



September 6, 2022

Otsego County Capital Resource Corporation
189 Main Street
Oneonta, New York 13820

Manufacturers and Traders Trust Company, as Trustee
One M&T Plaza – 7th Floor
Buffalo, New York 14203

Citizens Bank, N.A.
One Lincoln Center
110 West Fayette Street – Suite 1230
Syracuse, New York 13202

Springbrook NY, Inc.
2705 State Highway #28
Oneonta, New York 13820

Re: Otsego County Capital Resource Corporation
Tax-Exempt Multi-Mode Variable Rate Revenue Bonds
(The Springbrook NY, Inc. Project), Series 2012A
in the original aggregate principal amount of \$2,500,000

Ladies and Gentlemen:

We have acted as bond counsel for Otsego County Capital Resource Corporation (the “Issuer”) in connection with the execution and delivery on the date hereof of certain amendments to the Issuer’s Tax-Exempt Multi-Mode Variable Rate Revenue Bonds (The Springbrook NY, Inc. Project), Series 2012A in the original aggregate principal amount of up to \$2,500,000 (the “Series 2012A Bonds”) originally issued on July 12, 2012 (the “Closing Date”). The Series 2012A Bonds were issued under a resolution adopted by the members of the board of directors of the Issuer on March 22, 2012 and the Indenture (as hereinafter defined) in connection with a project (the “Project”) undertaken by the Issuer for the benefit of Springbrook NY, Inc. (the “Institution”) in the Town of Milford, Otsego County, New York.

The Series 2012A Bonds are being amended under and pursuant to a resolution adopted by the Issuer on June 23, 2022 (the “Authorization Resolution”) and a third omnibus amendment to the indenture and related financing documents dated as of September 6, 2022 (the “Third Omnibus Amendment”) by and among the Issuer, the Institution, Manufacturers and Traders Trust Company, as trustee (the “Trustee”) for the holders of the Series 2012A Bonds, and Citizens Bank, N.A., formerly known as RBS Citizens, N.A. (the “Bank”), in its capacity as initial purchaser of the Series 2012A Bonds and the Series 2010A Bonds (as defined therein) and as administrative agent (the “Agent”) of Citizens Funding Corp., as the initial holder of the Series 2017A Bonds (as defined therein), which Third Omnibus Amendment amends that certain trust indenture dated as of September 1, 2010 (the “Initial Indenture”), as supplemented by a supplemental indenture of trust dated as of July 1, 2012 (the “First Supplemental Indenture”) and as supplemented by a supplemental indenture of trust dated as of March 1, 2017 (the “Second Supplemental

Indenture” and together with the First Supplemental Indenture, the “Supplemental Indentures”) (the Initial Indenture, as supplemented by the Supplemental Indentures, being collectively referred to hereinafter as the “Supplemented Indenture”), each by and between the Issuer and the Trustee, as amended and supplemented by a first omnibus amendment to the indenture and related financing documents dated as of March 27, 2017 (the “First Omnibus Amendment”) by and among the Issuer, the Institution, the Trustee and the Bank, a second omnibus amendment to the indenture and related financing documents dated as of December 31, 2018 (the “Second Omnibus Amendment” and together with the First Omnibus Amendment and the Third Omnibus Amendment, being referred to hereinafter as the “Omnibus Amendments”) by and among the Issuer, the Institution, the Trustee, the Bank and the Agent, and the Third Omnibus Amendment (the Supplemented Indenture, as amended and supplemented by the Omnibus Amendments, being collectively referred to hereinafter as the “Indenture”).

Capitalized terms used herein which are not otherwise defined herein shall have the meanings ascribed to them in the Indenture.

In connection with the issuance of the Series 2012A Bonds on the Closing Date and the Modification Request (as defined herein), the Institution executed and delivered a tax regulatory agreement dated the Closing Date (the “Initial Tax Regulatory Agreement”) and a supplemental tax certificate dated as of September 6, 2022 (the Initial Tax Regulatory Agreement, as so supplemented, being referred to hereinafter as the “Tax Regulatory Agreement”), pursuant to which the Institution made certain representations and warranties relating to various requirements applicable to the Series 2012A Bonds contained in the Internal Revenue Code of 1986, as amended (the “Code”), including the applicable regulations (whether proposed, temporary or final) of the United States Treasury Department promulgated thereunder (the “Treasury Regulations”).

The Issuer received a request from the Bank and the Institution indicating that both parties desire to amend the Bank Purchase Rate to include a daily Secured Overnight Financing Rate (SOFR) as a replacement for the current benchmark rate and to make other changes necessary to effectuate the foregoing (the “Modification Request”) and requesting that the Issuer enter into modifications to the Series 2012A Bonds and the related Financing Documents necessary to implement the Modification Request.

The Series 2012A Bonds are on the date hereof bearing interest at the Bank Purchase Rate (the Series 2012A Bonds, as amended by the Modification Request, being sometimes hereinafter referred to as the “Amended Bonds”) under the Authorization Resolution and the Indenture.

