

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF MULTIFAMILY HOUSING REVENUE BONDS (ELLIOTT WOODS & CHASE PARK), SERIES 2026 (2026-03-25/R-2)

WHEREAS, the Town Council (the "Town Council") of the Town of Chapel Hill, North Carolina (the "Town") met in Chapel Hill, North Carolina at 6:00 p.m. on the 11th day of June, 2025; and

WHEREAS, the Town Council (the "Town Council") of the Town of Chapel Hill, North Carolina (the "Town") met in Chapel Hill, North Carolina at 6:00 p.m. on the 4th day of March, 2026; and

WHEREAS, pursuant to Section 160D-1311(b) of the General Statutes of North Carolina, the Town 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 (collectively, the "Act"); and

WHEREAS, the Act in N.C.G.S. § 157-9 gives the Town, 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, Elliott Chase Housing Partners, LP, a North Carolina limited partnership (the "Borrower"), has requested that the Town assist it in financing a portion of the cost of the acquisition, rehabilitation and equipping of (i) a 39-unit qualified residential rental project (as defined in Section 142(d) of the Internal Revenue Code of 1986, as amended (the "Code") known as Elliott Woods Apartments and located at 106 N. Elliott Road in the Town, and (ii) a 40-unit qualified residential rental project (as defined in Section 142(d) of the Code) known as Chase Park Apartments and located at 1060 NC-54 in the Town (collectively, the "Developments"); and

WHEREAS, the Town proposes to facilitate the financing of the Developments by the issuance of its Multifamily Housing Revenue Bonds (Elliott Woods & Chase Park), Series 2026, in an aggregate principal amount not to exceed \$7,000,000 (the "Bonds"); and

WHEREAS, the maximum principal amount of Bonds expected to be issued for Elliott Woods Apartments is \$3,500,000 and the maximum principal amount of Bonds expected to be issued for Chase Park Apartments is \$3,500,000; and

WHEREAS, Section 147(f) of the Code, requires that any bonds issued by the Town for the Developments may only be issued after approval of the plan of financing by the Town following a public hearing with respect to such plan; and

WHEREAS, on March 4, 2026, the Town held a public hearing with respect to the issuance of the Bonds to finance, in part, the Developments (as evidenced by the Certificate and Summary of Public Hearing attached hereto as Exhibit A); and

WHEREAS, the Town proposes to authorize and, where applicable, execute the following instruments to carry out the transactions described above (the "Documents"):

(a) Trust Indenture (the "Indenture"), between the Town and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), authorizing the issuance of the Bonds and providing for the terms and details thereof and the security therefor, together with the form of the Bonds attached thereto;

(b) Loan Agreement (the "Loan Agreement"), between the Town and the Borrower, providing for the terms and conditions pursuant to which the loan of the proceeds of the Bonds will be made by the Town to the Borrower, together with a Promissory Note from the Borrower to the Town, which the Town will assign to the Trustee;

(c) Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement"), by the Borrower for the benefit of the Town and the Trustee, pursuant to which the Borrower agrees to comply with the requirements of the Code relating to low and moderate income housing relating to Elliott Woods Apartments;

(d) Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement"), by the Borrower for the benefit of the Town and the Trustee, pursuant to which the Borrower agrees to comply with the requirements of the Code relating to low and moderate income housing relating to Chase Park Apartments;

(d) Preliminary Official Statement (the "Preliminary Official Statement") relating to the offering and sale of the Bonds; and

(e) Bond Purchase Agreement to be dated the date of the sale of the Bonds (the "Bond Purchase Agreement") among the Borrower, the Town and Colliers Securities LLC (the "Underwriter"), providing for the issuance and sale by the Town and the purchase by the Underwriter of the Bonds; and

