



United States Department of Agriculture

Rural Development

September 8, 2016

State Office
Community Programs
and Program Support

4405 Bland Road,
Suite 260
Raleigh
NC, 27609
Voice 919.873.2030
Fax 919.873.2076

Matthew Woodard
Montgomery County High School
102 East Spring Street
Troy, NC 27371

Dear Mr. Woodard:

Enclosed is Form RD 1940-1, "Request for Obligation of Funds." This serves as notice that your application for financial assistance from Rural Development has been approved.

We are advised that the funds you requested are reserved in the amount shown in Item 24 at the interest rate indicated in Item 28.

If you have any questions concerning this reservation of funds, please contact the Rural Development Area Specialist at Asheboro, North Carolina.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Garland Burnette".

D. Garland Burnette
Director, Community Programs/Program Support

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

REQUEST FOR OBLIGATION OF FUNDS

| | | | |
|---|--|--|--|
| INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI. | | | |
| 1. CASE NUMBER ST CO BORROWER ID 38-062-*****0321 | | LOAN NUMBER | FISCAL YEAR |
| 2. BORROWER NAME MONTGOMERY COUNTY | | 3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2) | |
| | | 4. STATE NAME North Carolina | |
| | | 5. COUNTY NAME Montgomery | |
| GENERAL BORROWER/LOAN INFORMATION | | | |
| 6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - ASIAN 4 - HISPANIC 5 - A/P/I | 7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER | 8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT | 9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC. |
| 10. SEX CODE 6 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY | 11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED) | 12. VETERAN CODE 1 - YES 2 - NO | 13. CREDIT REPORT 2 1 - YES 2 - NO |
| 14. DIRECT PAYMENT 3 (See FMI) | 15. TYPE OF PAYMENT 2 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY | 16. FEE INSPECTION 2 1 - YES 2 - NO | |
| 17. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000 | | 18. USE OF FUNDS CODE (See FMI) | |
| COMPLETE FOR OBLIGATION OF FUNDS | | | |
| 19. TYPE OF ASSISTANCE 075 (See FMI) | 20. PURPOSE CODE 1 | 21. SOURCE OF FUNDS | 22. TYPE OF ACTION 1 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION |
| 23. TYPE OF SUBMISSION 2 1 - INITIAL 2 - SUBSEQUENT | 24. AMOUNT OF LOAN \$9,900,000.00 | | 25. AMOUNT OF GRANT |
| 26. AMOUNT OF IMMEDIATE ADVANCE | 27. DATE OF APPROVAL MO DAY YR | 28. INTEREST RATE 2.7500 % | 29. REPAYMENT TERMS 40 |
| COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS | | | |
| 30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT | | | |
| COMPLETE FOR EM LOANS ONLY | | COMPLETE FOR CREDIT SALE-ASSUMPTION | |
| 31. DISASTER DESIGNATION NUMBER (See FMI) | 32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN | | |
| FINANCE OFFICE USE ONLY | | COMPLETE FOR FP LOANS ONLY | |
| 33. OBLIGATION DATE MO DA YR | | 34. BEGINNING FARMER/RANCHER (See FMI) | |

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder COPY 1 - Finance Office COPY 2 - Applicant/Lender COPY 3 - State Office

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL
SEE LETTER OF CONDITIONS DATED 08/25/2016

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. _____ YES _____ NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date 8/25, 20 16

James J. Matthey
(Signature of Applicant)

Date _____, 20 _____

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

Barbara Beard-Hidley
(Signature of Approving Official)

Typed or Printed Name: BARBARA BEARD-HIDLEY

Date Approved: 8/31/2016

Title: Active State Director

38. TO THE APPLICANT: As of this date 8/31/2016, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.