the foregoing does not include any litigation that may have been filed but not served against the Authority and of which it has no knowledge.

Williamsburg Landing is, from time to time, subject to occasional litigation or proceedings brought by residents, employees or families of current or former residents as is customary for organizations of its type;

however, management of Williamsburg Landing is of the opinion that there is no litigation or any proceedings of any nature pending or, to its knowledge, threatened against Williamsburg Landing that, if decided adverse to Williamsburg Landing, would have a material adverse effect on the financial position of Williamsburg Landing.

RELATIONSHIP OF PARTIES

McGuireWoods LLP, which serves as Bond Counsel, also serves as counsel to the Underwriter and U.S. Bank Trust Company, National Association in unrelated matters. Kaufman & Canoles, a Professional Corporation, acts as general counsel to Williamsburg Landing.

FINANCING DOCUMENTS AND SELECTED COVENANTS

The Bond Indenture, the Master Indenture and the Loan Agreement contain certain covenants of the Obligated Group with respect to maintenance of the Obligated Group Facilities, incurrence of additional debt, creation of Liens, disposition of assets, use of bond proceeds, maintenance of Williamsburg Landing's existence as a tax-exempt, nonprofit corporation and information reporting. See Appendix D – Copies and Proposed Forms of the Financing Documents hereto. Appendix D includes copies of the Master Indenture, the Bond Indenture and Loan Agreement.

Below is a summary of selected covenants contained in the Financing Instruments and reference is made to the respective documents, copies of which are on file with the Master Trustee, for a complete statement of the rights, duties and obligations of the parties thereto.

Rate Covenant

Under the Master Indenture, the Obligated Group covenants to set rates and charges for the Obligated Group Facilities and the services and products provided therein, without considering any forecasted capital gains or losses, such that the Long Term Debt Service Coverage Ratio calculated at the end of each Fiscal Year will not be less than 1.20; provided, however, that in any case where Long Term Indebtedness has been incurred to acquire or construct capital improvements that include living units or beds, such Long Term Indebtedness shall not be taken into account in making the foregoing calculation until the earlier to occur of (1) the first full Fiscal Year next succeeding the date on which the occupancy of living units or beds in such capital improvements is expected to reach 90%, or (2) the first full Fiscal Year following the Fiscal Year in which occurs that date which is 18 months from the date such capital improvements were completed. This covenant permits the Obligated Group to exclude from the calculation of required debt service coverage, for certain limited periods, payments on indebtedness incurred for capital improvements although such payments will be made from revenues generated by the Obligated Group. Revenues included in the calculation of the Long Term Debt Service Coverage Ratio include revenues from all Facilities of the Obligated Group, not just Mortgaged Premises.

If, for any Fiscal Year (beginning in the Fiscal Year ending December 31, 2023), the Long Term Debt Service Coverage Ratio is less than 1.20 but not below 1.00 and the Days' Cash on Hand is at least 300, then the covenant described above shall be deemed to have been met; provided, however, in any case where Long Term Indebtedness has been incurred to acquire or construct capital improvements that include living units or beds, until the earlier to occur of (1) the first full Fiscal Year next succeeding the date on which the occupancy of living units or beds in such capital improvements is expected to reach 90%, or (2) the first full Fiscal Year following the Fiscal Year in which occurs that date which is 18 months from the date such capital improvements were completed, the Days' Cash on Hand shall be calculated excluding such Long Term Indebtedness and shall not include any funds or portions of such funds held by a trustee, fiscal agent or depository with respect to such Long Term Indebtedness.

If, for any Fiscal Year (beginning in the Fiscal Year ending December 31, 2023), the Long Term Debt Service Coverage Ratio is less than 1.20 and the Days' Cash on Hand is less than 300, the Obligated Group covenants, within 30 days following the calculation, to retain a Consultant to make recommendations to increase such Long Term Debt Service Coverage Ratio in the following Fiscal Year to 1.20. Within 60 days of retaining such Consultant, the Group Representative will file the Consultant's report and recommendations with the Master Trustee, each Member and EMMA. So long as the Obligated Group shall follow such Consultant's

recommendations to the extent permitted by law, the covenant described above shall be deemed to have been met, unless (1) for any two successive Fiscal Years, the Long Term Debt Service Coverage Ratio is less than 1.20 and the Obligated Group has less than 180 Days' Cash on Hand as of each such Fiscal Year, or (2) the Long-Term Debt Service Coverage Ratio is less than 1.00 for any single Fiscal Year. Therefore, failure to maintain a Long-Term Debt Service Coverage Ratio of at least 1.00 for any single Fiscal Year will be an Event of Default under the Master Indenture.

If a report of a Consultant is delivered to the Master Trustee which states that governmental restrictions have been imposed which make it impossible for the coverage requirements above to be met, then such coverage requirement shall be reduced to the maximum coverage permitted by such governmental restrictions but in no event shall the Long Term Debt Service Coverage Ratio be less than 1.00.

This section shall not be construed to (1) limit the right of the Members to establish and implement policies for the admission of residents to the Obligated Group Facilities, (2) prohibit the Members from providing services without charge or at reduced rates to persons unable to pay in whole or in part if reasonably deemed necessary by the Members to retain their tax-exempt status under applicable law or to comply with any applicable requirements of law then in effect, or (3) limit the ability of Members to grant fellowships to residents from funds received from non-recurring revenue sources designated specifically for such purpose.

Liquidity Covenant

The Obligated Group will agree to conduct its business so that, on each Liquidity Testing Date, the Obligated Group has not less than 120 Days' Cash on Hand. If the Obligated Group does not have at least 120 Days' Cash on Hand as of any Liquidity Testing Date, the Group Representative shall promptly notify the Master Trustee, and the Group Representative shall, not later than 60 days after receipt of the financial statements disclosing such deficiency, as applicable, obtain a Consultant's report setting forth in detail the reasons for such deficiency and a specific plan setting forth the steps designed to achieve 120 Days' Cash on Hand by the end of the third fiscal quarter immediately following the Liquidity Testing Date on which the Days' Cash on Hand was less than 120.

The Obligated Group shall follow any management report and plan or any Consultant's recommendations and plan, except to the extent that (i) any of the Consultant's recommendations conflict with law or existing contracts, (ii) the implementation of such recommendations would have an adverse effect on the validity of the Series 2024 Bonds or the exclusion of interest on the Series 2024 Bonds from the gross income of the owners thereof for purposes of federal income taxation or (iii) the Board of Directors of Williamsburg Landing determines by resolution that such recommendations are unreasonable, impractical or unfeasible. So long as the Obligated Group shall deliver the management report and plan or retain a Consultant and so long as the Obligated Group shall follow such management report and plan or such Consultant's recommendations and plan to the fullest extent feasible, such requirement of the Loan Agreement shall be deemed to have been complied with for a Liquidity Testing Date even if the Days' Cash on Hand is less than 120 on such Liquidity Testing Date, and such circumstances shall not constitute an event of default under the Master Indenture. Liquidity Testing Date means each June 30 and December 31, beginning December 31, 2023.

See Appendix D – Copies and Proposed Forms of the Financing Documents hereto.

