

In the opinion of Bond Counsel, under existing law and subject to conditions hereinafter described, interest on the Bonds (a) will not be included in gross income for federal income tax purposes except for interest on any of the Bonds for any period during which such Bonds are held by a person who is a "substantial user" of the facilities financed by the Bonds or a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended, and (b) will not be an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations; provided, however, with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax on corporations. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is exempt from all present state income taxation within the State of Georgia. See "TAX EXEMPTION" herein.

\$6,220,000
Downtown Development Authority of Columbus, Georgia
Revenue Bonds
(Foundation Properties, Inc. One Arsenal Place Project),
Series 2009

Dated: Date of Issuance

Due: August 1, 2015

Price: 100%

The Bonds will be limited obligations of the Downtown Development Authority of Columbus, Georgia (the "Issuer") payable (except to the extent payable from certain Bond proceeds and other moneys pledged therefor) from, and secured by, a pledge of payments to be made to the Issuer under a Loan Agreement, dated as of July 1, 2009 (the "Loan Agreement"), between the Issuer and Foundation Properties, Inc., a Georgia nonprofit corporation (the "Company"). The Bonds also will be payable from an irrevocable direct-pay Letter of Credit (the "Letter of Credit") issued by

COLUMBUS BANK AND TRUST COMPANY

a Georgia banking corporation with a principal office in Columbus, Georgia (the "Bank"). The Letter of Credit will expire, if not sooner terminated in accordance with its terms, on August 15, 2015. The Trust Indenture, dated as of July 1, 2009 (the "Indenture"), between the Issuer and First Commercial Bank, Birmingham, Alabama, an Alabama banking corporation, as trustee (the "Trustee") permits the substitution of another letter of credit, as herein described. The Letter of Credit will enable the Trustee to pay debt service on the Bonds and the purchase price of Bonds tendered for purchase in accordance with the terms of the Indenture.

The payment and performance by the Bank of its obligations under the Letter of Credit will be secured by a Standby Letter of Credit (the "Confirming Letter of Credit") issued by Federal Home Loan Bank of Atlanta (the "Confirming Bank").



The Confirming Letter of Credit may be drawn upon to the extent that the Bank fails to honor any portion of any duly presented drawing under the Letter of Credit or repudiates its obligations thereunder. The Confirming Letter of Credit has a stated expiration date of August 1, 2010, and is subject to annual renewal as provided therein. See "THE LETTER OF CREDIT, CONFIRMING LETTER OF CREDIT AND ALTERNATE LETTER OF CREDIT" herein.

Prior to the Conversion Date (as herein defined), the Bonds are variable rate obligations which will bear interest at the rate determined by Synovus Securities, Inc., as Remarketing Agent by 2:00 p.m. prevailing Eastern time on each Thursday for the next Calendar Week (as herein defined). Interest shall be payable during the Variable Rate Period (as herein defined), on the first Business Day (as herein defined) of each month, commencing September 1, 2009. The maximum interest rate to be borne by the Bonds during the Variable Rate Period is the lesser of (i) 10% per annum or (ii) the maximum rate of interest permitted by applicable law. See "THE BONDS—Interest Rate on the Bonds" herein.

As described herein, any Bond bearing interest during the Variable Rate Period will be purchased upon the demand of the owner thereof, at a purchase price of par plus accrued interest, if any, on any Business Day upon seven (7) days' notice and delivery thereof to the Trustee, in its capacity as tender agent.

The Bonds are issuable as fully registered bonds without coupons and, prior to the Conversion Date, shall be issued in authorized denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (the "Securities Depository"). The Securities Depository will act as securities depository for the Bonds. Purchases will be made only in book-entry form through the Participants (as herein defined) in the Securities Depository, and no physical delivery of the Bonds will be made to Beneficial Owners (as herein defined). Payment of principal of and premium, if any, on the Bonds will be made to Beneficial Owners by the Securities Depository through its Participants. As long as Cede & Co. is the registered owner of the Bonds, as nominee of the Securities Depository, references herein to the holders of the Bonds or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds. See "THE BONDS—Book-Entry System" herein.

The Bonds are subject to optional tender, mandatory purchase and redemption as described herein. See "THE BONDS" HEREIN.

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE REVENUES AND THE PROCEEDS PLEDGED THEREFOR. NEITHER THE FAITH AND CREDIT OF THE ISSUER NOR THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OF GEORGIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE UNIFIED GOVERNMENT OF COLUMBUS, GEORGIA, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OR PURCHASE PRICE OF OR INTEREST ON THE BONDS. THE ISSUER HAS NO TAXING POWER.

The Bonds are offered when, as and if issued, subject to the approval of legality by Murray Barnes Finister LLP, Atlanta, Georgia, Bond Counsel. Certain legal matters will be passed upon for the Issuer and the Bank by their counsel, Page, Scrantom, Sprouse, Tucker & Ford, P.C., Columbus, Georgia; and for the Company by its counsel, Murray Barnes Finister LLP, Atlanta, Georgia. Delivery of the Bonds is expected to be made on or about July 29, 2009 in New York, New York.

SYNOVUS SECURITIES, INC.

July 28, 2009

This Official Statement does not constitute an offering of any security other than the original offering of the Bonds identified on the cover hereof. No dealer, salesman or any other person has been authorized to give any information or to make any representation, other than the information and representations contained herein, in connection with the offering of the Bonds, and, if given or made, such information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of the Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, the Company or the Bank since the date hereof.

The information set forth herein has been obtained from the Company, the Bank and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Underwriter or the Issuer. The information herein is subject to change without notice and neither the delivery hereof nor any sale hereunder at any time implies that information herein is correct as of any time subsequent to its date.

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 responsibilities 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.

Upon issuance, the Bonds will not be registered by the Issuer under the Securities Act of 1933, as amended, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other governmental entity or agency will have passed upon the adequacy of this Official Statement or will have approved the Bonds for sale, other than the requisite approval provided by the Issuer for the issuance of the Bonds.

THE CONFIRMING BANK, AS ISSUER OF THE CONFIRMING LETTER OF CREDIT, NEITHER PROVIDED NOR APPROVED ANY INFORMATION IN THIS OFFICIAL STATEMENT, NOR TAKES ANY RESPONSIBILITY FOR ANY OTHER INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT, NOR MAKES ANY REPRESENTATION AS TO THE CONTENTS OF THIS OFFICIAL STATEMENT. WITHOUT LIMITING THE FOREGOING, THE CONFIRMING BANK MAKES NO REPRESENTATION AS TO THE SUITABILITY OF THE BONDS FOR ANY INVESTOR, THE FEASIBILITY OR PERFORMANCE OF THE PROJECT, OR COMPLIANCE WITH ANY SECURITIES, TAX OR OTHER LAWS OR REGULATIONS.

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OFFICIAL STATEMENT

Regarding

\$6,220,000

**Downtown Development Authority of Columbus, Georgia
Revenue Bonds
(Foundation Properties, Inc. One Arsenal Place Project),
Series 2009**

INTRODUCTION

This Official Statement is being provided to furnish certain information in connection with the original issuance and sale by Downtown Development Authority of Columbus, Georgia (the "Issuer") of \$6,220,000 in aggregate principal amount of its Revenue Bonds (Foundation Properties, Inc. One Arsenal Place Project), Series 2009 (the "Bonds"). Definitions of certain capitalized terms used herein are set forth herein under "DEFINITIONS."

The Bonds will be issued under a Trust Indenture, dated as of July 1, 2009 (the "Indenture"), between the Issuer and First Commercial Bank, Birmingham, Alabama, an Alabama banking corporation, as trustee (the "Trustee"). The Bonds will be limited obligations of the Issuer, payable only from specified sources as more fully described herein. The proceeds of the Bonds are being loaned by the Issuer to Foundation Properties, Inc., a Georgia nonprofit corporation (the "Company") pursuant to a Loan Agreement, dated as of July 1, 2009 (the "Loan Agreement"), between the Issuer and the Company, in order to refinance the Issuer's Floating Rate Seven-Day Demand Industrial Development Revenue Bonds 901 Limited Partnership in the original aggregate principal amount of \$7,900,000 (the "Prior Bonds"), the proceeds of which were used to finance the rehabilitation and equipping of certain property known as "One Arsenal Place" located in Columbus, Georgia and more particularly described in the Loan Agreement (the "Project"). See "THE PROJECT" herein. All of the Issuer's rights under the Loan Agreement will be assigned to the Trustee as security for the payment of the principal of, premium, if any, and interest on the Bonds, except for certain rights to fees and indemnification payments.

As additional security for the payment of the Debt Service on and the Purchase Price of the Bonds, the Company will cause Columbus Bank and Trust Company, Columbus, Georgia, a Georgia banking corporation (the "Bank"), to issue its irrevocable, direct-pay letter of credit (the "Letter of Credit") in favor of the Trustee in substantially the form described herein under "THE LETTER OF CREDIT, CONFIRMING LETTER OF CREDIT AND ALTERNATE LETTER OF CREDIT." The Letter of Credit will expire, if not sooner terminated in accordance with its terms, on August 15, 2015.

As additional security for the Letter of Credit, the Federal Home Bank of Atlanta (the "Confirming Bank") will deliver to the Trustee its Standby Letter of Credit (the "Confirming Letter of Credit") pursuant to certain agreements between the Bank and the Confirming Bank. The Confirming Letter of Credit has a stated expiration date of August 1, 2010, and is subject to annual renewal as provided therein. See "THE LETTER OF CREDIT, CONFIRMING LETTER OF CREDIT AND ALTERNATE LETTER OF CREDIT."

The Letter of Credit will be issued pursuant to a Reimbursement Agreement, dated as of July 1, 2009 (the "Reimbursement Agreement"), between the Company and the Bank. The Reimbursement Agreement will provide, among other things, for reimbursement to the Bank by the Company of all amounts drawn under the Letter of Credit.

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE REVENUES AND THE PROCEEDS PLEDGED THEREFOR, NEITHER THE FAITH AND CREDIT OF THE ISSUER NOR THE FAITH AND CREDIT OR TAXING POWER OF THE STATE OF GEORGIA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE UNIFIED GOVERNMENT OF COLUMBUS, GEORGIA, IS PLEDGED TO THE PAYMENT OF THE BONDS. THE ISSUER HAS NO TAXING POWER.

PURCHASERS OF THE BONDS SHOULD MAKE THEIR DECISION TO INVEST IN THE BONDS SOLELY UPON THEIR ASSESSMENT OF THE CREDITWORTHINESS OF THE BANK.

Brief descriptions of the Issuer, the Company, the Bank, the Confirming Bank, the Project and the Bonds, and summaries of certain provisions of the Indenture, the Loan Agreement and the Letter of Credit are included in this Official Statement. Such descriptions and summaries herein do not purport to be complete and are qualified in their entirety by reference to each specific document being described, forms of which may be obtained, during the initial offering period, at the principal offices of Synovus Securities, Inc., Birmingham, Alabama, as Underwriter. All such descriptions are further qualified in their entirety by reference to bankruptcy, insolvency and other similar laws and principles of equity relating to or affecting generally the enforcement of creditors' rights. Capitalized terms which are not otherwise defined herein shall be given the same meaning as set forth in the respective documents.

DEFINITIONS

Certain capitalized terms used frequently in this Official Statement are defined in this section of the Official Statement.

Act means an act of the General Assembly of the State of Georgia (O.C.G.A. Section 36-42-1 *et seq.*), as amended.

Act of Bankruptcy means the filing of a petition in bankruptcy (or the commencement of a bankruptcy or similar proceeding) by or against the Company or the Issuer under any applicable bankruptcy, insolvency, reorganization, or similar law, now or hereafter in effect.

Alternate Letter of Credit means an irrevocable letter of credit or confirming letter of credit delivered to, and accepted by, the Trustee pursuant to Section 3.6 of the Loan Agreement, including any amendment, reissuance, replacement, renewal or extension thereof.

Authorized Denomination means (a) prior to the Conversion Date, \$100,000 or any integral multiple of \$5,000 in excess thereof, and (b) on or after the Conversion Date, \$5,000 or any integral multiple thereof.

Bank means Columbus Bank and Trust Company, Columbus, Georgia, a Georgia banking corporation, in its capacity as issuer of the Original Letter of Credit, its successor and assigns, and, upon the acceptance of any Alternate Letter of Credit by the Trustee as provided in the Indenture, the issuer of such Alternate Letter of Credit, its successors and assigns.

Bank Documents means the Reimbursement Agreement and the Security Documents (as defined in the Loan Agreement).

Beneficial Owner means the Person in whose name a Bond is recorded as beneficial owner of such Bond by the Securities Depository or a Participant or an Indirect Participant on the records of such Securities Depository, Participant or Indirect Participant, as the case may be, or such Person's subrogee.

Bond Counsel means a firm of nationally recognized attorneys at law reasonably acceptable to the Issuer and experienced in legal work relating to the issuance of municipal bonds.

Bond Fund means the fund by that name established under the Indenture, which fund will at all times be maintained with (a) a federal or state-chartered depository institution or trust company that has a short-term debt rating of at least "A-2" (or if no short-term rating, a long-term debt rating of "BBB+") or (b) the corporate trust department of a federal depository institution or state chartered depository institution, which, in either case, has corporate trust powers and is acting in its fiduciary capacity.

Bond Purchase Fund means the fund by that name established under the Indenture, which fund will at all times be maintained with (a) a federal or state-chartered depository institution or trust company that has a short-term

debt rating of at least “A-2” (or if no short-term rating, a long-term debt rating of “BBB+”) or (b) the corporate trust department of a federal depository institution or state chartered depository institution, which, in either case, has corporate trust powers and is acting in its fiduciary capacity.

Bondholder, Holder or holder means the record owner of any Bond.

Bonds means \$6,220,000 in aggregate principal amount of Downtown Development Authority of Columbus, Georgia Revenue Bonds (Foundation Properties, Inc. One Arsenal Place Project), Series 2009.

Book-Entry System means a book-entry system of registration for the Bonds established and operated for the recordation of Beneficial Owners of the Bonds pursuant to the terms of the Indenture.

Business Day means any day other than (i) a Saturday, a Sunday, or (ii) a day on which banking institutions in Columbus, Georgia, the city in which the principal office of the Trustee is located, the city in which the principal office of the Remarketing Agent is located or the Federal Home Loan Bank of Atlanta are closed as authorized or obligation by law or administrative order.

Calendar Week means the period of seven days from and including Thursday to and including the following Wednesday; provided, however, that the first Calendar Week means the period from and including the Issue Date to and including the following Wednesday.

Code means the Internal Revenue Code of 1986, as amended, and the applicable rulings and regulations (including temporary and proposed) promulgated thereunder.

Confirming Bank means Federal Home Loan Bank of Atlanta, its successors and assigns, or, as applicable, any issuer or obligor on any substitute Confirming Letter of Credit.

Confirming Letter of Credit means that certain Standby Letter of Credit issued to the Trustee by the Confirming Bank, for the account of the Bank, securing the Bonds, including any extensions thereof or any substitutions therefor.

Confirming Letter of Credit Termination Date or Termination Date means the date upon which the Confirming Letter of Credit shall expire or terminate pursuant to its terms, unless extended or renewed.

Conversion Date means the date on which the interest rate(s) on the Bonds shall be converted from a Variable Rate to a Fixed Rate in accordance with the Indenture, which date shall be an Interest Payment Date occurring during the Variable Rate Period.

Conversion Notice means the notice of conversion delivered by the Company in accordance with the provisions of the Indenture and described herein under “THE BONDS – Interest Rate on the Bonds.”

Debt Service means the principal, premium (if any) and interest payable on the Bonds.

Fixed Rate means the fixed rate on each Bond during the Fixed Rate Period.

Fixed Rate Period means the period from and including the Conversion Date to and including the date of payment in full of the Bonds.

Government Obligations means obligations of the United States, its agencies, or obligations the payment of principal and interest on which is unconditionally guaranteed by the United States or its agencies.

Indenture means the Trust Indenture, dated as of July 1, 2009, between the Issuer and the Trustee, as the same may be amended or supplemented from time to time.

