

**STATEMENT OF DISCLOSURES ON
GENERAL OBLIGATION BONDS**

The Town Council of the Town of Knightdale, North Carolina (the “Town”) introduced the following bond order (the “*Bond Order*”) of the Town at its May 20, 2026 meeting:

**BOND ORDER AUTHORIZING THE ISSUANCE OF \$55,000,000 GENERAL
OBLIGATION PARKS AND RECREATION BONDS OF THE TOWN OF KNIGHTDALE,
NORTH CAROLINA**

To satisfy the requirements of Section 159-55.1 of the General Statutes of North Carolina with respect to the proposed bonds to be issued under the Bond Order, the following statements of disclosure are made:

(1) An estimate of the total amount of interest that will be paid on the proposed bonds over the expected term of the bonds, if issued, is \$30,861,600. The estimate is based upon the following assumptions:

(i) the bonds will be issued in multiple series in the aggregate principal amount of \$55,000,000, with approximately \$37,000,000 issued in Fiscal Year 2028 and approximately \$18,000,000 issued in Fiscal Year 2030;

(ii) each series of bonds will amortize in 20 equal annual principal installments beginning in the fiscal year after the assumed date of issuance of such series of the bonds;

(iii) interest on each series of the bonds will be paid in semiannual installments over the expected 20 year term of the bonds and will bear interest at an interest rate of 5.344%, which represents the highest interest rate charged for similar debt over the last 20 years as determined by the staff of the North Carolina Local Government Commission. The finance officer of the Town believes this to be a reasonable assumption of the interest rate because the assumption conforms with a “safe harbor” rate that the North Carolina Local Government Commission has determined for purposes of its approval process.

(2) The Town estimates an increase in the property tax rate necessary to service the proposed bonds of \$0.0350 per \$100 of assessed valuation (equivalent to \$35.00 per \$100,000).

The estimate for the increase in property tax rate is based on a number of assumptions, including:

(i) the bonds will amortize as set forth in Section (1) above;

(ii) the Town’s property tax base is assumed to increase by approximately 3.00% annually commencing in Fiscal Year 2027, with the property tax revenue generated by \$0.01 per \$100 of assessed valuation equal to approximately \$507,736 in Fiscal Year 2027 and increasing by approximately 3.00% annually thereafter;

(iii) the Town does not apply any additional or alternative revenue sources towards the repayment of the debt service on the bonds, including, but not limited to, non-property tax revenues, federal and state grants or fund balance; and

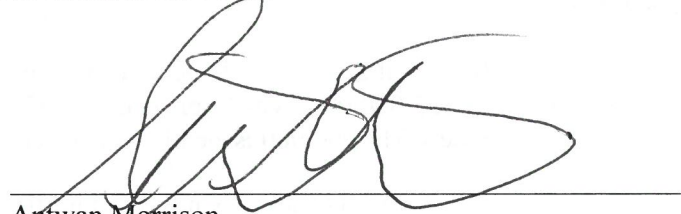
(iv) the Town does not identify other budgetary savings to apply to debt service on the bonds from the amortization of existing debt or other items in the Town's annual budget.

(3) The amount of two-thirds bonds capacity the Town has available for the current fiscal year (Fiscal Year ending June 30, 2026) is \$133,333.

The information contained herein is preliminary and is for general informational purposes only. There is no assurance that the assumptions on which this disclosure is based will occur, and the actual occurrence of certain of the assumptions is beyond the Town's control. Differences between the actual circumstances at the time the bonds are issued from the assumptions included in this disclosure could result in significant differences between the disclosures made herein and the actual occurrences. The validity of the bonds authorized by the Bond Order is not subject to challenge on the grounds that the actual occurrences when issued proved to be different than the disclosures set forth in this statement.

This statement will be filed with the North Carolina Local Government Commission, posted online on the Town's website and maintained by the Town Clerk of the Town.

May 20th, 2026



Antwan Morrison
Interim Finance Officer
Town of Knightdale, North Carolina

STATE OF NORTH CAROLINA)
)
TOWN OF KNIGHTDALE) SS:

I, HEATHER SMITH, Town Clerk of the Town of Knightdale, North Carolina, **HEREBY CERTIFY** THAT the foregoing statement was filed in my office on the 20th day of May, 2026.



Heather Smith

Town Clerk
Town of Knightdale, North Carolina

