

PROMISSORY NOTE

\$500,000.00

Date of Note: _____, 2026

FOR VALUE RECEIVED, the undersigned, **VALDOSTA HOUSING AUTHORITY** a/k/a Housing Authority of the City of Valdosta, a public body corporate and politic and a political subdivision of the state of Georgia (the "Maker"), promises to pay to the order of **LOWNDES COUNTY, GEORGIA**, a political subdivision of the State of Georgia (the "Holder"), at the principal place of business of the Holder, or at such other place as Holder may designate to Maker in writing from time to time, the principal sum of **Five Hundred Thousand and No/100 Dollars (\$500,000.00)**, together with interest thereon or on so much thereof as is from time to time outstanding and unpaid, at the rate hereinafter set forth, in lawful money of the United States of America, such principal and interest to be paid in the following manner, to-wit:

O.C.G.A. § 8-3-155(b) provides that the Maker is to make reimbursement for the loan represented by the Note when it has the money available therefor and the Holder agrees that the repayment obligation to the Holder by the Maker is governed by such statutory provision. Notwithstanding the foregoing, it is the Maker's desire and intention to repay this Note as follows:

From and after the foregoing Date of Note (the "Date of Note") and continuing thereafter until thirty (30) months from the Date of Note and ending on _____, 2028 (the "Accrual Period"), interest shall accrue at a rate of **two percent (2%)** simple interest per annum. During the period between the Date of Note and the expiration of the Accrual Period, no monthly payments of interest or principal shall be made by the Maker.

Upon the expiration of the Accrual Period, the accrued interest shall be added to and become a part of the principal of this Note and the loan evidenced by this Note shall convert on such date (the "Conversion Date") into a permanent loan with a repayment term of twenty-five (25) years ending on _____, 2053 (the "Maturity Date"). Interest shall continue to accrue following the Conversion Date at a rate of two percent (2%) simple interest per annum. Beginning on the first anniversary of the Conversion Date and on each subsequent anniversary thereof until the Maturity Date, annual payments of principal and interest shall be due from the Maker based on a thirty-five (35) year amortization period. All remaining outstanding principal and any accrued but unpaid interest shall be due and payable in a final balloon payment on the Maturity Date.

This Note is made pursuant to that certain Resolution of the Board of Commissioners for Lowndes County, Georgia dated March 10, 2026, and pursuant to O.C.G.A. §§ 8-3-155(b) and 8-3-156. Maker may utilize the proceeds of the loan evidenced by this Note for any purpose permitted by Georgia law. The repayment of this Note shall be made solely from assets of the Maker which are not governed by The United States Housing Act of 1937, commonly referred to as non-federal assets.