

City of Concord, North Carolina

\$29,340,000

Limited Obligation Bonds

Series 2014A

\$5,280,000

Taxable Limited Obligation Bonds

Series 2014B

Financing Summary



November 2014

Citigroup Global Markets Inc.
Public Finance Department
5020 Weston Parkway, Suite 160
Cary, North Carolina 27513

www.citigroup.com



Financing Summary

NEW ISSUE - BOOK-ENTRY ONLY

Rating: Moody's: Aa2
S&P: AA+
Fitch: AA
(See "RATINGS" herein)

In the opinion of Parker Poe Adams & Bernstein LLP, Bond Counsel, under existing law, the portion of the Installment Payments designated and paid as interest (1) with respect to the 2014A Bonds is, assuming compliance by the City with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), (a) excludable from gross income for federal income tax purposes and (b) not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (2) with respect to the 2014B Bonds, is taxable as ordinary income for federal income tax purposes and (3) with respect to the 2014 Bonds, is exempt from State of North Carolina income taxation. See "TAX TREATMENT" herein.

\$29,340,000
Limited Obligation Bonds
(City of Concord North Carolina)
Series 2014A



\$5,280,000
Taxable Limited Obligation Bonds
(City of Concord North Carolina)
Series 2014B

Dated: Date of Delivery

Due: June 1, as shown on inside cover

This Official Statement has been prepared by the City of Concord, North Carolina (the "City") to provide information on the Limited Obligation Bonds (City of Concord, North Carolina), Series 2014A (the "2014A Bonds") and the Taxable Limited Obligation Bonds (City of Concord, North Carolina), Series 2014B (the "2014B Bonds") and, together with the 2014A Bonds, the "2014 Bonds" offered hereby. Selected information is presented on this cover page for the convenience of the user. Investors must read this entire Official Statement to obtain information essential to the making of an informed investment decision. Capitalized terms used in this Official Statement, unless otherwise defined herein, have the meanings set forth in Appendix C herein.

Security:

The 2014 Bonds are being issued pursuant to an Indenture of Trust, to be dated as of December 1, 2014 (the "Indenture"), between First Concord Corporation (the "Corporation") and U.S. Bank National Association, as trustee (the "Trustee"). The 2014 Bonds evidence proportionate undivided interests in rights to receive certain revenues (as defined herein) pursuant to an Installment Financing Contract, to be dated as of December 1, 2014 (the "Contract"), between the City and the Corporation. The performance by the City of its obligations under the Contract, including the obligation to make Installment Payments thereunder, is secured by a Deed of Trust, Security Agreement and Pledge Piling, to be dated as of December 1, 2014 (the "Deed of Trust"), from the City to the deed of trust trustee named therein for the benefit of the Corporation, granting a lien of record on the Mortgaged Property (as defined herein), subject to certain permitted encumbrances as described in the Contract and Deed of Trust. Pursuant to the Indenture, the Corporation will assign to the Trustee, for the benefit of the registered owners of the 2014 Bonds and all other Bonds hereafter outstanding under the Indenture, substantially all of its rights under the Contract, including the right to receive the Installment Payments thereunder, and all of its rights as beneficiary of the Deed of Trust.

THE PRINCIPAL, PREPAYMENT PENALTY AND INTEREST WITH RESPECT TO THE 2014 BONDS ARE PAYABLE SOLELY FROM AMOUNTS PAYABLE FROM THE CITY UNDER THE CONTRACT AND, TO THE EXTENT PROVIDED IN THE INDENTURE, THE PROCEEDS OF THE SALE OF THE 2014 BONDS, CONDEMNATION AWARDS OR THE SALE OR LEASE OF THE MORTGAGED PROPERTY. NEITHER THE CONTRACT, THE 2014 BONDS NOR THE INTEREST WITH RESPECT THERETO CONSTITUTES A GENERAL OBLIGATION OR OTHER INDEBTEDNESS OF THE CITY. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE CITY IN ANY ACTION FOR BREACH OF ANY CONTRACTUAL OBLIGATION TO MAKE INSTALLMENT PAYMENTS PURSUANT TO THE CONTRACT, AND THE TAXING POWER OF THE CITY IS NOT PLEDGED DIRECTLY OR INDIRECTLY TO SECURE ANY MONIES DUE THE OWNERS OF THE 2014 BONDS. THE REMEDIES AFFORDED TO THE TRUSTEE AND THE OWNERS UPON AN EVENT OF DEFAULT RESULTING FROM THE CITY'S FAILURE TO MAKE THE INSTALLMENT PAYMENTS UNDER THE CONTRACT ARE LIMITED IN THE CONTRACT TO THOSE OF A SECURED PARTY UNDER THE LAWS OF THE STATE OF NORTH CAROLINA, INCLUDING FORECLOSING UPON THE MORTGAGED PROPERTY IN ACCORDANCE WITH THE DEED OF TRUST AND ARE ON A PARITY WITH THOSE RIGHTS AND REMEDIES AVAILABLE TO THE OWNERS OF ALL BONDS OUTSTANDING UNDER THE INDENTURE. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2014 BONDS" herein.

