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WHEREAS, the Borrower advised the Issuer that it is considering proceeding the acquisition, construction and/or improvement of a multi-family project bed in Exhibit A (Project) within the City of Austin, Texas and within the iction of the Issuer.

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 \$22,000,000, 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

constitutes: (i) an inducement for the Borrower to proceed with providing for the acquisition, construction and/or improvement of the Project; (ii) an affirmative official action by the 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 the Issuer's intent, to reimburse the Expenditures for the Project 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. The Issuer agrees as follows:

(a) To adopt a bond resolution or bond resolutions prepared by its Bond Counsel, McCall, Parkhurst & Horton L.L.P., Dallas, Texas, when requested by the 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 the Issuer and the Borrower; to finance and pay for the Project, including amounts sufficient to pay the fees, expenses, and costs in connection with such issuance, to reimburse the Issuer for its administrative and overhead expenses and costs with respect to the Bonds and the Project, with the Bonds to be payable from payments by the

Borrower to the 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 shall become due and payable.

(b) Prior to the issuance of the Bonds, when requested by the Borrower, to enter into such loan agreement, installment sale agreement, lease, and/or any other appropriate contracts or agreements between the Issuer and the Borrower as are mutually acceptable in all respects to the Issuer and the Borrower, under which the Borrower will be obligated to make payments to the 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 shall become due and payable, and with such payments also to be sufficient to defray the Issuer's administrative, overhead, and other expenses and costs with respect to the Bonds and the Project.

(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 the 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.

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

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

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EXHIBIT A
DESCRIPTION OF PROJECT

The project will be an approximately 140-unit multifamily housing development approximately located at 900
Gardner Road, Austin, Texas, 78721.

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