



Strategic Housing Finance Corporation
Resolution SHFC-2016-07

Resolution No. SHFC-2016-07: To Authorize Austin Colorado Creek GP, LLC, to participate in the development and operation of the Colorado Creek Apartments development including approval of the debt financing, equity financing, ground lease and other matters necessary and authorizing the execution and delivery of documents and instruments necessary to carry out the contemplated transaction, and to take other actions related to the subject.

WHEREAS, the Company is the sole general partner of Austin Colorado Creek, L.P., a Texas limited partnership (the "Partnership"); and

WHEREAS, Patrick Howard is the Executive Vice President of SHFC (the "EVP") and Robert Onion is the Asset Manager of SHFC (the "Asset Manager");

1. Property Acquisition and Ground Lease.

WHEREAS, SHFC is the sole member of SHFC CC Land LLC, a Texas limited liability company (the "Landowner");

WHEREAS, the Landowner is acquiring a certain tract of unimproved property located in Austin, Travis County, Texas (the "Land") that it will lease to the Partnership pursuant to a Ground Lease in order for the Partnership to construct, develop, own, and operate thereon a multi-family residential project to be known as "Austin Colorado Creek Apartments" (the "Apartment Complex");

RESOLVED, that (a) the Partnership is authorized to enter into the Ground Lease with the Landowner; (b) the Company, individually and as the general partner of the Partnership, is authorized to execute and deliver the Ground Lease and any other documents deemed necessary or desirable in order to facilitate the Partnership's execution and performance of its obligations under the Ground Lease; and (c) the EVP or Asset Manager of the Member (or any other authorized officer of the Member) is individually authorized, each acting on behalf of the Member, acting on behalf of the Company, acting on its own behalf or on behalf of the Partnership, as applicable, to (i) execute and deliver the Ground Lease and any other documents deemed necessary or desirable in order to facilitate the Partnership's execution and performance of the Partnership's obligations under the Ground Lease, and (ii) do all things necessary or desirable for the Partnership to execute and perform its obligations under the Ground Lease.

2. Debt Financing.

WHEREAS, in order to finance the construction and development of the Apartment Complex, the Partnership is obtaining a loan from Austin Housing Finance Corporation in the approximate principal amount not to exceed \$25,000,000 (the "Project Loan");

WHEREAS, in conjunction with the Project Loan, the Partnership and/or the Company will execute and/or accept delivery of certain documents, including but not limited to a Promissory Note, Loan Agreement, a Regulatory Agreement and Declaration of Restrictive Covenants, a Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, (collectively, the "Project Loan Documents");



RESOLVED, that (a) the Partnership is authorized to (i) obtain the Project Loan and (ii) execute and deliver the Project Loan Documents; (b) the Company, individually and as the general partner of the Partnership, is authorized to execute and deliver the Project Loan Documents; and (c) the EVP or Asset Manager (or any other officer of the Member) is individually authorized, each acting on behalf of the Member, acting on behalf of the Company, acting on its own behalf or on behalf of the Partnership, as applicable, to (i) execute and deliver the Project Loan Documents and such other documents and instruments in connection therewith as may be necessary or desirable, and (ii) do all things necessary or desirable for the Partnership to obtain the Project Loan.

FURTHER RESOLVED, that the actions of the EVP or Asset Manager (or any other officer of the Member), each acting on behalf of the Member, acting on behalf of the Company, acting on its own behalf or as the general partner of the Partnership, pursuant to these resolutions shall be binding on the Partnership and the Company, as applicable, when any such document is executed by such person, without the necessity of any attest of such signature by any other person and without the placement of a corporate seal upon any such document.

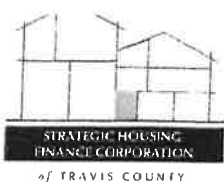
3. Equity Financing.