The Third Omnibus Amendment implements the Modification Request by modifying the Bank Purchase Rate to be based on a Daily Simple SOFR Rate plus a Benchmark Replacement in lieu of Adjusted LIBOR and making Conforming Changes (such modifications being collectively referred to as the “Modifications”).

With the Issuer’s concurrence, the opinion set forth in this letter is subject to the following qualifications:

1. The opinion set forth in this letter is based solely upon (a) our review of, as submitted to us, (i) the documents contained in the closing transcript related to the issuance of the Series 2012A Bonds

(the “Transcript”), (ii) an executed copy of the Third Omnibus Amendment, (iii) the Amended Bonds, and (iv) the Tax Regulatory Agreement (collectively with the Transcript, the Third Omnibus Amendment, and the Amended Bonds, the “Reviewed Documents”); and (b) such review of published sources of law as we have deemed necessary based solely upon our review of the Reviewed Documents. Other than our review of the Reviewed Documents, we have made no inquiry or other investigation as to any factual matter (including, but not limited to, (i) any review of any of the files and other records of the Issuer, the Institution, the Trustee or the Bank or (ii) any review of any of our files and other records).

2. We have assumed without any inquiry or other investigation (a) the genuineness of each signature on any of the Reviewed Documents, the completeness of each of the Reviewed Documents, the authenticity of each of the Reviewed Documents submitted to us as an original, the conformity to the original of each of the Reviewed Documents submitted to us as a copy and the authenticity of the original of each of the Reviewed Documents submitted to us as a copy, (b) the accuracy on the date of this letter as well as on the date made of each statement as to any factual matter contained in any of the Reviewed Documents, (c) the legality, validity, binding effect and enforceability as to each person of each document executed and delivered or to be executed and delivered and of each act done or to be done by such person and (d) that at all times from the original issuance of the Series 2012A Bonds until the date of this letter, interest payable pursuant to the Series 2012A Bonds has been excludable from the gross income of the holders thereof for federal income tax purposes.

3. We do not express any opinion concerning any law other than the tax laws of the United States of America.

4. Any opinion set forth in this letter (a) deals only with the specific legal issue or issues it explicitly addresses and does not address any other matter and (b) does not update any opinion previously given by us with respect to any transaction contemplated by the Indenture.

5. This letter is given without regard to any change after the date of this letter with respect to any factual or legal matter, and we disclaim any obligation to notify any of you of any such change or any effect of any such change on any opinion set forth in this letter.

6. We have assumed without any inquiry or other investigation that, with the exception of implementation of the Supplemental Indentures, the Omnibus Amendments and the Modifications, no changes or modifications have been made to the Series 2012A Bonds (or to the terms thereof) during the period commencing with the Closing Date and ending on the date hereof.

7. It is to be understood that we have assumed for purposes of this Opinion that interest on the Series 2012A Bonds is presently exempt from federal income taxation. It is to be understood that this opinion is not an opinion that interest on the Series 2012A Bonds is presently exempt from federal income taxation. We have not been engaged to render such an opinion, and we have made no investigation to determine the present tax status of interest on the Series 2012A Bonds. In connection with the original issuance of the Series 2012A Bonds, the Issuer and the Institution made certain statements of fact and expectations and entered into certain covenants to comply with all applicable requirements of the Code and the Treasury Regulations promulgated under the Code to qualify the interest on the Series 2012A Bonds for exclusion from gross income of the registered owners of the Series 2012A Bonds for federal income tax purposes, and to maintain the qualification of such interest for such exclusion. Material misrepresentations

in such statements or failure to comply with such requirements could have caused, or could cause, interest on the Series 2012A Bonds, or certain of the Series 2012A Bonds, as appropriate under the circumstances, to be includible in the gross income of the registered owners thereof retroactive, in certain cases, to the date of original issuance of the Series 2012A Bonds.

8. In rendering this opinion, we have assumed that, with respect to the Series 2012A Bonds and the security for the Series 2012A Bonds, there is no alteration of any legal right or obligation of the Issuer, the Institution, the Bank as the sole holder of the Series 2012A Bonds or the Agent, whether evidenced by express agreement (oral or written), conduct of the parties or otherwise, which is not stated in the Third Omnibus Amendment.

9. The opinions set forth herein are given and based upon the existence of facts and the assumptions herein set forth as of the date of this opinion and upon the Code, as presently enacted and construed. We have not undertaken, and we do not undertake, to update or supplement this opinion to reflect any facts or circumstances or changes in law that may occur or come to our attention after the date of this opinion.

Subject to the qualifications and assumptions set forth in this letter, it is our opinion that the implementation of the Modifications by the Issuer, the Institution, the Trustee and the Bank, in the manner described in the Third Omnibus Amendment will not, in and of itself, adversely affect the exclusion of the interest paid or payable on the Series 2012A Bonds from gross income of the holder thereof for federal income tax purposes under the Code.

This letter is solely for your benefit with respect to the execution and delivery of the Third Omnibus Amendment and, without our express written consent, may not be furnished to or relied upon, referred to or otherwise used by any other party or relied upon, referred to or otherwise used other than in connection therewith.

Very truly yours,

HODGSON RUSS LLP

By: _____



Christopher C Canada