Indirect Participant means a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository through a Participant.

Interest Payment Date means (a) during the Variable Rate Period, the first Business Day of each month beginning September 1, 2009 and (b) during the Fixed Rate Period, each January 1 and July 1.

Issue Date means the date on which the Bonds are delivered to the purchaser or purchasers thereof upon original issuance.

Issuer means Downtown Development Authority of Columbus, Georgia, a public body corporate and politic and an instrumentality of the State of Georgia created and existing pursuant to the Act, its successors and assigns.

Loan Agreement means the Loan Agreement, dated as of July 1, 2009, between the Issuer and the Company, as the same may be amended or supplemented from time to time.

Letter of Credit means the Original Letter of Credit issued or, upon acceptance by the Trustee of any Alternate Letter of Credit in accordance with the Loan Agreement, such Alternate Letter of Credit, provided, that, for purposes of drawing on the Letter of Credit on a Mandatory Purchase Date, Letter of Credit shall mean the Letter of Credit in effect immediately prior to the acceptance of any Alternate Letter of Credit which is to be effective on such Mandatory Purchase Date.

Letter of Credit Termination Date means the later of (a) that date upon which the Letter of Credit shall expire or terminate pursuant to its terms, or (b) that date to which the Letter of Credit may be extended, from time to time, either by extension or renewal of the existing Letter of Credit.

Mandatory Purchase Date means (a) the Conversion Date, (b) the Interest Payment Date immediately preceding the Letter of Credit Termination Date, provided such Interest Payment Date shall precede the Letter of Credit Termination Date by no less than three (3) Business Days, (c) the effective date of an Alternate Letter of Credit, (d) the Confirming Letter of Credit Termination Date and (e) the date the Bank fails to honor a draw on the Credit Facility when a Confirming Letter of Credit is in effect.

Mandatory Purchase Notice means the notice of mandatory purchase delivered by the Trustee in accordance with the provisions of the Indenture and described herein under "THE BONDS – Tender of Bonds for Purchase.

Maximum Rate means during the Variable Rate Period an interest rate per annum equal to the lesser of (a) the maximum rate permitted by law and (b) 10% per annum. The Maximum Rate may be adjusted by an amendment to the Indenture, after the date of initial issuance and delivery of the Bonds, provided that (i) such Maximum Rate shall at no time exceed the maximum rate permitted by law and (ii) such adjustment to the Maximum Rate shall not become effective unless and until the Trustee shall receive (A) satisfactory evidence that the stated amount of the Letter of Credit (if any) has been adjusted to reflect the adjusted Maximum Rate and (B) an opinion of Bond Counsel satisfactory to the Trustee that such adjustment will not adversely affect the tax-exempt status of the Bonds.

Operative Documents means the Indenture, the Loan Agreement and the Reimbursement Agreement.

Optional Tender Date means, during the Variable Rate Period, the seventh day (unless such day is not a Business Day, in which case the next succeeding Business Day) following receipt by the Tender Agent of an Optional Tender Notice.

Optional Tender Notice means the notice of Optional Tender delivered by a Holder in accordance with the provisions of the Indenture and described herein under "THE BONDS – Tender of Bonds for Purchase.

Original Letter of Credit means the letter of credit issued by the Bank to the Trustee on the Issue Date, including any amendment, reissuance, replacement, renewal or extension thereof. Unless renewed or extended, the Original Letter of Credit expires by its terms on August 15, 2015.

Outstanding, when used with reference to the Bonds at any date as of which the amount of outstanding Bonds is to be determined, means all Bonds which have been authenticated and delivered by the Trustee under the Indenture, except:

- (a) Bonds cancelled or delivered for cancellation at or prior to such date;
- (b) Bonds deemed to be paid in accordance with the Indenture;
- (c) Bonds in lieu of which others have been authenticated under the Indenture;
- (d) Untendered Bonds; and
- (e) For purposes of any consent, request, demand, authorization, direction, notice, waiver or other action to be taken by the holders of a specified percentage of Outstanding Bonds under the Indenture, all Bonds held by or for the account of the Issuer or the Company, except that for purposes of any such consent, request, demand, authorization, direction, notice, waiver or action the Trustee shall be obligated to consider as not being Outstanding only Bonds known by the Trustee by actual notice thereof to be so held.

Participant means a broker-dealer, bank or other financial institution for which the Securities Depository holds Bonds as a securities depository.

Person means any natural person, firm, partnership, association, corporation, or public body.

Pledged Bonds shall mean Bonds purchased by the Company pursuant to the optional tender or mandatory purchase provisions of the Indenture with money drawn under the Letter of Credit or Confirming Letter of Credit and held by or on behalf of the Bank, as pledgee, in accordance with the Reimbursement Agreement.

Principal Office shall mean, as it relates to the Trustee, the Tender Agent or the Remarketing Agent, the appropriate address for any of such parties set forth in the Indenture.

Prior Bonds means the Issuer's Floating Rate Seven-Day Demand Industrial Development Revenue Bonds 901 Limited Partnership in the original aggregate principal amount of \$7,900,000.

Project means the rehabilitation and equipping of certain property known as "One Arsenal Place" located in Columbus, Georgia.

Purchase Price means an amount equal to 100% of the principal amount of the Bond or Bonds (or portions thereof in Authorized Denominations) to be purchased pursuant to the provisions of the Indenture relating to an optional tender or a mandatory tender, plus, in the case of purchase pursuant to an optional tender, accrued and unpaid interest, if any, thereon to the date of purchase.

Rating Agency means Moody's Investor Services, Inc. ("Moody's"), Standard & Poor's Ratings Group, a division of The McGraw Hill Companies ("S&P") or Fitch, Inc. ("Fitch"), or their successors and assigns, and, if such corporations shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Rating Agency" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Company with the approval of the Remarketing Agent, by notice to the Issuer, the Bank, the Trustee and the Remarketing Agent.

Record Date means with respect to each Interest Payment Date (a) on and prior to the Conversion Date, the Trustee's close of business on the Business Day next preceding such Interest Payment Date, and (b) after the Conversion Date, the Trustee's close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date, regardless whether such day is a Business Day.

Reimbursement Agreement means the Reimbursement Agreement, dated as of July 1, 2009, between the Company and the Bank, as the same may be amended or supplemented from time to time, and any similar agreements with respect to such Alternate Letter of Credit.

Remarketing Agreement means the Remarketing Agent Agreement, dated as of July 1, 2009, among the Company, the Issuer, the Trustee and the Remarketing Agent, as the same may be amended or supplemented from time to time.

Securities Depository means The Depository Trust Company and any substitute for or successor to such securities depository that shall maintain a Book-Entry System with respect to the Bonds.

Securities Depository Nominee means the Securities Depository or the nominee of such Securities Depository in whose name there shall be registered Bonds to be delivered to such Securities Depository during the continuation with such Securities Depository of participation in its Book-Entry System.

Tender Agent means First Commercial Bank, Birmingham, Alabama, an Alabama banking corporation, in its capacity as tender agent under the Indenture, its successors and assigns.

Trustee means First Commercial Bank, Birmingham, Alabama, an Alabama banking corporation, in its capacity as trustee under the Indenture, its successors and assigns.

Untendered Bonds means any Bonds (a) for which an Optional Tender Notice has been delivered by the Holders thereof pursuant to the Indenture, or (b) for which a notice of mandatory tender has been delivered by the Tender Agent in accordance with the Indenture, which Bonds are subsequently not tendered for purchase on the Optional Tender Date or Mandatory Purchase Date, as the case may be.

Variable Rate means the interest rate on each Bond established pursuant to the Indenture.

Variable Rate Period means the period from and including the Issue Date to the earlier of (a) the Conversion Date or (b) the day of payment in full of the Bonds.

THE ISSUER

The Issuer is a public body corporate and politic and an instrumentality of the State of Georgia. Pursuant to the Act, the Issuer has been activated and a copy of said activating resolution has been filed with the Secretary of State of Georgia. The Issuer is authorized to issue the Bonds to finance the costs of the Project and to secure the Bonds by an assignment of the amounts to be received under the Loan Agreement. In order to accomplish the foregoing, the Issuer is authorized to enter into and perform its obligations under the Indenture and the Loan Agreement.

The Bonds will be limited obligations of the Issuer as described under the caption "THE BONDS."

THE COMPANY

The Bonds are offered solely on the basis of the Letter of Credit and the financial strength and credit of the Bank and the financial strength and credit of the Confirming Bank and are not offered on the basis of the financial strength or credit of the Company or any other person or security. No financial or operating information with respect to the Company is included herein. Purchasers of the Bonds should make their decision to invest in the Bonds solely upon their assessment of the creditworthiness of the Bank. No attempt is made in this Official Statement to describe the Company or the Project in a manner that would enable purchasers of the Bonds to assess the creditworthiness of the Company. Accordingly, in deciding whether to purchase the Bonds, potential investors should not rely upon the ability of the Company to make the required payments under the Loan Agreement. The Bonds are subject to acceleration of maturity upon the occurrence of a default by the Company under the Reimbursement Agreement but such defaults are not summarized or set forth herein. Prospective purchasers of the Bonds will not be able to evaluate the likelihood of a default under the Reimbursement Agreement.

The Company is a Georgia nonprofit corporation. The Company is organized and is to be operated exclusively for charitable, religious, educational and scientific purposes within the meaning of Section 501(c)(3) of the Code, for the benefit of Columbus State University (the "University"). The primary activity of the Company is to construct and otherwise provide facilities needed by the University in connection with its educational mission

THE BANK

Certain financial information regarding the Bank is attached to this Official Statement as Appendix A, to which reference is hereby made. Such information has been obtained from the Bank and is not to be construed as a representation by the Issuer, the Company or the Underwriter.

THE CONFIRMING BANK

Certain financial information regarding the Confirming Bank is attached to this Official Statement as Appendix B, to which reference is hereby made. Such information has been obtained from the Confirming Bank and is not to be construed as a representation by the Issuer, the Company or the Underwriter.

THE PROJECT

A portion of the proceeds of the Bonds will be used to refinance the Prior Bonds, the proceeds of which were used to finance the rehabilitation and equipping of certain property known as "One Arsenal Place" located in Columbus, Georgia.

PROPOSED SOURCES AND USES OF FUNDS

The proceeds from the sale of the Bonds will be applied on July 29, 2009 to redeem in full the Prior Bonds. Costs of issuance will be paid by the Company.

THE BONDS

General Description of Bonds

The Bonds will be dated the date of the original issuance thereof, and will mature as set forth on the cover page of this Official Statement. The principal, redemption premium, if any, and interest on the Bonds and the purchase price of the Bonds are payable at the places and in the manner specified on the cover page of this Official Statement. The Bonds will initially be issued as fully registered bonds in denominations of \$100,000 or any integral multiple of \$5,000 in excess thereof, except as otherwise permitted by the Indenture. Subsequent to the Conversion Date, the Bonds may be issued in denominations of \$5,000 and integral multiples thereof. Subject to certain limitations, the Bonds may be transferred or exchanged for other Bonds of authorized denominations at the principal corporate trust office of the Trustee without charge other than any tax or other governmental charge.

Special/Limited Obligations

Neither the State of Georgia nor any political subdivision thereof shall be obligated to pay the Bonds or the interest thereon or other costs incident thereto, except that the Issuer shall be obligated to make such payments solely from the revenue or money pledged by the Issuer. Neither the faith and credit nor the taxing power of the State of Georgia or any political subdivision thereof is pledged to the payment of the principal or Purchase Price of, premium, if any, or the interest on, the Bonds. No owner of any Bond has the right to compel any exercise of the taxing power of the State of Georgia or of any political subdivision or instrumentality thereof, including the Issuer, to pay the Bonds, the interest thereon or any other amount due with respect thereto. The Bonds are not general obligations of the Issuer, but are special, limited obligations payable solely from certain amounts payable by the

Company under the Loan Agreement and moneys drawn by the Trustee under the Letter of Credit, and from other moneys pledged therefor under the Indenture. Neither the Issuer, the State nor any political subdivision of the State has any obligation with respect to any purchase of the Bonds. The Issuer has no taxing power.

Interest Rates on the Bonds

Prior to the Conversion Date. Interest on the Bonds will be payable at the Variable Rate during the Variable Rate Period. During the Variable Rate Period, the Variable Rate shall be determined on the basis of a 365/366-day year, as the case may be, actual number of days elapsed, by Synovus Securities, Inc., as Remarketing Agent under the Indenture (the “Remarketing Agent”), by 2:00 p.m. prevailing Eastern time on each Thursday (or the immediately preceding Business Day if Thursday is not a Business Day) for the next Calendar Week and shall be the rate of interest which, if borne by the Bonds, would, in the judgment of the Remarketing Agent, having due regard to the prevailing financial market conditions for tax revenue bonds or other securities comparable to the Bonds, which are comparable as to credit and maturity (or period for tender) with the credit and maturity (or period for tender) of the Bonds, be the interest rate necessary, but would not exceed the interest rate necessary, to enable the Remarketing Agent to remarket the Bonds at a price of par at the time such interest rate is determined. The Variable Rate for the period from the Issue Date through the next succeeding Wednesday shall be determined on or prior to the Issue Date in accordance with the provisions of the Indenture. The Variable Rate as so determined shall be uniform during each Calendar Week for all Bonds except in the following instances:

(i) The Variable Rate may be adjusted upwards for Bonds remarketed by the Remarketing Agent on any day other than the first day of a Calendar Week if such an adjustment is needed in order to enable the Remarketing Agent to remarket a Bond or Bonds tendered for purchase on an Optional Tender Date at par. Any such adjustment shall apply to all of the Bonds remarketed on the day that such adjustment is made and shall be effective beginning on the day immediately following the day on which such rate is announced by the Remarketing Agent and thereafter through the end of such Calendar Week.

(ii) The Variable Rate on any Bond or Bonds for which an Optional Tender Notice has been delivered for purchase on an Optional Tender Date other than the first day of a Calendar Week shall, for the period from the first day of such Calendar Week in which such Optional Tender Date occurs through such Optional Tender Date, continue to be the Variable Rate applicable to such Bond or Bonds for the immediately preceding Calendar Week. The Variable Rate on such Bond or Bonds, for the period from the day immediately following such Optional Tender Date through the end of such Calendar Week shall, unless the Variable Rate is determined pursuant to clause (i) above, be the Variable Rate determined by the Remarketing Agent for all Bonds for such Calendar Week.

Notwithstanding the foregoing, the Variable Rate shall not exceed the Maximum Rate. If no Remarketing Agent shall be serving under the Indenture, or if for any reason the Remarketing Agent has not determined the Variable Rate on a Thursday (or the immediately preceding Business Day if Thursday is not a Business Day) for the next Calendar Week, the Variable Rate effective for such Calendar Week shall be the Variable Rate most recently determined by the Remarketing Agent as aforesaid.

On and after the Conversion Date. The Bonds shall bear interest at the Fixed Rate on and after the Conversion Date, except as provided under the subheading “Conversion of Interest Rate on the Bonds.” If for any reason the Remarketing Agent has not set the Fixed Rate by the close of business on the Computation Date, the interest rate on the Bonds shall not convert and the Bonds shall continue to bear interest at the Variable Rate.

In determining the interest rate that the Bonds shall bear as provided herein, neither the Remarketing Agent nor the Trustee shall have any liability to the Issuer, the Company, the Trustee or any Bondholder except for its gross negligence or willful misconduct.

Conversion of Interest Rate on Bonds

(a) During the Variable Rate Period, the interest rate(s) on the Bonds, at the option of the Company, shall be converted from the Variable Rate to the Fixed Rate, upon delivery by the Company to the Trustee, the Remarketing Agent, the Bank and the Issuer at least twenty (20) days prior to the proposed Conversion Date of (A) a

notice of conversion (the “Conversion Notice”) stating that the Company intends to convert the interest rate on the Bonds to the Fixed Rate and specifying the proposed Conversion Date and (B) an opinion of Bond Counsel to the effect that the conversion of the interest rate to the Fixed Rate will not adversely affect the tax-exempt status of the Bonds.

