



20           **WHEREAS**, the Borrower advised the Issuer that a contributing factor which  
21 would further induce the Borrower to proceed with the Project would be a commitment  
22 and agreement by the Issuer to issue Bonds.

23           **WHEREAS**, the Borrower also proposed to the Issuer that the Borrower will be  
24 further induced to proceed with the Project if the Issuer will commit and agree to issue  
25 the Bonds and adopt this Resolution.

26           **WHEREAS**, all or a portion of the expenditures related to the Project  
27 (Expenditures) were paid within 60 days prior to the passage of this Resolution or will  
28 be paid on or after the passage of this Resolution.

29           **WHEREAS**, the Issuer reasonably expects (based upon information supplied by  
30 the Borrower, upon which it is reasonable and prudent for the Issuer to rely) to reimburse  
31 the Borrower or persons acting on its behalf for the Expenditures with the proceeds of  
32 the Bonds.

33           **WHEREAS**, the Issuer declares that this Resolution and its provisions shall  
34 constitute the Issuer's agreement to issue the revenue bonds in such aggregate principal  
35 amount, now estimated not to exceed \$20,000,000, as is actually required to finance and  
36 pay for the Project.

37           **WHEREAS**, the Issuer finds, considers, and declares that the issuance of the  
38 Bonds in the amount identified above and for the purpose identified above is appropriate  
39 and consistent with the objectives of the Act, and that the adoption of this Resolution

40 constitutes: (i) an inducement for the Borrower to proceed with providing for the  
41 acquisition, construction and/or improvement of the Project; (ii) an affirmative official  
42 action by the Issuer, acting by and through its Board of Directors, towards the issuance  
43 of the Bonds, and that such action is similar to the adoption of a bond resolution/within  
44 the meaning of Section 1.103-8(a)(5) of the Federal Treasury Regulations; and (iii) in  
45 accordance with the provisions of Section 1.150-2 of the Federal Treasury Regulations,  
46 a declaration of the Issuer's intent, to reimburse the Expenditures for the Project at such  
47 time as the Bonds are issued; **NOW, THEREFORE,**

48 **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF**  
49 **AUSTIN HOUSING FINANCE CORPORATION THAT:**  
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51 Section 1. The Issuer agrees as follows:

52 (a) To adopt a bond resolution or bond resolutions prepared by its Bond Counsel,  
53 McCall, Parkhurst & Horton L.L.P., Dallas, Texas, when requested by the Borrower to  
54 authorize the issuance of Bonds, pursuant to the Act; to issue the Bonds, subject to the  
55 requirements of the Act; and to execute the appropriate agreements or contracts  
56 described in (b), below; and to sell the Bonds under terms and conditions satisfactory to  
57 the Issuer and the Borrower; to finance and pay for the Project, including amounts  
58 sufficient to pay the fees, expenses, and costs in connection with such issuance, to  
59 reimburse the Issuer for its administrative and overhead expenses and costs with respect  
60 to the Bonds and the Project, with the Bonds to be payable from payments by the

61 Borrower to the Issuer and/or to a corporate trustee in such sums as are necessary to pay  
62 the principal of, interest on, and redemption premium, if any, together with the paying  
63 agents' and trustee's fees on, the Bonds, as and when the same shall become due and  
64 payable.

65 (b) Prior to the issuance of the Bonds, when requested by the Borrower, to enter  
66 into such loan agreement, installment sale agreement, lease, and/or any other appropriate  
67 contracts or agreements between the Issuer and the Borrower as are mutually acceptable  
68 in all respects to the Issuer and the Borrower, under which the Borrower will be obligated  
69 to make payments to the Issuer and/or to a corporate trustee in such sums as are necessary  
70 to pay the principal of, interest on, and redemption premium, if any, together with the  
71 paying agents' and trustee's fees on, the Bonds, as and when the same shall become due  
72 and payable, and with such payments also to be sufficient to defray the Issuer's  
73 administrative, overhead, and other expenses and costs with respect to the Bonds and the  
74 Project.

75 (c) To take, or cause to be taken, such other action, and to execute such additional  
76 contracts and agreements mutually agreeable to the parties in all respects, when  
77 requested by the Borrower as may be required in accordance with the Act and this  
78 Resolution to cause the issuance of the Bonds and to obtain an allocation of state volume  
79 cap for the Bonds.

80 Section 2. Subject to the provisions of Section 3 of this Resolution, by accepting this  
81 Resolution and proceeding with the Project, the Borrower agrees that it will: (i) fully  
82 indemnify and hold the Issuer harmless from any and all damages, losses, and reasonable  
83 expenses, including attorneys' fees, arising at any time from or with respect to the Bonds  
84 and the Project (except those resulting from gross negligence or willful misconduct of  
85 the Issuer); and (ii) pay or reimburse the Issuer for all reasonable and necessary out-of-  
86 pocket expenses, including attorneys' fees and expenses and the fees and expenses of  
87 other consultants, which the Issuer may incur at the request of the Borrower arising from  
88 the performance or attempted performance by the Issuer of its obligations hereunder.