Rating Application

In the Loan Agreement, Williamsburg Landing will agree that it will seek a rating of the Series 2024 Bonds from any Rating Agency each year after a determination is made by Williamsburg Landing in consultation with an underwriter recognized in the field of life plan community financing that an investment grade rating is reasonably obtainable, until achievement of an investment grade rating; provided that if during any such year Williamsburg Landing receives a preliminary indication from such Rating Agency that the Series 2024 Bonds will not be assigned an investment grade rating, Williamsburg Landing may withdraw any request for such year to have such Rating Agency assign a rating to the Series 2024 Bonds.

FINANCIAL REPORTING AND CONTINUING DISCLOSURE

Financial Reporting

The Master Indenture requires that the Group Representative provide to the Master Trustee the following:

(a) As soon as practicable, but in any case within 150 days after the end of the applicable Fiscal Year (or the first business day thereafter), a copy of the Financial Statements as of the end of such fiscal reporting period, accompanied by the report of independent certified public accountants thereon. Such Financial Statements are to be prepared in accordance with generally accepted accounting principles and are to include such statements as necessary for a fair presentation of unrestricted fund financial position, results of operations and changes in unrestricted net assets and financial position as of the end of such fiscal reporting period.

(b) If an Event of Default shall have occurred and be continuing, such other financial statements and information concerning its operations and financial affairs (or of any consolidated or combined group of companies, including its consolidated or combined Affiliates, including any Member) as the Master Trustee may from time to time reasonably request, and each Member is to provide access to its facilities for the purpose of inspection by the Master Trustee during regular business hours or at such other times as the Master Trustee may reasonably request; provided that such obligation to file or allow inspection shall exclude donor records, patient records and personnel records.

(c) Within 60 days after its receipt thereof (or the first business day thereafter), a copy of each report required under the Master Indenture to be prepared by a Consultant or an Insurance Consultant.

(d) As soon as practicable, but in any case within 150 days after the end of the applicable Fiscal Year (or the first business day thereafter), the annual disclosure statement, if any, filed with the Commonwealth of Virginia pursuant to the Virginia Continuing Care Provider Registration and Disclosure Act with respect to any facility located within the Commonwealth of Virginia.

The Master Trustee has no duty to review or analyze any Financial Statements delivered to it under the Master Indenture and holds such Financial Statements solely as a repository for the benefit of the Holders; the Master Trustee is not deemed to have notice of any information contained therein or Event of Default which may be disclosed therein in any manner.

Continuing Disclosure – General

To permit compliance by the Underwriter of the Series 2024 Bonds with the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, as amended (the “Rule”), Williamsburg Landing will execute at closing a Continuing Disclosure Agreement (the “CDA”) requiring Williamsburg Landing to provide certain quarterly and annual financial information and event notices required by the Rule. The Authority will not undertake any continuing disclosure responsibilities. The proposed form of the CDA is set forth in Appendix F. Such information will be filed through the Electronic Municipal Market Access System (“EMMA”) maintained by the Municipal Securities Rulemaking Board and may be accessed through the Internet at emma.mrsb.org.

Information Required

Williamsburg Landing has covenanted in the CDA to file through EMMA (1) certain annual operational and financial information (the “Annual Financial Information”) no later than 150 days following the end of each Fiscal Year of Williamsburg Landing, commencing with the fiscal year ending December 31, 2023, and (2) certain quarterly operational and financial information (the “Quarterly Financial Information”) with respect to any fiscal quarter no later than 45 days following the end of each fiscal quarter of Williamsburg Landing, commencing with the fiscal quarter ended December 31, 2023.

As described in Appendix F, the CDA requires Williamsburg Landing to provide only limited information at specific times, and the information provided may not be all the information necessary to value the Series 2024 Bonds at any particular time. Williamsburg Landing or the Obligated Group may from time to time disclose certain

information and data in addition to that required by the CDA. If Williamsburg Landing or the Obligated Group chooses to provide any additional information, it shall have no obligation to continue to update such information or to include it in any future disclosure filing.

If an event of default occurs and continues under the CDA beyond a period of 30 days following notice of such failure given in writing, any holder of Series 2024 Bonds, jointly or severally, may seek to enforce the obligations of Williamsburg Landing under the CDA; provided, however, the sole remedy available in any proceeding to enforce the CDA shall be an action in mandamus, for specific performance or similar remedy to compel performance and no damages shall be sought from Williamsburg Landing. No assurance can be given as to the outcome of any such proceeding.

The occurrence of any event of default as provided in the CDA shall not constitute an event of default under the Bond Indenture or the Loan Agreement.

Compliance with Past Undertakings

[To be inserted.]

MISCELLANEOUS

Williamsburg Landing has furnished all information in this Official Statement except in “THE AUTHORITY,” “UNDERWRITING,” and “TAX MATTERS” and with respect to litigation affecting the Authority. The Authority assumes no responsibility for the accuracy or completeness of information other than in “THE AUTHORITY” and with respect to the Authority in “LITIGATION.”

The delivery of this Official Statement has been duly authorized by the Authority and approved by Williamsburg Landing.

APPENDIX A
WILLIAMSBURG LANDING, INC.

APPENDIX B
FINANCIAL STATEMENTS

APPENDIX C
FINANCIAL FEASIBILITY STUDY

APPENDIX D

COPIES AND PROPOSED FORMS OF THE FINANCING DOCUMENTS

APPENDIX E

PROPOSED FORMS OF APPROVING OPINION OF BOND COUNSEL

APPENDIX F

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX G
THE DTC BOOK-ENTRY ONLY SYSTEM

Book-Entry-Only System

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

The Series 2024 Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by DTC. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of the Series 2024 Bonds and, except as otherwise provided herein with respect to tenders by beneficial owners of beneficial ownership interests, beneficial owners will not be or be considered to be, and will not have any rights as, owners or holders of the Series 2024 Bonds under the Bond Indenture.

The following information about the book-entry only system applicable to the Series 2024 Bonds has been supplied by DTC. Neither the Authority nor the Bond Trustee makes any representations, warranties or guarantees with respect to its accuracy or completeness.

DTC will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2024 Bond certificate will be issued in the aggregate principal amount of the Series 2024 Bonds and will be deposited with DTC at the office of the Bond Trustee on behalf of DTC utilizing the DTC FAST system of registration.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of certificated securities. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial owners will not receive written confirmation from DTC of their purchase. Beneficial owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all of the Series 2024 Bonds deposited by Direct Participants with DTC (or the Bond Trustee on behalf of DTC utilizing the DTC FAST system of registration) are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2024 Bonds with DTC (or the Bond Trustee on behalf of DTC utilizing the DTC FAST system of registration) and their registration in the name of Cede & Co. or such other DTC nominee do not

affect any change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the Series 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such the Series 2024 Bonds are credited, which may or may not be the beneficial owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of the Series 2024 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2024 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, beneficial owners of the Series 2024 Bonds may wish to ascertain that the nominee holding the Series 2024 Bonds for their benefit has agreed to obtain and transmit notices to beneficial owners. In the alternative, beneficial owners may wish to provide their names and addresses to the Bond Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the Series 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Bond Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with the Series 2024 Bonds held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such Participant and not of DTC or its nominee, the Bond Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the beneficial owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the Authority or the Bond Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2024 Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2024 Bond certificates will be printed and delivered.