(b) Upon receipt from the Company of a Conversion Notice and the opinion of Bond Counsel described in (a) above, the Trustee shall give a Mandatory Purchase Notice to the Holders of the Bonds that all Bonds are subject to mandatory tender in accordance with the provisions of the Indenture.

(c) By 10:00 a.m. prevailing Eastern time on the Business Day immediately preceding the Conversion Date, the Company shall deliver to the Trustee, the Remarketing Agent, the Bank and the Issuer a supplemental opinion of Bond Counsel confirming the opinion described in (a) above.

(d) If the Trustee receives written notification from the Company by 10:00 a.m. prevailing Eastern time on the Business Day immediately preceding the Conversion Date of the Company’s decision not to convert the interest rate(s) on the Bonds to the Fixed Rate on the Conversion Dates or the Company fails to deliver the supplemental opinion of Bond Counsel described in (c) above, the interest rate(s) on the Bonds shall not be converted to the Fixed Rate on the Conversion Date and the Bonds shall continue to bear interest at the Variable Rate. In such event, Bonds tendered (or deemed to have been tendered) for purchase on the Mandatory Purchase Date shall nevertheless be purchased on the Mandatory Purchase Date in accordance with the provisions of the Indenture. Such Bonds shall thereafter be remarketed, bearing interest at the Variable Rate, by the Remarketing Agent in accordance with the provisions of the Indenture. Further, the Issuer, the Company and the Trustee shall be restored to their former positions and rights under the Indenture with respect to the Bonds, and all rights of the Issuer, the Trustee and the Company under the Indenture shall continue as if no such proceedings for the conversion of the interest rate on the Bonds had been taken.

(e) No conversion of the interest rate on the Bonds is permitted if at the time of such conversion an Event of Default has occurred and is continuing under the Indenture. The Letter of Credit shall not be available to pay the principal or Purchase Price of or interest on any Bonds after the Conversion Date and shall be returned to the Bank for cancellation immediately upon the expiration thereof on or after the Conversion Date.

(f) No Conversion Notice may be given if a Mandatory Purchase Date has been established and is existing pursuant to the Indenture.

Tender of Bonds for Purchase

Optional Tender. (a) So long as the Bonds bear interest at the Variable Rate, the Holder of any Bond shall have the right to tender such Bond to the Tender Agent for purchase at the Purchase Price in whole or in part (if in part, only in an Authorized Denomination) on the Optional Tender Date.

(b) The notice (the “Optional Tender Notice”) required to be delivered to exercise the right of optional tender described in paragraph (a) above shall contain such information and be in such form and delivered to the Tender Agent as follows:

(i) if the Bonds are in certificated form, such Optional Tender Notice shall be (A) duly executed by the Bondholder, in substantially the form contained in the Bonds, or in such other form as shall be acceptable to the Tender Agent, specifying (1) the name of the registered Holder of the Bond to be tendered for purchase, (2) the proposed Optional Tender Date, (3) the certificate number and principal amount of such Bond, and (4) the principal amount of such Bond to be purchased (if such amount is less than the entire principal amount, the amount to be purchased must be an Authorized Denomination), and (B) given to the Tender Agent at its Principal Office in writing or by telephone, but no such telephonic notice shall be effective unless confirmed in writing delivered to the Tender Agent not more than two (2) Business Days after such telephonic notice; or

(ii) if the Bonds are held in the Book-Entry System, such Optional Tender Notice shall be delivered in writing by the Participant for any such Bond proposed to be tendered to the Tender Agent at its

Principal Office, executed by the Participant and stating (A) the principal amount of such Bond, (B) the portion thereof to be purchased and (C) the proposed Optional Tender Date.

(c) If any Optional Tender Notice specifies a proposed Optional Tender Date that is not a Business Day at least seven (7) days after the date of receipt of the Optional Tender Notice by the Tender Agent, then such Optional Tender Notice, shall be deemed by the Tender Agent to specify the next eligible Business Day as the Optional Tender Date. Unless a notice of Optional Tender indicates that less than the entire principal amount of the Bond is being tendered for purchase, the Holder will be deemed to have tendered the Bond in its entire principal amount for purchase.

(d) Not later than 3:00 p.m. (prevailing Eastern time) on the Business Day after receipt of any such telephonic or written Optional Tender Notice, the Tender Agent shall deliver written notice to the Trustee, the Remarketing Agent, the Company and the Bank specifying (i) the principal amount of Bonds for which an Optional Tender Notice has been given and (ii) the Optional Tender Date therefor.

(e) Upon delivery of an Optional Tender Notice as described in paragraph (b) above, the election to tender shall be irrevocable and binding upon such Holder and may not be withdrawn. The Tender Agent shall, in its sole discretion, determine whether, with respect to any Bond, the Holder thereof shall have properly exercised the right of optional tender pursuant to the provisions of the Indenture.

(f) If an Optional Tender Notice shall have been duly given with respect to any Bond, such Bond shall be purchased from the Holder thereof as follows:

(i) if the Bonds are in certificated form, the Holder of such Bond shall deliver such Bond to the Tender Agent at its Principal Office at or before 10:00 a.m. (prevailing Eastern time) on the Optional Tender Date, together with an instrument of assignment or transfer duly executed in blank (which instrument of assignment or transfer shall be in the form provided on such Bond or in such other form as shall be acceptable to the Tender Agent); or

(ii) if the Bonds are held in the Book-Entry System, upon confirmation by the Securities Depository that the Participant delivering the Optional Tender Notice has an ownership interest in the Bond specified in such irrevocable written Optional Tender Notice and upon the transfer on the registration books of the Securities Depository of the beneficial ownership interest in such Bond or portion thereof tendered for purchase to the account of the Tender Agent, or a Participant acting on behalf of the Tender Agent, at or prior to 10:00 a.m. (prevailing Eastern time) on the date specified in such Optional Tender Notice.

Notwithstanding anything contained in the foregoing to the contrary, any Untendered Bond shall nevertheless be deemed to have been tendered by the Holder thereof on the Optional Tender Date.

(g) On each Optional Tender Date the Tender Agent shall purchase, or cause to be purchased at the Purchase Price, all Bonds as to which an Optional Tender Notice has been received. Funds for payment of the Purchase Price of such Bonds shall be drawn by the Trustee from the Bond Purchase Fund as provided in the Indenture.

(h) Any Untendered Bonds shall be deemed to have been tendered for purchase and purchased from the Holder thereof on such Optional Tender Date, and the Holder of any Untendered Bond shall not be entitled to receive interest on such Untendered Bond for any period on and after the Optional Tender Date. The Tender Agent shall issue a new Bond or Bonds in the same aggregate principal amount for any Untendered Bonds which are not tendered for purchase on any Optional Tender Date and, upon receipt by the Tender Agent of any such Untendered Bonds from the Holders thereof, shall pay, or cause to be paid, the Purchase Price of such Untendered Bonds to the Holders thereof and cancel such Untendered Bonds.

(i) Anything in the Indenture to the contrary notwithstanding, no optional tender shall be permitted for any Bonds which are Pledged Bonds.

Mandatory Tender. (a) The Bonds are subject to mandatory tender for purchase on each Mandatory Purchase Date.

(b) The Trustee shall give notice (the “Mandatory Purchase Notice”) of a mandatory tender at least fifteen (15) days prior to the Mandatory Purchase Date in the case of a mandatory tender occurring as a result of a Conversion Date, a Letter of Credit Termination Date, the delivery of an Alternate Letter of Credit or a Confirming Letter of Credit Termination Date, and before 5:00 p.m. on the date on which the Bank fails to honor a draw on the Letter of Credit when a Confirming Letter of Credit is in effect in the case of a mandatory tender occurring as a result of the Bank failing to honor such draw (i) by telephone, promptly confirmed in writing, to the Remarketing Agent and the Bank, and (ii) by first class mail, postage prepaid, to the Holders of the Bonds, which Mandatory Purchase Notice to such Holders shall be in substantially the form attached to the Indenture as Exhibit “A.” The Holders of the Bonds shall be required to tender all Bonds (including, if the Bonds are in certificated form, appropriate instruments of transfer duly executed in blank) to the Tender Agent at its Principal Office before 10:00 A.M. prevailing Eastern Time on the Mandatory Purchase Date for purchase on the Mandatory Purchase Date at the Purchase Price therefor.

(c) Failure to mail the Mandatory Purchase Notice to Holders as described in paragraph (b) or any defect therein, or any failure by the Securities Depository or any Participants to provide such Mandatory Purchase Notice to any Beneficial Owner of the Bonds, shall not affect the validity of any interest rate on the Bonds or extend the period for mandatory tender of any of the Bonds, and the Trustee shall not be liable to any Bondholder or Beneficial Owner by reason of any such failure or defect.

(d) Any Untendered Bonds shall be deemed by the Tender Agent to have been purchased on the Mandatory Purchase Date. Such Untendered Bonds shall cease to constitute or represent a right to payment of principal or interest thereon and shall constitute and represent only the right to the payment of Purchase Price payable on or after the Mandatory Purchase Date. The foregoing shall not limit the entitlement of any Holder of record on the Record Date immediately preceding the Conversion Date or any Mandatory Purchase Date to receipt of interest due on such Conversion Date or Mandatory Purchase Date.

Payment of Purchase Price; Delivery of Purchased Bonds. (a) On each Optional Tender Date and Mandatory Purchase Date, there shall be purchased (but solely from funds received by the Trustee in accordance with the terms of the Indenture) the Bond or Bonds (or portions thereof in Authorized Denominations) tendered (or deemed to have been tendered) to the Tender Agent for purchase in accordance with the Indenture at the applicable Purchase Price. Funds for the payment of such Purchase Price shall be paid by the Tender Agent with funds drawn by the Trustee solely from moneys in the Bond Purchase Fund derived from the sources and in the order of priority set forth in the Indenture. Bonds (or portions thereof in Authorized Denominations) purchased as provided in this paragraph shall be delivered as provided in paragraph (b) hereof.

(b) Bonds purchased with moneys described in paragraph (a) hereof shall be delivered as follows:

(i) Bonds purchased with moneys drawn by the Trustee under the Letter of Credit or the Confirming Letter of Credit shall be held by the Trustee as Pledged Bonds or cancelled by the Trustee at the written direction of the Bank pursuant to the Reimbursement Agreement;

(ii) Bonds purchased with the proceeds of the remarketing of such Bonds shall be registered by the Tender Agent in accordance with instructions received from the Remarketing Agent and delivered to, or upon the direction of, the Remarketing Agent; and

(iii) Bonds purchased with moneys other than as described in clause (i) or (ii) of this paragraph shall, at the direction of the Company, be (A) delivered as instructed by the Company or (B) delivered to the Trustee for cancellation; provided, however, that any Bonds so purchased after the selection thereof by the Trustee for redemption shall be delivered to the Trustee for cancellation.

(c) Upon the release of any Pledged Bonds, such Bonds remarketed pursuant to the provisions of the Indenture shall be delivered to or upon the order of the purchasers thereof; provided, however, the Pledged Bonds

shall not be released pursuant to the Indenture until the Trustee has received written notification from the Bank that the Letter of Credit has been reinstated.

(d) Bonds delivered as provided herein shall be registered in the manner directed by the recipient thereof.

(e) Notwithstanding anything herein to the contrary, so long as the Bonds are held under the Book-Entry System, Bonds to be delivered as set forth above shall be effected pursuant to the rules and procedures of the Securities Depository.

Redemption of the Bonds

Optional Redemption. On or prior to the Conversion Date, the Bonds are subject to redemption by the Issuer, at the option of the Company, but subject to the receipt by the Trustee of the written consent of the Bank, at any time upon the giving of notice of redemption, in whole or in part (if in part, in Authorized Denominations), at the redemption price of 100% of the principal amount thereof plus accrued interest to the redemption date.

Mandatory Redemption. The Bonds shall be called for redemption in the event insurance or condemnation proceeds are deposited in the Bond Fund pursuant to Article VII of the Loan Agreement. If called for redemption, the Bonds shall be subject to redemption to the extent of such insurance or condemnation proceeds deposited in the Bond Fund at any time upon the giving of the required notice of redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date.

Partial Redemption of Bonds. If less than all the outstanding Bonds shall be called for redemption, the Company shall select the particular maturities of Bonds to be redeemed and, if less than the entire amount of any maturity is to be redeemed, the Bonds within such maturity to be redeemed shall be selected as follows: (i) if the Bonds are held in certificate form, by the Trustee by lot in such manner as it shall in its discretion determine, or (ii) if the Bonds are held in the Book-Entry System, by the Securities Depository in accordance with its rules and procedures; provided that, in either case, any such Bonds selected for redemption shall be in Authorized Denominations. Notwithstanding the foregoing, at the written direction of the Bank, any Bonds held by the Bank as Pledged Bonds pursuant to the Reimbursement Agreement shall be selected by the Trustee for redemption before any other Bonds are selected for redemption. If there shall be called for redemption less than the principal amount of a certificated Bond, the Issuer shall execute and the Trustee shall authenticate and deliver, upon surrender of such Bond, without charge to the owner thereof, in exchange for the unredeemed principal amount of such Bond, at the option of such owner, a new Bond or Bonds in any Authorized Denomination. If the Bonds are held in the Book-Entry System, upon a redemption of less than the entire amount of the Bonds outstanding, the Trustee shall (i) either exchange the Bond or Bonds held by the Securities Depository for a new Bond or Bonds in the appropriate principal amount, if such Bond is presented to the Trustee by the Securities Depository, or (ii) obtain from the Securities Depository a written confirmation of the reduction in the principal amount of the Bonds held by such Securities Depository.

Notice of Redemption. Notice of the call for redemption of the Bonds for any reason shall be given by the Trustee, upon receipt by the Trustee of notice from the Issuer as directed by the Company at least 45 days prior to the redemption date that the Bonds shall be redeemed as provided in the Indenture, by first class mail at least 30 days but not more than 45 days before the redemption date to each holder of the Bonds (or, if the Bonds are held in the Book-Entry System, to the Securities Depository in accordance with its rules and procedures) to be redeemed in whole or in part at his last address appearing on the Bond register, but no defect in or failure to give such notice of redemption shall affect the validity of the redemption. All Bonds so called for redemption will cease to bear interest on the specified date set for redemption, provided funds for their redemption have been duly deposited with the Trustee pursuant to the Indenture and, thereafter, the holders of such Bonds called for redemption shall have no rights in respect thereof except to receive payment of the redemption price from the Trustee and, in the case of redemption, a new Bond for any portion not redeemed.

Trustee

First Commercial Bank, Birmingham, Alabama, is the Trustee under the Indenture. A successor trustee may be appointed in accordance with the terms of the Indenture. The principal corporate trust office of the Trustee is First Commercial Bank, 800 Shades Creek Parkway, Suite 100, Birmingham, Alabama 35209, Attn: Corporate Trust Department.

Tender Agent

First Commercial Bank, Birmingham, Alabama, has been appointed to act as Tender Agent under the Indenture. A successor tender agent may be appointed pursuant to the terms of the Indenture. The principal office of the Tender Agent at which Bonds to be tendered pursuant to the optional tender and mandatory tender provisions described herein are required to be delivered for payment of the Purchase Price therefor is First Commercial Bank, 800 Shades Creek Parkway, Suite 100, Birmingham, Alabama 35209, Attn: Corporate Trust Department.

Remarketing Agent

Synovus Securities, Inc. is the Remarketing Agent under the Remarketing Agent Agreement and the Indenture. A successor Remarketing Agent may be appointed in accordance with the terms of the Indenture. The principal office of the Remarketing Agent is Synovus Securities, Inc., Synovus Securities, Inc., Protective Center, Building 3, Suite 400, 2801 Highway 280, Birmingham, Alabama 35223-2480, Attention: Mike Cochran.

Book-Entry Only System

DTC will act as securities depository for the Bonds. The 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 Bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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. 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 securities certificates. 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 ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. 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 and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of Bonds ("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 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 Bonds, except in the event that use of the book-entry system for a series of Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC 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 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 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 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the 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 registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity 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 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the 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 Issuer or the 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 securities 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, the Trustee, the Company or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal 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 Issuer or the 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 securities depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

The Issuer or the Company may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Issuer and the Company believe to be reliable, but the Issuer and the Company take no responsibility for the accuracy thereof.

