BOARD OF DIRECTORS
RESOLUTION NO. 2021-03

**AUTHORIZING THE CLOSING AND EXECUTION OF DOCUMENTS FOR THE REDEVELOPMENT OF BROADWAY MCKNIGHT**

**WHEREAS**, by Resolution No. 2020-04, the Board of Directors (the "*Board*") of AHA Housing Development Corporation ("*HDC*" or the "*Company*"), among other things, authorized the Executive Director to enter into such agreements and make other necessary and proper decisions in furtherance of the redevelopment of the residential property located at 1840 to 1878 Broadway Place North East, Albuquerque, New Mexico ("*Broadway McKnight*");

**WHEREAS**, the Board's action in Resolution No. 2020-04 further authorized the formation of AHA Broadway McKnight GP, LLC to serve as the general partner (the "*General Partner*") of Broadway McKnight, LLLP, which would serve as the owner of the project (the "*Partnership*"), and granted the Executive Director the authority to negotiate, execute, agree to such documents and agreements as needed to affect the transaction, including borrowing, necessary to redevelop Broadway McKnight; and

**WHEREAS**, the transaction to redevelop Broadway McKnight is now set to close in the coming weeks.

**NOW, THEREFORE, BE IT RESOLVED BY THE AHA HOUSING DEVELOPMENT CORPORATION BOARD OF DIRECTORS,** the governing body of the HDC that:

The Board of Directors authorizes the Executive Director to sign and execute all loan and transactional documents necessary to affect the closing on Broadway McKnight; and

The Board of Directors further authorizes the following resolutions:

1. **RESOLVED**: that the actions of the officers of the Company, in causing the Company (a) to become the sole manager and member of the General Partner, and (b) to cause General Partner to become the general partner of the Partnership are hereby ratified;

2. **RESOLVED**: that:

(a) Pursuant to that certain Construction Loan Agreement (the "*Loan Agreement*") to be dated in the future [in June or July 2021], by and between U.S. Bank National Association, a national banking association ("*Lender*") and Borrower, Lender will agree to make the Loan to the Borrower in a principal amount not to exceed Twelve Million Two Hundred Thousand and No/100th Dollars ($12,200,000.00) for the purpose of paying certain costs and expenses related to the acquisition, development and redevelopment of certain land located in the County of Bernalillo, State of New Mexico and a 54-unit apartment project (the "*Project*") now located or hereafter to be located thereon (collectively, the "*Property*"). Capitalized terms used and not defined herein have the meanings given in the Loan Agreement.

(b) The Loan will be evidenced by that certain Construction Loan Promissory Note (the "*Note*") dated as even date with the Loan Agreement, made by the Borrower to the order of Lender, in the face principal amount not to exceed Twelve Million Two Hundred Thousand and No/100th Dollars ($12,200,000.00). The Note and the Borrower's obligations under the Loan Agreement will be secured by, among other things, that certain deed of trust, dated as even date with the Loan Agreement, executed by Borrower, as trustor, in favor of Lender, as beneficiary, to be recorded in the Official Records of the county in which the Property is located (the "*Security Instrument*"), which will encumber the Property. In addition, the Borrower will pledge and assign to Lender, and create a first priority security interest in favor of Lender, in and to the Borrower's rights and interests in, among other things: (1) the construction contract for the project, (2) any architecture contract, (3) the Plans and Specifications, and (4) all other agreements now or hereafter entered into by the Borrower with any

contractor, architect, engineer, or other consultant or third party in connection with the design, engineering, construction of or on the Property, or the management, maintenance, operations, marketing, or leasing of the Property, or any development of or improvement to the Property, in accordance with the Security Instrument and/or an assignment of contracts.

(c) The "*Loan Documents*" will also include that certain Assignment of Partnership Interests, Capital Contributions and Credits, dated as of even date with the Loan Agreement, executed by General Partner and Borrower (the "*Assignment of Partnership Interests*"), any other security agreement(s), the Loan Agreement, the Note, the Security Instrument and the other documents described in the Loan Agreement as the "Loan Documents".

3. **RESOLVED:** That the Company is further authorized to

(a) Execute an amended and restated agreement of limited partnership (the "*Amended and Restated Limited Partnership Agreement*") to (i) accept USA Institutional Broadway McKnight, LLC (or as otherwise named) as the limited partner in the Partnership and (ii) redefine the terms of agreement among the partners of the Partnership.

(b) Execute an Unconditional Guaranty and other transactional documents to guaranty construction and other obligations of the General Partner on behalf of the Partnership in connection with the Project.

(c) Appoint the Albuquerque Housing Authority to serve as the management agent and property manager of the Project.

