

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, Live Make Housing Partners, LP, is a limited partnership 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 \$9,000,000, 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 **BE IT RESOLVED BY THE BOARD OF DIRECTORS OF AUSTIN**
51 **HOUSING FINANCE CORPORATION THAT:**

52
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

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

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

108
109
110 **ADOPTED:** _____, 2021

ATTEST: _____

Jannette S. Goodall
Secretary

EXHIBIT A

DESCRIPTION OF PROJECT

The project will be an approximately 66-unit multifamily housing development approximately located at 1127 Tillery Street, Austin, Texas, 78702.

DRAFT