THE LETTER OF CREDIT, CONFIRMING LETTER OF CREDIT AND ALTERNATE LETTER OF CREDIT

The following section of this Official Statement summarizes certain provisions of the Letter of Credit and the Financing Documents, to which, in their entirety, reference is made for the complete provisions thereof.

The Letter of Credit

The Letter of Credit will be an irrevocable obligation of the Bank, which will expire at the close of the Bank's business on August 15, 2015 unless terminated earlier in accordance with its terms, to pay to the Trustee, upon request and in accordance with the terms thereof, an amount sufficient to pay (i) the principal of the Bonds or the portion of the Purchase Price corresponding to the principal of the Bonds and (ii) up to 40 days' accrued interest (at a maximum rate of 10% per annum) on the Bonds or the portion of the Purchase Price corresponding to interest accrued on the Bonds. The form of the Letter of Credit is attached hereto as Appendix C, to which reference is hereby made.

The Company shall give notice to the Trustee at least twenty (20) days prior to the expiration or termination of a Letter of Credit if such Letter of Credit will be extended or renewed.

The Confirming Letter of Credit

In the event the Bank fails to timely honor a draw made by the Trustee under the Letter of Credit or defaults on or repudiates its obligations under the Letter of Credit, then all of the Outstanding Bonds shall be subject to mandatory purchase and the Trustee shall on the same day (i) timely draw moneys under the Confirming Letter of Credit (if any) in accordance with the terms thereof to pay in full (whether by reason of maturity, the occurrence of an Interest Payment Date, redemption, acceleration, mandatory purchase, optional tender or otherwise) the Purchase Price of such Bonds on such Mandatory Purchase Date of the outstanding principal of, premium, if any, and interest on the Bonds, (ii) deliver a Mandatory Tender Notice to the Holders of the Bonds in accordance with the Indenture and (iii) pay the full Purchase Price of such Bonds to the Holders on such Mandatory Purchase Date.

Bonds purchased with moneys drawn under the Confirming Letter of Credit shall be pledged to the Bank as if purchased with moneys drawn under the Letter of Credit. The Company may, with the written consent of the Bank, direct the Trustee to terminate the Confirming Letter of Credit (if any) and deliver a Mandatory Tender Notice as a result of such Confirming Letter of Credit Termination Date to the Holders of the Bonds. The Confirming Letter of Credit shall terminate on or before any Letter of Credit Termination Date.

The original aggregate amount that may be drawn under the Confirming Letter of Credit is the same as the original aggregate amount that may be drawn with respect to the principal and interest under the Letter of Credit issued by the Bank. The Confirming Letter of Credit will terminate upon the earliest of (i) the first business day on which the Confirming Bank is open for business after the date of cancellation or termination of the Letter of Credit; (ii) the payment to the Trustee of the total aggregate amount that may be drawn under the Confirming Letter of Credit, provided that such amount has not been reinstated; or (iii) 5:00 p.m., Atlanta, Georgia time, on August 15, 2010, such date to be automatically extended for successive annual periods unless at least 60 days prior to the then applicable Expiration Date the Confirming Bank notifies the Trustee in writing that the Confirming Bank, in its sole discretion, does not elect to extend the Expiration Date for any such additional period; provided, however, that in no event shall the Expiration Date extend beyond August 15, 2015.

The Confirming Bank will pay draws presented prior to 11:00 a.m., Atlanta, Georgia time, on a Business Day by 3:00 p.m., Atlanta, Georgia time, on the same day. Draws presented after 11:00 a.m., Atlanta, Georgia time will be paid by 3:00 p.m., Atlanta, Georgia time, on the following Business Day.

The Alternate Letter of Credit

The Company may provide for the delivery to the Trustee of an Alternate Letter of Credit. The Company shall furnish written notice to the Trustee, not less than twenty (20) days prior to the Mandatory Purchase Date

resulting from the delivery of an Alternate Letter of Credit, (i) notifying the Trustee that the Company is exercising its option to provide for the delivery of an Alternate Letter of Credit to the Trustee, (ii) setting forth the Mandatory Purchase Date in connection with the delivery of such Alternate Letter of Credit, which Mandatory Purchase Date shall be an Interest Payment Date that is not less than three (3) Business Days prior to the expiration date of the Letter of Credit then in effect with respect to the Bonds, and (iii) instructing the Trustee to furnish notice to the Holders regarding the Mandatory Purchase Date at least fifteen (15) days prior to the Mandatory Purchase Date. Any Alternate Letter of Credit shall be delivered to the Trustee prior to such Mandatory Purchase Date and shall be effective on and after such Mandatory Purchase Date. On or before the date of such delivery of an Alternate Letter of Credit to the Trustee, the Company shall furnish to the Trustee a written opinion of Counsel to the provider of the Alternate Letter of Credit to the effect that the Alternate Letter of Credit is a legal, valid, binding and enforceable obligation of such provider in accordance with its terms.

FINANCING DOCUMENTS

The Indenture

Issuer Assignment of Certain Rights. By the terms of the Indenture, the Issuer will convey, assign and pledge, without recourse, representation or warranty, all of the Issuer's right, title and interest in the Security to the Trustee for the benefit of the Bondholders.

Security. The Bonds and the interest and any premium thereon shall be a limited obligation of the Issuer as provided in the Indenture, and shall be secured by and payable only from the following (collectively referred to as the "Security"):

- (i) all payments received by the Issuer under the Loan Agreement, which payments are to be paid directly by the Company to the Trustee and deposited in the Bond Fund;
- (ii) all moneys in the Bond Fund, including proceeds of the Bonds pending disbursement thereof;
- (iii) all of the Issuer's rights and interest in the Loan Agreement, except the right to make all determinations and approvals and receive all notices accorded to it under the Loan Agreement and to enforce in its name and for its own benefit the provisions of the Loan Agreement with respect to Issuer fees and expenses, and indemnity payments as the interests of the Issuer shall appear; and
- (iv) all of the proceeds of the foregoing, including, without limitation, investments thereof.

Bond Fund. The Indenture establishes a Bond Fund, which will be held by the Trustee. The Indenture provides that the Trustee will deposit in the Bond Fund:

- (i) all money drawn by the Trustee under the Letter of Credit for the purpose of paying the principal amount of the Bonds and the interest due thereon on any Interest Payment Date, which money shall not be commingled with any other money on deposit in the Bond Fund from time to time;
- (ii) all payments under the Loan Agreement, including all proceeds resulting from the enforcement of the Security or its realization as collateral, and any insurance and condemnation proceeds as provided in the Loan Agreement;
- (iii) all Surplus Bond Proceeds (as defined in the Indenture); and
- (iv) all other money received by the Trustee with directions for deposit in the Bond Fund.

The Issuer will authorize and direct the Trustee to withdraw sufficient money from the Bond Fund to pay the Debt Service on the Bonds as the same becomes due and payable, whether at maturity, by call for redemption,

acceleration or otherwise. Funds for such payments shall be derived from the following sources in the order of priority indicated:

- (i) First, moneys drawn by the Trustee under the Letter of Credit; and
- (ii) Second, any other moneys on deposit in the Bond Fund.

Bond Purchase Fund. The Indenture establishes a Bond Purchase Fund, which will be held by the Trustee. Moneys in the Bond Purchase Fund shall be used (i) to pay the Purchase Price of Bonds due on any Optional Tender Date, the Conversion Date or any Mandatory Purchase Date, or (ii) to reimburse the Bank for amounts drawn under the Letter of Credit or the Confirming Letter of Credit, as applicable, as provided below. The Indenture provides that the Trustee will deposit in the Bond Purchase Fund:

- (i) all money drawn by the Trustee under the Letter of Credit or the Confirming Letter of Credit, as applicable, for the purpose of paying the Purchase Price of Bonds due on any Optional Tender Date or any Mandatory Purchase Date, which money shall not be commingled with any other money on deposit in the Bond Purchase Fund from time to time;
- (ii) all payments made under the Loan Agreement with respect to the payment of the Purchase Price of tendered Bonds;
- (iii) the proceeds of any remarketing of tendered Bonds by the Remarketing Agent pursuant to the Indenture;
- (iv) all other money required to be deposited in the Bond Purchase Fund pursuant to the Loan Agreement or the Indenture; and
- (v) all other money received by the Trustee with directions for deposit in the Bond Purchase Fund.

The Trustee is authorized and directed to withdraw sufficient money from the Bond Purchase Fund to pay the Purchase Price of Bonds due on any Optional Tender Date or any Mandatory Purchase Date or to reimburse the Bank for amounts drawn under the Letter of Credit or the Confirming Letter of Credit, as applicable, for such purposes. Funds for such payments shall be derived from the following sources in the order of priority indicated:

- (i) First, money drawn by the Trustee under the Letter of Credit or the Confirming Letter of Credit, as applicable;
- (ii) Second, money received by the Trustee from the remarketing of Bonds by the Remarketing Agent pursuant to the Indenture; and
- (iii) Third, all other money on deposit in the Bond Purchase Fund.

If the Letter of Credit or the Confirming Letter of Credit, as applicable, is then in effect, prior to 2:00 p.m. (prevailing Eastern time) on the Business Day immediately preceding each Optional Tender Date or any Mandatory Purchase Date the Trustee shall, without making any prior claim or demand upon the Company for any payments under the Loan Agreement with respect to the Purchase Price of Bonds, and without taking into account any proceeds anticipated from the remarketing of Bonds by the Remarketing Agent, make a draw under the Letter of Credit, in an amount equal to the Purchase Price of all Bonds to be purchased on such Optional Tender Date or Mandatory Purchase Date. Any money drawn under the Letter of Credit or the Confirming Letter of Credit, as applicable, shall be deposited and held in a separate, segregated account in the Bond Purchase Fund, and shall not be commingled with other money in the Bond Purchase Fund. If money from any source other than the Letter of Credit or the Confirming Letter of Credit, as applicable, is, at the time of such draw, on deposit in the Bond Purchase Fund and available for the payment of such Purchase Price, the Trustee shall nevertheless draw under the Letter of Credit or the Confirming Letter of Credit, as applicable, to make the payment of such Purchase Price, and any money available in the Bond Purchase Fund on such tender date from such other sources (including without limitation,

proceeds of remarketing of Bonds) shall, to the extent of the amount paid by the Bank against such draw, be paid to the Bank. If proceeds from the remarketing of Bonds are deposited in the Bond Purchase Fund after such Optional Tender Date or Mandatory Purchase Date, the Trustee shall pay such proceeds to the Bank.

Investment of Bond Fund and Bond Purchase Fund Moneys. Moneys held in the Bond Fund and Bond Purchase Fund shall be invested and reinvested in Government Obligations; provided, however, that any moneys from a drawing under the Letter of Credit or the Confirming Letter of Credit shall remain uninvested. Any investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund and account which was used to purchase the same. All interest accruing thereon and any profit realized from investments shall be credited to the respective fund or account and any loss resulting from investments shall be similarly charged. At the direction of the Company, the Trustee shall cause to be sold and reduced to cash a sufficient amount of investments whenever the cash balance is or will be insufficient to make a requested or required disbursement from the respective fund or account. The Trustee shall not be accountable for any depreciation in the value of any investment or for any loss resulting from such sale.

Rights of the Bank. As long as the Letter of Credit is in full force and effect and the Bank or the Confirming Bank, as applicable, is honoring the Bank's obligations thereunder, the Bank shall be deemed to be the sole owner of the Bonds for purposes of declaring Events of Default, controlling and waiving all remedies hereunder and consenting to supplements hereto; provided, however, the foregoing shall not be construed as permitting (a) without the consent of the holders of all Bonds then outstanding (i) an extension of the maturity of the principal of, or the mandatory redemption date of, or interest on, any Bond, or (ii) a reduction in the principal amount of, or the premium or the rate of interest on, any Bond, (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds, (iv) the creation of a lien prior to the lien of this Indenture, (v) a reduction in the aggregate principal amount of the Bonds required for consent to any supplemental indenture, or (vi) a modification or change which impairs the ability of a Bondholder to tender Bonds for purchase pursuant to the Indenture or (b) a modification or change in the duties of the Trustee hereunder without the consent of the Trustee. All rights given to the Bank and events of default relating to the Letter of Credit and the Bank shall be effective only during a period during which the principal or Purchase Price of, premium, if any, or interest on the Bonds is secured by the Letter of Credit.

Events of Default. Any of the following events will constitute an "Event of Default" under the Indenture:

- (1) default in the payment of any interest on any Bond when and as the same shall have become due;
- (2) default in the payment of the principal of or any premium on any Bond when and as the same shall become due, whether at the stated maturity or redemption date thereof or by acceleration;
- (3) default in the payment of the Purchase Price (as defined in the Indenture) of any Bond required to be purchased under the Indenture when and as the same shall become due;
- (4) default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer in the Indenture or in the Bonds and the continuance thereof for a period of 30 days after written notice to the Issuer, the Bank and the Company given by the Trustee; provided, however, that if the Issuer shall be unable to observe or perform any such covenant, condition, undertaking or agreement which, if begun and prosecuted with due diligence, can be completed but not within a period of 30 days, then such period shall be increased to such extent as shall be determined by the Trustee with the consent of the Bank to be necessary to enable the Issuer to observe or perform such covenant, condition, undertaking or agreement through the exercise of due diligence;
- (5) the occurrence of an Event of Default as defined in the Loan Agreement;
- (6) the Trustee shall have received a written notice from the Bank of the occurrence and continuance of an Event of Default as defined in the Reimbursement Agreement and directing an acceleration of the Bonds;

(7) the Trustee shall have received, within five calendar days following a drawing under the Letter of Credit to pay interest, or the portion of the Purchase Price corresponding to interest, on the Bonds, a written notice from the Bank that the Letter of Credit will not be reinstated (in respect of interest) to an amount equal to at least 40 days' interest on all Outstanding Bonds; or

(8) the Bank shall wrongfully dishonor any draft or other request for payment under the Letter of Credit presented in strict accordance with its terms, the Letter of Credit shall, for any reason, become unavailable to or unenforceable by the Trustee, or the Bank (i) shall generally not pay its debts as they become due, (ii) shall admit in writing its inability to pay its debts generally, (iii) shall make a general assignment for the benefit of creditors, (iv) shall institute any proceeding or voluntary case (A) seeking to adjudicate it a bankrupt or insolvent or (B) seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors or (C) seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property, (v) shall take any action to authorize any of the actions described above in this paragraph, or (vi) shall have instituted against it any proceeding (A) seeking to adjudicate it a bankrupt or insolvent or (B) seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors or (C) seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property, and, if each such proceeding is being contested by the Bank in good faith, each such proceeding shall remain undismissed or unstayed for a period of 60 days, and the Company shall not have obtained an Alternate Letter of Credit within 60 days after receipt of notice of each such occurrence.

Acceleration. Subject to the Bank's right to control, upon the occurrence of any Event of Default except those described in paragraph (6), (7) or (8) above, the Trustee may and upon (i) the written request of the holders of not less than twenty-five percent in aggregate principal amount of Bonds of each applicable series then outstanding or (ii) the occurrence of an Event of Default described in paragraph (6), (7) or (8) above, the Trustee shall, by notice in writing sent to the Issuer, declare the principal of and any premium on all Bonds then outstanding (if not then due and payable) and the interest accrued thereon to be due and payable immediately, and, upon said declaration, such principal and premium, if any, and interest shall become and be immediately due and payable. Pursuant to such declaration, interest on the Bonds shall accrue to the date of such declaration. Upon any declaration of acceleration under the Indenture, the Trustee shall immediately exercise such rights as it may have under the Loan Agreement to declare all payments thereunder to be immediately due and payable and, to the extent it has not already done so and to the extent necessary, shall immediately draw upon the Letter of Credit as provided in the Indenture. The Trustee shall pay the principal of, premium, if any, and interest on the Bonds to the Holders as soon as is practicable following the receipt of funds from such drawing.

