

**WHEREAS**, the Austin Housing Finance Corporation (Corporation) was created and organized under the provisions of the Texas Housing Finance Corporations Act, Chapter 394, Local Government Code, V.T.C.A. (Act), to provide a means of financing the costs of residential ownership and development that will result in decent, safe and sanitary housing for persons of low and moderate income at prices they can afford; and

**WHEREAS**, AGC RBJ II, LLC is a limited liability company under the laws of the State of Texas; and

**WHEREAS**, the Borrower advised the Issuer that it is considering proceeding with the acquisition, construction and/or improvement of a multifamily project described in Exhibit A (Project) within the City of Austin and within the jurisdiction of the Issuer; and

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

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

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

34           **WHEREAS**, the Issuer declares that this Resolution and its provisions shall  
35 constitute the Issuer's agreement to issue the revenue bonds in such aggregate  
36 principal amount, now estimated not to exceed \$45,000,000, as is actually required  
37 to finance and pay for the Project; and

38           **WHEREAS**, the Issuer finds, considers, and declares that the issuance of  
39 the Bonds in the amount identified above and for the purpose identified above is  
40 appropriate and consistent with the objectives of the Act, and that the adoption of  
41 this Resolution constitutes: (i) an inducement for the Borrower to proceed with  
42 providing for the acquisition, construction and/or improvement of the Project; (ii)  
43 an affirmative official action by the Issuer, acting by and through its Board of  
44 Directors, towards the issuance of the Bonds, and that such action is similar to the  
45 adoption of a bond resolution within the meaning of Section 1.103-8(a)(5) of the  
46 Federal Treasury Regulations; and (iii) in accordance with the provisions of  
47 Section 1.150-2 of the Federal Treasury Regulations, a declaration of the Issuer's  
48 intent, to reimburse the Expenditures for the Project at such time as the Bonds are  
49 issued; **NOW, THEREFORE**,  
50

51 **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF AUSTIN**  
52 **HOUSING FINANCE CORPORATION THAT:**

53 Section 1. The Issuer agrees as follows:

54 (a) To adopt a bond resolution or bond resolutions prepared by its Bond  
55 Counsel, McCall, Parkhurst & Horton L.L.P., Dallas, Texas, when requested by the  
56 Borrower to authorize the issuance of Bonds, pursuant to the Act; to issue the  
57 Bonds, subject to the requirements of the Act; and to execute the appropriate  
58 agreements or contracts described in (b), below; and to sell the Bonds under terms  
59 and conditions satisfactory to the Issuer and the Borrower; to finance and pay for  
60 the Project, including amounts sufficient to pay the fees, expenses, and costs in  
61 connection with such issuance, to reimburse the Issuer for its administrative and  
62 overhead expenses and costs with respect to the Bonds and the Project, with the  
63 Bonds to be payable from payments by the Borrower to the Issuer and/or to a  
64 corporate trustee in such sums as are necessary to pay the principal of, interest on,  
65 and redemption premium, if any, together with the paying agents' and trustee's fees  
66 on, the Bonds, as and when the same shall become due and payable.

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

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

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

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

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

100 Section 5. With respect to this Inducement Resolution and because the Borrower  
101 will have to comply with federal and State of Texas rent control requirements in  
102 the event the Borrower is awarded Low Income Housing Tax Credits, the Issuer, to

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

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

**ADOPTED:** \_\_\_\_\_, 2021

**ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
Secretary

**EXHIBIT A**

**DESCRIPTION OF PROJECT**

The project will be rehabilitation of approximately 225-unit multifamily housing development approximately located at 1320 Art Dilly Drive, Austin, Texas, 78702.

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