

RESOLUTION APPROVING IN PRINCIPLE THE ISSUANCE OF NOT TO EXCEED \$42,000,000 HOUSING AUTHORITY OF THE COUNTY OF WAKE MULTIFAMILY HOUSING REVENUE BONDS TO FINANCE A PORTFOLIO OF AFFORDABLE MULTIFAMILY HOUSING DEVELOPMENTS

WHEREAS, the Board of Commissioners (the “Board of Commissioners”) of Wake County, North Carolina (the “County”) met in Raleigh, North Carolina, at 2:00 p.m. on the 8th day of July, 2024; and

WHEREAS, the Housing Authority of the County of Wake (the “Authority”) has tentatively agreed to issue its multifamily housing revenue bonds in an amount not to exceed \$42,000,000 (the “Bonds”), for the purpose of financing the acquisition, rehabilitation and equipping by affiliated or related entities of DHIC, Inc, a North Carolina nonprofit corporation (collectively, the “Borrowers”), of the following low and moderate income multifamily residential rental facilities: (1) Avonlea, consisting of 44 units located at 5012 Cape Breton Drive, Raleigh, North Carolina (the “Avonlea Development”), (2) Highland Village, consisting of 50 units located at 600 Malcolm Valley Place, Cary, North Carolina (the “Highland Village Development”), (3) Jeffries Ridge, consisting of 32 units located at 201 Lightner Lane, Raleigh, North Carolina (the “Jeffries Ridge Development”), (4) Madison Glen, consisting of 120 units located at 3010 Crimson Tree Court, Raleigh, North Carolina (the “Madison Glen Development”), (5) Ripley Station, consisting of 48 units located at 3030 Ripley Station Way, Raleigh, North Carolina (the “Ripley Station Development”), (6) Sedgebrook, consisting of 32 units located at 200 Sedgebrook Drive, Cary, North Carolina (the “Sedgebrook Development”), and (7) Tryon Grove, consisting of 48 units located at 2516 Tryon Grove Drive, Raleigh, North Carolina (the “Tryon Grove Development”) (the foregoing developments financed with the proceeds of the Bonds are collectively referred to as the “Developments”); and

WHEREAS, the maximum principal amount of Bonds expected to be issued for each Development is: \$5,278,000 for the Avonlea Development, \$4,076,000 for the Highland Village Development, \$3,566,000 for the Jeffries Ridge Development, \$14,923,000 for the Madison Glen Development, \$4,864,000 for the Ripley Station Development, \$3,779,000 for the Sedgebrook Development, and \$5,514,000 for the Tryon Grove Development; and

WHEREAS, the proceeds of the Bonds will be loaned to the Borrowers and used to (a) acquire, construct and equip the Developments and (b) pay certain costs of issuing the Bonds; and

WHEREAS, the Borrowers will be solely responsible for the repayment of the principal, premium, if any, and interest on the Bonds and the County will have no liability whatsoever for the payment of principal of, premium, if any, or interest on the Bonds, the Bonds will not affect the County’s debt ratios or legal debt limit, and the County will not incur any liability for repayment of the Bonds by approving the Bonds for purposes of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, Section 147(f) of the Code requires that any bonds issued by the Authority for the Developments may only be issued as tax-exempt bonds if the plan of financing is approved by the Board of Commissioners of the County following a public hearing with respect to such plan; and

WHEREAS, on February 20, 2024, the Authority held a public hearing with respect to the Developments and the Bonds, as evidenced by the Certificate and Summary of Public Hearing attached hereto as Exhibit A; and

WHEREAS, the Bonds shall not be deemed to constitute a debt of the County or a pledge of the faith and credit of the County, but shall be limited obligations of the Authority payable solely from the loan

repayments to be made by the Borrowers, and shall contain on the face thereof a statement to the effect that neither the faith and credit nor the taxing power of the County is pledged to the payment of the principal of or interest on the Bonds; and

WHEREAS, because no taxes or other revenues of the County are pledged to pay the Bonds, the staff of the County has made no financial analysis of the Bonds, the Borrowers or the Developments; and

WHEREAS, the Board of Commissioners has determined that approval of the issuance of the Bonds is solely to satisfy the requirements of Section 147(f) of the Code and shall in no event constitute an endorsement of the Bonds or the Developments or the creditworthiness of the Borrowers, nor shall such approval in any event be construed to obligate the County for the payment of the principal of or premium or interest on the Bonds or for the performance of any pledge, mortgage or obligation or agreement of any kind whatsoever which may be undertaken by the Authority, or to constitute the Bonds or any of the agreements or obligations of the Authority an indebtedness of the County, within the meaning of any constitutional or statutory provision whatsoever;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS FOR WAKE COUNTY:

1. The proposed financing of the acquisition, rehabilitation and equipping of the Developments described above in Wake County, North Carolina, through the issuance of the Bonds in one or more series, in an amount not to exceed \$42,000,000, to be comprised of not to exceed \$5,278,000 for the Avonlea Development, not to exceed \$4,076,000 for the Highland Village Development, not to exceed \$3,566,000 for the Jeffries Ridge Development, not to exceed \$14,923,000 for the Madison Glen Development, not to exceed \$4,864,000 for the Ripley Station Development, not to exceed \$3,779,000 for the Sedgebrook Development, and not to exceed \$5,514,000 for the Tryon Grove Development, is hereby approved for purposes of Section 147(f) of the Code.

2. This resolution shall take effect immediately.

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I, Yvonne C. Gilyard, Clerk to the Board of Commissioners for the County of Wake, North Carolina DO HEREBY CERTIFY that the foregoing is a true and complete copy of so much of the proceedings of the Board of Commissioners for the County at a regular meeting duly called and held July 8, 2024, as it relates in any way to the resolution hereinabove set forth, and that the proceedings are recorded in the minutes of the Board. Pursuant to N.C.G.S. § 143-318.12, a current copy of a schedule of regular meetings of the Board is on file in my office.

WITNESS my hand and the common seal of the County, this 8th day of July, 2024.

Yvonne C. Gilyard
Clerk to the Board
Wake County Board of Commissioners

(SEAL)

Exhibit A

Certificate and Summary of Public Hearing

(Attached)