Immediately following any such declaration of acceleration, the Trustee shall mail notice of such declaration by regular first-class mail to each holder of Bonds (or the Securities Depository in the event the Bonds are held in the Book-Entry System) at his last address appearing on the registration books of the Trustee. Any defect in or failure to give such notice of such declaration, or any failure by the Securities Depository to provide, or arrange for the provision of, such notice to Beneficial Owners, shall not affect the validity of such declaration.

At any time that the maturity of the Bonds is being accelerated and the Letter of Credit or Confirming Letter of Credit, as applicable, is being drawn upon to pay the full unpaid principal, accrued interest and premium, if any (if such Letter of Credit provides for payment of such premium), the Bank may, at its option, purchase the Bonds, or cause the Bonds to be purchased by the Company as Pledged Bonds, in lieu of acceleration, for the purchase price equal to the principal of and interest that would otherwise have been due on the Bonds on the date of declaration of acceleration. The Bank shall provide the Issuer and the Trustee with written notice of its exercise of such purchase option on the same date the acceleration would occur. Moneys to purchase the Bonds shall be drawn under the Letter of Credit in accordance with the Indenture, and the Trustee shall pay or cause the Paying Agent to pay the Purchase Price of such Bonds to the holders thereof as soon as is practicable following receipt of funds from such draw.

The “Events of Default” under the Reimbursement Agreement which may result in a Default under the Indenture as set forth in paragraph (6) above include inter alia, (i) failure of the Company to make payments under the Reimbursement Agreement, (ii) failure on the part of the Company to perform or observe certain covenants, (iii) default by the Company with respect to certain debt obligations or (iv) the occurrence of certain events of bankruptcy with respect to the Company.

Other Remedies; Rights of Bondholders. Subject to the Bank’s right to control, upon the happening and continuance of an Event of Default under the Indenture, the Trustee may pursue any available remedy to enforce the performance of or compliance with any other obligation or requirement of the Indenture or the Loan Agreement.

Subject to the Bank’s right to control, upon certain Events of Default as referred to in the preceding paragraph, upon the happening and continuance of an Event of Default, and if requested to do so by the Holders of at least twenty-five percent in aggregate principal amount of Bonds then Outstanding and the provision to the Trustee of the indemnity required by the Indenture, the Trustee shall exercise such of the rights and powers conferred under the Indenture as the Trustee, being advised by counsel, shall deem most effective to enforce and protect the interests of the Bondholders and, except to the extent inconsistent with the interests of the Bondholders and the Bank.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or to the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders under the Indenture or now or hereafter existing.

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 under the Indenture, whether by the Trustee 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.

Right of Bondholders and Bank to Direct Proceedings. Subject to the Bank’s right to control, anything in the Indenture to the contrary notwithstanding, and subject to the rights of the Bank to direct proceedings as provided in the Indenture, the Holders of at least a majority in aggregate principal amount of Bonds then Outstanding shall have the right at any time, by an instrument or instruments in writing executed and delivered to the 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 the Indenture, or any other proceedings thereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture, and provided that the Trustee shall be indemnified to its satisfaction (except for actions required of it under the Indenture). No Bondholder shall individually, or collectively except through the Trustee, have the right to present a draft to the Bank to collect amounts available under the Letter of Credit or the Confirming Letter of Credit, as applicable.

No Bondholder shall have the right to institute any proceeding for the enforcement of the Indenture unless such Bondholder has given the Trustee and the Company written notice of an Event of Default, the holders of a majority in aggregate principal amount of the Bonds then Outstanding shall have requested the Trustee in writing to institute such proceeding, the Trustee shall have been afforded a reasonable opportunity to exercise its powers or to institute such proceeding, and there shall have been offered to the Trustee indemnity and the Trustee shall have thereafter failed or refused to exercise such powers or to institute such proceeding within a reasonable time. Nothing in the Indenture shall affect or impair any right of enforcement conferred on any Bondholder by the Act to enforce (i) the payment of the principal of and premium (if any) and interest on Bonds at and after the maturity thereof, or (ii) the obligation of the Issuer to pay the principal of and premium (if any) and interest on Bonds to such Bondholder at the time, place, from the source and in the manner as provided in the Indenture.

Discontinuance of Default Proceedings. Prior to the drawing on the Letter of Credit pursuant to the Loan Agreement, in case the Trustee shall have proceeded to enforce any right under the Indenture by the appointment of

a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Bank and the Trustee shall be restored to their former positions and rights under the Indenture and all rights, remedies and powers of the Trustee and Bank shall continue as if no such proceedings had been taken subject to the limits of any adverse determination.

Waiver. Subject to the Bank's right to control, to the extent not precluded by the Act and the Loan Agreement, the Trustee may waive any default or Event of Default under the Indenture and its consequences and rescind any declaration of acceleration of maturity of principal, and shall do so upon the written request of the Bank; provided, however, that there shall be no such waiver or rescission unless the Purchase Price and all principal, premium, if any, and interest on the Bonds in arrears together with interest thereon (to the extent permitted by law) at the applicable rate of interest borne by the Bonds and all fees and expenses of the Trustee and the Issuer shall have been paid or provided for. Except for an Event of Default resulting from (a) a notification from the Bank that an Event of Default under the Reimbursement Agreement has occurred and is continuing and directing acceleration of the Bonds or (b) non-reinstatement of the Letter of Credit, both of which cannot be waived, the Trustee may not waive any default or Event of Default hereunder until the amount available to be drawn thereunder in respect of the Purchase Price of the Bonds (including both principal and interest, if any) and principal and interest on the Bonds has been reinstated in full and the Trustee has received the written consent of the Bank to such waiver and acknowledgment of such reinstatement.

Amendments of Indenture. The Issuer and the Trustee, with the consent of the Bank (and if there exists no Event of Default under the Loan Agreement, the Company) but without the consent of or notice to any Bondholders, may enter into an indenture or indentures supplemental to the Indenture and not inconsistent therewith for one or more of the following purposes: (a) to cure any ambiguity or to correct or supplement any provision contained herein or in any supplemental indenture which may be defective or inconsistent with any provision contained therein or in any supplemental indenture, or to make such other provisions in regard to matters or questions arising under the Indenture which shall not adversely affect the interest of the Bondholders or the Bank; (b) to grant to or confer upon the Trustee for the benefit of the Bondholders or the Bank any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee; (c) to grant or pledge to the Trustee for the benefit of Bondholders and the Bank any additional security other than that granted or pledged under the Indenture; (d) to modify, amend or supplement the Indenture or any indenture supplemental thereto in such manner as to permit the qualification thereof under the Trust Indenture Act of 1939 or any similar federal statute then in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States; (e) to appoint a successor Trustee, separate trustees or co-trustees in the manner provided in the Indenture; (f) to provide for a letter of credit or other credit enhancement for the payment of the Bonds to be effective on and after the Conversion Date; (g) to modify, amend or supplement the Indenture to provide that the Bonds will be registered under a Book-Entry System and to facilitate the registration of the Bonds under such a system; or (h) to obtain a rating on the Bonds from a Rating Agency.

Exclusive of supplemental indentures covered by the Indenture and subject to the terms and provisions contained in this paragraph, and not otherwise, the holders of not less than a majority of the aggregate principal amount of the Bonds of each respective series (as applicable) then Outstanding and affected by such indenture or indentures supplemental hereto, with the consent of the Bank, shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and direct the execution by the Trustee of such other indenture or indentures supplemental hereto as shall be consented to by the Issuer, which consent shall not be unreasonably withheld, for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any supplemental indenture; provided, however, that nothing in this paragraph contained shall permit, or be construed as permitting (a) without the consent of the holders of all Bonds then outstanding (i) an extension of the maturity of the principal of, or the mandatory redemption date of, or interest on, any Bond, or (ii) a reduction in the principal amount of, or the premium or the rate of interest on, any Bond, (iii) a preference or priority of any Bond or Bonds over any other Bond or Bonds, (iv) the creation of a lien prior to the lien of the Indenture, (v) a reduction in the aggregate principal amount of the Bonds required for consent to any supplemental indenture, or (vi) a modification or change which impairs the ability of a Bondholder to tender Bonds for purchase pursuant to the Indenture or (b) a modification or change in the duties of the Trustee hereunder without the consent of the Trustee. The giving of notice to and consent of the Bondholders to any such proposed supplemental indenture shall be obtained pursuant to the Indenture.

Anything herein to the contrary notwithstanding, a supplemental indenture, amendment or other document described hereunder which affects any rights or obligations of the Company shall not become effective unless and until the Company shall have consented to the execution of such supplemental indenture, amendment or other document.

Amendments of Loan Agreement. The Issuer may with the consent of the Bank but without the consent of or notice to any of the Bondholders, enter into or permit any amendment of the Loan Agreement acceptable to the Company as may be required (a) for the purpose of curing any ambiguity or formal defect or omission which shall not adversely affect the interest of the Bondholders; (b) to grant or pledge to the Issuer or Trustee, for the benefit of the Bondholders or the Bank, any additional security; or (c) in connection with any other change therein which, in the judgment of the Trustee acting in reliance upon an opinion of counsel, is not to the prejudice of the Trustee and the holders of the Bonds. Except as provided above, the Issuer shall not enter into, and the Trustee shall not consent to, any other modification or amendment of the Loan Agreement, nor shall any such modification or amendment become effective, without the consent of the Bank and the consent of the holders of not less than a majority of the aggregate principal amount of the Bonds at the time Outstanding, such consent to be obtained in accordance with the Indenture. No such amendment may, without the consent of the owners of all the Outstanding Bonds, reduce the amounts or delay the times of payment of payments under the Loan Agreement.

Amendments, Changes and Modifications to the Letter of Credit. Except as otherwise provided in the Loan Agreement or in the Indenture, subsequent to the initial issuance of Bonds and prior to payment of the Bonds in full (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), the Letter of Credit may not be effectively amended, changed or modified without the prior written consent of the Trustee and the Bank; provided, that a Letter of Credit may be extended upon similar terms (except that the amount of the Letter of Credit may be reduced to reflect any corresponding redemption of Bonds) without the written consent of the Trustee. The Trustee may, without the consent of the owners of the Bonds, consent to any amendment of the Letter of Credit as may be required for purposes of curing any ambiguity, formal defect or omission which, in the Trustee's judgment, does not prejudice in any material respect the interests of the Bondholders. Except for such amendments, the Letter of Credit may be amended only with the consent of the Issuer, the Trustee, the Bank and the owners of a majority in aggregate principal amount of Outstanding Bonds, except that no such amendment may be made which would reduce the amounts required to be paid thereunder, extend the time for payment of such amounts or accelerate the expiration date of the Letter of Credit without the written consent of the owners of all Outstanding Bonds. The foregoing shall not limit the Trustee's obligation to send notice to the Bank to reduce amounts available to be drawn under the Letter of Credit under the circumstances set forth therein.

Discharge of Lien and Security Interest. Subject to the next paragraph, upon payment in full of the Bonds, then the lien of the Indenture and the security interests created under the Indenture shall cease, determine and be void, and thereupon the Trustee, upon determining that all conditions precedent to the satisfaction and discharge of the Indenture have been complied with, and upon payment of the Trustee's fees, costs and expenses thereunder, shall cancel and discharge the Indenture and the security interests, execute and deliver to the Issuer and the Company such instruments in writing as shall be required to cancel and discharge the Indenture and the security interests, reconvey to the Issuer and the Company the Security, and assign and deliver to the Issuer and the Company so much of the Security as may be in its possession or subject to its control, except for moneys held in the Bond Fund for the purpose of paying Bonds and except for moneys held in the Bond Purchase Fund for the purpose of paying the Purchase Price of the Bonds which have been purchased by the Trustee; provided, however, such cancellation and discharge of the Indenture shall not terminate the powers and rights granted to the Trustee with respect to the payment, transfer and exchange of the Bonds; and provided, further, that the rights of the Issuer, the Trustee and the Remarketing Agent to indemnify and payment of all reasonable fees and expenses shall survive.

Notwithstanding any other provision to the contrary in the Indenture and unless otherwise agreed to by the Bank, to the extent that moneys are drawn by the Trustee under the Letter of Credit or the Company is otherwise indebted to the Bank under the Reimbursement Agreement and the fees, costs and expenses of the Issuer and the Trustee under the Indenture have been paid, the lien of the Indenture shall not be discharged but the Bank shall be subrogated to such extent to all rights of the Bondholders to enforce the payment of the Bonds from the Security and all other rights of the Bondholders under the Bonds, the Indenture and the Loan Agreement, shall be entitled in its own right upon payment in full of the principal of and interest on the Bonds to exercise all rights of enforcement and

remedies set forth in the Indenture, and the holders of the Bonds will be deemed paid to the extent of moneys drawn by the Trustee under the Letter of Credit. The Trustee further agrees to sign, execute and deliver all documents or instruments and do all things which may be reasonably required by the Bank in order to effect the Bank's subrogation of rights of enforcement and remedies set forth in the Indenture in accordance with the intent of this paragraph.

General Provisions Concerning the Trustee. The Indenture provides that the Trustee shall not be liable thereunder except for its willful misconduct or its gross negligence. The Trustee may consult with counsel, who may or may not be counsel to the Trustee, and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under the Indenture in good faith. The Trustee is not required to expend its own funds or otherwise incur any financial liability in the performance of its duties under the Indenture (other than its duties with respect to draws under the Letter of Credit or the Confirming Letter of Credit, as applicable, and acceleration of Bonds) without reasonable assurance of repayment or indemnity.

Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee, the Bank, the Issuer and the Company and signed by the owners of a two-thirds majority in aggregate principal amount of Bonds then Outstanding. The Trustee and any successor Trustee may resign only upon giving 60 days' prior written notice to the Issuer, the Bank, the Company and to each registered owner of Bonds then Outstanding as shown on the records of the Trustee. Such resignation shall take effect only upon the appointment of a successor Trustee by the Issuer with the written consent of the Company and the Bank. If no successor is appointed within 60 days after the notice of resignation, the resigning party may appoint a successor or petition a court to appoint a successor.

Payments Due on Non-Business Days. In any case where the date of maturity of interest on or premium, if any, or principal of the Bonds or the date fixed for redemption of any Bonds shall not be a Business Day, then payment of such interest, premium or principal need not be made on such date but shall be made on the next succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption, and, in the case of such payment, no interest shall accrue for the period from and after such date.

The Loan Agreement

Term of Agreement; Purchase and Renewal Options. The Loan Agreement shall remain in full force and effect from the date thereof to and including August 1, 2015 or until such time as all of the Bonds and the fees and expenses of the Issuer and the Trustee and all amounts payable to the Bank under the Reimbursement Agreement shall have been fully paid or provision made for such payments, whichever is later; provided, however, that the Loan Agreement may be terminated prior to such date pursuant to the terms thereof.

Loan Payments. The Company covenants and agrees to make payments as follows: on or before any Interest Payment Date for the Bonds or any other date that any payment of interest, premium, if any, or principal is required to be made in respect of the Bonds pursuant to the Indenture, until the principal of, premium, if any, and interest on the Bonds shall have been fully paid or provision for the payment thereof shall have been made in accordance with the Indenture, in immediately available funds, a sum which, together with any other moneys available for such payment in any account of the Bond Fund, will enable the Trustee to pay the amount payable on such date as principal of (whether at maturity or upon redemption or acceleration or otherwise), premium, if any, and interest on the Bonds as provided in the Indenture; provided, however, that the obligation of the Company to make any payment under the Loan Agreement shall be deemed satisfied and discharged to the extent of the corresponding payment made by the Bank to the Trustee under the Letter of Credit.

It is understood and agreed that all payments payable by the Company under the Loan Agreement are assigned by the Issuer to the Trustee for the benefit of the Owners of the Bonds. The Company assents to such assignment. The Issuer directs the Company and the Company agrees to pay to the Trustee at the Principal Office of the Trustee all payments payable by the Company pursuant to the Loan Agreement.

