

**INDUCEMENT RESOLUTION
REGARDING THE ISSUANCE OF TAX-EXEMPT MULTIFAMILY
HOUSING REVENUE BONDS FOR THE ACQUISITION AND
CONSTRUCTION OF BROOKLAND PARK APARTMENTS
LOCATED IN THE CITY OF RICHMOND, VIRGINIA**

WHEREAS, there have been described to the Harrisonburg Redevelopment and Housing Authority (the "Authority") the plans to acquire and construct a 66-unit multifamily housing apartment project and related or ancillary facilities known as Brookland Park Apartments (the "Project"), located at 1218, 1224, 1226 and 1228 E. Brookland Park Boulevard, Richmond, Virginia 23222, in the City of Richmond, Virginia (the "City of Richmond") by Nehemiah Ventures, LLC, a Virginia limited liability company (the "Purchaser"); and

WHEREAS, the Project shall be established and maintained as a "qualified residential rental project" within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Authority is empowered, pursuant to the Virginia Housing Authorities Law, Chapter 1, Title 36 of the Code of Virginia of 1950, as amended (the "Act"), to issue its bonds for the purpose, among others, of financing the acquisition, construction and equipping of multifamily housing apartment projects such as the Project, located within the territorial boundaries of the City of Richmond; and

WHEREAS, pursuant to Section 36-23 of the Act, the Authority may exercise its powers within the territorial boundaries of another jurisdiction not included in its area of operation provided that (1) the City Council of the City of Richmond, as the governing body of the City of Richmond adopts a resolution declaring that there is a need for the Authority to exercise its powers within such jurisdiction, and (2) the Richmond Redevelopment and Housing Authority ("RRHA") adopts a resolution consenting to the exercise by the Authority of its powers within the City of Richmond (collectively, such resolutions are referred to herein as, the "Section 36-23 Resolutions"); and

WHEREAS, the Purchaser has requested, and each of the City of Richmond and the RRHA has begun the process necessary for, the adoption of a Section 36-23 Resolutions authorizing and consenting to the Authority's exercising of its powers in the City of Richmond with respect to the Project; and

WHEREAS, the Purchaser has requested that the Authority agree to issue its tax-exempt multifamily housing revenue bonds under the Act in an amount not to exceed \$15,000,000, the proceeds of which will be used to finance a portion of the costs to be incurred in acquiring and constructing the Project as permitted under the Act; and

WHEREAS, a public hearing has been held with respect to the Project and the bonds in accordance with Section 147(f) of the Code and Section 15.2-4906 of the Virginia Code, as amended.

NOW, THEREFORE, BE IT RESOLVED BY THE HARRISONBURG REDEVELOPMENT AND HOUSING AUTHORITY THAT:

1. The foregoing recitals are approved by the Authority and are incorporated in, and deemed a part of, this resolution.

2. It is hereby found and determined that the acquisition and construction of the Project by the Purchaser will further the public purposes of the Act by assisting in providing housing to “persons of low income” and “persons of moderate income” (as each such term is defined in the Act) in the City of Richmond.

3. It is hereby found and determined that the Project will constitute a “housing project” (as defined in the Act).

4. To induce the Purchaser to acquire and construct the Project and maintain the Project as a “qualified residential rental project” within the meaning of Section 142(d) of the Code, the Authority hereby agrees, subject to approvals required by applicable law, to assist the Purchaser in financing the acquisition and construction of the Project, including, as necessary, the financing of capitalized interest on the Bonds (as hereinafter defined), any necessary reserve funds for the Bonds, and costs of issuance of the Bonds, in each case only as permitted by applicable law, by undertaking the issuance of (and hereby declares its official intent to issue) its tax-exempt multifamily housing revenue bonds for such purposes in the maximum principal amount not to exceed \$15,000,000 (the “Bonds”) upon the terms and conditions to be mutually agreed upon by the Authority and the Purchaser. The Bonds shall be issued in form and pursuant to terms to be set by the Authority.

5. It having been represented to the Authority that it is necessary to proceed with the acquisition and construction of the Project, the Authority hereby agrees that the Purchaser may proceed with the plans for the Project, enter into contracts related to the acquisition and construction and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Purchaser to obligate the Authority without its consent in each instance to the payment of any moneys or the performance of any acts in connection with the Project.

6. The Authority hereby designates Haneberg Hurlbert PLC, Richmond, Virginia, to serve as bond counsel and hereby appoints such firm to supervise the proceedings and approve the issuance of the Bonds.

7. The Authority hereby agrees, if requested, to accept the recommendation of the Purchaser with respect to the appointment of a purchaser, placement agent or underwriter for the sale of the Bonds, pursuant to the terms to be mutually agreed upon.