NEITHER THE AUTHORITY NOR THE BOND TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT PARTICIPANT, INDIRECT PARTICIPANT OR ANY BENEFICIAL OWNER OR ANY OTHER PERSON NOT SHOWN ON THE REGISTRATION BOOKS OF THE BOND TRUSTEE AS BEING A HOLDER WITH RESPECT TO: (1) THE SERIES 2024 BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT; (3) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PURCHASE PRICE OF TENDERED THE SERIES 2024 BONDS OR THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE SERIES 2024 BONDS; (4) THE DELIVERY BY ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE BOND INDENTURE TO BE GIVEN TO HOLDERS; (5) THE SELECTION OF THE

BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE SERIES 2024 BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

Each Beneficial Owner for whom a Direct Participant or Indirect Participant acquires an interest in the Series 2024 Bonds, as nominee, may desire to make arrangements with such Direct Participant or Indirect Participant to receive a credit balance in the records of such Direct Participant or Indirect Participant, to have all notices of redemption, elections to tender the Series 2024 Bonds or other communications to or by DTC which may affect such Beneficial Owner forwarded in writing by such Direct Participant or Indirect Participant, and to have notification made of all debt service payments.

Beneficial owners may be charged a sum sufficient to cover any tax, fee, or other governmental charge that may be imposed in relation to any transfer or exchange of their interests in the Series 2024 Bonds.

The Authority cannot and does not give any assurances that DTC, Direct Participants, Indirect Participants or others will distribute payments of debt service on the Series 2024 Bonds made to DTC or its nominee as the registered owner, or any redemption or other notices, to the beneficial owners, or that they will do so on a timely basis, or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement.

**THIS BOND MAY NOT BE TRANSFERRED
EXCEPT IN ACCORDANCE WITH THE BELOW-REFERENCED AGREEMENT**

R__-1

\$ _____

Dated: _____

UNITED STATES OF AMERICA

COMMONWEALTH OF VIRGINIA

ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA

**Residential Care Facility Revenue Bonds
(Williamsburg Landing, Inc.)
Series 2023B**

The Economic Development Authority of James City County, Virginia, a political subdivision of the Commonwealth of Virginia (the "Authority"), for value received, hereby promises to pay, solely from the source and as hereinafter provided, to the order of _____ (together with any successor registered holder of this Bond, the "Bondholder"), at its principal office in _____, or at such other place as the holder of this Bond may in writing designate, in lawful money of the United States of America, the principal amount of up to \$_____ (or such lesser amount as may be advanced hereunder), together with interest on the outstanding and unpaid principal amount as set forth below.

This Bond is authorized and issued pursuant to the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act") and a Bond Purchase and Loan Agreement dated as of _____ 1, 2023 (the "Agreement"), among the Authority, Williamsburg Landing, Inc. (the "Borrower") and the Bondholder.

The proceeds of this Bond will be used, along with other available funds, for the purpose of (1) financing the costs of designing, constructing and equipping an expansion of the Borrower's independent living units at its senior living community (the "Community") located in and around 5700 Williamsburg Landing Drive, Williamsburg, Virginia 23185, which expansion will consist of the designing, constructing, equipping, and improving up to 39 units in the form of triplexes and apartment buildings along with the designing, construction and equipping of a community center that is expected to include an art studio, theater, dining space and multi-purpose rooms; and (2) financing other capital projects at the Community all within the existing structures or existing parking facilities located at the Community and amounts required for reserves, working capital, capitalized interest, costs of issuance and other financing expenses related to the issuance of the Series 2023B Bonds.

Reference is hereby made to the Agreement for a description of the provisions, among others, with respect to the nature and extent of the security for this Bond, additional amounts payable thereunder, the rights, duties and obligations of the Authority and the rights of the holder

of this Bond with respect thereto. Each capitalized term used in this Bond has the meaning given to it in the Agreement, unless otherwise defined in this Bond.

The Bondholder shall make advances of principal under this Bond under and subject to the terms and conditions of Article IV of the Agreement. The principal balance of this Bond shall be equal to the sum of the amounts advanced by the Bondholder, as shown on the certificate of principal advances appearing at the end of this Bond, less the aggregate amount of the payments and any prepayments of principal which may have been made on this Bond. No notation is required to be made on this Bond of the payment or prepayment of principal. **HENCE, THE FACE AMOUNT OF THIS BOND MAY EXCEED THE PRINCIPAL SUM REMAINING OUTSTANDING AND DUE HEREUNDER.**

On _____ 1, 20____, and on the 1st day of each month thereafter, the Authority shall pay an amount equal to accrued interest on the unpaid principal balance of this Bond. Subject to the prepayment provisions set forth in this Bond, principal and interest on this Bond shall be due and payable in full on _____, 20____. If any payment hereunder shall be due on a date which is not a Business Day, such payment shall be made on the next succeeding Business Day.

If principal advances up to \$_____ are not made, the principal amount due on this Bond shall not include the unadvanced amount and the principal amount due.

[From the date hereof to the Taxable Date, if any, interest on this Bond shall be calculated based on the Adjusted SOFR Rate. Upon the occurrence of an Event of Taxability, then, from and after the Taxable Date, the interest rate used to calculate interest on this Bond shall be the Taxable Adjusted SOFR Rate.]

[In the event the Lender determines in its sole discretion that the Lender cannot make, fund, or maintain a loan based upon the Benchmark due to illegality or the inability to ascertain or determine said rate on the basis provided for herein ("Unavailability Period") and a Benchmark Transition Event has not occurred, then at the election of the Lender the Benchmark shall convert to the Alternative Benchmark Rate for purposes of calculating the Adjusted SOFR Rate and, if applicable, the Taxable Adjusted SOFR Rate, on the then outstanding principal balance and for interest accruing on any fundings or advances requested by the Borrower and, thereafter, the Adjusted SOFR Rate and, if applicable, the Taxable Adjusted SOFR Rate, shall adjust simultaneously with any fluctuation in the Alternative Benchmark Rate. In the event the Lender determines that the circumstances giving rise to the Unavailability Period have ended, at such time as determined by the Lender, the Benchmark will revert to the prior Benchmark (provided a Benchmark Transition Event has not occurred). The Lender shall provide notice, which may be after the implementation of the Alternative Benchmark Rate as contemplated hereunder, to the Borrowers of any Benchmark change that is made pursuant to this paragraph. For the avoidance of doubt, following conversion to the Alternative Benchmark Rate under this paragraph, the reference to "Benchmark" in the definitions of "Adjusted SOFR Rate" and "Taxable Adjusted SOFR Rate" shall be deemed and interpreted to mean the Alternative Benchmark Rate. The Spread and minimum rate, if any, shall continue to apply.

In no instance will the applicable interest rate on the Bond exceed the maximum rate permitted by applicable law.