Additional Payments. The Company agrees to pay, or cause to be paid, to the Trustee, for deposit in the Bond Purchase Fund, on or before each Optional Tender Date and on each Mandatory Purchase Date, an amount sufficient, together with any moneys then held by the Trustee in the Bond Purchase Fund and available for such

purpose under the Indenture, to enable the Trustee to pay the Purchase Price of all Bonds to be purchased on such date pursuant to the Indenture at the price specified therein; provided, however, that if the Letter of Credit or Confirming Letter of Credit, as applicable, is outstanding and drawings may be made thereunder for such purpose, payments with respect to the Purchase Price of the Bonds on such date which are required to be made by the Company under the Loan Agreement shall be made on behalf of the Company by the Trustee with funds drawn by the Trustee under the Letter of Credit or Confirming Letter of Credit, as applicable, pursuant to the Indenture, and no additional payments shall be due or paid by the Company under the Loan Agreement with respect to the Purchase Price of such Bonds to the extent that funds are so drawn under the Letter of Credit or Confirming Letter of Credit, as applicable, and applied by the Trustee to payment of the Purchase Price of Bonds purchased on such date. Anything herein to the contrary notwithstanding, if on any Optional Tender Date or Mandatory Purchase Date the amount theretofore paid by or on behalf of the Company under the Loan Agreement together with the amount theretofore drawn under the Letter of Credit is, for any reason, insufficient to pay the Purchase Price of the Bonds being tendered on such date as provided in the Indenture, the Company agreed to immediately pay an amount equal to such deficiency to the Trustee at its corporate trust office in lawful money of the United States of America and such payment shall be made at such times as are necessary so that sufficient funds will be available at such times as are necessary to pay the Purchase Price of the Bonds tendered under the Indenture at the times and in the manner contemplated by the Indenture.

Unconditional Obligation. The Company acknowledges and agrees that the Company's obligation to make payments required under the Loan Agreement and to perform and observe the other agreements therein contained shall be absolute and unconditional and shall not be subject to any abatement, reduction, set-off, defense, counterclaim or recoupment for any reason whatsoever. Except as otherwise expressly provided in the Loan Agreement, the Loan Agreement shall not terminate, nor shall the obligations of the Company be affected, by reason of any defect in or damage to or loss or destruction of all or any part of the Project, the failure of the Issuer to perform or observe any agreement, liability or obligation thereunder or the lawful prohibition of the Company's or any other Person's use of the Project, the interference with such use by any Person, the invalidity or unenforceability or lack of due authorization or other infirmity of the Loan Agreement or any part thereof, lack of right, power or authority of the Issuer to enter into the Loan Agreement, or for any other cause whether similar or dissimilar to the foregoing, any present or future tax or other law to the contrary notwithstanding, it being the intention of the parties hereto that loan repayments and other amounts payable by the Company under the Loan Agreement shall continue to be payable in all events unless the obligation to pay the same shall be terminated pursuant to the express provisions of the Loan Agreement.

In the event the Company shall fail to make or cause to be made any of the payments required to be made under the Loan Agreement, the unpaid amount shall continue to be an obligation of the Company until such amount shall be fully paid, and the Company agrees to pay the same with interest thereon from the date when due until paid at the greater of the rate then borne by the Bonds or the Default Rate (as defined in the Reimbursement Agreement).

Prepayment of Amounts. There is expressly reserved to the Company the right, and the Company is authorized and permitted, at any time it may choose, so long as they are not in default under the Loan Agreement, to prepay all or any part of the amounts payable under the Loan Agreement, and the Issuer agrees that the Trustee may accept such prepayment when the same is tendered by the Company. All prepaid amounts shall be credited on the amounts specified in the Loan Agreement in the chronological order of their due dates, or at the election of the Company shall be used for the redemption or purchase of Bonds in the manner and to the extent provided in the Indenture.

Maintenance and Modification of Project. (a) Throughout the term of the Loan Agreement, the Company shall (i) keep the Project in as reasonably safe condition as the operation thereof will permit, and (ii) keep, or cause to be kept, all improvements forming a part of the Project in good repair and in good operating condition, making from time to time all necessary repairs thereto and renewals and replacements thereof.

(b) So long as no default exists under the Loan Agreement and subject to the provisions of the Loan Agreement, the Company may from time to time, in its sole discretion and at its own expense, make any additions, modifications or improvements to the Project, including installation of additional machinery, equipment and related property, which it may deem desirable for its business purposes; provided that such additions, modifications and improvements do not adversely affect or impair the structural integrity of the Project or change the Project's

character and all such additions, modifications and improvements are located within the boundary lines of the Project. All such machinery, equipment and related property installed by the Company pursuant to this subsection shall remain the sole property of the Company and shall not be subject to the provisions of the Loan Agreement.

Transfer, Assignment and Leasing. Except as otherwise provided in the Bank Documents, the Company may sublease all or a portion of the Project to affiliates of the Company. No subleasing shall relieve the Company from primary liability for any of its obligations, and in the event of any such leasing the Company shall continue to remain primarily liable for the payment of payments and for performance and observance of the other agreements under the Loan Agreement on its part to be performed and observed.

The Company may not assign the Loan Agreement without the prior written consent of the Bank and the Issuer. Any assignee shall assume in writing the obligations of the Company under the Loan Agreement.

Maintenance of Corporate Existence and Qualification. The Company agrees that throughout the term of the Loan Agreement it shall maintain its corporate existence and shall not merge or consolidate with any other corporation and shall not transfer or convey all or substantially all of its property, assets and licenses, except as otherwise provided in the Bank Documents.

The Company warrants (a) that it is and throughout the term of the Loan Agreement it will continue to be qualified to do business in the State, and (b) that if it elects to consolidate with, merge into or transfer all or substantially all of their assets to another corporation or other entity in accordance with this paragraph, and such other corporation or other entity is not organized under the laws of the State, the Company, as a condition of such consolidation, merger or transfer of assets, shall cause such other corporation or other entity to qualify to do business in the State and to remain so qualified continuously during the term of the Loan Agreement.

Covenant as to Tax-Exempt Status. The Issuer and the Company covenants that, notwithstanding any provision of the Loan Agreement or the rights of the Issuer and the Company thereunder, they will not take, or permit to be taken on their behalf, any action that would impair the exclusion of interest on the Bonds from gross income for federal income tax purposes, and that they will take such reasonable action as may be necessary to continue such exclusion, including, without limitation, the preparation and filing of any statements required to be filed by them in order to maintain such exclusion.

Insurance Required. Except as otherwise provided in the Bank Documents, throughout the term of the Loan Agreement, the Company shall keep, or cause to be kept, the Project continuously insured against such risks as are customarily insured against by businesses of like size and type; provided, however, that the Company may self-insure in whole or in part with respect to any and all risks and liabilities affecting or relating to the Project to the extent and in the manner that it is the general practice of the Company to self-insure against such risks.

Events of Default. Any one or more of the following will constitute an “event of default” under the Loan Agreement: (a) failure by the Company to make the payments (including the Purchase Price of Bonds) in the amounts and at the times provided in the Loan Agreement; provided, however, that no Event of Default described in this subparagraph (a) shall be deemed to have occurred solely by reason of such failure to make such payments if and to the extent that payments have nonetheless been made by the Bank to the Trustee pursuant to the Letter of Credit or the Confirming Letter of Credit, as applicable, for deposit in the Bond Fund or the Bond Purchase Fund, as applicable, at such times and in such manner as required by the Indenture; (b) failure by the Company to observe and perform any other covenant, condition or agreement on its part to be observed or performed in the Loan Agreement for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the Company by the Issuer, the Bank or the Trustee; provided, however, that if the Company shall be unable to observe or perform any such covenant, condition, undertaking or agreement which, if begun and prosecuted with due diligence, can be completed but not within a period of thirty (30) days, then such period shall be increased to such extent as shall be determined by the Trustee with the consent of the Bank to be necessary to enable the Company to observe or perform such covenant, condition, undertaking or agreement through the exercise of due diligence; (c) any representation or warranty made by the Company in any of the Operative Documents in connection with the sale and delivery of the Bonds proves to be untrue when made in any material respect; (d) occurrence of an Event of Default under the Indenture; or (e) voluntary or involuntary bankruptcy, insolvency or similar event with respect to the Company.

Remedies Upon Default. If an event of default occurs under the Loan Agreement, and if acceleration of the principal amount of the Bonds has been declared pursuant to the Indenture:

- (a) the Trustee shall declare all payments to be immediately due and payable, whereupon the same shall become immediately due and payable and the Trustee shall thereupon draw upon the Letter of Credit in accordance with its terms and the terms of the Indenture;
- (b) subject to the reasonable security and safety requirements of the Company, the Issuer or the Trustee may have access to and inspect, examine, and make copies of the books and records and any and all accounts, data and income tax and other tax returns of the Company, only insofar as they relate to the Project or the Event of Default and the remedying thereof; and
- (c) to the extent of any insufficiency after drawing under the Letter of Credit, the Trustee may pursue all remedies now or hereafter existing at law or in equity to collect all amounts then due and thereafter to become due under the Loan Agreement or to enforce the performance of any other obligation or agreement of the Company under such document.

Amendments to Indenture and the Loan Agreement. The Issuer shall not amend nor consent to any amendment to the Indenture or the Loan Agreement except as specified in the Indenture.

The Reimbursement Agreement

The Reimbursement Agreement is made by and between the Company and the Bank. The Reimbursement Agreement sets forth the terms of the credit relationship between the Company and the Bank. The Letter of Credit is issued by the Bank at the request of the Company pursuant to the Reimbursement Agreement.

The Reimbursement Agreement contains a variety of representations, warranties, affirmative covenants and negative covenants relating not only to the Letter of Credit and the Project, but to the business and operation of the Company and other matters.

Under the Reimbursement Agreement, the Company has agreed to reimburse to the Bank all amounts that are drawn under the Letter of Credit, together with interest, if any, on such amounts at the rate or rates specified in the Reimbursement Agreement.

Under the Reimbursement Agreement, the Company has agreed to pay to the Bank certain fees and all reasonable charges and expenses of the Bank incurred relative to the issuance, transfer, drawing upon or other actions with respect to the Letter of Credit or under the Reimbursement Agreement.

The “Events of Default” under the Reimbursement Agreement which may result in a Default under the Indenture include *inter alia*, (i) failure of the Company to make payments under the Reimbursement Agreement, (ii) failure on the part of the Company to perform or observe certain covenants, (iii) default by the Company with respect to certain debt obligations or (iv) the occurrence of certain events of bankruptcy with respect to the Company.

TAX EXEMPTION

Federal Tax Matters. The Code establishes certain requirements which must be met concurrently with, and subsequent to, the issuance of the Bonds, in order that the interest on the Bonds be and remain excluded from the gross income of the recipients thereof for federal income tax purposes. At the time of issuance and delivery of the Bonds, the Issuer, the Company and the Trustee will make certain representations, certifications and covenants which are intended to assure compliance with such requirements. In the event of the inaccuracy of such representations and certifications, or the non-compliance with such covenants, interest on the Bonds may be required to be included in the gross income of the recipients thereof, retroactively to the date of issuance of the Bonds under certain circumstances.

On the date of issuance and delivery of the Bonds, Murray Barnes Finister LLP, Atlanta, Georgia, Bond Counsel, will deliver an opinion to the effect that the interest on the Bonds, under existing statutes, regulations and judicial decisions, is excluded from the gross income of the owners of the Bonds for federal income tax purposes, except for interest on any Bond during any period during which it is held by a “substantial user” of the Project or a “related person” within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended, and will not be an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations; provided, however, with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax on corporations. No opinion will be expressed with respect to any other federal tax consequences of the receipt or accrual of interest on the Bonds. The opinion of Bond Counsel will state that it assumes the accuracy of the representations and certifications of the Issuer, the Company and the Trustee, and the continued compliance with the covenants related to the exclusion of interest on the Bonds from gross income.

State Tax Matters. In the opinion of Murray Barnes Finister LLP, Bond Counsel, under existing statutes, interest on the Bonds is exempt from all present state income taxation within the State of Georgia. Interest on the Bonds may or may not be subject to state or local income taxation in jurisdictions other than Georgia under applicable state or local laws. Purchasers of the Bonds should consult their tax advisors as to the taxable status of the Bonds in a particular state or local jurisdiction other than Georgia.

RATING

The Bonds have been rated “AAA/A-1+” by Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc. (“S&P”). Such rating reflects S&P’s assessment of the creditworthiness of the Confirming Bank and its ability to pay draws on the Confirming Letter of Credit. Any further explanation as to the significance of such rating may be obtained only from S&P. The rating by S&P is not a recommendation to buy, sell or hold the Bonds, and such rating may be subject to revision or withdrawal at any time by such rating agency. Any downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

UNDERWRITING

Synovus Securities, Inc. (the “Underwriter”), has agreed to purchase the Bonds pursuant to a Bond Purchase Agreement entered into among the Issuer, the Company and the Underwriter. The Underwriter has agreed to purchase the Bonds for a purchase price equal to \$6,215,000 (par less Underwriter’s discount in the amount of \$5,000). The Bond Purchase Agreement provides that the Underwriter will purchase all of the Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in the Bond Purchase Agreement. The Underwriter intends to offer the Bonds to the public initially at the offering price shown on the cover page hereof, which price may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with other dealers and underwriters in offering the Bonds to the public. The Underwriter may offer and sell the Bonds to certain dealers at prices lower than the public offering.

LEGAL MATTERS

Certain legal matters will be passed upon for the Issuer and the Bank by their counsel, Page, Scrantom, Sprouse, Tucker & Ford, P.C., Columbus, Georgia; and for the Company by its counsel, Murray Barnes Finister LLP, Atlanta, Georgia.

CERTAIN RELATIONSHIPS

Page, Scrantom, Sprouse, Tucker & Ford, P.C., Columbus, Georgia will serve as both counsel for the Issuer and counsel for the Bank. Murray Barnes Finister LLP will serve as both counsel for the Company and Bond Counsel.

VALIDATION

As required by Georgia law, the Issuer has caused proceedings to be instituted in the Superior Court of Columbus County, Georgia to validate the Bonds, and the entry of a final judgment confirming and validating the Bonds and the security therefor is a condition to the issuance and sale of the Bonds. Under Georgia law, the judgment of validation is final and conclusive with respect to the Bonds and the security therefor.

ADDITIONAL INFORMATION

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Issuer, the Company or the Bank and purchasers or owners of any of the Bonds.

The Issuer has consented to the distribution of this Official Statement insofar as it relates to the Issuer and the transactions to which the Issuer is a party. The Issuer, however, has made no independent investigation with respect to the Company, the Project, the Bank, the Bonds and the security therefor, or any other matter pertaining to the foregoing, and is not responsible for any information set forth herein except the information under the heading "THE ISSUER."

CONTINUING DISCLOSURE

The Issuer, the Company and the Bank are exempt under Rule 15c2-12(d) of the Securities and Exchange Act of 1934 and are not required to provide any continuing disclosure from the date of this Official Statement.

CERTIFICATION

The execution, delivery and use of this Official Statement have been authorized by the Issuer and the Company.

DOWNTOWN DEVELOPMENT AUTHORITY OF COLUMBUS, GEORGIA

By: /s/ Fernando Verdree
Chairman

FOUNDATION PROPERTIES, INC.

By: /s/ J. Thomas Helton
Executive Director

APPENDIX A

Columbus Bank and Trust Company

INFORMATION RELATING TO COLUMBUS BANK AND TRUST COMPANY

Columbus Bank and Trust Company (the “Bank”) is a state banking corporation organized and existing under the laws of the State of Georgia. The Bank is a wholly-owned subsidiary of Synovus Financial Corp. (“Synovus”). The principal office of the Bank is located in Columbus, Georgia. The Bank is a commercial bank offering a wide range of banking services to its customers and is subject to examination and regulation by state and federal banking authorities. As of March 31, 2009, the Bank had total assets of approximately \$5,914,198,000, total deposits of approximately \$3,703,718,000 and stockholders’ equity of approximately \$746,532,000.

