BOARD OF HOUSING COMMISSIONERS
RESOLUTION NO. 2025-13

AUTHORIZING THE CLOSING AND EXECUTION OF DOCUMENTS FOR THE REDEVELOPMENT AND CONSTRUCTION OF THE CASITAS DEL CAMINO PROJECT

WHEREAS, by prior resolution, the Board of Housing Commissioners (the "*Board*") of the Albuquerque Housing Authority (the "*Authority*") among other things, authorized the Executive Director of the Authority ("*Executive Director*") to seek and obtain financing and enter into such agreements and make other necessary and property decisions in furtherance of the rehabilitation and construction of the 88-unit residential property located at 112 - 232 60th St NW and Knotts Landing Court, Albuquerque, New Mexico, to include renovations of existing units and construction of brand new units (the "*Project*") pursuant to the U.S. Department of Housing and Urban Development ("*HUD*") Rental Assistance Demonstration ("*RAD*") Program;

WHEREAS, the Board's actions in Resolution No. 2024-06 further authorized the formation of AHA Casitas del Camino GP, LLC to serve as the general partner (the "*General Partner*") of Casitas del Camino, LLLP, which would serve as the owner of the project (the "*Partnership*"), and granted the Executive Director the authority to negotiate, execute, and agree to such documents and agreements as needed to affect the transaction, including borrowing, necessary to rehabilitate and construct the Project; and

WHEREAS, the transaction to rehabilitate and construct the Project is now set to close in the coming weeks.

NOW, THEREFORE, BE IT RESOLVED BY THE AHA BOARD OF HOUSING COMMISSIONERS, the governing body of the Authority that:

The Board hereby authorizes the Executive Director to sign and execute all loan and transactional documents necessary to affect the closing on the Project; and

The Board further authorizes and passes the following resolutions in support of the foregoing:

1. **RESOLVED**: That the actions of the officers of the Authority, in causing the Authority to become a guarantor of certain obligations of and make certain loans and commitments to the Partnership, are hereby ratified and confirmed in all respects;

2. **RESOLVED**: That:
   (a) As a permanent loan for the Project, Citibank, N.A. ("*Permanent Lender*"), has agreed to make a permanent loan in the planned principal amount of approximately Six Million Eight Hundred Thousand and No/100th Dollars ($6,800,000.00) [with this amount, however, approved for purposes of this Resolution to up to a maximum loan amount of Eight Million Two Hundred Forty Thousand and no/100th Dollars ($8,240,000.00)] to the Partnership (the "*Permanent Loan*") with the purpose of the Permanent Loan being to pay a portion of the costs incurred or to be incurred by the Partnership in acquiring,

developing, constructing and rehabilitating the Project, and/or to repay other debts on the Project;

(b) Pursuant to a Construction Loan Agreement between BMO Bank N.A. (the "*Construction Lender*") and the Partnership, Construction Lender is agreeing to make a construction loan to the Partnership in a principal amount of up to approximately Twenty Million and No/100th Dollars ($20,000,000.00) (the "*Construction Loan*") for the purpose of paying certain costs and expenses related to the acquisition, development and construction/rehabilitation of the Project;

(c) As a further loan for the Project, New Mexico Mortgage Finance Authority, a New Mexico public body politic and corporate, separate and apart from but constituting a governmental instrumentality of the state of New Mexico ("*MFA*"), has agreed to make a loan from its Ventana Fund in a principal amount of approximately One Million and No/100th Dollars ($1,000,000.00) to the Partnership (the "*Ventana Loan*"), to rehabilitate/construct and for the benefit of the Project;

(d) As a further loan for the Project, the City of Albuquerque, New Mexico (the "*City*") has agreed to provide a grant to the Authority and the Authority will, in turn, loan the grant funds in the amount of Five Million Five Hundred Forty-Nine Thousand Five Hundred and no/100 Dollars ($5,549,500.00) (the "*WH Trust Fund Loan/Capital Outlay*") to rehabilitate/construct, and for the benefit of, the Project;

