



Effingham County Board of Commissioners
601 N. Laurel Street
Springfield, GA 31329

Letter of Credit #114025734

Re: Ernest Communities, LLC
P O Box 1008
Richmond Hill, GA 31324

We hereby establish our Irrevocable Letter of Credit #114025734 in the aggregate amount of \$132,348.52. This Letter of Credit is issued to assure the *maintenance* of required improvements and installations after the approval of a final plat.

Available upon presentation of your written request or drafts drawn on us payable at sight for any sum of money not to exceed \$132,348.52 when accompanied by the following documents:

Original of the Irrevocable Letter of Credit; and

A letter signed by an Official of Effingham County stating that all required improvements and installations have not been maintained.

All drafts hereunder must bear the legend "Drawn under Letter of Credit #114025734, dated February 15, 2022".

This Letter of Credit shall be for a term of 12 months commencing on February 15, 2022 and shall be automatically renewed unless provided with written notification from the bank no less than 60 days prior to the end of the current term of the Letter of Credit.

Upon Lender's honor of such drafts, Lender shall be fully discharged of Lender's obligation under this Letter of Credit and shall not be obligated to make any further payments under this Letter of Credit once the full amount of credit available under this Letter of Credit has been drawn.

Beneficiary shall have no recourse against Lender for any amount paid under this Letter of Credit once Lender has honored any draft or other document which complies strictly with this Letter of Credit, and which on its face appears otherwise in order but which is signed, issued, or presented by a party or under the name of a party purporting to act for Beneficiary, purporting to claim through Beneficiary, or posing as Beneficiary without Beneficiary's authorization. By paying an amount demanded in accordance with this Letter of Credit, Lender makes no representation as to the correctness of the amount demanded and Lender shall not be liable to Beneficiary, or any other person, for any amount paid or disbursed for any reason whatsoever, including, without limitation, any nonapplication or misapplication by Beneficiary of the proceeds of such payment. By presenting upon Lender or a confirming bank, Beneficiary certifies that

Beneficiary has not and will not present upon the other, unless and until Beneficiary meets with dishonor. Beneficiary promises to return to Lender any funds received by Beneficiary in excess of the Letter of Credit's maximum drawing amount.

We hereby agree with you and all persons negotiating such drafts, that all drafts drawn and negotiated in compliance with the terms of this letter will be duly honored upon presentment and delivery of the documents specified above to our office:

Colony Bank
Savannah – Home Builder Finance
P O Box 989
115 South Grant Street
Fitzgerald, GA 31750
Lisa Shuman
912-927-1277 Ext 3004

Further, we agree that all fees associated with this Letter of Credit shall not be the responsibility of Effingham County.

Sincerely,



Lisa Shuman
Vice President
HBF Loan Officer