



## RESOLUTION NO. 2024-16

### RESOLUTION AUTHORIZING ISSUANCE AND SALE OF A MULTIFAMILY NOTE FOR MERIBEL

WHEREAS, Meribel LP, a North Carolina limited partnership (the “Borrower”), or an affiliated or related entity, has requested that the Housing Authority of the City of Asheville (the “Authority”) assist it in financing a portion of the cost of the acquisition, construction and equipping of a 156-unit multifamily residential rental facility to be known as Meribel and located in the Town of Weaverville, Buncombe County, North Carolina (the “Development”) and the Authority has agreed to do so; and

WHEREAS, the Authority proposes to provide the financing for the Development by the issuance of its Multifamily Note (Meribel), Series 2024, in a principal amount not to exceed \$28,000,000 (the “Multifamily Note”); and

WHEREAS, the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the North Carolina General Statutes, as amended (the “Act”), provides in § 157-10 that “any two or more housing authorities may join or cooperate with one another in the exercise, either jointly or otherwise, of any or all of their powers for the purpose of financing (including the issuance of bonds, notes or other obligations and giving security therefor) a housing project or projects located within the boundaries of any one or more of said authorities”; and

WHEREAS, the Town of Weaverville, acting as a housing authority pursuant to Section 160D-1311(b) of the North Carolina General Statutes and the Act, has agreed to cooperate with the Authority in the issuance of the Multifamily Note for the Development and authorized the Authority to act on its behalf to issue the Multifamily Note to finance the Development in the Town of Weaverville’s jurisdiction; and

WHEREAS, it is anticipated that the Multifamily Note will be privately placed with Community Insurance Company, or an affiliate thereof (or such other funding lender as is selected by R4 Servicer LLC, the “Funding Lender”), pursuant to a Funding Loan Agreement (the “Funding Loan Agreement”), among the Authority, the Funding Lender and BOKF, NA, as fiscal agent (the “Fiscal Agent”); and

WHEREAS, it is anticipated that the proceeds of the Multifamily Note will be loaned to the Borrower pursuant to a Borrower Loan Agreement (the “Borrower Loan Agreement”), between the Authority and the Borrower, for the purpose of (i) paying a portion of the costs of the acquisition, construction and equipping of the Development, and (ii) paying certain expenses in connection with the issuance of the Multifamily Note; and

WHEREAS, the Borrower’s obligations under the Borrower Loan Agreement will be secured by a Deed of Trust, Security Agreement, Assignment of Rents and Leases and Fixture Filing, from the Borrower to the deed of trust trustee named therein for the benefit of the Authority (the “Deed of Trust”), and various other security documents, all of which will be assigned to the Fiscal Agent for the benefit of the Funding Lender or will be entered into directly with or for the benefit of the Funding Lender; and

WHEREAS, the Authority proposes to authorize and, where applicable, execute the following instruments to carry out the transactions described above (the “Documents”):

- (a) the Funding Loan Agreement, together with the form of the Multifamily Note attached thereto;
- (b) the Borrower Loan Agreement;
- (c) the promissory note of the Borrower in favor of the Authority (the “Borrower Note”), which will be endorsed by the Authority to the Fiscal Agent;
- (d) the Deed of Trust;
- (e) the Assignment of Deed of Trust, from the Authority in favor of the Fiscal Agent and acknowledged by the Borrower; and
- (f) the Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), pursuant to which the Borrower will be required to operate the Development in accordance with Section 142(d) of the Internal Revenue Code of 1986, as amended;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ASHEVILLE DOES HEREBY RESOLVE, AS FOLLOWS:

1. The Authority hereby determines to provide financing to the Borrower for the acquisition, construction and equipping of the Development through the issuance of the Multifamily Note pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended, the deposit of the proceeds thereof with the Fiscal Agent and the advance of such proceeds to the Borrower in accordance with the Funding Loan Agreement and the Borrower Loan Agreement.
2. The Authority hereby authorizes the issuance and sale of the Multifamily Note pursuant to and in accordance with the terms set forth in the Funding Loan Agreement. The Multifamily Note will bear interest at the rates and will mature and be redeemed in the years and amounts all as set forth in the Funding Loan Agreement; provided, however, that the aggregate principal amount of the Multifamily Note shall not exceed \$28,000,000.
3. Each of the Chairman, Vice Chairman and Chief Executive Officer of the Authority or his or her respective designee is hereby authorized and directed to execute and deliver the Documents to the other parties thereto. Each of the Chairman, Vice Chairman and Chief Executive Officer of the Authority or his or her respective designee, is authorized and directed to execute and deliver such endorsements, assignments and other instruments as may be necessary to assign the Borrower Note, the Deed of Trust, and other security documents to the Fiscal Agent.
4. Each of the Chairman and Vice Chairman of the Authority is hereby authorized and directed to execute and deliver the Multifamily Note in the manner and subject to the conditions provided in the Funding Loan Agreement to the Fiscal Agent for authentication, and to cause the Multifamily Note so executed and authenticated to be delivered to or for the account of the Funding Lender, or any affiliate thereof, upon payment of the purchase price therefor.
5. The Documents shall be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes as may be necessary or convenient to reflect the final terms of the Multifamily Note, and as otherwise approved by the officers of the Authority executing them after consultation with counsel to the Authority, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

6. Any authorization made hereby to the officers of the Authority to execute a document shall include authorization to the Chairman, Vice Chairman or Chief Executive Officer of the Authority or their respective designees to execute the document, authorization to the Secretary or any Assistant Secretary to affix the seal of the Authority to such document and attest such seal if necessary, and, where appropriate, to deliver it to the other parties thereto, all in the manner provided in the Documents.

7. Such officers are hereby authorized and directed to execute and deliver any and all other documents, agreements, instruments, and certificates in the name and on behalf of the Authority as may be necessary or desirable to the issuance of the Multifamily Note. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the undertaking of the Development and the issuance and sale of the Multifamily Note are hereby ratified, confirmed and approved.

8. This Resolution shall take effect immediately upon its passage.

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**RECORDING OFFICER'S CERTIFICATION**

I, Monique L. Pierre, the duly appointed Secretary of the Housing Authority of the City of Asheville, do hereby certify that Resolution No. 2024-16 was properly adopted at a regular meeting held on May 22, 2024.

By: \_\_\_\_\_  
Monique L. Pierre, Secretary