In the event the Lender determines in its sole discretion that (i) there is a public announcement by the administrator of a Benchmark or a Relevant Governmental Body that such Benchmark will cease or has ceased to be published; (ii) a public announcement is made by the administrator of a Benchmark or any Relevant Governmental Body that the Benchmark is no longer representative; or (iii) a Relevant Governmental Body has determined that the Lender may no longer utilize the Benchmark for purposes of setting interest rates (each a "Benchmark Transition Event"); the Lender will have no obligation to make, fund or maintain a loan based on the Benchmark and on a date and time determined by the Lender, without any further action or consent of by the Borrower or amendment to the Bond or any other Financing Instrument, the first available alternative set forth in the order below that can be determined by the Lender shall replace the Benchmark (the "Successor Rate"):

- (x) Relevant Governmental Body Recommended Rate; or
- (y) Alternative Benchmark Rate.

In connection with the implementation of a Successor Rate, 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 Financing Instrument, any amendments implementing such Successor Rate or Conforming Changes will become effective without any further action or consent of the Borrower. For the avoidance of doubt, following the implementation of a Successor Rate, the reference to "Benchmark" in the definitions of "Adjusted SOFR Rate" and "Taxable Adjusted SOFR Rate" shall be deemed and interpreted to mean the Successor Rate. The Spread and minimum rate, if any, shall continue to apply.

The Lender will notify (in one or more notices) the Borrower of the implementation of any Successor Rate. Any determination or decision that may be made by the Lender pursuant to this Section, 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 the Lender's sole discretion and without consent from the Borrower.

No implementation of any Successor Rate, other than the Alternative Benchmark Rate, shall be effective until the Lender, the Borrower and the Authority receive an opinion of bond counsel satisfactory to each party regarding the change.

The Lender shall, if requested by the Borrower, have an attorney in fact, qualified to practice before the Internal Revenue Service, designated by the Borrower for the purpose of appealing or challenging any Event of Taxability; provided, however, the Borrower provides indemnity reasonably satisfactory to the Lender to indemnify it against any additional tax liability, penalties or interest that may result from any such appeal. All legal fees, costs and expenses of such appeal shall be paid by the Borrower. In the event a final judgment or order shall have been entered within 180 days of the Event of Taxability finding, as a final determination, that no Event of Taxability has indeed occurred, the Lender shall reimburse to the Borrower all supplemental interest that has been paid on this Bond, and no additional supplemental interest shall be payable unless and until an Event of Taxability shall subsequently occur. Notwithstanding anything in this subsection to the contrary, the right of the Borrower to challenge any Event of Taxability shall

terminate if no such final judgment or order shall have been entered within 180 days after the occurrence of the Event of Taxability, unless the Lender shall otherwise agree, and after the expiration of such 180-day period without the entry of a final judgment or order, this Bond shall immediately bear interest at the Taxable Adjusted SOFR Rate. In addition, unless the Borrower shall otherwise provide reasonable indemnification to the Lender, the right of the Borrower to challenge any Event of Taxability shall terminate if the exercise of such right would cause any tax return of the Lender to be inaccurate or would delay the timely filing thereof or would in the Lender's opinion result in an adverse impact on its tax returns.

"Adjusted SOFR Rate" means the rate of interest per annum equal to 79% of the sum of the Benchmark (provided that if said rate would be less than 0%, then it shall be deemed to be 0%) plus the Spread, which shall be adjusted with changes in the Benchmark; provided however, the Adjusted SOFR Rate will in no instance exceed the maximum rate permitted by applicable law. The Adjusted SOFR Rate shall adjust monthly on the first day of each Interest Period. Any change in the Adjusted SOFR Rate due to a change in the Benchmark shall be effective from and including the effective date of such change in the Benchmark without notice to the Borrower.

"Alternative Benchmark Rate" means a rate of interest per annum equal to _____, which shall adjust daily with changes in the Prime Rate.

"Benchmark" means initially Term SOFR, and upon Lender's determination that a Benchmark Transition Event has occurred, will thereafter be the then-current Successor Rate.

"Business Day" means a day other than a Saturday, Sunday, legal holiday or any other day when Lender is authorized or required by applicable law to be closed.

"Conforming Changes" means, with respect to any Successor Rate, any technical, administrative or operational changes (including changes to the definitions such as "U.S. Government Securities Business Day," "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of such Successor Rate and to permit the administration thereof by the Lender in a manner the Lender decides is reasonably necessary in connection with the administration of the Bond and the other Financing Instruments.

"Default Rate" shall mean _____%.

"Determination Day" means that date which is (i) two U.S. Government Securities Business Days prior to the first day of the Interest Period if such day is a U.S. Government Securities Business Day or (ii) if the first day of the Interest Period is not a U.S. Government Securities Business Day then two U.S. Government Securities Business Days prior to the U.S. Government Securities Business Day immediately preceding the commencement of the Interest Period.

"Financing Instruments" has the meaning set forth in the Agreement.

"Interest Period" means the one month period commencing on the first day of each month and each subsequent period shall commence on the first day of each month; provided that the first Interest Period shall commence on the date the Bond is first issued and end on the last day of the month in which the Bond is issued.

"Prime Rate" means, for any day, a rate per annum equal to _____'s announced Prime Rate, and shall change effective on the date any change in _____'s Prime Rate is publicly announced as being effective.

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

"Relevant Governmental Body Recommended Rate" means, in respect of any relevant day, the rate (inclusive of any spreads or adjustments which may be positive or negative) recommended as the replacement for the Benchmark by the Relevant Governmental Body (which rate may be produced by the Federal Reserve Bank of New York or another administrator).

"Spread" means (i) while this Bond accrues interest at the Adjusted SOFR Rate, ____% per annum, and (ii) while the Bond accrues interest at the Taxable Adjusted SOFR Rate, ____% per annum.

"Taxable Adjusted SOFR Rate" means the rate of interest per annum equal to the sum obtained by adding (i) the Benchmark (provided that if said rate would be less than 0%, then it shall be deemed to be 0%) plus (ii) the Spread, which shall be adjusted with changes in the Benchmark; provided however, the Taxable Adjusted SOFR Rate will in no instance exceed the maximum rate permitted by applicable law. The Taxable Adjusted SOFR Rate shall adjust monthly on the first day of each Interest Period. Any change in the Taxable Adjusted SOFR Rate due to a change in the Benchmark shall be effective from and including the effective date of such change in the Benchmark without notice to the Borrowers.

"Taxable Date" means the date of the Event of Taxability.

"Taxable Period" means the period starting on the Taxable Date and ending when the Borrower pays interest on this Bond at the Taxable Adjusted SOFR Rate.

"Term SOFR" means the Term SOFR reference rate for a one month tenor as administered by the Term SOFR Administrator and quoted by Bloomberg Finance L.P., or any quoting service or commonly available source utilized by Lender on the Determination Day; provided that if as of 5:00 p.m. (New York time) on the Determination Day, Term SOFR for such tenor has not been published by the Term SOFR Administrator, then the rate used will be Term SOFR for such tenor as published by the Term SOFR Administrator for the immediately preceding U.S. Government Securities Business Day on which such rate was published on the Term SOFR Administrator's website so long as such immediately preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Determination Day.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited or a successor administrator of the Term SOFR reference rate selected by Lender in its sole discretion.

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday, or (iii) 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.

This Bond may be prepaid by the Authority, at the direction of the Borrower, in whole or in part at any time upon two Business Days' prior written notice to the Bondholder at a price equal to par plus accrued interest to the date of prepayment.]

