

CERTIFICATE FOR RESOLUTION

**THE STATE OF TEXAS** §  
**AUSTIN HOUSING FINANCE CORPORATION** §

We, the undersigned officers of the Board of Directors of Austin Housing Finance Corporation, hereby certify as follows:

1. The Board of Directors of said corporation convened in REGULAR MEETING ON THE 1ST DAY OF OCTOBER, 2015, at the designated meeting place in Austin, Texas, and the roll was called of the duly constituted officers and members of said Board, to wit:

Steve Adler, President  
Ora Houston, Member  
Delia Garza, Member  
Sabino Renteria, Member  
Gregorio Casar, Member  
Ann Kitchen, Member  
Don Zimmerman, Member  
Leslie Pool, Member  
Ellen Troxclair, member  
Kathie Tovo, Member  
Sherrie Gallo, Member

and all of said persons were present, except the following absentees: None, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

**RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS (THE TIMBERS APARTMENTS PROJECT) SERIES 2015; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS; AUTHORIZING THE EXECUTION OF A GROUND LEASE; AUTHORIZING REPRESENTATIVES OF THE AUSTIN HOUSING FINANCE CORPORATION TO EXECUTE DOCUMENTS; AND APPROVING RELATED MATTERS**

was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion carrying with it the adoption of said Resolution, prevailed and carried, with all members of said Board shown present above voting "Aye," except as follows:

NOES: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_.

2. A true, full and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; said Resolution has been duly recorded in said Board's minutes of said Meeting; the above and foregoing paragraph is a true, full and correct excerpt from said Board's minutes of said Meeting pertaining to the adoption of said Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose.

SIGNED the 1st day of October, 2015.

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Secretary, Board of Directors

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President, Board of Directors

**RESOLUTION NO. \_\_\_\_\_-AHFC\_\_\_\_\_**

**RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS (THE TIMBERS APARTMENTS PROJECT) SERIES 2015; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS; AUTHORIZING THE EXECUTION OF A GROUND LEASE; AUTHORIZING REPRESENTATIVES OF THE AUSTIN HOUSING FINANCE CORPORATION TO EXECUTE DOCUMENTS; AND APPROVING RELATED MATTERS**

**WHEREAS**, Austin Housing Finance Corporation (the “Issuer”) has been duly created and organized pursuant to and in accordance with the provisions of the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended (the “Act”), to finance the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices they can afford; and

**WHEREAS**, the Act authorizes the Issuer to issue bonds to defray, in whole or in part, the development costs of a residential development; and

**WHEREAS**, the Board of Directors of the Issuer (the “Board”) has determined to (i) authorize the issuance of the Issuer’s Multifamily Housing Revenue Bonds (The Timbers Apartments Project), Series 2015 (the “Bonds”), in accordance with the terms of a Trust Indenture (the “Indenture”) by and between the Issuer and the trustee named in the Indenture (the “Trustee”), to obtain funds to finance the Project (defined below), in accordance with the Constitution and laws of the State of Texas and (ii) authorize the execution and delivery of a ground lease (the “Ground Lease”) by the Issuer, as lessor, and Timbers Clayton 104 Apartments, L.P. (the “Borrower”), a Texas limited partnership, as lessee, and approves AHFC 1034 Clayton Lane Non-Profit Corporation, a Texas nonprofit corporation (previously established by the Issuer) to act as General Partner of the Borrower; and

**WHEREAS**, the Issuer desires to use the proceeds of the Bonds to fund a mortgage loan to the Borrower in order to finance the costs of acquisition and rehabilitation of the residential rental project located in Austin, Texas (the "Project") containing units occupied by persons of low and moderate income, as determined by the Issuer, as required by Section 142(d) of the Internal Revenue Code and to pay costs of issuance of the Bonds (if necessary); and

**WHEREAS**, the Issuer, the Trustee and the Borrower will execute and deliver a Financing Agreement (the “Financing Agreement”) in which the Issuer will lend funds to the Borrower to enable the Borrower to finance the Project; and

