



**Resolution No. SHFC-2020-04:** To Approve a deposit of \$400,000 with Lone Star National Bank and any and all other documents required by such bank in connection with Eastern Oaks Apartments

**WHEREAS**, the Corporation is authorized by the Texas Housing Finance Corporations Act, Local Government Code, Chapter 394, Vernon's Annotated Texas Civil Statutes, as amended (the "Act"), (a) to pledge all or part of the Corporation's property, franchises and income; and (b) enter into contracts to perform services with respect to residential development, any housing authority, nonprofit enterprise, or similar entity; and

**WHEREAS**, Travis County Facilities Corporation ("TCFC"), a public facility corporation organized under Chapter 303 of the Texas Local Government Code, of which the Housing Authority of Travis County is the sponsor ("HATC") is receiving a loan in the principal sum of \$400,000.00 (the "Loan") from Lone Star National Bank (the "Lender") in order to enable HATC to rehabilitate Eastern Oaks Apartments (the "Property"); and

**WHEREAS**, the Lender is requiring certain security in order to make the Loan to TCFC; and

**WHEREAS**, the Corporation has been requested to establish a certificate of deposit account with the Lender in an amount of \$400,000.00 (the "Pledge Account") and to grant the Lender a security interest in the Pledge Account to secure the Loan;

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION, THAT:**

Section 1: The Corporation hereby authorizes and agrees that the Corporation establish the Pledge Account and grant the Lender a security interest in the Pledge Account as security for the Loan to TCFC, as evidenced by an assignment of deposit account ("Security Agreement") by and between the Corporation, as pledgor, and Lender, as secured party.

Section 2: The form, terms and provisions of the Security Agreement are hereby in each and every respect approved, ratified and confirmed; and each and every transaction effected or to be effected pursuant to, and in substantial accordance with, the terms of the Security Agreement and such other documents as are contemplated thereby are hereby in each and every respect authorized, approved, ratified and confirmed.

Section 3: The Corporation shall establish the Pledge Account with Lender to secure the obligations of TCFC.

Section 4: The Corporation hereby authorizes the President of the Corporation, the Executive Vice President of the Corporation, and/or the Director of Real Estate Development of the Corporation as the authorized officers, acting together or individually, on behalf of the Corporation, to execute and deliver the Security Agreement and such other documents and instruments in connection therewith as may be necessary or desirable, and to take any other necessary or desirable actions consistent with this Resolution.



Section 5: Any and all action taken by the President of the Corporation, the Executive Vice President of the Corporation, and/or the Director of Real Estate Development of the Corporation, prior to the date these resolutions are actually adopted and executed in effecting the purposes of the foregoing Resolutions is hereby approved, ratified, and adopted in all respects.

**NOW, THEREFORE, BE IT FURTHER RESOLVED** that the Board of Directors of the Corporation hereby:

1. Approves Resolution SHFC-2020-04,
2. Authorizes the President of the Corporation, the Executive Vice President of the Corporation, and/or the Director of Real Estate Development of the Corporation to execute all relevant documents, instruments, agreements, policies, and procedures and to take all actions on behalf of the Corporation contemplated by the foregoing resolutions.

Passed and approved the 19 day of March 2020.

A handwritten signature in black ink, appearing to read 'Wilmer Roberts', written over a horizontal line.

Wilmer Roberts, President, Board of Directors

Attested and approved as to form:

A handwritten signature in blue ink, appearing to read 'Patrick Howard', written over a horizontal line.

Patrick B. Howard, Executive Vice President



**SHFC Action Item IV.A.  
March 19, 2020**

**Resolution No. SHFC-2020-04:** To Approve a deposit of \$400,000 with Lone Star National Bank and any and all other documents required by such bank in connection with Eastern Oaks Apartments

**Background Information:** On October 15, 2019, the Board approved Resolution No. SHFC-2019-19 which approved the deposit of \$400,000 with Lone Star National Bank and all other documents required by such bank in connection with Eastern Oaks Apartments. Due to the nature of the change in the entity that will be borrowing the funds (Travis County Facilities Corporation), Cliff Blount with Naman, Howell, Smith & Lee advised that we have a new resolution approved stating the approval of the amount to be deposited by SHFC.

**Recommended Action:** Consider the appropriate action regarding **Resolution No. SHFC-2020-04:** To Approve a deposit of \$400,000 with Lone Star National Bank and any and all other documents required by such bank in connection with Eastern Oaks Apartments

**Alternate Option:**

The Board of Directors could elect to **Not** authorize the following Resolution:

- Resolution No. SHFC-2020-04

**Fiscal Impact:**

N/A

**Attachment:**

- A. Resolution No. SHFC-2020-04

**Prepared by:**

Robert Onion – Director of Real Estate Development

**Approval:**

*Patrick B. Howard*

Patrick B. Howard, *Executive Vice President*