

RESOLUTION APPROVING IN PRINCIPLE THE ISSUANCE
OF NOT TO EXCEED \$17,000,000 OF HOUSING AUTHORITY
OF THE COUNTY OF WAKE MULTIFAMILY HOUSING
REVENUE BONDS (THE VILLAGE AT WASHINGTON
TERRACE APARTMENTS), SERIES 2016 FOR THE BENEFIT
OF WASHINGTON TERRACE AFFORDABLE HOUSING,
LLC, OR AN AFFILATE THEREOF

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 19th day of September, 2016; and

WHEREAS, the Housing Authority of the County of Wake (the “Authority”) has tentatively agreed to issue its Multifamily Housing Revenue Bonds (The Village at Washington Terrace Apartments), Series 2016 (the “Bonds”), in an amount not to exceed \$17,000,000, for the purposes of financing the acquisition, construction and equipping by Washington Terrace Affordable Housing, LLC, a North Carolina limited liability company, or an affiliated or related entity (the “Company”), of a 162-unit multifamily residential rental facility to be known as The Village at Washington Terrace Apartments located at 2001 Booker Drive, 2030 Booker Drive and 1810 Bakers Grove Way, Raleigh, Wake County, North Carolina (the “Development”); and

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

WHEREAS, the Company 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 Development 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, the Board of Commissioners has today held a public hearing with respect to the issuance of the Bonds to finance, in part, the Development, 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 Company, 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 Company or the Development; 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 Development or the creditworthiness of the Company, 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, construction and equipping of the Development described above in Wake County, North Carolina, through the issuance of the Housing Authority of Wake County's Multifamily Housing Revenue Bonds (The Village at Washington Terrace Apartments), Series 2016 in one or more series, in an amount not to exceed \$17,000,000, is hereby approved for purposes of Section 147(f) of the Code.

2. This resolution shall take effect immediately.

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I, Denise Hogan, 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 September 19, 2016, as it relates in any way to the resolution hereinabove set forth, and that the proceedings are recorded in Minute Book ____ of 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 19th day of September, 2016.

Denise Hogan, Clerk to the Board
Wake County Board of Commissioners

(SEAL)