

## **RESOLUTION**

### **AUTHORIZE ISSUANCE AND SALE OF MULTIFAMILY HOUSING REVENUE BONDS (ALLEN STREET RESIDENCES), SERIES 2016**

**WHEREAS**, Allen Street Residential, LLC, a North Carolina limited liability company, or an affiliated or related entity (the "Borrower"), has requested that the Authority assist in financing a portion of the cost of the leasing, construction and equipping of a multifamily residential rental project to be known as Allen Street Residences, consisting of 52 multifamily units and 60 senior units located on an approximately 7.92 acre site at 1322 Allen Street in Charlotte, Mecklenburg County, North Carolina (the "Development"), and the Authority has agreed to do so; and

**WHEREAS**, the Authority proposes to provide the financing for the Development by the issuance of its Multifamily Housing Revenue Note (Allen Street Residences), Series 2016 (the "Multifamily Note"); and

**WHEREAS**, it is anticipated that the Multifamily Note will be privately placed with Bank of America, N.A. (the "Initial Funding Lender") during construction of the Development, and privately placed with the Federal Home Loan Mortgage Corporation ("Freddie Mac") once the Development has reached stabilization, pursuant to a Funding Loan Agreement dated as of April 1, 2016 (the "Funding Loan Agreement"), among the Authority, the Initial Funding Lender and U.S. Bank National Association, as fiscal agent (the "Fiscal Agent"); and

**WHEREAS**, the proceeds of the Multifamily Note will be loaned to the Borrower pursuant to a Project Loan Agreement dated as of April 1, 2016 (the "Project Loan Agreement"), among the Authority, the Borrower and the Fiscal Agent, for the purpose of (i) paying the cost of leasing, construction and equipping of the Development, and (ii) paying certain issuance expenses in connection with the issuance of the Multifamily Note; and

**WHEREAS**, the Borrower's obligations under the Project Loan Agreement will be secured by a leasehold deed of trust with respect to the Development from the Borrower to a deed of trust trustee named therein for the benefit of the Authority (the "Deed of Trust"), and various other security documents, all of which will be assigned to the Fiscal Agent for the benefit of the Initial Funding Lender; and

**WHEREAS**, there have been presented to this meeting draft forms of the following instruments (collectively, the "Authority Documents"), which the Authority proposes to execute to carry out the transactions described above, copies of which instruments shall be filed with the records of the Authority:

(a) the Funding Loan Agreement, together with the form of the Multifamily Note attached thereto;

(b) the Project Loan Agreement;

(c) the promissory note of the Borrower in favor of the Authority (the "Borrower Note"), which will be assigned to the Fiscal Agent;

(d) the Deed of Trust; and

(e) the Regulatory Agreement and Declaration of Restrictive Covenants dated as of April 1, 2016 (the "Regulatory Agreement"), pursuant to which the Borrower will be required to operate the Development in accordance with Section 142(d) of the Internal Revenue Code of 1986, as amended.

**NOW, THEREFORE, THE HOUSING AUTHORITY OF THE CITY OF CHARLOTTE, N.C. DOES HEREBY RESOLVE, AS FOLLOWS:**

1. The Authority hereby determines to provide financing to the Borrower for the acquisition, construction and equipping of the Development through the issuance of the Multifamily Note pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended, the loan of the proceeds thereof and the deposit of such proceeds with the Fiscal Agent in accordance with the Funding Loan Agreement and the Project Loan Agreement.

2. The Authority hereby authorizes the issuance and sale of the Multifamily Note pursuant to and in accordance with the terms set forth in the Funding Loan Agreement. The Multifamily Note will bear interest at the rates and will mature and be redeemed in the years and amounts all as set forth in the Funding Loan Agreement; provided, however, that the aggregate principal amount of the Multifamily Note shall not exceed \$8,000,000.

3. The Chairman, Vice Chairman or Chief Executive Officer of the Authority or their respective designees is hereby authorized and directed to execute and deliver the Authority Documents to the other parties thereto. The Chairman, Vice Chairman and Chief Executive Officer of the Authority or their respective designees are each authorized and directed to execute and deliver such endorsements, assignments and other instruments as may be necessary to assign the Borrower Note, the Deed of Trust and other security documents to the Fiscal Agent.

4. The Chairman or Vice Chairman of the Authority is hereby authorized and directed to execute and deliver the Multifamily Note in the manner and subject to the conditions provided in the Funding Loan Agreement to the Fiscal Agent for authentication and to cause the Multifamily Note so executed and authenticated to be delivered to or for the account of the Initial Funding Lender, or any affiliate thereof, upon payment of the purchase price therefor.

5. The Funding Loan Agreement, the Project Loan Agreement, the Regulatory Agreement, the Borrower Note (and assignment thereof) and the Multifamily Note shall be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes as may be necessary or convenient to reflect the final terms of the Multifamily Note, and as otherwise approved by the officers of the Authority executing them after consultation with counsel to the Authority, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

6. Any authorization made hereby to the officers of the Authority to execute a document shall include authorization to the Chairman, Vice Chairman or Chief Executive Officer of the Authority or their respective designees to execute the document, authorization to the Secretary or any Assistant Secretary to affix the seal of the Authority to such document and attest such seal and where appropriate, to deliver it to the other parties thereto, all in the manner provided in the Funding Loan Agreement.

7. Such officers are hereby authorized and directed to execute and deliver any and all other documents, agreements, instruments, and certificates in the name and on behalf of the Authority as may be necessary or desirable to the issuance of the Multifamily Note. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the undertaking of the Development and the issuance and sale of the Multifamily Note are hereby ratified, confirmed and approved.


8. This resolution shall take effect immediately.

#### **RECORDING OFFICER'S CERTIFICATION**

I, A. Fulton Meachem, Jr., Secretary of the Board of Commissioners of the Housing Authority of the City of Charlotte, N.C. DO HEREBY CERTIFY that attached is a true and complete copy of a resolution adopted by the Board of Commissioners of the Authority at a regular meeting duly called and held on March 15, 2016, and that such proceedings of such meeting are recorded in the minutes of such Board. Pursuant to state law, a current copy of a schedule of regular meetings of this Board is on file in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Authority this 15th day of March, 2016.

(SEAL)

  
Secretary