89 Section 3. Nothing contained in this Inducement Resolution shall be interpreted to bind  
90 the Issuer to issue any bonds. The Issuer shall have the authority, without cause, not to  
91 issue the bonds.

92 Section 4. Subject to the provisions of Section 3 of this Resolution, adopting this  
93 Resolution constitutes the acceptance of the Borrower's proposal that it be further  
94 induced to proceed with providing for the Project, and that this proposal and acceptance  
95 shall constitute an agreement between the Issuer and the Borrower in accordance with  
96 the provisions of this Resolution.

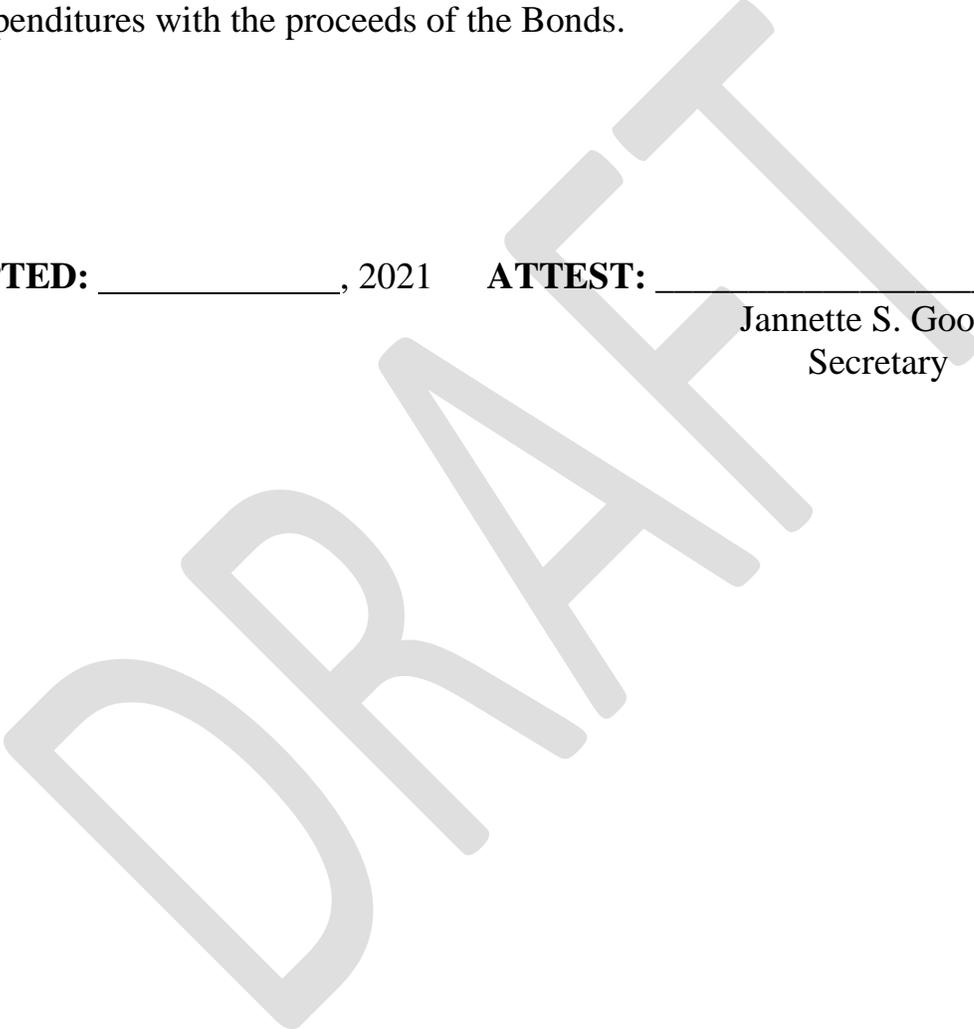
97 Section 5. With respect to this inducement resolution and because the Borrower will  
98 have to comply with federal and State of Texas rent control requirements in the event  
99 the Borrower is awarded Low Income Housing Tax Credits, the Issuer, to the extent the

100 Borrower is awarded Low Income Housing Tax Credits, waives its Affordable Rent  
101 requirements set forth in the Issuer's Rules.

102 Section 6. The Issuer reasonably expects (based upon information supplied by the  
103 Borrower, upon which it is reasonable and prudent for the Issuer to rely) to reimburse  
104 the Expenditures with the proceeds of the Bonds.

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**ADOPTED:** \_\_\_\_\_, 2021     **ATTEST:** \_\_\_\_\_  
Jannette S. Goodall  
Secretary



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**EXHIBIT A**

**DESCRIPTION OF PROJECT**

The project will be an approximately 130-unit multifamily housing development known as Cairn Point approximately located at 5612 Springdale, Austin, TX 78723.

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