WHEREAS, pursuant to a letter of intent dated _____, [42 Equity entity] (the "Equity Provider") agreed to provide equity financing to the Partnership for the development of the Apartment Complex (the "Equity Financing");

WHEREAS, in connection with the Equity Financing, the General Partner will enter into an Amended and Restated Agreement of Limited Partnership for the Partnership (the "Partnership Agreement") with the Equity Provider and _____, a _____, as limited partners; and

WHEREAS, the Partnership Agreement calls for the Partnership and/or the General Partner and/or SHFC to enter into certain documents associated with the Equity Financing, including but not limited to a [Purchase Option and Right of First Refusal Agreement, an Amended and Restated Development Services Agreement, a Guaranty, a Pledge and Security Agreement, and a Partnership Management Agreement] (collectively, with the Partnership Agreement, the "Equity Documents");

RESOLVED, that (a) the Partnership is authorized to execute and deliver the Equity Documents; (b) the Company, individually and as the general partner of the Partnership, is authorized to execute and deliver the Equity Documents; and (c) the EVP or Asset Manager (or any other officer of the Member), is individually authorized, each acting on behalf of the Member, acting on behalf of the Company, acting on its own behalf or on behalf of the Partnership, as applicable, (i) execute and deliver the Equity Documents and such other documents and instruments in connection therewith as may be necessary or desirable; and (ii) do all things necessary or desirable for the Partnership to obtain the Equity Financing.

**4. Authorization/Ratification.**

RESOLVED, that the EVP or Asset Manager (or any other officer of the Member), is individually authorized, each acting on behalf of the Member, acting on behalf of the Company, to (a) sign, certify to, acknowledge, deliver, accept, file, and record any and all instruments and documents, and (b) take, or cause to be taken, any and all such action, in the name and on behalf of the Company, acting on its own behalf or on behalf of the Partnership, as such individual shall deem to be necessary, desirable, or appropriate in order to effect the purposes of the foregoing resolutions.

FURTHER RESOLVED, that any and all action taken by the President or Manager of the Member (or in the absence of both of them, any other authorized officer of the Member), each acting on behalf of the Member, acting on behalf of the Company, acting on its own behalf or on behalf of the Partnership, prior to the date this consent is actually executed in effecting the purposes of the foregoing resolutions is hereby approved, ratified, and adopted in all respects.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of SHFC hereby:

1. Approves Resolution SHFC-2016-07,
2. Authorizes the Executive Vice President to execute all relevant policies and procedures.

Passed and approved the 26th day of February 2016.

Wilmer Roberts Vice-President, Board of Directors

Attested and approved as to form:

Patrick B. Howard, Executive Vice President



Subject: Colorado Creek Apartments: Resolution Nos. SHFC-2016-07/08/09

Background Information:

At your 18 February 2016 Board Meeting, the SHFC Board approved an *Assignment and Assumption of Rights* via Resolution SHFC No. 2016-05 to allow SHFC to act on behalf of the Travis County Facilities Corporation/Housing Authority of Travis County in relation to participation in the Colorado Creek Apartments development as per a *Memorandum of Understanding*.

Requested Action:

Consideration and appropriate action regarding:

- **Resolution No. SHFC-2016-07:** To Authorize Austin Colorado Creek GP, LLC, to participate in the development and operation of the Colorado Creek Apartments development including approval of the debt financing, equity financing, ground lease and other matters necessary and authorizing the execution and delivery of documents and instruments necessary to carry out the contemplated transaction, and to take other actions related to the subject;
- **Resolution No. SHFC-2016-08:** To Authorize Austin Colorado Creek Apartments, L.P., to participate in the development and operation of the Colorado Creek Apartments development including approval of the debt financing, equity financing, ground lease and other matters necessary and authorizing the execution and delivery of documents and instruments necessary to carry out the transaction, and to take other actions related to the subject.
- **Resolution No. SHFC-2016-09:** To Authorize the debt financing, equity financing, property acquisition, ground lease and other matters necessary for the Strategic Housing Finance Corporation to participate in the development and operation of the Colorado Creek Apartments transaction and authorizing the execution and delivery of documents and instruments necessary to carry out the contemplated transaction, and to take other actions related to the subject;

Alternate Option:

The Board of Directors could elect to not Approve **Resolution Nos. SHFC-2016-07/08/09.**

Fiscal Impact:

N/A

Attachments:

NA

Prepared and Approved by:

Patrick B. Howard, Executive Vice President/Portfolio Manager