

**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$60,500,000
GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF DURHAM, NORTH CAROLINA**

WHEREAS, the City of Durham, North Carolina (the “City”) has issued (1) \$23,545,000 aggregate principal amount of the City of Durham, North Carolina General Obligation Refunding Bonds, Series 2005D (the “2005D Bonds”), (2) \$16,990,000 aggregate principal amount of the City of Durham, North Carolina General Obligation Bonds, Series 2006B (the “2006B Bonds”); (3) \$12,350,000 aggregate principal amount of the City of Durham, North Carolina General Obligation Bonds, Series 2008A (the “2008A Bonds”); and (4) \$46,570,000 aggregate principal amount of the City of Durham, North Carolina General Obligation Bonds, Series 2008B (the “2008B Bonds”);

WHEREAS, the City Council of the City (the “City Council”) deems it advisable to refund all or a portion of the 2005D maturing on and after April 1, 2016, the 2006B maturing on and after November 1, 2017, the 2008A maturing on and after February 1, 2019, and the 2008B maturing on and after February 1, 2019 (collectively, the “Refunded Bonds”);

NOW, THEREFORE, BE IT ORDERED by the City Council as follows:

Section 1. The City Council deems it advisable to refund all or a portion of the Refunded Bonds.

Section 2. To raise the money required to pay the costs of refunding the Refunded Bonds as set forth above, General Obligation Refunding Bonds of the City are hereby authorized and shall be issued pursuant to the Local Government Bond Act of North Carolina. The maximum aggregate principal amount of such General Obligation Refunding Bonds authorized by this bond order shall be and not exceed \$60,500,000.

Section 3. A tax sufficient to pay the principal of and interest on said General Obligation Refunding Bonds when due shall be annually levied and collected.

Section 4. A sworn statement of the City’s debt has been filed with the City Clerk and is open to public inspection.

Section 5. This bond order shall take effect on its adoption.

The foregoing order was adopted on the 18th day of December, 2014 and is hereby published this ___ day of December, 2014. Any action or proceeding questioning the validity of the order must be begun within 30 days after the date of publication of this notice. The finance officer of the City has filed a statement estimating that the total amount of interest that will be paid on the bonds over the expected term of the bonds, if issued, is \$17,170,000. The estimate is preliminary, is for general informational purposes only, and may differ from the actual interest paid on the bonds.

/s/ D. Ann Gray
D. Ann Gray
City Clerk of the
City of Durham, North Carolina