The Agreement provides that the Bondholder, at its option, may declare all amounts payable under this Bond to be immediately due and payable upon an Event of Default thereunder, and upon such declaration all amounts hereunder shall become immediately due and payable.

This Bond is issued pursuant to and in full compliance with the Act. THIS BOND AND PREMIUM, IF ANY, AND INTEREST HEREON ARE LIMITED OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE REVENUES AND RECEIPTS DERIVED FROM THE AGREEMENT, INCLUDING PAYMENTS RECEIVED THEREUNDER, WHICH PAYMENTS, REVENUES AND RECEIPTS HAVE BEEN PLEDGED AND ASSIGNED TO THE BONDHOLDER TO SECURE PAYMENT OF THIS BOND. THIS BOND, THE PREMIUM, IF ANY, AND THE INTEREST THEREON SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE JAMES CITY COUNTY, VIRGINIA. NEITHER THE COMMONWEALTH OF VIRGINIA NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE JAMES CITY COUNTY, VIRGINIA, SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THIS BOND OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES AND RECEIPTS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION OF THE COMMONWEALTH OF VIRGINIA, INCLUDING THE AUTHORITY AND THE JAMES CITY COUNTY, VIRGINIA, NOR THE TAXING POWER OF THE COMMONWEALTH OF VIRGINIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE AUTHORITY AND THE JAMES CITY COUNTY, VIRGINIA, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THIS BOND OR OTHER COSTS INCIDENT THERETO. THE AUTHORITY HAS NO TAXING POWER. No covenant, condition or agreement contained herein shall be deemed to be a covenant, agreement or obligation of any present or future commissioner, officer, employee or agent of the Authority in his individual capacity, and neither commissioners of the Authority nor any officer thereof executing this Bond shall be liable personally on this Bond or be subject to any personal liability or accountability by reason of the issuance hereof.

Simultaneously with the issuance of this Bond, the Borrower will execute and deliver to the Authority its promissory note in the aggregate principal amount of this Bond, to be issued as an Obligation ("Obligation 2023BB") under the Second Amended and Restated Master Trust Indenture dated as of October 1, 2021, between the Borrower, and U.S. Bank Trust Company, National Association, as successor master trustee, as altered, amended, modified or supplemented from time to time (as previously supplemented and amended, the "Master Trust Indenture," and as

further amended and supplemented, from time to time, including as supplemented by a Supplemental Indenture for the Series 2023B Obligation (the "Supplement to Master Indenture"), between the Borrower and the Master Trustee.

Under the Agreement and the Assignment affixed to Obligation 2023B, the Authority has assigned to the Bondholder, as security for this Bond, Obligation 2023B, and certain rights of the Authority under the Agreement. Under Obligation 2023B, the Borrower agrees to pay amounts sufficient to pay the principal of and interest on this Bond as the same become due.

Obligation 2023B and all other Obligations issued under the Master Indenture will be equally and ratably secured by the provisions of the Master Indenture. Additional Obligations of the Borrower and future Members of the Obligated Group (as such terms are defined in the Master Indenture) may be issued on the terms provided in the Master Indenture.

Ownership of this Bond may be transferred only by surrender hereof to the Authority, as registrar, and the issuance of this Bond or a replacement therefor to the transferee by the Authority. The Authority shall not be required to affect any such transfer unless properly indemnified for its expenses related to such transfer (including reasonable attorneys' fees) by the prospective transferee.

All acts, conditions and things required to happen, exist or to be performed precedent to and in the issuance of this Bond have happened, exist and have been performed.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Authority has caused this Bond to be signed by its Chair and its seal to be affixed hereon and attested by its Secretary as of the dated date of this Bond.

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

By: _____
Name: _____
Title: Chair

[SEAL]

ATTEST:

By: _____
Secretary

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, endorses without recourse and transfers unto _____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS,
INCLUDING ZIP CODE OF ASSIGNEE)

PLEASE INSERT SOCIAL SECURITY OR
OTHER IDENTIFYING NUMBER OF TRANSFEREE

the within Bond and all rights hereunder, and hereby irrevocably constitutes and appoints

attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: _____

By: _____

NOTICE: the signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

IN THE PRESENCE OF:

NOTICE: Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Paying Agent, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Paying Agent in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Please affix signature guarantee ink stamp below with appropriate signature, title of officer and date.

PROMISSORY NOTE DESIGNATED THE SERIES 2023A OBLIGATION

\$_____

Dated: December __, 2023

WILLIAMSBURG LANDING, INC. (the "Corporation"), a Virginia nonstock corporation, for value received, hereby promises to pay the ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA (the "Authority"), or assigns, the principal sum of _____ DOLLARS (\$_____) as follows.

This Note is issued as an Obligation under that certain Second Amended and Restated Master Trust Indenture dated as of October 1, 2021 (as previously supplemented and amended, the "Master Trust Indenture"), between the Corporation and U.S. Bank Trust Company, National Association, as successor master trustee (the "Master Trustee"), and as further supplemented by the Supplemental Indenture for Series 2023A Obligation dated as of December 1, 2023 (as altered, amended, modified, or supplemented, from time to time, the "Series 2023A Supplement" and the Master Trust Indenture as supplemented by the Series 2023A Supplement, the "Master Indenture"), between the Corporation and the Master Trustee. Capitalized terms used in this Note and not defined in this Note have the meanings assigned to them in the Master Indenture.

The Corporation shall pay installments of principal, premium (if any), and interest as required by the Loan Agreement dated as of December 1, 2023 (as altered, amended, modified, or supplemented from time to time, the "Loan Agreement"), between the Corporation and the Authority, and the Bond Trust Indenture dated as of December 1, 2023 (as altered, amended, modified, or supplemented from time to time, the "Bond Indenture"), between the Authority and U.S. Bank Trust Company, National Association, as bond trustee (as more particularly defined in the Bond Indenture, the "Bond Trustee"), to make payments on the Authority's Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023A (as altered, amended, modified, or supplemented from time to time, the "Series 2023A Bonds").

The Corporation shall make all payments under this Note in lawful money of the United States of America at the Corporate Trust Office of the Bond Trustee, or at such other place as the Bond Trustee may direct in writing. The principal hereof, premium (if any), and interest hereon shall be payable by wire or other transfer of immediately available funds or by payment of clearing house funds by the Corporation depositing the same with or to the account of the Bond Trustee at or prior to the opening of business on the day such payments shall become due and payable (or the next preceding business day if such date is a Saturday, Sunday or holiday in the city in which the designated corporate trust office of the Bond Trustee is located), and giving notice of payment to the Master Trustee as provided in the Master Indenture.

If at any time the amount held by the Bond Trustee in the Bond Fund (as defined in the Bond Indenture) should be sufficient to pay at the times required the principal of, and premium, if any, and interest on the Series 2023A Bonds then remaining unpaid, to pay all other amounts due under the Bond Indenture, the Loan Agreement and Master Indenture and to pay all fees and expenses of the Bond Trustee, the Master Trustee and the paying agents accrued and to accrue through final payment of the Series 2023A Bonds, the Corporation shall not be obligated to make

any further payments hereunder, except to the extent losses may be incurred in connection with investment of moneys in such funds.

