

STATEMENT OF DISCLOSURES ON GENERAL OBLIGATION BONDS

The City Council of the City of Charlotte, North Carolina (the “City”) introduced the following bond orders of the City at its June 22, 2026 meeting:

**BOND ORDER AUTHORIZING THE ISSUANCE OF \$280,000,000 GENERAL OBLIGATION
TRANSPORTATION BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA**

**BOND ORDER AUTHORIZING THE ISSUANCE OF \$125,000,000 GENERAL OBLIGATION
HOUSING BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA**

**BOND ORDER AUTHORIZING THE ISSUANCE OF \$20,000,000 GENERAL OBLIGATION
NEIGHBORHOOD IMPROVEMENT BONDS OF THE CITY OF CHARLOTTE, NORTH
CAROLINA**

Section 159-55.1 of the General Statutes of North Carolina requires the City’s finance officer to file with the City Clerk after the bond order is introduced and before the public hearing on the bond order, a statement of disclosures stating the following: (1) an estimate of the total amount of interest that will be paid on the bonds over the expected term of the bonds, if issued, and a summary of the assumptions on which the estimate is based, (2) an estimate of the increase in property tax rate, if any, necessary to service the proposed debt, and (3) the amount of two-thirds bonds capacity the unit has available for the current fiscal year, if any.

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 AUTHORIZING THE ISSUANCE OF \$280,000,000 GENERAL OBLIGATION TRANSPORTATION BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA** the following statements of disclosure are made:

(1) An estimate of the total amount of interest that will be paid on the proposed transportation bonds over the expected term of the bonds, if issued, is \$157,113,600. The assumptions upon which the estimate is based are:

(i) that the transportation bonds will be issued on a tax-exempt basis in the aggregate principal amount of \$280,000,000 as a single series of bonds;

(ii) that the transportation bonds will amortize in 20 equal annual principal installments payable on June 1 of each year beginning in the year after the date of issuance of the transportation bonds;

(iii) that interest on the transportation bonds will be paid in semiannual installments over the expected 20 year term of the transportation bonds and will bear interest at an interest rate of 5.344%.

The interest rate assumption above 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 assumption conforms with a “safe harbor” rate that the North Carolina Local Government Commission has determined for purposes of its approval process and the finance officer of the City believes this to be a reasonable assumption of the interest rate based on the requirement in Section 159-61(d) of the General Statutes of North Carolina to use the highest interest rate charged for similar debt over the maximum bond

issuance term to estimate the cumulative cost over the life of the bonds that will appear on the ballot question for approval of the transportation bonds.

For purposes of this disclosure, the City is assuming that the transportation bonds will be issued as a single series of bonds in the total aggregate principal amount as set forth above; however, the City anticipates that the transportation bonds, if approved, would likely be issued, consistent with past practices, in multiple series together with other authorized, but unissued, general obligation bonds, and in such manner that the City determines is necessary and most efficient over the course of the seven year period that the transportation bonds would be authorized to pay the costs of the projects to be financed with the transportation bonds. In addition, the City may choose to enter into interim construction period financings related to the projects to be financed with the transportation bonds, which would result in additional interest costs. Given the complex nature of the City's bond financing program and the uncertain timing related to funding of the projects to be financed with the transportation bonds, if approved, the City's finance officer has determined that estimating the total amount of interest that will be paid on the proposed transportation bonds based on the assumptions set forth above is a reasonably conservative approach to giving voters information about what that amount is estimated to be.

(2) No increase in the property tax rate is estimated to be needed for the proposed bonds because the existing projected revenues are expected to be sufficient to pay the principal and interest on the proposed bonds.

This estimate that no increase in the property tax rate will be necessary to pay debt service on all of the City's proposed bonds is based on financial modeling that the City maintains related to its existing and proposed general obligation debt service to determine what may be necessary for the City to generate enough revenues that, together with the other revenues that the City estimates will be available, to pay the debt service on all of the City's bonds. The financial model is based on numerous assumptions and is continuously being refined. Among the many assumptions in the financial model are the amortization of the City's current and future bonds, the growth of the City's tax base, property tax and other revenues available to pay debt service and other budgetary trends.

(3) The amount of two-thirds bonds capacity the City has available for the current fiscal year (Fiscal Year ending June 30, 2027) is \$0.00.

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 AUTHORIZING THE ISSUANCE OF \$125,000,000 GENERAL OBLIGATION HOUSING BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA** the following statements of disclosure are made:

(1) An estimate of the total amount of interest that will be paid on the proposed housing bonds over the expected term of the bonds, if issued, is \$73,396,313. The assumptions upon which the estimate is based are:

(i) that the housing bonds will be issued on a taxable basis in the aggregate principal amount of \$125,000,000 as a single series of bonds;

(ii) that the housing bonds will amortize in 20 equal annual principal installments payable on June 1 of each year beginning in the year after the date of issuance of the housing bonds;

(iii) that interest on the housing bonds will be paid in semiannual installments over the expected 20 year term of the housing bonds and will bear interest at an interest rate of 5.5921%.