Prepayment:

The 2014A Bonds are subject to optional prepayment prior to their stated maturities as described herein. The 2014B Bonds are not subject to prepayment prior to their stated maturities.

Purpose:

The 2014A Bonds are being executed and delivered to provide funds, together with any other available funds, to (a) pay the costs of acquiring, constructing and improving a new City Hall building (the "2014 Project"); (b) refund a portion of the 2006 Certificates (as defined herein) and (c) pay the fees and expenses incurred in connection with the sale and issuance of the 2014A Bonds. The 2014B Bonds are being executed and delivered to provide funds to (a) refund a portion of the 2006 Certificates and (b) pay the fees and expenses incurred in sale and issuance of the 2014B Bonds. See "PLAN OF FINANCE" herein.

Interest Payment Dates:

June 1 and December 1 of each year, beginning June 1, 2015.

Denominations/Registration:

\$5,000 and any integral multiple thereof. Book-entry-only through the facilities of The Depository Trust Company. See Appendix E herein.

Delivery Date:

December 17, 2014.

Trustee:

U.S. Bank National Association, Charlotte, North Carolina.

Bond Counsel:

Parker Poe Adams & Bernstein LLP, Charlotte, North Carolina.

City Attorney:

Valerie Kolczynski Esq., Concord, North Carolina.

Financial Advisor:

First Tryon Advisors, Charlotte, North Carolina.

Underwriters' Counsel:

Worle Carlyle Sandridge & Elice, LLP, Raleigh, North Carolina.

Citi

Stephens Inc.

November 20, 2014



Financing Summary

\$34,620,000

City of Concord, North Carolina

\$29,340,000 Limited Obligation Bonds, Series 2014A

\$5,280,000 Taxable Limited Obligation Bonds, Series 2014B



On November 19th, the City entered the municipal market for purposes of financing the construction and improvement of its new City Hall Building as well as the refunding the City's outstanding Series 2005 Certificates of Participation for savings. The pricing process involved numerous key participants, including the City's Financial Advisor, Feasibility Consultant, Bond Underwriters, Bond Counsel and Underwriters' Counsel, among others, to ensure the market was privy to the latest information on the City and the projects financed, and that Concord received the highest possible ratings before entering the market. Despite being subject to state appropriation, the City's Limited Obligation Bonds received strong ratings of Aa2, AA+ and AA from Moody's, Standard & Poor's and Fitch, respectively.

Once the preliminary offering documents were made available, Citigroup Global Markets Inc. ("Citi"), the Lead Underwriter on the transaction, engaged investors in a substantial marketing effort to ensure broad distribution of the City's Bonds. In the days leading up to pricing, despite a minor sell-off in the treasury market related to disappointing domestic and international economic indicators, the municipal market remained steady.

On the morning of pricing, the team entered the market with a tailored, aggressive pricing structure aimed at very specific pockets of demand in order to push the all-in cost of borrowing lower for the City and maximize refunding savings. Despite some weakness in the market, both the tax-exempt and taxable transactions were well-received by investors.