WHEREAS, the Town will not in any event have any liability or responsibility whatsoever for the repayment of the Bonds, or for any costs or expenses incurred in connection with the issuance of the Bonds or the acquisition, rehabilitation, equipping or operation of the Developments, and neither the faith and credit nor the taxing power of the Town is pledged to the payment of the principal of or interest on the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CHAPEL HILL:

1. The Town hereby determines to provide financing to the Borrower for the acquisition, rehabilitation and equipping of the Developments through the issuance of the Bonds pursuant to the North Carolina Housing Authorities Law, Article 1 of Chapter 157 of the General Statutes of North Carolina, as amended, and Section 160D-1311(b) of the General Statutes of North Carolina, as amended, the loan of the proceeds thereof and the advance of such proceeds to the Borrower in accordance with the Loan Agreement.
2. The Town hereby authorizes the issuance and sale of the Bonds pursuant to the Indenture and in accordance with the terms set forth in the Bond Purchase Agreement and the Indenture. The Bonds will bear interest at the

rates and will mature, be subject to mandatory tender and be redeemed in the years and amounts all as set forth in the Indenture; provided, however, that the aggregate principal amount of the Bonds shall not exceed \$7,000,000.

3. The issuance of the Bonds to finance a portion of the cost of the Developments in an amount not to exceed \$7,000,000, including not to exceed \$3,500,000 for Elliott Woods Apartments and not to exceed \$3,500,000 for Chase Park Apartments, is hereby approved for purposes of Section 147(f) of the Code.
4. Each of the Mayor, the Town Manager, the Town Clerk or their respective designees are hereby authorized and directed to execute and deliver the Documents to the other parties thereto.
5. Each of the Mayor, the Town Manager, the Town Clerk or their respective designees are hereby authorized and directed to execute and deliver the Bonds in the manner and subject to the conditions provided in the Indenture to the Trustee for authentication and to cause the Bonds so executed and authenticated to be delivered to or for the account of the Underwriter upon payment of the purchase price therefor as provided in the Bond Purchase Agreement.
6. The distribution of the Preliminary Official Statement by the Underwriter to prospective purchasers of the Bonds is hereby approved. The Town is authorized to deem the Preliminary Official Statement to be "final" within the meaning of Rule 15c2-12 of the Rules and Regulations promulgated under the Securities Exchange Act of 1934, as amended. The Mayor and the Town Manager or their respective designees are hereby authorized and directed to deliver the final Official Statement (in substantially the form of the Preliminary Official Statement, but incorporating the final terms and details of the Bonds) to the Underwriter and the Underwriter is hereby authorized and directed to distribute the Official Statement to the purchasers of the Bonds.
7. The Documents and the Bonds shall be in substantially the forms previously reviewed by staff and described herein, which are hereby approved, with such completions, omissions, insertions and changes as may be necessary to reflect the final terms of the Bonds, including any changes that may be required by any rating agency that is rating the Bonds, any changes in dates as may be required to reflect the date of the actual closing, and as otherwise approved by the officers of the Town executing them after consultation with bond counsel and counsel to the Town, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.
8. Any authorization made hereby to the officers of the Town to execute a Document shall include authorization to each of the Mayor and Town Manager or their respective designees to execute the document, authorization to the Town Clerk or any Deputy Town Clerk to affix the seal of the Town to such document and attest such seal if necessary, and, where appropriate, to

deliver it to the other parties thereto, all in the manner provided in the Documents.

9. Such officers are hereby authorized and directed to execute and deliver any and all other documents, agreements, instruments, and certificates in the name and on behalf of the Town and to take such other actions on behalf of the Town as may be necessary or desirable to the issuance of the Bonds, including but not limited to a tax certificate, tax forms and other certificates. All other acts of the officers of the Town previously taken or to be taken that are in conformity with the purposes and intent of this resolution and in furtherance of the Development and the issuance and sale of the Bonds are hereby authorized, ratified, confirmed and approved.

10. This resolution shall take effect immediately upon adoption.

This the 25th day of March, 2026.