

RESOLUTION NO. 20121206-059

WHEREAS, the Northeast Higher Education Facilities Corporation (Conduit Issuer) created by the City of Daingerfield, Texas has adopted a resolution authorizing a plan of finance for one or more loans from Frost Bank not to exceed the maximum aggregate amount of \$15,000,000 and the simultaneous issuance of such loans in the same amount to Hyde Park Baptist School, Inc. (HPBS or Borrower), as provided under Chapter 53A, Texas Education Code, as amended (Act), for the purpose of (A) refinancing the cost of (i) an approximately 62,000 square foot secondary education facility, including classrooms and labs with a total capacity not exceeding 600 students, a dedicated two-story library, a multipurpose hall serving as an auditorium and cafeteria, and administrative and support facilities, (ii) an approximately 10,000 square foot athletic complex, including locker rooms with shower areas and restrooms, laundry facilities, weight rooms, and coaches' offices and (iii) utilities, drainage, roads, landscaping, and parking, all for facilities of the Borrower located at 11400 N. MoPac Expressway, Austin; and (B) paying certain expenses in connection with the financing (collectively, the (HPBS Facilities)); and

WHEREAS, Section 147(f) of the United States Internal Revenue Code of 1986, as amended, requires the Conduit Issuer to obtain the approval of the City of Austin as the local jurisdiction where the facilities being financed for HPBS are situated before the loans can take place; and

WHEREAS, the City Council is informed that the requisite public hearing regarding the issuance of the loans was properly noticed and then held by the Conduit Issuer on November 20, 2012, commencing at 10:00 a.m. at 111 Congress Avenue #1700, Brazos Conference Room, Austin, Texas 78701;
NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

Section 1. The City Council approves the issuance of the financing described above in a maximum aggregate amount not to exceed \$15,000,000. It is the intent of this City Council that this Resolution constitutes approval of the financing for the sole purpose of compliance with Section 147(f) of the Internal Revenue Code and any state law applicable to the financing. Proceeds of the financing shall be used to refinance the HPBS Facilities, and the sole user of the HPBS Facilities shall be HPBS.

Section 2. The Mayor and City Clerk are authorized and directed to take any action and to execute and deliver any documents that are necessary or

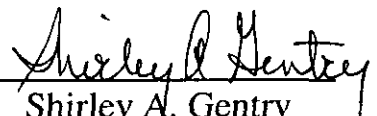
advisable to comply with the terms and intent of this Resolution and the financing transaction.

Section 3. Nothing in this Resolution shall be construed to create any obligation whatsoever of the City with respect to the repayment of the financing or the HPBS Facilities. The financing shall never constitute an indebtedness or pledge of the City within the meaning of any constitutional or statutory provision, and the financing shall never be paid in whole or in part out of any funds raised or to be raised by taxation or any other revenues of the City.

Section 4. This Resolution is adopted solely to approve the financing. This Resolution does not constitute an approval by the City of any other aspect of the HPBS Facilities. In particular, but without limiting the foregoing, this Resolution does not constitute zoning approval, approval of any building permit, or any other approval required by the City in regard to the HPBS Facilities other than approval of the financing.

ADOPTED: December 6, 2012

ATTEST:


Shirley A. Gentry
City Clerk