



RESOLUTION NO. 2025-06

RESOLUTION AUTHORIZING ISSUANCE AND SALE OF A MULTIFAMILY NOTE FOR BATTERY PARK APARTMENTS

WHEREAS, the Housing Authority of the City of Asheville (the “Authority”) previously executed and delivered its \$17,641,000 Multifamily Note and its \$2,359,000 Gap Loan Multifamily Note, the proceeds of which were loaned to Battery Park (TC2) Senior Housing Limited Partnership (the “Borrower”), for the purpose of financing a portion of the cost of the acquisition, rehabilitation and equipping of a multifamily residential rental project for seniors known as Battery Park Apartments, consisting of 122 units located at 1 Battle Square in the City of Asheville, North Carolina (the “Development”); and

WHEREAS, the Borrower has requested that the Authority execute and deliver its Multifamily Note (the “Multifamily Note”) in the principal amount not to exceed \$1,000,000 to finance or refinance additional costs of the Development; and

WHEREAS, the Borrower has received an allocation of volume cap in the amount of \$1,000,000 for the Multifamily Note and the Development from the North Carolina Housing Finance Agency and the North Carolina Federal Tax Reform Allocation Committee as required by Section 146 of the Code; and

WHEREAS, it is anticipated that the Multifamily Note will be acquired by Kent S. Neumann (the “Funding Lender”) pursuant to a Funding Loan Agreement (the “Funding Loan Agreement”), among the Authority, the Funding Lender and The Huntington National Bank (the “Fiscal Agent”); and

WHEREAS, the proceeds of the Multifamily Note will be loaned to the Borrower pursuant to a Project Loan Agreement (the “Project Loan Agreement”), among the Authority, the Borrower and the Fiscal Agent, for the purpose of financing or refinancing certain costs of the acquisition, rehabilitation and equipping of the Development; and

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

- (a) the Funding Loan Agreement, together with the form of the Multifamily Note attached thereto;
- (b) the Project Loan Agreement;
- (c) the project note of the Borrower in favor of the Authority (the “Borrower Note”), which will be assigned to the Fiscal Agent; and
- (d) the Second Amended and Restated 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 Code;

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, rehabilitation 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 loan of the proceeds thereof and the deposit of such proceeds with the Fiscal Agent in accordance with the Funding Loan Agreement and the Project 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 rate and will mature at the times and in the amounts all as set forth in the Funding Loan Agreement; provided, however, that the aggregate principal amount of the Multifamily Note shall not exceed \$1,000,000.

3. Each of the Chairman, Vice Chairman or Executive Director of the Authority or their respective designees is hereby authorized and directed to execute and deliver the Authority Documents to the other parties thereto. The Chairman, Vice Chairman and Executive Director of the Authority or their respective designees are each authorized and directed to execute and deliver such endorsements, assignments and other instruments as may be necessary to assign the Borrower Note to the Fiscal Agent.

4. The Chairman or 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 Authority 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 Executive Director 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 and where appropriate, to deliver it to the other parties thereto, all in the manner provided in the Authority Documents.

7. The officers of the Authority 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.

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RECORDING OFFICER'S CERTIFICATION

I, Rhodney Norman, the duly appointed Associate Secretary of the Housing Authority of the City of Asheville, do hereby certify that **Resolution No. 2025-06** was properly adopted at a regular meeting held **April 23, 2025**.

By: 
Rhodney Norman, Associate Secretary

(SEAL)