(e) As further financing for the Project the Albuquerque Housing Authority, a municipal housing authority (the "*Authority*"), has agreed to provide a seller's note to the Partnership in the approximate amount of Four Million Three Hundred Sixty-Five Thousand and no/100 Dollars ($4,365,000.00) (the "*Acquisition Loan*") to rehabilitate/construct, and for the benefit of, the Project;

(f) As a further loan for the Project, the AHA has agreed to make a loan to the Partnership in the amount of One Million Eight Hundred Thousand and no/100 Dollars ($1,800,000.00) (the "*Gap Loan*") to rehabilitate/construct, and for the benefit of, the Project;

(g) As a further loan for the Project, MFA has agreed to make a loan through the Landlord to Tenant under the federal HOME Investment Partnership program in the amount of Two Million and no/100 Dollars ($2,000,000.00) (the "*HOME Rental Loan*") to rehabilitate/construct, and for the benefit of, the Project;

(h) As further financing for the Project, there will be investor equity funds generated from the sale of Low-Income Housing Tax Credits in the planned approximate amount of Fifteen Million Three Hundred Ninety Thousand Six Hundred Eighty-Seven and no/100 Dollars ($15,390,687.00) (the "*Tax Credit Equity*") for the benefit of the Project;

(i) As further financing for the Project, there will be deferred developer fees in as provided for, if any, in the Amended and Restated Agreement of Limited Partnership of the Partnership effective December 1, 2025 (the "*Deferred Developer Fee*") for the benefit of the Project;

(j) As further support for the Project, the Partnership will approve and execute agreements in support of the bond financing for the Project by means of the Bernalillo County, New Mexico Multifamily Housing Revenue Note (Casitas del Camino Project) Series 2025,

including execution of a Borrower Loan Agreement, Funding Loan Agreement, Tax Regulatory Agreement and other agreements or documents (the "*Bond Documents*");

(k) In connection with the making of the Permanent Loan, the Construction Loan, the Ventana Loan, the WH Trust Fund Loan/Capital Outlay, the Acquisition Loan, the Gap Loan, the HOME Rental Loan, the Bond Documents, and to address and document the Tax Credit Equity (collectively, the "*Project Loans*"), and in connection with the execution various loan agreements, related agreements and other documents related to the Project Loans (the "*Project Loan Documents*"), the Authority is or will be required to execute one or more guaranties or other promises, each in favor of all or some of the Lenders (collectively, the "*Guaranties")* pursuant to which the Authority guarantees certain obligations of the Partnership under the Project Loan Documents, including, but not limited to the repayment of the respective loans and the completion of the Project, and indemnifies the Lenders against certain liabilities;

(l) The Project Loans will each be evidenced by a separate Promissory Note (collectively, the "*Notes*"), with the Notes and the Partnership's obligations under the Project Loan Documents to be secured by, among other things, a deed of trust executed by the Partnership for each of the Notes, as trustor, in favor of the applicable Lenders, as beneficiary, and recorded substantially concurrently herewith in the Official Records of the county in which the Project is located, Bernalillo County, New Mexico (the "*Security Instruments*"), which will encumber the Property. In addition, the Partnership has agreed to pledge and assign to Construction Lender, and create a first priority security interest in favor of Construction Lender, in and to the Partnership's rights and interests in, among other things: (1) the construction/rehabilitation contract for the Project, (2) any architecture contract for the Project, (3) the plans and specifications for the Project, and (4) all other agreements now or hereafter entered into by the Partnership with any contractor, architect, engineer, or other consultant or third party in connection with the design, engineering, construction/rehabilitation of or on the Project or the property where it is located (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 Instruments in favor of the Construction Lender and/or an assignment of contracts;

(m) The Authority is the fee owner of the Property and is entering into a Ground Lease Agreement with the Partnership for the Property (the "*Ground Lease*"), pursuant to which the Authority ground leases the Property to the Partnership for a term of up to 99 years, and the Authority will further enter into a Right of First Refusal and Purchase Option related to the Property and Project that will be subordinate to the Security Instruments of the Construction Lender and the Permanent Lender (the "*Purchase Option*"); and

