



September 24, 2020

Mr. James Mayberry, Mayor  
City of Crossville  
392 N Main St  
Crossville TN 38555

Re: City of Crossville – Catoosa Water Tank Phase 2  
\$419,500 RUS Loan (Phase 2), Phase 1 \$890,000 RUS Loan & \$160,500 RUS Grant  
**Amendment No. 1 to the Letter of Conditions dated July 8, 2020**

Dear Mayor Mayberry:

This letter is to amend the Letter of Conditions dated July 8, 2020. This amendment is needed to change the lien position of the bond. The following item of the Letter of Conditions dated July 8, 2020 is amended as follows:

**5. Security – The loan will be secured by a water & sewer revenue and tax bond with a subordinate lien position in the amount of \$419,500. The bond will be fully registered as to both principal and interest in the name of the United States of America, Acting through the United States Department of Agriculture.**

**The bond and any ordinance or resolution relating thereto must not contain any provision in conflict with the Agency Loan Resolution, applicable regulations, or its authorizing law. In particular, there must be no defeasance or refinancing clause in conflict with the graduation requirements of 7 U.S.C. 1983.**

**Additional security requirements are contained in RUS Bulletin 1780-27, “Loan Resolution (Public Bodies). A draft of all security instruments, including draft bond resolution, must be reviewed and concurred in by the Agency prior to advertising for bids. The bond resolution and Loan Resolution must be duly adopted and executed prior to loan closing.**

No other changes are authorized to the Letter of Conditions dated July 8, 2020.

We will work closely with you in developing the docket and will furnish you forms and guides to be used. We trust that loan closing and a completed project will be accomplished at the earliest possible date.

Sincerely,

CHRIS HAMPTON  
Area Director

cc: Local Attorney  
Bond Counsel  
State Director, USDA, Rural Development