The Authority, by the execution of the Bond Indenture and the assignment form at the foot of this Note, is assigning this Note and the payments thereon to the Bond Trustee as security for the Series 2023A Bonds, as issued under the Bond Indenture. Payments of principal of and premium, if any, and interest on this Note shall be made directly to the Bond Trustee for the account of the Authority under such assignment and applied only to the principal of and premium, if any, and interest on the Series 2023A Bonds. All obligations of the Corporation hereunder shall terminate when all sums due and to become due under the Bond Indenture, this Note, the Loan Agreement, the Master Indenture and the Series 2023A Bonds have been paid or provided for in full.

In addition to the payments of principal of, premium, (if any), and interest on this Note, the Corporation shall also pay such additional amounts, if any, that, (i) it is required to pay under the terms of the Master Indenture, the Bond Indenture, and the Loan Agreement, and (ii) together with other moneys available therefor under the Bond Indenture, may be necessary to enable the Bond Trustee to make the payments and transfers required by Article VI of the Bond Indenture, including, without limitation, the payments when due for principal of (whether at maturity, by acceleration or call for redemption, or otherwise) and premium, if any, and interest on the Series 2023A Bonds, and replenishment of the Debt Service Reserve Fund Requirement in the Reserve Fund.

The Corporation shall have the option to prepay this Note in whole or in part upon the terms and conditions and in the manner specified in the Loan Agreement and the Master Indenture.

This Note is issued in satisfaction of the Corporation's payment obligations of the Loan Agreement and is entitled to the benefits and subject to the conditions thereof, including the provisions of Section 4.4 thereof that the Corporation's obligations thereunder and hereunder shall be unconditional.

This Note is (1) issued as a single Obligation, (2) designated as the "Series 2023A Obligation" of the Corporation and any other Members of the Obligated Group, (3) limited to \$_____ in principal amount (except for any premium if prepaid under Article VII of the Loan Agreement), and (4) issued under the Master Indenture. This Note and all other Obligations Outstanding under the Master Indenture are equally and ratably secured by the provisions of the Master Indenture. This Note is issued as an Obligation under the Master Indenture, and, together with all other Obligations Outstanding under the Master Indenture, is equally and ratably secured by a Twelfth Amended and Restated Credit Line Deed of Trust, Security Agreement and Assignment of Leases and Rents dated as of December 1, 2023, (as the same may be altered, amended, modified to supplemented from time to time, the "Deed of Trust"), from the Corporation to certain deed of trust trustees. All the terms, conditions and provisions of the Loan Agreement, Master Indenture and Deed of Trust are, by this reference thereto, incorporated herein as a part of this Note.

A copy of the Master Indenture is on file at the designated corporate trust office of the Master Trustee and reference is hereby made to the Master Indenture for the provisions, among

others, regarding the nature and extent of the rights of the Holders of the Obligations issued under the Master Indenture, the terms and conditions on which, and the purposes for which, the Obligations are and are to be issued and the rights, duties and obligations of the Corporation and the Master Trustee under the Master Indenture, to all of which the Holder hereof, by acceptance of this Note, assents.

The Master Indenture permits the issuance of additional Obligations under the Master Indenture to be secured by the covenants made therein, all of which, regardless of the times of issue or maturity, are to be of equal rank without preference, priority or distinction of any Obligation issued under the Master Indenture over any other Obligation except as expressly provided or permitted in the Master Indenture.

To the extent permitted by and as provided in the Master Indenture, any modifications or changes to the Master Indenture as supplemented, and of the rights and obligations of the Corporation or of the Holders of the Obligations thereunder may be made by the execution and delivery of an indenture or indentures supplemental to the Master Indenture (each a "Supplement"). Certain modifications or changes which would affect the rights of the Holder of this Note may be made only with the consent of the Holders of not less than a majority in aggregate principal amount of the Obligations then Outstanding under the Master Indenture. No such modifications or changes shall be made without the consent of the Holders of all Obligations then Outstanding which will (i) effect a change in the times, amounts or currency of payment of the principal of, redemption premium, if any, and interest or other payment on any Obligation or a reduction in the principal amount or redemption price of any Obligation or the rate of interest thereon without the consent of the Holder of such Obligation; (ii) permit the preference or priority of any Obligation over any other Obligation without the consent of the Holders of all Obligations then Outstanding; or (iii) reduce the aggregate principal amount of Obligations then Outstanding the consent of the Holders of which is required to authorize such Supplement without the consent of the Holders of all Obligations then Outstanding. Any such consent by the Holder of this Note shall be conclusive and binding upon such Holder and all future holders and owners hereof irrespective of whether or not any notation of such consent is made upon this Note.

Upon the occurrence of certain Events of Default (as defined in the Master Indenture), the principal of all Obligations then Outstanding under the terms of the Master Indenture may be declared, and the same shall become due, in accordance with the Master Indenture.

The Holder of this Note shall have no right to enforce the provisions of the Master Indenture, or to institute an action to enforce the covenants therein, or to take any action regarding any default under the Master Indenture, or to institute, appear in or defend any suit or other proceeding related thereto, except as provided in the Master Indenture.

This Note is issuable only as a fully registered Obligation. This Note shall be registered on the registration books to be maintained by the Master Trustee for that purpose at the corporate trust office of the Master Trustee and the transfer of this Note shall be registrable only upon presentation of this Note at such office by the registered owner or by his duly authorized attorney and subject to the limitations, if any, set forth in the Master Indenture. Such registration of transfer shall be without charge to the registered owner hereof, but any taxes or other governmental charges required to be paid regarding the same shall be paid by the registered owner requesting such registration of transfer as a condition precedent to the exercise of such privilege. Upon any such

registration of transfer, the Corporation shall execute and the Master Trustee shall authenticate and deliver in exchange for this Note a new Obligation, registered in the name of the transferee.

No covenant or agreement contained in this Note or the Master Indenture shall be deemed to be a covenant or agreement of any officer, trustee, agent or employee of the Corporation or of the Master Trustee, in his individual capacity, and no officer, agent, employee or member of the Board of Directors of the Corporation shall be liable personally on this Note or be subject to any personal liability or accountability by reason of the issuance of this Note.

This Note shall not be entitled to any benefit under the Master Indenture, or be valid or become obligatory for any purpose, until this Note shall have been authenticated as an Obligation under the Master Indenture by execution by the Master Trustee of the Authentication Certificate inscribed hereon.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Corporation has caused this Promissory Note Designated the Series 2023A Obligation to be duly executed and to be dated as of the date first above written.

WILLIAMSBURG LANDING, INC.

By: _____
Name: Jeanne Zeidler
Title: Chair

MASTER TRUSTEE'S AUTHENTICATION CERTIFICATE

The undersigned Master Trustee hereby certifies that this Promissory Note Designated the Series 2023A Obligation is one of the Obligations described in the within-mentioned Master Indenture.