Synovus is a publicly-held company and is required to file various reports with the Securities and Exchange Commission (the “Commission”). Copies of such reports may be obtained by contacting the Commission at 1-800-SEC-0330 or at <http://www.sec.gov>. In addition, (i) Synovus’ Annual Report to Shareholders and Annual Report on Form 10-K filed with the Commission and (ii) the Bank’s most recent Consolidated Report of Condition and Income for a Bank with Domestic and Foreign Offices filed with the Federal Deposit Insurance Corporation will be provided without charge to each person to whom this Official Statement is delivered, on the written request of any such person to: Columbus Bank and Trust Company, 1148 Broadway, P.O. Box 120, Columbus, Georgia 31902, Attention: Investor Relations. Although the Bank accounts for a substantial portion of the assets and income of Synovus, Synovus has no obligation with respect to the payment of the principal of, premium (if any), or interest on the Bonds, or with respect to the Letter of Credit.

THE LETTER OF CREDIT IS AN OBLIGATION OF THE BANK AND IS NOT AN OBLIGATION OF SYNOVUS. NO AFFILIATE OF SYNOVUS EXCEPT THE BANK IS OBLIGATED TO MAKE PAYMENTS UNDER THE LETTER OF CREDIT.

Neither the Issuer nor its counsel, the Underwriter nor its counsel, nor Bond Counsel have independently verified any financial information furnished by the Bank nor have they made an independent determination of the financial position of the Bank, determined whether the Bank is or will be financially capable of fulfilling its obligations under the Letter of Credit, nor ascertained the correctness, accuracy, or completeness of such information. There can be no assurance that such information is indicative of the current financial position or future financial performance or financial condition of the Bank.

APPENDIX B

Federal Home Loan Bank of Atlanta

CONFIRMING BANK

The Confirming Bank is a federally chartered organization and one of 12 district Federal Home Loan Banks (“FHLBanks”). The FHLBanks, along with the Federal Housing Finance Agency (the “Finance Agency”), successor to the Federal Housing Finance Board effective July 30, 2008 (collectively, the “Regulator”), and the Office of Finance, comprise the FHLBank System (“the System”). The FHLBanks are U.S. government sponsored enterprises organized under the authority of the Federal Home Loan Bank Act of 1932, as amended. Each FHLBank operates as a separate entity within a defined geographic district and has its own management, employees, and board of directors. The Confirming Bank’s defined geographic district includes Alabama, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, and the District of Columbia.

The Confirming Bank is a cooperative owned by member institutions that are required to purchase capital stock in the Confirming Bank as a condition of membership. All federally insured depository institutions, insurance companies and qualified community development financial institutions chartered in the Confirming Bank’s defined geographic district and engaged in residential housing finance are eligible to apply for membership. The Confirming Bank’s stock is owned entirely by current or former members and is not publicly traded. At March 31, 2009, the Confirming Bank had over 1,200 members.

The Regulator, an independent agency in the executive branch of the United States government, supervises and regulates the Confirming Bank to ensure that it carries out its housing finance mission, remains adequately capitalized, is able to raise funds in the capital markets, and operates in a financially safe and sound manner. The Regulator established the Office of Finance, a joint office of the 12 FHLBanks, which facilitates the issuing and servicing of consolidated obligations.

The primary function of the Confirming Bank is to provide a readily available, competitively priced source of funds to member institutions. The Confirming Bank serves the public by providing its member institutions with a source of liquidity, thereby enhancing the availability of residential mortgage and community investment credit.

A primary source of funds for the Confirming Bank is proceeds from the sale to the public of FHLBank debt instruments, known as consolidated obligations, which are the joint and several obligations of all of the FHLBanks. Deposits, other borrowings, and the issuance of capital stock provide additional funds to the Confirming Bank. On September 9, 2008, the Confirming Bank announced that it had entered into a Lending Agreement (the “Agreement”) with the United States Department of the Treasury (the “Treasury”) and that each of the other 11 FHLBanks had also entered into its own Lending Agreement with the Treasury that is identical to the Agreement entered into by the Confirming Bank. As is further discussed in the Confirming Bank’s filings with the SEC, the FHLBanks entered into these Lending Agreements in connection with the Treasury’s establishment of a Government Sponsored Enterprise Credit Facility that is designed to serve as a contingent source of liquidity for the housing government-sponsored enterprises, including the FHLBanks. As of March 31, 2009, the Confirming Bank has not drawn on this available source of liquidity. On September 19, 2008, the Federal Reserve Board announced that to further support market functioning, the Federal Reserve plans to purchase from primary dealers federal agency discount notes, which are short-term debt obligations issued by Fannie Mae, Freddie Mac, and the FHLBanks.

The Confirming Bank accepts deposits from both member and eligible nonmember financial institutions and federal instrumentalities. The Confirming Bank also provides members and nonmembers with correspondent banking services such as safekeeping, wire transfer, and cash management.

At March 31, 2009, net outstanding consolidated obligations totaled \$174.3 billion and financed 92.0 percent of the Confirming Bank’s \$189.4 billion in total assets at March 31, 2009.

As of March 31, 2009, the S&P rating of the long-term obligations of the Confirming Bank was AAA and the short-term obligations of the Confirming Bank was A-1+. As of March 31, 2009 the Moody’s rating of the long-term obligations of the Confirming Bank was Aaa and the short-term obligations of the Confirming Bank was P-1.

No FHLBank other than the Confirming Bank, nor any part of the System other than the Confirming Bank, nor the Regulator is required to make payments under the Confirmation of Letter of Credit. The Confirmation of Letter of Credit is not an obligation of the United States and is not guaranteed by the United States.

The Confirming Bank is required to file quarterly, annual, and other periodic reports with the SEC, which are accessible on the SEC's website at www.sec.gov, by written request to the SEC, or on the Confirming Bank's website at www.fhlbatl.com. Investors are cautioned to read carefully the Confirming Bank's full financial results and risk factors that are described in detail in the Confirming Bank's filings with the SEC.

The Office of Finance issues financial reports for the FHLBanks on a combined basis. Those reports may be obtained from the Office of Finance, Director of Accounting Policy and Financial Reporting, 11921 Freedom Drive, Suite 1000, Reston, Virginia 20190, or at the Office of Finance's website at www.fhlb-of.com

The information contained in this section "CONFIRMING BANK" relates to and has been obtained from the Confirming Bank. It is furnished solely to provide limited introductory information regarding the Confirming Bank and does not purport to be comprehensive. Information regarding the Confirming Bank provided herein is qualified in its entirety by the detailed information appearing in its filings with the SEC.

The Confirming Bank is responsible only for the information contained in this section "CONFIRMING BANK" and did not participate in the preparation of, or in any way verify, the information contained in any other part of this Official Statement. Accordingly, the Confirming Bank does not assume any responsibility for, and does not make any representation or warranty as to the accuracy or completeness of, information contained in any other part of this Official Statement.

THE CONFIRMATION OF LETTER OF CREDIT IS AN UNSECURED OBLIGATION OF THE CONFIRMING BANK. IT IS NOT A SAVINGS ACCOUNT, DEPOSIT OR OTHER OBLIGATION OF THE CONFIRMING BANK. THE CONFIRMATION OF LETTER OF CREDIT IS NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, ANY BANK INSURANCE FUND, OR ANY OTHER GOVERNMENT AGENCY.

APPENDIX C

Form of Letter of Credit

IRREVOCABLE DIRECT-PAY LETTER OF CREDIT

Irrevocable Letter of Credit No. 10119

July 29, 2009

First Commercial Bank,
as trustee under the Indenture
hereinafter described,
800 Shades Creek Parkway
Birmingham, Alabama 35209

Ladies and Gentlemen:

At the request and on the instruction of our customer, Foundation Properties, Inc., a Georgia non-profit corporation (the "Company"), the undersigned issuing bank (the "Bank") hereby establishes for the account of the Company this Irrevocable Direct-Pay Letter of Credit (such letter of credit, as same may be amended, modified, extended or replaced from time to time, the "Letter of Credit") in the amount of SIX MILLION TWO HUNDRED EIGHTY- NINE THOUSAND ONE HUNDRED TWELVE AND NO/100THS (\$6,289,112.00) DOLLARS in your favor as trustee (the "Trustee") under that certain Trust Indenture dated as of July 1, 2009, between the Downtown Development Authority of Columbus, Georgia (the "Authority") and you, as trustee (such Trust Indenture, as same may be modified, amended, extended or supplemented from time to time, the "Indenture"). Pursuant to said Indenture the Downtown Development Authority of Columbus, Georgia Revenue Bonds (Foundation Properties, Inc. One Arsenal Place Project), Series 2009 in the aggregate principal amount of \$6,220,000.00 were issued. This Letter of Credit shall terminate on August 15, 2015, unless extended or terminated earlier in accordance with the terms hereof. No bonds other than the Bonds, and no bank bonds, Issuer Bonds, Pledged Bonds, as defined in the Reimbursement Agreement, or Bonds registered in the name of the Company or any affiliate of the Company, shall be entitled to the benefits of this Letter of Credit. Unless otherwise defined herein, capitalized terms used herein shall have the meanings provided in the Indenture.

This Letter of Credit is issued pursuant to that certain Reimbursement Agreement dated as of July 1, 2009, between the Company and Bank, and as the same may be subsequently amended, extended or restated from time to time (sometimes herein referred to as the "Reimbursement Agreement"), and is the "Letter of Credit" referred to therein.

The undersigned hereby irrevocably authorizes you to draw on us, in accordance with the terms and conditions hereinafter set forth, one or more sight drafts (individually, a "Draft") accompanied by your certificate as hereinafter provided for payment of amounts not to exceed, in the aggregate \$6,289,112.00, as reduced or reinstated from time to time in accordance with the provisions hereof (such amount as reduced or reinstated from time to time, the "Stated Amount"), of which Stated Amount an amount not exceeding \$6,220,000.00 (the "Principal Portion") may be drawn upon with respect to payment of the unpaid principal amount, or a portion of the purchase price corresponding to the principal amount of the Bonds and an amount not exceeding \$69,112.00 (the "Interest Portion") may be drawn upon with respect to payment of up to 40 days accrued interest (computed at the rate of 10% per annum based upon a 360-day year for the actual number of days elapsed), or a portion of the purchase price corresponding to accrued interest, on the Bonds on or prior to their stated maturity date (the amount of such drawing with respect to accrued interest to be expressly further limited to an amount computed by you at the actual rate of interest from time to time applicable to the Bonds during the period for which such drawing is to be made). All drawings under this Letter of Credit will be paid with our own funds.

You may only make a drawing hereunder to pay the amount of principal and/or interest due on the Bonds and/or the purchase price of the Bonds.

Drawings in respect of payments hereunder honored by us shall not, in the aggregate, exceed the Stated Amount, as the Stated Amount may have been reinstated by the Bank. Each drawing honored by the Bank hereunder shall pro tanto reduce the Stated Amount, subject to reinstatement as provided herein.

On the day of the honoring of a drawing for interest hereunder made pursuant to Exhibit "A" attached hereto and made a part hereof, our obligation with respect to the Interest Portion will be automatically and immediately reinstated following the honoring of such drawing by the full amount of such drawing, provided, however, that such Interest Portion shall not be reinstated to an amount in excess of the Maximum Interest Coverage (as hereinafter defined), as certified in the most recent notice received by us from you with respect to the Maximum Interest Coverage. Following the honoring of a drawing for principal hereunder pursuant to Exhibit "A" attached hereto which is made a part hereof, the Principal Portion related to such draw will not be reinstated.

Following the honoring of a drawing hereunder pursuant to Exhibit "B" attached hereto which is made a part hereof, our obligation with respect to the Principal Portion and Interest Portion will be reinstated, only after the undersigned has notified you in writing or by facsimile transmittal that the undersigned has received a payment in cash in reimbursement of such drawing plus accrued interest thereon as provided in the Reimbursement Agreement; such reinstatement shall be an amount equal to the amount of the cash payment received by the Bank in reimbursement of such drawing (the Principal Portion being reinstated in an amount equal to the amount of such cash payment applied by Bank to reimburse Bank for the principal portion of

such drawing and the Interest Portion being reinstated by the amount of such cash payment applied by Bank to reimburse Bank for the Interest Portion of such drawing; provided, however, the Interest portion will not be reinstated in an amount in excess of the Maximum Interest Coverage, as hereinafter defined); provided that no reinstatement shall occur pursuant to this sentence if the undersigned has previously notified you in writing that an Event of Default (as defined in the Reimbursement Agreement) has occurred and is continuing. Subject to the provisions of the preceding sentence, the undersigned shall notify you promptly in writing or by facsimile transmittal of our receipt of payment in cash in reimbursement of a drawing for principal under Exhibit "B" hereof.

Drawings with respect to principal due upon maturity, prepayment, redemption or acceleration of the Bonds shall reduce the Principal Portion by a like amount, without reinstatement upon reimbursement of such drawings.

At any time after the Principal Portion of the Bonds outstanding is reduced as a result of payment of principal of the Bonds, the Interest Portion of the Stated Amount shall be reduced automatically upon delivery to us of written notice from you certifying the maximum amount of interest that would be payable on the Bonds then outstanding on the remaining Principal Portion of the Stated Amount for a period of 40 days at the rate of ten (10%) percent per annum, computed on the basis of a 360-day year for the actual number of days (sometimes called the "Maximum Interest Coverage").

Funds under this Letter of Credit are available to you against your Draft(s) drawn on us strictly in the form of Exhibit "C" attached hereto and made a part hereof, and accompanied by your written certificate in the form of either Exhibit "A" or Exhibit "B" hereof, appropriately completed. Such Draft(s) and certificate(s) shall be dated the date of presentation and shall be presented at the Bank's office located at 1148 Broadway, Columbus, Georgia 31901, Attention: Letter of Credit Department, with a copy to Columbus Bank and Trust Company, Attention: Commercial Real Estate Lending (Brenda Williams), 1148 Broadway, Columbus, Georgia 31901.

The Bank hereby agrees that all Drafts drawn under and strictly in compliance with the terms of this Letter of Credit will be duly honored by the Bank upon delivery of the certificate(s) as specified above and if presented on a Business Day at the Bank's aforesaid office (with the required copy to Columbus Bank and Trust Company) on or before the expiration or Termination Date hereof. If a Draft and the accompanying certificate are presented by you hereunder at or prior to 2:00 P.M., prevailing Eastern Time, on a Business Day, and provided that such Draft and the certificate presented in connection therewith conform to the terms and conditions hereof, payment from funds of the Bank shall be made of the amount specified (or such lesser amount as may be available hereunder), in immediately available funds, by 10:00 A.M. prevailing Eastern Time on the succeeding Business Day. If a Draft and the accompanying certificate are presented by you hereunder after 2:00 P.M., prevailing Eastern Time, on a

Business Day, and provided that such Draft and the certificate presented in connection therewith conform to the terms and conditions hereof, payment from funds of the Bank shall be made of the amount specified (or such lesser amount as may be available hereunder), in immediately available funds, by 5:00 P.M. prevailing Eastern Time on the succeeding Business Day. A Draft (and accompanying certificates) will not be considered presented under this Letter of Credit until you receive written, executed confirmation from the undersigned confirming receipt of such Draft and certificates. If a Draft or accompanying certificate presented by you to the Bank does not conform to the requirements of this Letter of Credit, the Bank shall promptly notify you of the failure of such purported drawing to conform to the requirements of this Letter of Credit. In such case, the Bank shall, at its election, return the Draft and accompanying certificate to you or notify you that the Bank is holding such documents at your disposal.

If the undersigned does not honor a properly presented Draft as and when required above and provided the time for honoring such properly presented draft has elapsed and you have complied with all conditions under the Indenture for submitting a draw under the Confirming Letter of Credit, then, and only then, can you present a draw under the Confirming Letter of Credit. Payment under this Letter of Credit to you shall be made by wire transfer (or other transfer) of federal funds to an account in which you have advised us is a trust account maintained by you for the benefit of the holders of the Bonds. You have advised us that all funds transferred to you pursuant to a drawing under this Letter of Credit are to be held for the benefit of, and in trust for, the holders of the Bonds in respect of which such drawing was made and are to be applied solely in respect of such Bonds as provided in the Indenture. As used in this Letter of Credit, "Business Day" means any day other than (i) a Saturday, a Sunday, or (ii) a day on which banking institutions in Columbus, Georgia, the city in which the principal office of the Trustee is located or the city in which the principal office of the Remarketing Agent is located, are closed as authorized or obligated by law or administrative order.

