

RESOLUTION

MODIFICATION AND REISSUANCE OF A REVENUE BOND FOR CHRISTOPHER NEWPORT

UNIVERSITY (CNU) EDUCATION FOUNDATION, INC. - \$8,000,000

WHEREAS, on May 18, 2001, the Economic Development Authority (EDA) of James City County, Virginia (the "Authority"), issued, for the benefit of the Christopher Newport University (CNU) Education Foundation, Inc. (the "Foundation"), formerly known as The Christopher Newport University Educational Foundation, Inc., the Authority's \$8,000,000 Revenue Bond (CNU Project) Series 2001 (the "Bond"), and pursuant to a Bond Purchase and Financing Agreement dated as of May 1, 2001, among the Authority, the Foundation and Bank of America, N.A. (the "Lender"), the Authority sold the Bond to the Lender and applied the proceeds of the Bond to assist the Foundation in: a) the acquisition of properties for student housing, parking, and other facilities associated with CNU (the "Project") (the current addresses of such properties are 12304 Warwick Boulevard, 12368 Warwick Boulevard (formerly known as 12346, 12352, 12366, and 12372 Warwick Boulevard), 12386 Warwick Boulevard, 39 Sweetbriar Drive, 411 University Place, and 414 University Place); b) financing the cost of issuing the Bond; and c) financing the costs of furnishings and other costs associated with the development of the properties; and

WHEREAS, the Board of Supervisors of James City County, Virginia (the "Board"), has been advised that the Authority has approved the modification of the Bond to extend its final maturity (currently September 1, 2011) for an additional period of up to ten years at a principal amount not to exceed \$3,000,000; and

WHEREAS, the Board has been advised that the Foundation, in its appearance before the Authority: a) described the continued educational and other benefits to the County of James City, Virginia (the "County") and the City of Newport News, Virginia (the "City"), derived from the Project and from the modification of the Bond; b) requested that the Authority designate the Bond, as modified, as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), for calendar year 2011; and c) requested that the Authority recommend to the Board that it approve the issuance of the Amended and Restated Bond, a form of which has been presented to this meeting (the "Amended Bond"), as required by the Code; and

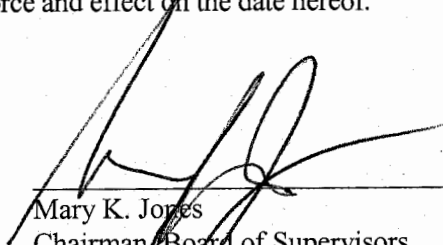
WHEREAS, the Board has been advised that a public hearing was held by the Authority with respect to the modification of the Bond, as required by the Section 15.2-4906 of the Virginia Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), and by Section 147(f) of the Code, and that after its hearing the Authority: a) found and determined that the modification of the Bond will benefit the inhabitants of the City and the Commonwealth of Virginia and promote their education, welfare, convenience, and prosperity; b) designated the Amended Bond as a "qualified tax-exempt obligation" for calendar year 2011; and c) recommended that the Board approve the issuance of the Amended Bond as required by the Code; and

WHEREAS, a copy of the Authority's resolution, a reasonably detailed summary of the comments expressed at the public hearing held by the Authority with respect to the modification of the Bond, a statement in the form prescribed by Section 15.2-4907 of the Act, and a concurring resolution of the City Council of the City of Newport News, Virginia, as required by Section 15.2-4905 of the Act, have been filed with the Board.

NOW THEREFORE, BE IT RESOLVED by the Board of Supervisors of James City County, Virginia:

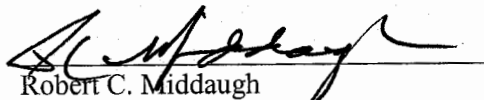
1. That the Board approves the modification of the Bond, the designation of the Amended Bond as a "qualified tax-exempt obligation" for calendar year 2011, and the issuance of the Amended Bond by the Authority to the extent required by the Code and the Act.
2. That the approvals herein do not constitute an endorsement to any owner of the Amended Bond of the creditworthiness of the Foundation or any other person, and the Amended Bond shall provide that neither the Commonwealth of Virginia, the County, nor the Authority shall be obligated to pay the Amended Bond or the interest thereon or other costs incident thereto except from the revenues and moneys pledged therefore and neither the faith or credit nor the taxing power of the Commonwealth of Virginia, the County nor the Authority shall be pledged thereto.
3. That this resolution shall take effect immediately upon its adoption.

The undersigned hereby certifies that the above resolution was duly adopted by the Board of Supervisors of James City County, Virginia, at a meeting duly called and held on July 26, 2011, and that such resolution is in full force and effect on the date hereof.



Mary K. Jones
Chairman/Board of Supervisors

ATTEST:



Robert C. Middaugh
Clerk to the Board

SUPERVISORS	VOTE
KENNEDY	AYE
GOODSON	AYE
MCGLENNON	AYE
ICENHOUR	AYE
JONES	AYE

Adopted by the Board of Supervisors of James City County, Virginia, this 26th day of July, 2011.

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