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**, as Master Trustee

By: _____
Name: _____
Title: _____

Date of Authentication: December __, 2023

ASSIGNMENT

The Economic Development Authority of James City County, Virginia (the "Authority"), hereby irrevocably assigns, without representation, warranty or recourse, the foregoing Promissory Note Designated the Series 2023A Obligation to U.S. Bank Trust Company, National Association (the "Bond Trustee"), acting under the Bond Trust Indenture dated as of December 1, 2023 (the "Bond Indenture"), between the Authority and the Bond Trustee. Further, the Authority hereby directs Williamsburg Landing, Inc., as the maker of the Note, to make all payments of principal of, premium and interest thereon directly to the Bond Trustee at such place as the Bond Trustee may direct in writing. Such assignment is made as security for the payment of the Authority's Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023A, issued under the Bond Indenture.

ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA

By: _____
Name: Ellen Smith Gajda
Title: Chair

PROMISSORY NOTE DESIGNATED THE SERIES 2023B OBLIGATION

\$_____

Dated: December __, 2023

WILLIAMSBURG LANDING, INC. (the "Corporation"), a Virginia nonstock corporation, for value received, hereby promises to pay the ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA (the "Authority"), or assigns, the principal sum of _____ DOLLARS (\$_____) as follows.

This Note is issued as an Obligation under that certain Second Amended and Restated Master Trust Indenture dated as of October 1, 2021 (as previously supplemented and amended, the "Master Trust Indenture"), between the Corporation and U.S. Bank Trust Company, National Association, as successor master trustee (the "Master Trustee"), and as further supplemented by the Supplemental Indenture for Series 2023B Obligation dated as of December 1, 2023 (as altered, amended, modified, or supplemented, from time to time, the "Series 2023B Supplement" and the Master Trust Indenture as supplemented by the Series 2023B Supplement, the "Master Indenture"), between the Corporation and the Master Trustee. Capitalized terms used in this Note and not defined in this Note have the meanings assigned to them in the Master Indenture.

The Corporation shall pay installments of principal, premium (if any), and interest as required by the Bond Purchase and Loan Agreement dated as of December 1, 2023 (as altered, amended, modified, or supplemented from time to time, the "Loan Agreement"), between the Corporation, the Authority, and _____ (the "Bondholder"), to make payments on the Authority's Residential Care Facility Revenue Bond (Williamsburg Landing), Series 2023B (as altered, amended, modified, or supplemented from time to time, the "Series 2023B Bond").

The principal sum payable under this Note shall be equal to the sum of the amounts advanced by the Bondholder under the Series 2023B Bond, as shown on the table of principal advances appearing at the end of the Series 2023B Bond or in a separate ledger maintained by the registered owner of the Series 2023B Bond, less the aggregate amount of principal payments which have been made on the Series 2023B Bond (whether upon principal installment dates, by prepayment or otherwise). No notation is required to be made on this Note of the payment of any principal or interest on normal installment payment dates. **HENCE, THE FACE AMOUNT OF THIS NOTE MAY EXCEED THE PRINCIPAL SUM REMAINING OUTSTANDING AND DUE HEREUNDER.**

The Corporation shall make all payments under this Note in lawful money of the United States of America at the principal office of the Bondholder, in [Richmond, Virginia], or at such other place as the Bondholder may direct in writing and giving notice of payment to the Master Trustee as provided in the Master Indenture.

The Authority, by the execution of the Agreement and the assignment form at the foot of this Note, is assigning this Note and the payments thereon to the Bondholder as security for the Series 2023B Bond, as issued under the Agreement. Payments of principal of and premium, if any, and interest on this Note shall be made directly to the Bondholder for the account of the

Authority under such assignment and applied only to the principal of and premium, if any, and interest on the Series 2023B Bond. All obligations of the Corporation hereunder shall terminate when all sums due and to become due under the Agreement, this Note and the Series 2023B Bond, have been paid or provided for in full.

In addition to the payments of principal of and interest on this Note, the Corporation shall also pay such additional amounts, if any, that it is required to pay under the terms of the Master Indenture and the Agreement.

The Corporation shall have the option to prepay this Note in whole or in part upon the terms and conditions and in the manner specified in the Loan Agreement and the Master Indenture.

This Note is issued in satisfaction of the Corporation's payment obligations of the Loan Agreement and is entitled to the benefits and subject to the conditions thereof, including the provisions of Section 4.4 thereof that the Corporation's obligations thereunder and hereunder shall be unconditional.

This Note is (1) issued as a single Obligation, (2) designated as the "Series 2023B Obligation" of the Corporation and any other Members of the Obligated Group, (3) limited to \$_____ in principal amount (except for any premium if prepaid under Article VII of the Loan Agreement), and (4) issued under the Master Indenture. This Note and all other Obligations Outstanding under the Master Indenture are equally and ratably secured by the provisions of the Master Indenture. This Note is issued as an Obligation under the Master Indenture, and, together with all other Obligations Outstanding under the Master Indenture, is equally and ratably secured by a Twelfth Amended and Restated Credit Line Deed of Trust, Security Agreement and Assignment of Leases and Rents dated as of December 1, 2023, (as the same may be altered, amended, modified to supplemented from time to time, the "Deed of Trust"), from the Corporation to certain deed of trust trustees. All the terms, conditions and provisions of the Loan Agreement, Master Indenture and Deed of Trust are, by this reference thereto, incorporated herein as a part of this Note.

A copy of the Master Indenture is on file at the designated corporate trust office of the Master Trustee and reference is hereby made to the Master Indenture for the provisions, among others, regarding the nature and extent of the rights of the Holders of the Obligations issued under the Master Indenture, the terms and conditions on which, and the purposes for which, the Obligations are and are to be issued and the rights, duties and obligations of the Corporation and the Master Trustee under the Master Indenture, to all of which the Holder hereof, by acceptance of this Note, assents.

The Master Indenture permits the issuance of additional Obligations under the Master Indenture to be secured by the covenants made therein, all of which, regardless of the times of issue or maturity, are to be of equal rank without preference, priority or distinction of any Obligation issued under the Master Indenture over any other Obligation except as expressly provided or permitted in the Master Indenture.

To the extent permitted by and as provided in the Master Indenture, any modifications or changes to the Master Indenture as supplemented, and of the rights and obligations of the Corporation or of the Holders of the Obligations thereunder may be made by the execution and

delivery of an indenture or indentures supplemental to the Master Indenture (each a "Supplement"). Certain modifications or changes which would affect the rights of the Holder of this Note may be made only with the consent of the Holders of not less than a majority in aggregate principal amount of the Obligations then Outstanding under the Master Indenture. No such modifications or changes shall be made without the consent of the Holders of all Obligations then Outstanding which will (i) effect a change in the times, amounts or currency of payment of the principal of, redemption premium, if any, and interest or other payment on any Obligation or a reduction in the principal amount or redemption price of any Obligation or the rate of interest thereon without the consent of the Holder of such Obligation; (ii) permit the preference or priority of any Obligation over any other Obligation without the consent of the Holders of all Obligations then Outstanding; or (iii) reduce the aggregate principal amount of Obligations then Outstanding the consent of the Holders of which is required to authorize such Supplement without the consent of the Holders of all Obligations then Outstanding. Any such consent by the Holder of this Note shall be conclusive and binding upon such Holder and all future holders and owners hereof irrespective of whether or not any notation of such consent is made upon this Note.

