

RESOLUTION NO. 20230921-AHFC002

WHEREAS, the Austin Housing Finance Corporation (Issuer) was created and organized under the provisions of the Texas Housing Finance Corporations Act, Chapter 394 of the Texas Local Government Code (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, Issuer, and/or an entity legally acting for and on its behalf, is authorized to provide for the acquisition and construction of multifamily housing developments, and to provide for the issuance of revenue bonds (Bonds) for this purpose; and

WHEREAS, Pleasant Valley LP is a to-be-formed Texas limited partnership, and it or one of its subsidiaries, affiliates, or related entities (Borrower) is considering proceeding with the acquisition, construction and improvement of a multi-family project described in **Exhibit A** (Development) within the City of Austin, Texas and within Issuer's jurisdiction; and

WHEREAS, Borrower advised Issuer that a contributing factor which would further induce Borrower to proceed with the Development would be a commitment and agreement by Issuer to issue the Bonds; and

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

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

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

WHEREAS, Issuer declares that this Resolution and its provisions constitute Issuer's agreement to issue the Bonds in such aggregate principal amount, now estimated not to exceed \$25,000,000, as is actually required to finance and pay for the Development; and

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

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

Section 1. Issuer agrees as follows:

- (a) To adopt a bond resolution or bond resolutions prepared by its Bond Counsel, McCall, Parkhurst & Horton L.L.P., located in Dallas, Texas,

when requested by Borrower to authorize the issuance of Bonds pursuant to the Act; to issue the Bonds, subject to the requirements of the Act; and to execute the appropriate agreements or contracts described in (b), below; and to sell the Bonds under terms and conditions satisfactory to Issuer and Borrower; to finance and pay for the Development, including amounts sufficient to pay the fees, expenses, and costs in connection with such issuance, to reimburse Issuer for its administrative and overhead expenses and costs with respect to the Bonds and the Development, with the Bonds to be payable from payments by Borrower to the and/or to a corporate trustee in such sums as are necessary to pay the principal of, interest on, and redemption premium, if any, together with the paying agents' and trustee's fees on the Bonds, as and when the same becomes due and payable.

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

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

Section 2. Subject to the provisions of Section 3 of this Resolution, by accepting this Resolution and proceeding with the Development, Borrower agrees that it will:

(i) fully indemnify and hold Issuer harmless from any and all damages, losses, and reasonable expenses, including attorneys' fees, arising at any time from or with respect to the Bonds and the Development, except those resulting from gross negligence or willful misconduct of Issuer; and (ii) pay or reimburse Issuer for all reasonable and necessary out-of-pocket expenses, including attorneys' fees and expenses and the fees and expenses of other consultants, which Issuer may incur at the request of Borrower arising from the performance or attempted performance by Issuer of its obligations hereunder.

Section 3. Nothing contained in this Inducement Resolution binds Issuer to issue any Bonds. Issuer has the authority, without cause, not to issue the Bonds.

Section 4. Subject to the provisions of Section 3 of this Resolution, adopting this Resolution constitutes the acceptance of Borrower's proposal that it be further induced to proceed with providing for the Development, and that this proposal and acceptance constitutes an agreement between Issuer and Borrower in accordance with the provisions of this Resolution.

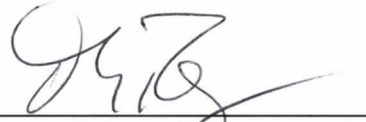
Section 5. With respect to this Resolution and because Borrower will have to comply with federal and State of Texas rent control requirements in the event

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

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

ADOPTED: September 21, 2023

ATTEST:



Myrna Rios
Secretary

EXHIBIT A

DESCRIPTION OF DEVELOPMENT

The Development will consist of approximately 96 multifamily housing units located at or near 5900 S. Pleasant Valley Road, Austin, Texas 78744.