Of particular note, after receiving limited interest on several of the Series 2014A maturities, Citi reached out to additional accounts, ultimately securing interest in those bonds using an alternative pricing structure which incorporated discount bonds. Not only did this adjustment allow the bonds to be placed in the hands of investors, it was also extremely favorable to the City, reducing the all-in interest cost on the City Hall new money portion by 10 basis points, from 3.36% to 3.26%. On the taxable Series 2014B Bonds, the City saw a concentration of interest in the 2020 maturity. Thanks to that level of interest, Citi was able to reduce yields by 5 basis points from a 2.45% to a 2.40% in that maturity, further increasing the overall savings to Concord.

In addition to funding the City's essential City Hall project at historically low interest rates, the combined offering provided ample present value savings to the City, totaling nearly \$1.37 million.



Summary Statistics

\$34,620,000
City of Concord, North Carolina
Limited Obligation Bonds, Series 2014A
Taxable Limited Obligation Bonds, Series 2014B

Par Amount:	Series 2014A:	\$29,340,000
	Series 2014B:	\$5,280,000
Structure:	Series 2014A:	Fixed Rate Bonds Maturing from 6/1/2015 through 6/1/2034
	Series 2014B:	Fixed Rate Bonds Maturing from 6/1/2015 through 6/1/2021
Ratings:	Standard & Poor's:	AA+
	Moody's:	Aa2
	Fitch:	AA
Pricing Date:	November 19, 2014	
Dated/Delivery Date:	December 17, 2014	
Interest Payable:	June 1 and December 1, commencing June 1, 2015	
Arbitrage Yield:	2.863%	
ALL-IN TIC:	Series 2014A:	3.150%
	Series 2014B:	2.533%
Total Debt Service:	\$47,850,787	
Net PV Savings (\$):	Series 2014A:	\$1,037,396
	Series 2014B:	\$ 330,978
Net PV Savings (%):	Series 2014A:	10.75%
	Series 2014B:	5.14%
Average Life:	Series 2014A:	10.54 Years
	Series 2014B:	3.98 Years

Top Institutional Investors

(\$ in Thousands)

Series 2014A		
Institutions	Orders	Allotments
Blackrock	1,225	1,155
Columbia Management Advisors	1,475	975
Cooper River	3,005	1,250
E Trade Securities	350	200
Eaton Vance - TABS	11,450	7,390
Edward D. Jones & Co.	2,700	1,100
Fiduciary Trust Company	100	100
FIRST TENNESSEE ADVISORS	5,295	1,240
Goldman Pvt Wealth	135	135
JP Morgan Asset Management	245	245
Maritime Capital	500	500
Neuberger & Berman LLC	4,170	2,570
Northern Trust	2,915	1,075
Norwest Trust	750	680
Nuveen	930	500
PFB, LLC	3,320	1,585
Roosevelt & Cross, Inc.	1,000	500
RSW Investments	4,865	2,505
Sterling Asset Management	1,880	650
U.S. Trust	200	200
Worthington Partners	1,980	285

Series 2014B		
Institutions	Orders	Allotments
Bethpage	2,630	1,735
BNK Advisory Group, Inc.	2,685	1,000
Breckinridge Capital Advisors, Inc.	2,145	1,310
WinTrust Trust	840	840

Summary of Orders and Allotments

(\$ in Thousands)

Limited Obligation Bonds, Series 2014A									
Breakdown of Underwriter Orders and Allotments									
Underwriter	Group Net		Retail		Member		Total		
	Order	Allotment	Order	Allotment	Order	Allotment	Order	Allotment	
Citigroup Global Markets Inc	40,570	21,545	2,575	2,005	3,450	3,450	46,595	27,000	
Stephens Inc.	5,295	1,240	3,350	1,100	1,000	0	9,645	2,340	
Grand Total	45,865	22,785	5,925	3,105	4,450	3,450	56,240	29,340	

Taxable Limited Obligation Bonds, Series 2014B									
Breakdown of Underwriter Orders and Allotments									
Underwriter	Group Net		Retail		Member		Total		
	Order	Allotment	Order	Allotment	Order	Allotment	Order	Allotment	
Citigroup Global Markets Inc	6,155	3,575	2,145	1,310	395	395	8,695	5,280	
Stephens Inc.	0	0	0	0	0	0	0	0	
Grand Total	6,155	3,575	2,145	1,310	395	395	8,695	5,280	

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