

DEVELOPMENT AUTHORITY OF FULTON COUNTY, GEORGIA
APPLICATION FOR INDUSTRIAL DEVELOPMENT
BOND INDUCEMENT LETTER

NAME OF APPLICANT: Avalon North, LLC.

Address: (1) Home Office: 264 19th Street, Suite 2200
Atlanta, GA 30363

(2) Local Address: 2800 Old Milton Parkway *(This is project*
Alpharetta, GA 30009 *address. No mail)*

Person to Contact for Additional Information: John Kelley, John.Kelley@naproperties.com;
(404) 965-9065

(Attach certified financial statements for the last three (3) years, OR give an explanation as to why the same are not available.) See remarks below.

General Nature of Business: Development and Operation of Mixed Use Real Estate

Business to be conducted in Fulton County: Operation of Retail, For-Rent Residential, Hotel, and
Office Assets

General Description of Proposed Project, Including Location: 550,000 sf Retail, 840,000 sf Office, 250
Apartment Units, 475 Hotel Rooms. Located at the NW Intersection of GA 400 and Old Milton Pkwy.

Is the Project located in an existing TAD (Tax Allocation District)? YES NO

Is land under applicant's control?: Yes

Name of City, if any, where Project will be located: Alpharetta, Georgia

Is Proposed Project a New Facility? YES NO

OR Expansion of Existing Facility? YES NO

IN FULTON COUNTY--Number of Current Employees: 0

Anticipated Increase in Number of Employees: Approx. 1,000 temporary construction
jobs, 1,100 full time equivalent Phase I jobs. Future Phase jobs t.b.d.

If Project will operate to retain employment in Fulton County, indicate number of persons affected: 0

FINANCING: Proposed Size of Issue: \$550,000,000

Type of Issue: Small Issue Pollution Control

Other Describe: Revenue Bonds

PLEASE FURNISH THE FOLLOWING INFORMATION AS SOON AS KNOWN:

Will Issue be a Private Placement? n/a (Note Authority rules on public issues.)

Underwriter -- NAME: n/a

Address: n/a

Lender(s) -- NAME: n/a

Address: n/a

Name and Address of Bond Counsel and/or Company Attorney: Joseph Krolkowski and Sharon Gay;
McKenna, Long, & Aldridge, LLP; 300 Peachtree Street, Suite 5300, Atlanta, GA 30308


REMARKS: The submitting entity was formed in 2011. Certified financial statements are not
available. Uncertified financial statements since inception are attached.

SUBMITTED BY: Avalon North, LLC
A Delaware Limited Liability Company

By: Avalon Joint Venture LLC
A Delaware limited liability company
It's sole member and manager

By: NAP Avalon LLC
An Ohio limited liability company
Its managing member

By: NAP Atlanta Management Company, Inc.,
An Ohio Corporation,
Its manager

By: 
Name: Mark C. Toro
Title: Vice President and Chairman of the Board

Avalon Joint Venture, LLC
Comparative Balance Sheet
December 31, 2012

	12/31/2012	12/31/2011
ASSETS		
Current Assets		
Cash & Cash Equivalents	5,982	141,719
Accounts Receivable (net)	-	3,283
Total Current Assets	5,982	145,002
Investments	39,477,688	32,596,821
Property		
Other Assets		
Other Assets	1,750	-
Total Other Assets	1,750	-
TOTAL ASSETS	39,485,419	32,741,823
LIABILITIES		
Current Liabilities		
Accounts Payable	-	47,614
Accrued Expenses	-	8,537
Total Current Liabilities	-	56,151
TOTAL LIABILITIES	-	56,151
INVESTOR EQUITY	39,485,419	32,685,672
TOTAL LIABILITIES & CAPITAL	39,485,419	32,741,823

The investors in Avalon Joint Venture, LLC have contributed cash equity in excess of \$39 million through December 31, 2012. The income statement is very sparse since most all dollars currently expended are capitalized into the project being developed rather than being currently expensed.

Avalon Joint Venture, LLC
Income Statement - Tax Basis
Year to Date 12/31/2012

	Current Year to Date	Prior Year to Date
<hr/>		
INCOME		
OPERATING EXPENSES		
NET OPERATING INCOME	<u>0</u>	<u>0</u>
ADMINISTRATIVE EXPENSES		
Other Administrative	<u>2,380</u>	<u>184</u>
TOTAL ADMINISTRATIVE EXPENSE	2,380	184
NET INCOME <LOSS>	<u>(2,380)</u>	<u>(184)</u>
EXTRAORDINARY ITEMS		
Investment Income (Loss)	<u>2,379,346</u>	<u>0</u>
TOTAL EXTRAORDINARY ITEMS	2,379,346	0
NET INC AFTER EXTRA ITEMS	<u>2,376,967</u>	<u>(184)</u>