**WHEREAS**, the Issuer, the Trustee and the Borrower will execute a Regulatory and Land Use Restriction Agreement (the “Tax Regulatory Agreement”), which will be filed of record in the real property records of Travis County, Texas; and

**WHEREAS**, the Board has further determined that the Issuer will deliver the Bonds to Dougherty & Company LLC, as underwriter (the “Underwriter”) under a bond purchase agreement (the “Bond Purchase Agreement”); and

**WHEREAS**, the Board has examined proposed forms of the Indenture, the Financing Agreement, the Bond Purchase Agreement, the Tax Regulatory Agreement and the Ground Lease, all of which are attached to and comprise a part of this Resolution; has found the form and substance of such documents to be satisfactory and proper and the recitals contained to be true, correct and complete; and has determined to authorize the issuance of the Bonds, the execution and delivery of the documents and the taking of such other actions as may be necessary or convenient in connection with this transaction;

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF THE AUSTIN HOUSING FINANCE CORPORATION:**

**Section 1.1 - Issuance, Execution and Delivery of the Bonds.** . The issuance of the Bonds is authorized in accordance with the conditions in the Indenture, and, upon execution and delivery of the Indenture, the authorized representatives of the Issuer named in the Resolution each are authorized to execute and attest to the Bonds and to deliver the Bonds to the Attorney General of the State of Texas for approval, the Comptroller of Public Accounts of the State of Texas for registration and the Trustee for authentication (to the extent required in the Indenture), and then to deliver the Bonds to the Underwriter. The interest rate for the Bonds will not exceed the maximum amount allowed under Texas law and the aggregate principal amount will not exceed \$8,000,000.

**Section 1.2 - Approval, Execution and Delivery of the Indenture.** The form and substance of the Indenture (including the form of Bonds therein) are approved in substantially final form, and the authorized representatives of the Issuer named in this Resolution each are authorized to execute and attest (if required) to the Indenture and to deliver the Indenture to the Trustee.

**Section 1.3 - Approval, Execution and Delivery of the Financing Agreement and Regulatory Agreement.** The form and substance of the Financing Agreement and the Regulatory Agreement are approved in substantially final form, and the authorized representatives of the Issuer named in this Resolution each are authorized to execute and attest the Financing Agreement and the Regulatory Agreement.

**Section 1.5 - Approval, Execution, and Delivery of the Bond Purchase Agreement.** The sale of the Bonds is approved, the form and substance of the Bond Purchase Agreement are approved in substantially final form solely with respect to the Bonds, and the authorized representatives of the Issuer named in this resolution each are authorized to execute and attest to the Bond Purchase Agreement, and to deliver the Bond Purchase Agreement to the Borrower and the Underwriter.

**Section 1.6 - Approval, Execution and Delivery of the Ground Lease.** The form and substance of the Ground Lease are approved in substantially final form, and the authorized representatives of the Issuer named in this Resolution each are authorized to execute and attest (if

required) the Ground Lease, and to deliver the Ground Lease to the Borrower. AHFC 1034 Clayton Lane Non-Profit Corporation is approved to act as Managing Member of the Borrower.

**Section 1.7 - Approval of Issuer Information for Official Statement.** The Board authorizes the use of the information pertaining to the Issuer therein in the form that has been presented to the Board at the meeting at which this Resolution was adopted; provided that, by adoption of this Resolution the Issuer does not accept responsibility for the content of the Official Statement except for the information specifically approved by this Section.

**Section 1.8 - Execution and Delivery of Other Documents.** The authorized representatives of the Issuer named in this Resolution each are authorized to execute, attest to, and to affix the Issuer's seal to such other agreements, commitments, assignments, bonds, certificates, contracts, documents, instruments, releases, financing statements, letters of instruction, notices of acceptance, written requests and other papers as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution.

