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Pine Gate Renewables, LLC
130 Roberts Street
Asheville, NC 28801
Attn: Andrew Varrow

Re: Brooks County, Georgia – Project Morven (Tax Parcel No.’s 111 0005; 118 0015; 111 0062; 111 00061; 112 0024; 112 0023; 111 0063 and 111 0064)

Dear Andrew:

Based on the attached property tax bills and/or assessments, the 2022 *ad valorem* property taxes paid by current owners of tax parcels 111 0005; 118 0015; 111 0062; 111 00061; 112 0024; 112 0023; 111 0063 and 111 0064 equaled **\$17,502.36**. Assuming the assessed values and millage rates stay the same, this would equal approximately **\$175,024** over the next ten years.

With a new capital investment of equipment in the amount of \$65,075,192 (and assuming (a) a depreciation on personal property on the basis of the Group II conversion factors (assets that have a typical economic life between 8 and 12 years), (b) no exemptions for real property and (c) the same millage rates), the *ad valorem* taxes for these tax parcels without a tax incentive would equal approximately **\$3,253,310** over the next ten years.

With a new capital investment of equipment in the amount of \$65,075,192 (and assuming (a) a depreciation on personal property on the basis of the Group II conversion factors (assets that have a typical economic life between 8 and 12 years), (b) no exemptions for real property and (c) the same millage rates), the *ad valorem* taxes for these tax parcels with a tax incentive (based on the tax savings schedule provided by the Authority) would equal **\$2,618,555** over the next ten years. This represents a savings of approximately \$634,754.83. The Authority’s fees would equal approximately \$462,152 and the estimated other closing costs would equal approximately \$125,895. The estimated net savings to the company with a tax incentive would be approximately **\$46,708**.

Respectfully,


Jim Woodward