(n) In connection with the RAD Program and use of Project-Based Vouchers for the Project the Partnership will execute such documents that HUD may require to effectuate a RAD approval, which may include, but shall not be limited to a RAD Use Agreement, Rental Assistance Demonstration for the Conversion of Public Housing to the Section 8 Project-Based Voucher Program HAP Contract, Section 8 Project Based Voucher Program

Agreement to Enter into a Housing Assistance Payment Contract ("*AHAP*"), and related documents and certifications to HUD (collectively, the "*HUD Documents*").

3. **RESOLVED:** That the Authority and its affiliates are further authorized to
   (a) Execute an amended and restated agreement of limited partnership (the "*Amended Partnership Agreement*") on behalf of the Partnership to (i) accept USA Institutional, Casitas del Camino, LLC 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 the Project Loan Documents, the Guaranties, the Notes, the Bond Documents, together with any amendments, modifications, supplements, extensions, renewals or restatements of the foregoing, and any and all other transactional documents necessary or required to guaranty construction/rehabilitation and other obligations of the General Partner on behalf of the Partnership in connection with the Project.
   (c) Serve as the management agent and property manager of the Project, once completed.
   (d) Execute, for the Authority in the role of contract administrator, the HUD Documents, to include specific approval of the RAD Project Based Voucher ("*PBV*") Housing Assistance Payment ("*HAP*"), Section 8 Project Based Voucher Program Agreement to Enter into a Housing Assistance Payment Contract ("*AHAP*") and other HUD agreements or documents pertaining to the Project.

4. **RESOLVED:** That the Authority and its affiliates are further authorized to sign such agreements and other documents as necessary or required for the permanent financing of the Project, after construction/rehabilitation is completed and the Project is ready for occupancy, including pre-approval by this Resolution of any necessary increase to the Permanent Loan as set forth in 2(a) above, provided such increase is no more than 15 percent greater than the amount provided in 2(a) above.

5. **RESOLVED**: That Linda Bridge, Executive Director and Secretary of the Authority and any other officer of the Authority, be and each of them is hereby authorized, directed, and empowered, any one of them acting alone, in the name of the Authority and on behalf of the Authority:
   (a) to execute and deliver the Ground Lease to the Partnership;
   (b) to execute and deliver the Purchase Option;
   (c) to execute and deliver to the Lenders, and the Lenders are requested to accept, the Loan Documents, the Notes, and the Guaranties in such form as may be agreed upon by the Authority and Lenders pursuant to which Authority shall guaranty certain obligations of Partnership under the Project Loan Documents and indemnifies Lenders against certain liabilities;
   (d) to execute and deliver to Lenders, and Lenders are requested to accept, all other guaranties, indemnities, and other documents required by Lenders in connection with any transaction between Lenders and the Partnership described herein, including any

amendments, modifications, supplements, extensions, restatements or replacements thereof; and

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

(f) to execute and deliver such loan documents and other documents as necessary or required for the permanent financing of the Project;

(g) to execute and deliver the Bond Documents;

(h) to execute and deliver the HUD Documents including the RAD Use Agreements and other documents as necessary or required by HUD for the RAD conversion of the Project; and

(i) to approve increases to the Project Financing not to exceed ten percent (10%) of the amounts authorized herein to the extent required for consummation and completion of the Project.

6. **RESOLVED**: That any act, document, or instrument relating to or evidencing any transaction between Lenders and the Authority or in regards to the Partnership made or executed and delivered in the name of Authority by any officer on behalf of the Authority, acting individually, is hereby ratified as an act of the Authority.

BY A VOTE OF 4 FOR, AND 0 AGAINST.

Members Absent: Smith

Members voting against: _____

ALBUQUERQUE HOUSING AUTHORITY
BOARD OF HOUSING COMMISSIONERS

By: /s/ Maurreen Skowran
Maurreen Skowran, Vice Chairperson of the Board

ATTEST:

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