**Section 1.9 - Exhibits Incorporated Herein.** That all of the terms and provisions of each of the documents listed below as an exhibit shall be and are hereby incorporated into and made a part of this Resolution for all purposes:

**Exhibit A** - Indenture

**Exhibit B** - Financing Agreement

**Exhibit C** – Tax Regulatory Agreement

**Exhibit D** – Bond Purchase Agreement

**Exhibit E** – Official Statement Issuer Information

**Exhibit F** – Ground Lease

**Section 1.10 - Power to Revise Form of Documents.** The authorized representatives of the Issuer named in this Resolution each are authorized to make or approve such revisions in the form of the documents attached as, in the judgment of such authorized representative or authorized representatives, and following consultation with McCall, Parkhurst & Horton L.L.P., Bond Counsel to the Issuer, may be necessary or convenient to carry out or assist in carrying out the purpose of this Resolution, such approval to be evidenced by the execution of such documents by the authorized representatives of the Issuer named in this Resolution.

**Section 1.11 - Authorized Representatives.** The President, Vice President, Treasurer and Secretary and Manager are hereby named as authorized representatives of the Issuer for purposes of executing, attesting, affixing the Issuer's seal to, and delivering the documents and instruments referred to herein.

**Section 1.12 - Meeting.** The meeting was held on October 1, 2015 and a quorum was present. The meeting was held in accordance with the Issuer's bylaws.

**Exhibit A**

Indenture

**Exhibit B**

Financing Agreement

**Exhibit C**

Tax Regulatory Agreement

**Exhibit D**

Bond Purchase Agreement

## Exhibit E

### Official Statement Issuer Information

The Issuer was incorporated in 1979 as a public nonprofit corporation in accordance with the Act following adoption of an approving ordinance by the Austin City Council (the "City Council"). The Issuer is authorized pursuant to the Act to (a) make loans to any person to provide financing for residential developments located within the City of Austin, Travis County, Texas (the "City"), as determined by the Issuer; (b) issue its revenue bonds for the purpose of obtaining money to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the issuance of such bonds; and (c) pledge all or any part of the revenues, receipts or resources of the Issuer, including the revenues and receipts to be received by the Issuer from or in connection with such loans and to mortgage, pledge or grant security interests in such loans or other property of the Issuer in order to secure the payment of the principal or redemption price of or the interest on such bonds. The Issuer has no taxing power and receives no appropriations from the State or any other governmental body for the repayment of its revenue bonds. The Issuer has not participated in the preparation of this Official Statement and, except for the information under the captions "THE ISSUER" and "ABSENCE OF LITIGATION — The Issuer," has not provided any of the information contained in this Official Statement.

**Neither the State nor any political corporation or subdivision of the State, including the City, is liable for the payment of the principal of, premium of, if any, or interest on the Bonds, which are payable solely from the security pledged under the Indenture. The Issuer has no taxing power.**

The Mayor and the members of the City Council serve as the members of the Board of Directors (the "Board") of the Issuer.

The Issuer carries on operations that include the issuance of bonds and the lending of proceeds of such bonds in conduit lending transactions for multifamily housing projects. The Issuer does not have any employees and does not carry on operations (except for certain discrete operations as directed by the City under an annual servicing agreement between the City and the Issuer). The Issuer does not originate, underwrite, service or administer the loans made from bond proceeds. The origination, underwriting, administration, servicing and other functions to be performed in connection with the Bonds and the Project will be conducted by various other parties, including but not limited to the parties named in the Indenture, the Financing Agreement and the Tax Regulatory Agreement. The Issuer will not have any involvement in the management or operation of the Project, which will be the sole responsibility of the Borrower. The General Partner of the Borrower is a nonprofit corporation established and controlled by the Issuer.

The Issuer has previously issued bonds for the purpose of financing other properties for other borrowers which are payable from revenues received from such other borrowers. Revenue bonds issued by the Issuer for other borrowers have been, and may be, in default as to principal or interest. The source of payment for other bonds previously issued by the Issuer for other borrowers is separate and distinct from the source of payment for the Bonds, and accordingly, any default by

any such other borrower with respect to any of such other bonds is not considered a material fact with respect to the payment of the Bonds.

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**Exhibit F**

Ground Lease