Only you can make drawings under this Letter of Credit. Upon payment of the amount specified in a Draft drawn hereunder, the Bank shall be fully discharged of its obligation under this Letter of Credit to the extent of the amount drawn under such Draft and the Bank shall not thereafter be obligated to make any further payments under this Letter of Credit to the extent of the amount drawn under such Draft to you or any other person who may have made or makes a demand for payment of the principal or purchase price of or interest on any Bond.

With respect to interest accrued and payable on the Bonds, this Letter of Credit applies only to such interest accruing on the Bonds on or prior to the stated maturity of the Bonds and does not apply to any interest that may accrue thereon after maturity.

This Letter of Credit will terminate upon the earliest of (a) the honor by us of the final drawing available to be made under the Letter of Credit, (b) receipt by us of a certificate from the Trustee stating that the Bonds have been fully paid, or provisions for such payment have been made, in accordance with the terms of the Indenture, or that the conditions precedent to the

acceptance of a Substitute Letter of Credit have been satisfied, (c) 15 days after the date of receipt by the Trustee of written notice from us that an event of default has occurred under the Reimbursement Agreement and directing acceleration of the Bonds, (d) the date on which the principal amount of and interest on the Bonds shall have been paid in full, (e) 15 days after a Conversion Date (as defined in the Indenture), (f) the date on which we honor the draft drawn under the Letter of Credit pursuant to the Indenture following the occurrence of an event of default and acceleration under the Indenture, (g) the date on which the Letter of Credit is surrendered to Bank for cancellation in accordance with its terms, or (h) the close of business on August 15, 2015, unless extended in the sole discretion of Bank. The date this Letter of Credit terminates is referred to herein as the "Termination Date".

Except as otherwise provided herein, this Letter of Credit is subject to and shall be governed by International Standby Practices 1998 (ISP98) of the Institute of International Banking Law and Practice, Inc., ICC Publication No. 590 and, to the extent not covered thereby, is governed by the laws of the State of Georgia. Communications with respect to this Letter of Credit shall be in writing and shall be addressed to Columbus Bank and Trust Company, 1148 Broadway, Columbus, Georgia 31901 (or, if by U.S. Mail: P. O. Box 120, Columbus, Georgia 31902), Attention: Letter of Credit Department, with a copy to Columbus Bank and Trust Company, 1148 Broadway, Columbus, Georgia 31901 (or, if by U.S. Mail: P. O. Box 120, Columbus, Georgia 31902), Attention: Commercial Real Estate Lending (Brenda Williams), specifically referring thereon to "Columbus Bank and Trust Company Irrevocable Direct-Pay Letter of Credit No. 10119."

The Trustee may transfer its rights under this Letter of Credit in their entirety (but not in part) to any transferee who has succeeded it as trustee under the Indenture, and such transferred rights may be successively transferred. Transfer of the rights under this Letter of Credit to any such transferee shall be effective upon the presentation to the Bank of this Letter of Credit accompanied by a transfer letter in the form attached hereto as Exhibit "D" and made a part hereof, and payment by you or the Company to the undersigned of all administrative and out-of-pocket expenses and costs (including, without limitation, reasonable attorney fees and out-of-pocket expenses of our counsel) incurred by Bank in connection with such transfer and payment by the Company of the transfer fee required under the Reimbursement Agreement.

This Letter of Credit sets forth in full the Bank's undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein (including, without limitation, the Bonds), except only the certificate(s) and the Draft(s) referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except for such certificate(s) and such Draft(s).

Very truly yours,

COLUMBUS BANK AND TRUST COMPANY, a
bank organized under the laws of the State of
Georgia

By: _____
Its: _____

Attest: _____
Its: _____

(CORPORATE SEAL)

EXHIBIT A

CERTIFICATE FOR PAYMENT

Columbus Bank and Trust Company
Attn: Letter of Credit Department
1148 Broadway
Columbus, Georgia 31901

Re: Downtown Development Authority of Columbus, Georgia Revenue Bonds
(Foundation Properties, Inc. One Arsenal Place Project), Series 2009

Ladies and Gentlemen:

The undersigned, a duly authorized officer of the undersigned (the "Trustee") hereby certifies as follows to Columbus Bank and Trust Company (the "Bank") with reference to the Bank's Irrevocable Direct-Pay Letter of Credit No. 10119 (the "Letter of Credit") (any capitalized terms not otherwise defined herein shall have the meanings set forth in the Letter of Credit):

1. The Trustee is the Trustee under the Indenture for the benefit of the holders of the Bonds.

2. The Trustee is making a drawing under the Letter of Credit with respect to the payment of \$_____ principal and/or \$_____ interest due on the Bonds (other than (a) Pledged Bonds, (b) Issuer Bonds and (c) Bonds registered in the name of the Company or any affiliate of the Company) by reason of scheduled maturity, sinking fund, interest payment, redemption, purchase-in-lieu of acceleration, acceleration or otherwise as provided in the Indenture, due on _____.

3. The Draft attached hereto is in the amount of \$_____ which shall be applied to the payments specified above.

4. Payment of the amount of the Draft attached hereto should be made by wire transfer (or other transfer) of federal funds to account #_____ at _____, which is a trust account maintained by us for the benefit of, and in trust for, the holders of the Bonds.

5. The amount of the Draft accompanying this certificate was computed in accordance with the terms and conditions of the Bonds and the Indenture.

BY: _____, as Trustee
Its: duly authorized _____

EXHIBIT B
CERTIFICATE FOR LIQUIDITY DRAW

_____, _____

Columbus Bank and Trust Company
Attn: Letter of Credit Department
1148 Broadway
Columbus, Georgia 31901

Re: Downtown Development Authority of Columbus, Georgia Revenue Bonds
(Foundation Properties, Inc. One Arsenal Place Project), Series 2009

Ladies and Gentlemen:

The undersigned, a duly authorized officer of the undersigned (the "Trustee") hereby certifies as follows to Columbus Bank and Trust Company (the "Bank") with reference to the Bank's Irrevocable Letter of Credit No.10119 (the "Letter of Credit") (any capitalized terms not otherwise defined herein shall have the meanings set forth in the Letter of Credit):

1. The Trustee is the Trustee under the Indenture for the benefit of the holders of the Bonds;

2. The Trustee is making a drawing under the Letter of Credit with respect to the payment of the purchase price of Bonds which have been tendered (or deemed tendered) for purchase by the holders thereof pursuant to the Indenture.

3. The purchase price of the Bonds which is due and payable and with respect to the payment of which the Trustee does not have amounts available is \$_____, consisting of \$_____ representing principal of such Bonds and \$_____ representing interest accrued on such Bonds.

4. The Draft attached hereto is in the amount of \$_____ which shall be applied to the payment of the purchase price of the Bonds as specified above.

5. Payment of the amount of the Draft attached hereto should be made by wire transfer (or other transfer) of federal funds to account #_____ at _____, which is a trust account maintained by us for the benefit of, and in trust for, the holders of the Bonds.

6. The amount of the Draft accompanying this certificate was computed in accordance with the terms and conditions of the Bonds and the Indenture.

_____, as Trustee

By:

Its: duly authorized _____

EXHIBIT C

DRAFT

At Sight

PAY TO THE ORDER OF _____, as
Trustee, _____ DOLLARS

_____, as Trustee

BY: _____
Authorized Signature

TO: Columbus Bank and Trust Company
Attn: Letter of Credit Department
1148 Broadway
Columbus, Georgia 31901

Drawn under Columbus Bank and Trust Company Irrevocable Direct-Pay Letter of Credit No.
10119.

EXHIBIT D

TRANSFER LETTER

Columbus Bank and Trust Company
Attn: Letter of Credit Department
1148 Broadway
Columbus, Georgia 31901

Re: Downtown Development Authority of Columbus, Georgia Revenue Bonds
(Foundation Properties, Inc. One Arsenal Place Project), Series 2009; Columbus
Bank and Trust Company Irrevocable Letter of Credit No. 10119

Ladies and Gentlemen:

For value received, the undersigned beneficiary hereby irrevocably transfers to _____ all rights of the undersigned beneficiary to draw under the above Letter of Credit in its entirety. Said transferee has succeeded the undersigned as Trustee under the Indenture as defined in the Letter of Credit. By this transfer, all rights of the undersigned beneficiary in such Letter of Credit are transferred to the transferee and the transferee shall have the sole rights as beneficiary thereof. Amendments, if any, to the Letter of Credit are to be advised to the transferee without necessity of any consent of or notice to the undersigned beneficiary.

The Letter of Credit is returned herewith, and the undersigned asks you to endorse the transfer on the reverse thereof, and forward it directly to the transferee with your customary notice of transfer.

Very truly yours,

Signature of Beneficiary

Acknowledged and accepted this
____ day of _____, ____.

Signature of Transferee

APPENDIX D

Proposed Opinion of Bond Counsel

MURRAY BARNES FINISTER LLP

ONE CAPITAL CITY PLAZA • SUITE 1140 • 3350 PEACHTREE ROAD • ATLANTA, GEORGIA 30326

July 29, 2009

Development Authority of Columbus, Georgia
Columbus, Georgia

Synovus Securities, Inc.
Birmingham, Alabama

First Commercial Bank, as Trustee
Birmingham, Alabama

Re: \$6,220,000 Development Authority of Columbus, Georgia Revenue Bonds
(Foundation Properties, Inc. One Arsenal Place Project), Series 2009

To the Addressees:

We have acted as Bond Counsel in connection with the issuance by the Development Authority of Columbus, Georgia (the "Issuer") of \$6,220,000 in aggregate principal amount of its Revenue Bonds (Foundation Properties, Inc. One Arsenal Place Project), Series 2009 (the "Bonds"). We have examined the law and such certified proceedings and other papers as we have deemed necessary to render this opinion, including a copy of the validation proceeding concluded in the Superior Court of Muscogee County, Georgia, with respect to the Bonds. In all such examinations, we have assumed the genuineness of signatures of original documents and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies, and as to certificates of public officials, we have assumed the same to have been properly given and to be accurate.

The Bonds are being issued pursuant to the Constitution and laws of the State of Georgia, a resolution of the Issuer adopted on July 2, 2009, and a Trust Indenture, dated as of July 1, 2009 (the "Indenture"), between the Issuer and First Commercial Bank, as trustee (the "Trustee"). The Issuer will enter into a Loan Agreement, dated as of July 1, 2009 (the "Loan Agreement") with Foundation Properties, Inc. (the "Company") pursuant to which the Issuer will loan the proceeds of the Bonds to the Company to refinance the Issuer's Floating Rate Seven-Day Demand Industrial Development Revenue Bonds 901 Limited Partnership in the original aggregate principal amount of \$7,900,000 (the "Prior Bonds"), the proceeds of which were used to finance the rehabilitation and equipping of certain property commonly known as "One Arsenal Place" located in Columbus, Georgia and more particularly described in Exhibit "A" to the Loan Agreement (the "Project"). Under the Loan Agreement, the Company has agreed to pay to the Issuer amounts sufficient to provide for the payment of the principal, redemption premium (if any) and interest on the Bonds and the purchase price of Bonds required to be purchased under the Indenture.

Under the Indenture, the Issuer has assigned to the Trustee and pledged to the payment of the Bonds (a) all payments under the Loan Agreement, (b) all moneys held in the funds and accounts created under the Indenture and (c) all rights, title and interest of the Issuer in the Loan Agreement, except indemnification rights and the right to receive payment of certain fees and expenses (collectively, the "Security"). The Bonds are subject to registration of transfer and exchange, to optional and mandatory redemption and to optional and mandatory tender for purchase at the times, in the amounts and on the terms specified in the Indenture.

As additional security for the Bonds, the Company has caused to be delivered to the Trustee an irrevocable direct-pay letter of credit (the "Letter of Credit") issued by Columbus Bank and Trust Company (the "Bank") providing for payment to the Trustee, upon receipt of drafts and certificates as provided therein, of amounts sufficient to provide for the payment of the principal of the Bonds, or the portion of the purchase price of Bonds required to be purchased under the Indenture attributable to principal, and up to 40 days of interest on the Bonds, or the portion of the purchase price of Bonds required to be purchased under the Indenture attributable to interest. The Letter of Credit has a stated expiration date of August 15, 2015 and may be replaced by another letter of credit under the terms set forth in the Indenture.

In addition, the Federal Home Loan Bank of Atlanta (the "Confirming Bank") is issuing its standby letter of credit in favor of the Trustee in the same face amount as the Letter of Credit (the "Confirming Letter of Credit"). The Confirming Letter of Credit has a stated expiration date of August 15, 2010, and is subject to annual renewal as provided in the Confirming Letter of Credit.

As to questions of fact material to our opinion, we have relied upon (a) representations of the Issuer and the Company, (b) certified proceedings and other certifications of public officials furnished to us, and (c) certifications by officials of the Company relating to, among other things, the use of the proceeds of the Prior Bonds and the Bonds and the design, function, cost and economic useful life of the Project contained in a certificate of the Company, dated the date of this opinion, without undertaking to verify the same by independent investigation.

We express no opinion herein as to the corporate power or authority of the Bank to execute and deliver the Letter of Credit, or as to the execution, delivery or enforceability against the Bank of the Letter of Credit. As to such matters, we refer you to an opinion of even date of Page, Scrantom, Sprouse, Tucker & Ford, P.C., as counsel to the Bank, dated the date hereof.

We express no opinion herein as to the corporate power or authority of the Confirming Bank to execute and deliver the Confirming Letter of Credit, or as to the execution, delivery or enforceability against the Confirming Bank of the Confirming Letter of Credit. As to such matters, we refer you to an opinion of even date of the Assistant General Counsel of the Federal Home Loan Bank of Atlanta, as counsel to the Confirming Bank, dated the date hereof.

We have also relied upon an opinion of even date of Page, Scrantom, Sprouse, Tucker & Ford, P.C., counsel to the Issuer, with respect to the filing of a UCC Financing Statement covering the granting of a security interest under the Indenture in all rights, title and interest of the Issuer in the Security and the fact that there are no other properly indexed financing statements or liens of record affecting the Security.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of any offering documents or other similar materials relating to the offering or sale of the Bonds, and we express no opinion herein relating thereto. Except as provided herein, we express no opinion as to the compliance by the Issuer, the Company or Synovus Securities, Inc., as underwriter, with any federal or state statute, regulation or ruling with respect to the sale or distribution of the Bonds.

Based upon our examination, we are of the opinion, as of the date hereof and under existing law as follows:

1. The Issuer is a duly created and validly existing public body corporate and politic of the State of Georgia with full power and authority (a) to issue and sell the Bonds, (b) to loan the proceeds of the Bonds to the Company for the purposes described in the Loan Agreement and (c) to execute, deliver and perform its obligations under the Indenture and the Loan Agreement.
2. The Indenture and the Loan Agreement have been duly authorized, executed and delivered by the Issuer and constitute valid and binding obligations of the Issuer enforceable upon the Issuer. The Indenture creates a valid security interest in or lien on the Security.
3. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding limited obligations of the Issuer, secured by the Indenture and payable solely from the Security.
4. The interest payable on the Bonds is excluded from gross income for federal income tax purposes except for interest on any Bond for any period during which such Bond is held by a person who is a "substantial user" of the Project or a "related person" within the meaning of Section 103(b)(13) of the Internal Revenue Code of 1954, as amended. Interest on the Bonds does not constitute an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax on corporations. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. The interest on the Bonds is exempt from all present State of Georgia income taxation.

6. No registration of the Bonds is required under the Securities Act of 1933, as amended and no qualification of the Indenture is required under the Trust Indenture Act of 1939, as amended.

The rights of the owners of the Bonds and the enforceability of the Bonds, the Loan Agreement and the Indenture may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally and principles of equity applicable to the availability of specific performance or other equitable relief.

Very truly yours,

MURRAY BARNES FINISTER LLP

By: _____
A Partner