8. All costs and expenses in connection with the financing and the acquisition and construction of the Project, including the fees and expenses of bond counsel, counsel for the Authority and the purchaser, placement agent or underwriter for the sale of the Bonds shall be paid

from the proceeds of the Bonds (but only to the extent permitted by applicable law) or by the Purchaser. If for any reason such Bonds are not issued, it is understood that all such expenses shall be paid by the Purchaser and that the Authority shall have no responsibility therefore.

9. In adopting this resolution the Authority intends to evidence its "official intent" to reimburse the Project expenditures with proceeds from the issuance of the Bonds within the meaning of Treasury Regulations Section 1.150-2.

10. The Bonds shall be limited obligations of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefore. Neither the commissioners, officers, agents or employees of the Authority, past, present and future, nor any person executing the Bonds, shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be a debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof (other than the Authority), including the City of Richmond (the "City of Richmond") and the City of Harrisonburg, Virginia (the "City of Harrisonburg"), and neither the Commonwealth of Virginia or any political subdivision thereof (other than the Authority) shall be liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than the special funds and sources provided therefore. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, shall be pledged to the payment of the principal of the Bonds or the interest thereon or other costs incident thereto. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

11. Any obligation of the Authority to exercise its powers in the City of Richmond to issue the Bonds as requested by the Purchaser is contingent upon the satisfaction of all legal requirements and the Authority (including its officers, commissioners, employees and agents) shall not be liable and hereby disclaims all liability to the Purchaser for any damages, direct or consequential, resulting from the Authority's failure to issue Bonds for the Project for any reason, including without limitation the failure of the City Council of the City of Harrisonburg to approve the issuance of the Bonds by the Authority, the failure of the City Council of the City of Richmond and the RRHA to adopt the Section 36-23 Resolutions or approve the issuance of the Bonds by the Authority, or the failure of the Purchaser to obtain any other approvals, including without limitation obtaining any required approvals of any housing authority that has currently outstanding bonds that financed any housing project(s) located in the territorial boundaries of the City of Richmond, as required by Section 36-23 of the Act.

12. The Authority hereby recommends that the City Councils of the City of Richmond and the City of Harrisonburg approve the issuance of the Bonds and hereby directs the Chairman, Vice Chairman or Executive Director of the Authority, any of whom may act, to submit to the City Council of the City of Richmond and the City Council of the City of Harrisonburg a reasonably detailed summary of the comments, if any, expressed at the public hearing, the fiscal impact statement required by Virginia law, and a copy of this resolution.

13. No Bonds may be issued pursuant to this resolution until such time as (a) the issuance of the Bonds has been approved by the City Council of the City of Harrisonburg and the City Council of the City of Richmond, (b) each of the City Council of the City of Richmond and the

RRHA has adopted the Section 36-23 Resolution, and (c) the final terms and details of the Bonds have been approved by subsequent resolution of the Authority.

14. This Resolution shall take effect immediately upon its adoption.

Adopted: June 15, 2022

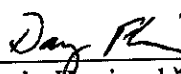
CERTIFICATE OF VOTES

Record of the roll-call vote by the Harrisonburg Redevelopment and Housing Authority, upon reading on a resolution titled **“INDUCEMENT RESOLUTION REGARDING THE ISSUANCE OF TAX-EXEMPT MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION AND CONSTRUCTION OF BROOKLAND PARK APARTMENTS LOCATED IN THE CITY OF RICHMOND, VIRGINIA,”** taken at a meeting of the Authority held on June 15, 2022:

	AYE	NAY	ABSTAIN	ABSENT
Dany Fleming, Chair	✓			
Vacant Position				✓
Christine Fasching Maphis	✓			
Kevin Coffman	✓			✓
Luciano Benjamin	✓			
Gil Colman	✓			
Shonda Green	✓			

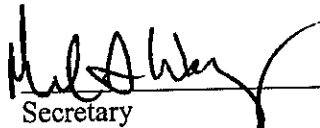
Dated: June 15, 2022

(SEAL)



 Chair, Harrisonburg Redevelopment and Housing Authority

ATTEST:

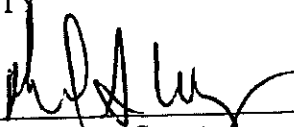


 Secretary

The undersigned Secretary of the Harrisonburg Redevelopment and Housing Authority hereby certifies that the foregoing is a true, correct, and complete copy of a Resolution adopted by the Authority’s commissioners present and voting at a meeting duly called and held on June 15, 2022, in accordance with law, and that such Resolution has not been repealed, revoked, rescinded, or amended, but is in full force and effect as of the date hereof.

WITNESS my hand and the seal of the Authority this 15 day of June, 2022.

HARRISONBURG REDEVELOPMENT AND HOUSING
AUTHORITY

By: 

 Secretary