RESOLUTION GIVING PRELIMINARY APPROVAL FOR THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CASCADE RIDGE APARTMENTS

WHEREAS, the City Council (the "City Council") of the City of Brevard, North Carolina (the "City") met in Brevard, North Carolina at 5:30pm on the 16th day of March, 2026; and

WHEREAS, pursuant to Section 160D-1311(b) of the General Statutes of North Carolina, the City is granted the power to exercise directly the powers of a housing authority organized pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended (the "Act"); and

WHEREAS, the Act in N.C.G.S. § 157-9 gives the City, exercising the powers of a housing authority, the power "to provide for the construction, reconstruction, improvement, alteration or repair of any housing project" and "to borrow money upon its bonds, notes, debentures or other evidences of indebtedness and to secure the same by pledges of its revenues"; and

WHEREAS, an affiliated or related entity of Woda Cooper Companies, Inc. (the "Company"), intends to provide affordable housing in the City; and

WHEREAS, the Company has requested that the City assist it in financing the acquisition, construction and equipping of an 84-unit qualified residential rental project to be known as Cascade Ridge Apartments and located at approximately 373 Morris Road in the City (the "Development"); and

WHEREAS, the Company has described to the City the benefits of the Development to the City and the State of North Carolina and has requested that the City agree to issue its multifamily housing revenue bonds in such amounts as may be necessary to finance the costs of acquiring, constructing and equipping the Development; and

WHEREAS, the City would be acting as a "conduit" issuer for such bonds, and would have no liability whatsoever for any such bonds, which will not constitute a debt or a pledge of the faith and credit of the City, but will be payable solely from the revenues and other funds provided by the Company; and

WHEREAS, the City is of the opinion that the Development is a facility that can be financed under the Act and that the financing of the same will be in furtherance of the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BREVARD, NORTH CAROLINA:

1. It is hereby found and determined that the Development will involve the acquisition, construction and equipping of a multifamily housing facility, and that therefore, pursuant to the terms and subject to the conditions hereinafter stated and the Act, the City agrees to assist the Company in every reasonable way to issue bonds to finance the acquisition, construction and equipping of the Development, and, in particular, to undertake the issuance of the City's multifamily housing revenue bonds (the "Bonds") in an amount now estimated not to exceed Ten Million Dollars ($10,000,000) to provide all or part of the cost of the Development.

2. The Bonds shall be issued in such series and amounts and upon such terms and conditions as are mutually agreed upon between the City and the Company. The City and the Company shall enter into a "financing agreement" pursuant to the Act for a term and upon payments sufficient to pay the principal

of, premium if any, and interest on the Bonds and to pay all of the expenses of the City in connection with the Bonds and the Development. The Bonds will be issued pursuant to an indenture or security agreement between the City and a trustee (the "Trustee") or the bondholder which will set forth the form and terms of the Bonds and will assign to the Trustee for the benefit of the holders of the Bonds, or directly to the bondholder, the City's rights to payments under the financing agreement, except the City's right to payment of fees and expenses and indemnification. The Bonds shall not be deemed to constitute a debt or a pledge of the faith and credit of the State of North Carolina or any political subdivision or agency thereof, including the City, but shall be payable solely from the revenues and other funds provided under the proposed agreements with the Company.

3. The City hereby authorizes the Company to proceed, upon the prior advice, consent and approval of bond counsel and the City's counsel, to obtain approvals in connection with the issuance and sale of the Bonds and to obtain an allocation of a sufficient amount of the State of North Carolina's "private activity bond limit", as required by Section 146 of the Code and as defined in Section 146 of the Code, for the Bonds.

4. The City intends that the adoption of this resolution be considered as "official action" toward the issuance of the Bonds within the meaning of the regulations issued by the Internal Revenue Service pursuant to Section 1.150-2 of the Treasury Regulations issued under the Internal Revenue Code of 1986, as amended (the "Code").

5. It having been represented to the City that it is desirable to proceed with the acquisition, construction and equipping of the Development, the City agrees that the Company may proceed with plans for such acquisition, construction and equipping, enter into contracts for the same, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Company to obligate the City without its written consent in each instance to the payment of any monies or the performance of any act in connection with the Development and no such consent shall be implied from the City's adoption of this resolution. The City agrees that the Company may be reimbursed from the proceeds of the Bonds, if and when issued, for all qualifying costs so incurred as permitted by Treasury Regulations Section 1.150-2.

6. All obligations hereunder of the City are subject to the further agreement of the City and the Company to terms for the issuance, sale and delivery of the Bonds and the execution of a financing agreement, indenture or security agreement and other documents and agreements necessary or desirable for the issuance of the Bonds. The City has not authorized and does not authorize the expenditure of any funds or monies of the City from any source other than the proceeds of the Bonds. All costs and expenses in connection with the financing and the acquisition, construction and equipping of the Development, including the reasonable fees and expenses of the City's counsel, bond counsel and the agent or underwriter for the sale of the Bonds, shall be paid from the proceeds of the Bonds or by the Company, but if for any reason the Bonds are not issued, all such expenses shall be paid by the Company and the City shall have no responsibility therefor. It is understood and agreed by the City and the Company that nothing contained in this resolution shall be construed or interpreted to create any personal liability of the officers or council members from time to time of the City.

7. The City's agreement to act as the issuer of the Bonds to finance the Development shall not be construed as approval of the Development for any other purpose including, but not limited to, zoning, land use, permitting or any other aspect of the Development that may require approval by the City or any department or agency of the City.

8. The officers of the City are hereby authorized and directed to take all actions in furtherance of the resolution and the issuance of the Bonds.

9. The City hereby approves McGuireWoods LLP, Raleigh, North Carolina, to act as bond counsel for the Bonds.

10. This resolution shall take effect immediately.

Council member _____ moved the passage of the foregoing resolution and Council member _____ seconded the motion, and the resolution was passed by the following vote:

Ayes:_____

Nays:_____

Not voting:_____

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I, Denise Hodsdon, City Clerk of the City of Brevard, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and complete copy of so much of the proceedings of the City Council for the City of Brevard, North Carolina, at a regular meeting duly called and held on March 16, 2026, as it relates in any way to the resolution hereinabove set forth, and that such proceedings are recorded in the minutes of the City Council.

WITNESS my hand and the seal of the City Council of the City of Brevard, North Carolina, this 16th day of March, 2026.

(SEAL)

_____
Denise Hodsdon, City Clerk
City of Brevard, North Carolina