



LOUISIANA
HOUSING
CORPORATION

BOARD OF DIRECTORS

Agenda Item 8

Barry Brooks, Secretary

October 10, 2012

Table of Contents

Sale Resolution – Elm Drive Senior Housing Project.....8.2

LOUISIANA HOUSING CORPORATION

The following resolution was offered by Director _____ and approved by Director _____:

RESOLUTION

A resolution accepting the proposal of Merchant Capital, L.L.C. or such other purchaser as may be designated by the Developer for the purchase of not to exceed Five Million Dollars (\$5,000,000) Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Elm Drive Senior Housing Project, 4250 Elm Drive {off Airline Highway}, Baton Rouge, LA, East Baton Rouge Parish, Louisiana) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.

WHEREAS, the Board of Directors (the “**Board**”) of the Louisiana Housing Corporation (the “**LHC**”) on July 11, 2012, adopted a resolution approving and authorizing the issuance of not exceeding Five Million Dollars (\$5,000,000) of Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Elm Drive Senior Housing Project) in one or more series and authorized the publication of a Notice of Intention to Sell at Private Sale (the “**Notice**”) in connection therewith; and

WHEREAS, said bonds are being designated as “Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Elm Drive Senior Housing Project) Series 2012” in the aggregate principal amount of not to exceed \$5,000,000 (the “**Bonds**”) and are being issued for the purpose of providing funds to (i) pay the cost for the acquisition, construction and equipping of a multifamily residential rental facility serving low and moderate income special needs households in Baton Rouge, East Baton Rouge Parish, Louisiana (the “**Project**”), (ii) fund such reserve accounts as may be required and (iii) pay the costs of issuance associated with the Bonds; and

WHEREAS, as set forth in said resolution, the Notice of Sale was published on August 22, 2012 in “The Advocate” and in the “Daily Journal of Commerce” for an amount not to exceed \$5,000,000; and

WHEREAS, in accordance with the aforesaid resolution adopted by the LHC on July 11, 2012, the sale of the Bonds was scheduled for October 10, 2012; and

WHEREAS, the LHC did meet on October 10, 2012, at 10:00 a.m., Louisiana time, for the purpose of receiving and considering the proposal of Merchant Capital, L.L.C. or such other purchaser (the “**Purchaser**”) as may be designated by Elm Drive Senior Apartments, LP, a limited partnership organized in the State of Louisiana (the “**Developer**”), and taking action with respect to the parameter sale of not exceeding Five Million Dollars (\$5,000,000) of the Bonds pursuant thereto;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Louisiana Housing Corporation, acting as the governing authority of said LHC, that:

SECTION 1. The parameter written terms submitted this day by Merchant Capital, L.L.C. or such other purchaser as may be designated by the Developer, for the purchase of bonds designated “Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Elm Drive Senior Housing Project)” in on more series in the aggregate principal amount of not exceeding \$5,000,000, at an interest rate not exceeding 12% per annum, and for a maturity not exceeding 40 years, authorized under and pursuant to the provisions of a Bond Trust Indenture (the “**Indenture**”), by and between a trustee to be determined (the “**Trustee**”), and the LHC be, and the same are hereby awarded to the Purchaser; provided, however, that the sale and delivery of the Bonds are conditioned upon approval by the State Bond Commission and compliance with any and all approvals and/or certifications required by the Louisiana Attorney General. The sale of the Bonds in accordance with said Indenture is hereby authorized and approved. The Chairman, Interim Executive Director of the Corporation, and/or Secretary of the Corporation be and they are hereby authorized and directed for, on behalf of and in the name of the LHC, to execute, deliver and approve such instruments, documents and certificates as may be required or necessary, convenient or appropriate to the financing described herein, including, but not limited to, the following described documents for the Bonds on file with the LHC:

- (i) Bond Trust Indenture,
- (ii) Financing Agreement, and
- (iii) Tax Regulatory Agreement.

The aforesaid officers are additionally authorized to approve any changes in the aforementioned documents provided such changes are in accordance with Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, as amended, and with the approval of Counsel to the LHC or Bond Counsel. As provided in the resolution adopted by the LHC on July 11, 2012, the costs of financing the Project will be paid out of the proceeds from the sale of the Bonds, in one or more

series, which shall be special, limited obligations of the LHC, payable solely out of the revenues derived by the LHC with respect to the Project for which financing is made available, and the Bonds and the interest thereon shall never constitute the debt or indebtedness of the LHC, the State of Louisiana (the “**State**”), or any political subdivision thereof within the meaning of any provision or limitation of the Constitution or statutes of the State, nor shall the same give rise to a pecuniary liability of the LHC or the State or any political subdivision thereof or a charge against their general credit or taxing power, and such limitation shall be plainly stated on the face of the Bonds.

By virtue of LHC’s application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission’s approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the “State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.”, adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 2. A bank is to be designated as Trustee and Paying Agent with respect to the Bonds in accordance with the provisions of the Indenture.

SECTION 3. In order to accomplish the sale of the Bonds in accordance with the terms of this resolution, either the Chairman or Vice Chairman of this LHC Board of Directors or the Interim Executive Director, are hereby authorized and directed to execute and deliver, for and on behalf of the LHC, the Indenture in substantially the form thereof which is now before this LHC

and filed with the Secretary of this Board of Directors with such revisions or changes as may be approved by Bond Counsel.

SECTION 4. The Bonds will be dated, will be in the denominations and will have all the terms set forth in the Indenture.

SECTION 5. The Bonds shall be subject to redemption in accordance with the Indenture.

SECTION 6. The Chairman, Interim Executive Director of the Corporation, and/or Secretary of the Corporation are hereby approved, authorized and directed to execute and deliver or cause to be executed and delivered all documents required to be executed on behalf of the LHC and delivered to effect delivery of the Bonds to the Purchaser or deemed by any of them necessary or advisable to implement this resolution or the Indenture, or to facilitate the sale of the Bonds.

SECTION 7. The Chairman, Interim Executive Director of the Corporation, and/or Secretary of the LHC shall cause to be executed for and on behalf of the LHC the aforementioned Bonds in accordance with the Indenture, and shall effect the delivery thereof to the Purchaser in accordance with the Indenture. The Interim Executive Director and/or such other officer of the LHC shall receive from the Purchaser for the account of the LHC the purchase price of the Bonds and shall deposit the same with the Trustee under the Indenture in accordance with the provisions thereof.

SECTION 8. This resolution shall take effect immediately.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS:

NAYS:

ABSENT:

And the resolution was declared adopted on this, the 10th day of October, 2012.

Chairman

Secretary

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary of the Board of Directors of the Louisiana Housing Corporation (the “LHC”), do hereby certify that the foregoing five (5) pages constitute a true and correct copy of a resolution adopted by said Board of Directors on October 10, 2012, entitled: “A resolution accepting the proposal of Merchant Capital, L.L.C. or such other purchaser as may be designated by the Developer for the purchase of not to exceed Five Million Dollars (\$5,000,000) Louisiana Housing Corporation Multifamily Housing Revenue Bonds (Elm Drive Senior Housing Project) in one or more series; fixing the parameter terms of said bonds and otherwise providing with respect to said bonds; and providing for other matters in connection with the foregoing.”

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the LHC on this, the 10th day of October, 2012.

Secretary

(SEAL)