Upon the occurrence of certain Events of Default (as defined in the Master Indenture), the principal of all Obligations then Outstanding under the terms of the Master Indenture may be declared, and the same shall become due, in accordance with the Master Indenture.

The Holder of this Note shall have no right to enforce the provisions of the Master Indenture, or to institute an action to enforce the covenants therein, or to take any action regarding any default under the Master Indenture, or to institute, appear in or defend any suit or other proceeding related thereto, except as provided in the Master Indenture.

This Note is issuable only as a fully registered Obligation. This Note shall be registered on the registration books to be maintained by the Master Trustee for that purpose at the corporate trust office of the Master Trustee and the transfer of this Note shall be registrable only upon presentation of this Note at such office by the registered owner or by his duly authorized attorney and subject to the limitations, if any, set forth in the Master Indenture. Such registration of transfer shall be without charge to the registered owner hereof, but any taxes or other governmental charges required to be paid regarding the same shall be paid by the registered owner requesting such registration of transfer as a condition precedent to the exercise of such privilege. Upon any such registration of transfer, the Corporation shall execute and the Master Trustee shall authenticate and deliver in exchange for this Note a new Obligation, registered in the name of the transferee.

No covenant or agreement contained in this Note or the Master Indenture shall be deemed to be a covenant or agreement of any officer, trustee, agent or employee of the Corporation or of the Master Trustee, in his individual capacity, and no officer, agent, employee or member of the Board of Directors of the Corporation shall be liable personally on this Note or be subject to any personal liability or accountability by reason of the issuance of this Note.

This Note shall not be entitled to any benefit under the Master Indenture, or be valid or become obligatory for any purpose, until this Note shall have been authenticated as an Obligation under the Master Indenture by execution by the Master Trustee of the Authentication Certificate inscribed hereon.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Corporation has caused this Promissory Note Designated the Series 2023B Obligation to be duly executed and to be dated as of the date first above written.

WILLIAMSBURG LANDING, INC.

By: _____
Name: Jeanne Zeidler
Title: Chair

MASTER TRUSTEE'S AUTHENTICATION CERTIFICATE

The undersigned Master Trustee hereby certifies that this Promissory Note Designated the Series 2023B Obligation is one of the Obligations described in the within-mentioned Master Indenture.

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION**, as Master Trustee

By: _____
Name: _____
Title: _____

Date of Authentication: December __, 2023

ASSIGNMENT

The Economic Development Authority of James City County, Virginia (the "Authority"), hereby irrevocably assigns, without representation, warranty or recourse, the foregoing Promissory Note Designated the Series 2023B Obligation to _____ (the "Bondholder") under the Bond Purchase and Loan Agreement dated as of December 1, 2023 (the "Loan Agreement"), between the Authority, Williamsburg Landing, Inc. and the Bondholder. Further, the Authority hereby directs Williamsburg Landing, Inc., as the maker of the Note, to make all payments of principal of, premium and interest thereon directly to the Bondholder at such place as the Bondholder may direct in writing. Such assignment is made as security for the payment of the Authority's Residential Care Facility Revenue Bonds (Williamsburg Landing), Series 2023B, issued under the Bond Indenture.

ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA

By: _____
Name: Ellen Smith Gajda
Title: Chair

MEMORANDUM

DATE: November 14, 2023

TO: The Economic Development Authority

FROM: Christopher M. Johnson, Director of Economic Development

SUBJECT: Director's Report, October-November 2023

Virginia Business Ready Sites Program - Staff is coordinating with the Virginia Economic Development Partnership (VEDP) and Lovett Industrial on an Industrial Development Access program application. The program is a state-funded incentive to assist localities in providing adequate road access to new and expanding manufacturing and processing companies, research and development facilities, distribution centers, regional service centers, corporate headquarters, and other basic employers with at least 51% of the company's revenue generated from outside the Commonwealth. The Individual Development Accounts Program is administered by the Virginia Department of Transportation.

United States - Korea Commercial Relations (USKCR) Program - Staff participated in a foreign direct investment and international trade workshop with representatives from multiple South Korean trade organizations and business associations in Atlanta from Oct. 29-Nov. 1. This workshop was scheduled following a delegation of U.S. economic development professionals and international trade scholars who met with business associations in the cities of Seoul, Ulsan, and Busan from July 17-24.

START Peninsula – Following four micro pitch competitions, the START Peninsula Championship Pitch competition was held on Wednesday, November 8. The winners receive \$5,000 to fuel their business growth and a one-year seat at Growth University. The virtual Championship Pitch competition included twelve participants who had previously participated in the March, April, September, and October micro pitch competitions. All finalists receive a small cash prize and continue to have access to assistance from local economic development departments. The three winners were:

- AdvisorFinder, an online marketplace to help people find a financial advisor.
- Fortentify, a software solution to detect different kinds of manipulated media, including deepfakes and other synthetic and manipulated media. The platform supports a variety of media formats and is backed by a proprietary algorithm that allows for the creation of detailed media forensics reports.
- InfraSGA, a bioretention solution that marries simplicity, uniformity, and adaptability in a cost-effective package for urbanized and highly constrained environments.

Regional Events/Initiatives:

- Staff attended a presentation on the Inflation Reduction Act by KPMG consultants Evan Kalfus, Shel Shi, and Rick Clifford on Oct. 25 at the Lifestyle Center at Chesapeake Regional Medical Center.
- Staff arranged and participated in a meeting with S. L. Nusbaum brokers and Community Development staff to discuss the marketing of the 79-acre Hazelwood Village Center property on Old Stage Rd.
- Manufacturing Day No. 2 was held on Friday, Oct. 27 for over fifty students and staff from Jamestown High School at George Nice & Sons and the Virginia Peninsula Community College Trades Center.
- Commonwealth Conversation No. 2 with Carly Fiorina, former CEO of Hewlett Packard, was held on Wednesday, Nov. 1 at Williamsburg Lodge.

Upcoming Dates of Interest:

- LOVE Sign Unveiling, Wednesday, Nov. 15 at 1:30 p.m., Freedom Park, 5537 Centerville Rd.
- Ribbon Cutting Ceremony for Good Food Provisions/Meals-On-Wheels, Thursday, Nov. 16 at 3:00 p.m., 5700 Warhill Trail.

- Manufacturing Day No. 3- Friday, Nov. 17 - Lafayette High School – Nicewood Enterprises and Virginia Peninsula Community College Trades Center
- Love Work Sign Unveiling, Thursday, Nov. 30, at 12:30 p.m., 4175 Ironbound Rd., Pecan Square
- 2023 Williamsburg Christmas Parade: Jingle Bell Jubilee, Sunday, Dec. 3 from 5-7 p.m.
- Commonwealth Conversation No. 3 with B.K. Fulton, Founding Chairman and CEO of Soulidify Productions, LLC, Jan. 10 from 8:30-10:30 a.m., Williamsburg Lodge.
- Commonwealth Conversations No. 4 with Tom Barkin, CEO of the Federal Reserve Bank of Richmond, Jan. 10 from 8:30-10:30 a.m., Williamsburg Lodge.

CMJ/ap

DirRptOct-Nov23-mem