4. **RESOLVED:** That the Company is further authorized to sign, on its behalf or on behalf of the Partnership, such loan agreements and other documents as necessary or required for (a) the permanent financing of the Project with Rocky Mountain Community Reinvestment Corporation, after construction is completed and the Project is ready for occupancy; (b) a subordinate loan from the Authority to the Partnership in the amount up to Three Million Five Hundred Thousand and no/100th Dollars ($3,500,000.00) (the "*Gap Loan"*); (c) a subordinate seller's note to the Authority in the amount of the appraised value of the land for the use of the land under the Ground Lease (the "*Seller's Note*") and (d) a loan from the National Housing Trust Fund Program administered by New Mexico MFA in the amount of Four Hundred Thousand and no/100th Dollars ($400,000.00) (the "*NHTF Loan*").

5. **RESOLVED:** That the Company is hereby authorized, as necessary or desired by the Partnership, through Linda Bridge as Executive Director, to open one or more bank accounts on behalf of the Partnership and/or the Company, with any bank(s) that the Executive Director of the Company deems appropriate. It is further resolved that the spending and signature authority in connection with any bank accounts of the Partnership and the Company be governed by the resolution(s) and policies in governing the spending and signature authority in connection with any bank accounts of the Albuquerque Housing Authority and HDC.

6. **RESOLVED**: that Linda Bridge, Executive Director and any other officer of the Company, be and each of them is hereby authorized, directed, and empowered, acting alone, in the name of the Company, on its own behalf, and in the Company's capacity as the sole member and manager of General Partner, on behalf of General Partner and Borrower:

(a) to execute any and all documents or instruments evidencing the formation, qualification to do business, or conducting of the business of the Company, General Partner and/or the Borrower;

(b) to execute and deliver to Lender, and Lender is requested to accept, any payment or performance guaranties and environmental indemnities required by Lender in connection with any transaction between Lender and Borrower;

(c) to enter into, and to cause the General Partner and the Borrower to enter into, the transactions described in Paragraph 2 above, and to incur and grant, and cause the Company, General Partner and/or the Borrower to incur and grant indebtedness, liens and security interests to in connection with such transactions;

(d) to execute and deliver, and to cause General Partner and/or Borrower to execute and deliver, to Lender, and Lender is requested to accept, any and all documents or instruments evidencing any transaction between Lender, General Partner, Borrower and/or the Company, including, but not limited to, any agreements and instruments relating to any deposit accounts maintained by the Company, General Partner and/or Borrower, draw requests for Loan proceeds, and any applications, promissory notes, indentures, loan agreements, security agreements, deeds of trust, guaranties, indemnities, or any other financial undertakings;

(e) to execute and deliver the Amended and Restated Limited Partnership Agreement and Unconditional Guaranty, among other documents, to the Limited Partner and Partnership; and

(f) To execute and deliver such loan documents and other documents as necessary or required for the (i) permanent financing of the Project with a third-party lender; (ii) the Gap Loan to the Authority; (iii) the Seller's Note to the Authority; and (iv) the NHTF Loan as specified above.

7. **RESOLVED**: that Linda Bridge, Executive Director and Secretary of the Company and any other officer of the Company, be and each of them is hereby authorized, directed, and empowered, acting alone, in the name of the Company, to execute and deliver, and, in the Company's capacity as sole member and manager of General Partner, to cause General Partner and/or Borrower, as applicable, to execute and deliver, to the Lender, the Assignment of Partnership Interests in such form as may be agreed upon by the Company, General Partner, Borrower and/or Lender pursuant to which the Company shall pledge and grant a security interest in its partnership interest in Borrower and in certain of its rights as a general partner of Borrower, and Borrower shall pledge and grant a security interest in and to certain Borrower assets.

8. **RESOLVED**: that any act, document, or instrument relating to or evidencing any transaction between Lender, Borrower, General Partner, and/or the Company made or executed and delivered in the name of Borrower, General Partner and/or the Company by any officer on behalf of Borrower, General Partner and/or the Company, acting individually, is hereby ratified as an act of the Company.

9. **RESOLVED**: that any act, document, or instrument relating to or evidencing any transaction between the Company, the Partnership and/or USA Institutional Broadway McKnight, LLC (or as otherwise named) made or executed and delivered in the name of General Partner, the Partnership, and/or the Company by any officer on behalf of General Partner, the Partnership, and/or the Company, acting individually, is hereby ratified as an act of the Company.

PASSED and ADOPTED this 16th day of June 2021.

BY A VOTE OF 3 FOR, AND 0 AGAINST.

Members Absent: Rivera-Wiest, McGee
Members voting against: _____

AHA HOUSING DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
By: /s Rebecca Robinson
Rebecca Robinson, Chairperson of the Board

ATTEST:

/s Linda Bridge
Linda Bridge, Secretary to the Board and Executive Director