The interest rate assumption above 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 assumption conforms with a “safe harbor” rate that the North Carolina Local Government Commission has determined for purposes of its approval process and the finance officer of the City believes this to be a reasonable assumption of the interest rate based on the requirement in Section 159-61(d) of the General Statutes of North Carolina to use the highest interest rate charged for similar debt over the maximum bond issuance term to estimate the cumulative cost over the life of the bonds that will appear on the ballot question for approval of the housing bonds.

For purposes of this disclosure, the City is assuming that the housing bonds will be issued as a single series of bonds in the total aggregate principal amount as set forth above; however, the City anticipates that the housing bonds, if approved, would likely be issued, consistent with past practices, in multiple series and in such manner that the City determines is necessary and most efficient over the course of the seven year period that the housing bonds would be authorized to pay the costs of the projects to be financed with the housing bonds. In addition, the City may choose to enter into interim construction period financings related to the projects to be financed with the housing bonds, which would result in additional interest costs. Given the complex nature of the City’s bond financing program and the uncertain timing related to funding of the projects to be financed with the housing bonds, if approved, the City’s finance officer has determined that estimating the total amount of interest that will be paid on the proposed housing bonds based on the assumptions set forth above is a reasonably conservative approach to giving voters information about what that amount is estimated to be.

(2) No increase in the property tax rate is estimated to be needed for the proposed bonds because the existing projected revenues are expected to be sufficient to pay the principal and interest on the proposed bonds.

This estimate that no increase in the property tax rate will be necessary to pay debt service on all of the City’s proposed bonds is based on financial modeling that the City maintains related to its existing and proposed general obligation debt service to determine what may be necessary for the City to generate enough revenues that, together with the other revenues that the City estimates will be available, to pay the debt service on all of the City’s bonds. The financial model is based on numerous assumptions and is continuously being refined. Among the many assumptions in the financial model are the amortization of the City’s current and future bonds, the growth of the City’s tax base, property tax and other revenues available to pay debt service and other budgetary trends.

(3) The amount of two-thirds bonds capacity the City has available for the current fiscal year (Fiscal Year ending June 30, 2027) is \$0.00.

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 AUTHORIZING THE ISSUANCE OF \$20,000,000 GENERAL OBLIGATION NEIGHBORHOOD IMPROVEMENT BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA** the following statements of disclosure are made:

(1) An estimate of the total amount of interest that will be paid on the proposed neighborhood improvement bonds over the expected term of the bonds, if issued, is \$11,222,400. The assumptions upon which the estimate is based are:

(i) that the neighborhood improvement bonds will be issued on a tax-exempt basis in the aggregate principal amount of \$20,000,000 as a single series of bonds;

(ii) that the neighborhood improvement bonds will amortize in 20 equal annual principal installments payable on June 1 of each year beginning in the year after the date of issuance of the neighborhood improvement bonds;

(iii) that interest on the neighborhood improvement bonds will be paid in semiannual installments over the expected 20 year term of the neighborhood improvement bonds and will bear interest at an interest rate of 5.344%.

The interest rate assumption above 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 assumption conforms with a “safe harbor” rate that the North Carolina Local Government Commission has determined for purposes of its approval process and the finance officer of the City believes this to be a reasonable assumption of the interest rate based on the requirement in Section 159-61(d) of the General Statutes of North Carolina to use the highest interest rate charged for similar debt over the maximum bond issuance term to estimate the cumulative cost over the life of the bonds that will appear on the ballot question for approval of the neighborhood improvement bonds.

For purposes of this disclosure, the City is assuming that the neighborhood improvement bonds will be issued as a single series of bonds in the total aggregate principal amount as set forth above; however, the City anticipates that the neighborhood improvement bonds, if approved, would likely be issued, consistent with past practices, in multiple series together with other authorized, but unissued, general obligation bonds, and in such manner that the City determines is necessary and most efficient over the course of the seven year period that the neighborhood improvement bonds would be authorized to pay the costs of the projects to be financed with the neighborhood improvement bonds. In addition, the City may choose to enter into interim construction period financings related to the projects to be financed with the neighborhood improvement bonds, which would result in additional interest costs. Given the complex nature of the City’s bond financing program and the uncertain timing related to funding of the projects to be financed with the neighborhood improvement bonds, if approved, the City’s finance officer has determined that estimating the total amount of interest that will be paid on the proposed neighborhood improvement bonds based on the assumptions set forth above is a reasonably conservative approach to giving voters information about what that amount is estimated to be.

(2) No increase in the property tax rate is estimated to be needed for the proposed bonds because the existing projected revenues are expected to be sufficient to pay the principal and interest on the proposed bonds.

This estimate that no increase in the property tax rate will be necessary to pay debt service on all of the City’s proposed bonds is based on financial modeling that the City maintains related to its existing and proposed general obligation debt service to determine what may be necessary for the City to generate enough revenues that, together with the other revenues that the City estimates will be available, to pay the debt service on all of the City’s bonds. The financial model is based on numerous assumptions and is continuously being refined. Among the many assumptions in the financial model are the amortization of the City’s current and future bonds, the growth of the City’s tax base, property tax and other revenues available to pay debt service and other budgetary trends.

(3) The amount of two-thirds bonds capacity the City has available for the current fiscal year (Fiscal Year ending June 30, 2027) is \$0.00.

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

