

RESOLUTION OF
ECONOMIC DEVELOPMENT AUTHORITY OF
JAMES CITY COUNTY, VIRGINIA

WHEREAS, on May 18, 2001, the Economic Development Authority of James City County, Virginia (the "Authority"), issued, for the benefit of the Christopher Newport University Education Foundation (the "Foundation"), the Authority's \$8,000,000 Revenue Bond (Christopher Newport University 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 Christopher Newport University (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;

WHEREAS, the Authority approved the modification and reissuance of the Bond in 2011;

WHEREAS, the entire principal amount of the Bond will come due on the final maturity date of the Bond of June 1, 2016; and

WHEREAS, the Foundation and the Lender desire to extend the final maturity of the Bond for an additional period of ten (10) years and to adjust its interest rate from a floating rate to a fixed rate, and have been informed by bond counsel that such changes to the Bond must be approved by the Authority;

WHEREAS, the Foundation has described to the Authority the continued educational and other benefits to the City of Newport News (the "City") and the County of James City (the "County") derived from the Project and has requested that the Authority agree to approve the extension of the final maturity of the Bond and its adjusted interest rate in accordance with the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"); and

WHEREAS, a public hearing has been held by the Authority with respect to the modification of the Bond, as required by the Act and by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), on the date hereof; and

WHEREAS, the Foundation has requested that the Authority proceed with the modification of the Bond by the execution and delivery of (a) a Second Modification Agreement (the "Modification Agreement") among the Authority, the Foundation, the Christopher Newport University Real Estate Foundation, as guarantor, and the Lender, and (b) an Amended and Restated

Bond (the "Amended Bond"), forms of which have been prepared by bond counsel and reviewed by counsel to the Authority and have been presented to this meeting.

BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY, VIRGINIA:

1. It is hereby found and determined that the modification of the Bond will benefit the inhabitants of the County and the Commonwealth of Virginia and promote their education, welfare, convenience and prosperity, and the Authority hereby agrees to undertake the modification of the Bond.

2. The Modification Agreement is hereby approved in substantially the form submitted to this meeting, with such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Authority, either of whom may act, upon advice of counsel to the Authority, which approval shall be evidenced conclusively by the execution and delivery of the Modification Agreement.

3. The Chairman or Vice Chairman of the Authority, either of whom may act, is hereby authorized and directed to execute the Amended Bond, and the Secretary or Assistant Secretary of the Authority, either of whom may act, is authorized and directed to affix and attest the seal of the Authority. Such officers of the Authority are further authorized and directed to deliver the Amended Bond to the Lender upon the terms provided in the Modification Agreement; provided, however, that delivery of the Amended Bond shall not occur until the modification of the Bond has been approved by the Board of Supervisors of James City County, Virginia (the "Board"), and until the City Council of the City, by resolution (the "City Resolution"), approves the modification of the Bond in accordance with the Code. All terms of the Amended Bond are by this reference incorporated herein as a part of this resolution. The Chairman or Vice Chairman of the Authority, either of whom may act, is hereby authorized and directed to execute the Modification Agreement.

4. The officers of the Authority are hereby authorized and directed to execute and deliver all such certificates and instruments, including, without limitation, Internal Revenue Service Form 8038, and to take all such further action, as they may consider necessary or desirable in connection with the modification of the Bond as described herein.

5. The Authority hereby ratifies and agrees to the appointment of Kaufman & Canoles, a Professional Corporation, as bond counsel to supervise the proceedings with respect to the modification of the Bond.

6. All costs and expenses incurred in connection with the modification of the Bond, including the fees and expenses of bond counsel, counsel for the Authority and counsel for the Lender, shall be paid by the Foundation. If for any reason the Amended Bond is not issued, it is understood that all such expenses shall be paid by the Foundation and that the Authority shall have no responsibility therefor. The Foundation shall also pay the Authority's fees.

7. The Authority's officers shall perform such other acts and adopt such further resolutions as may be required to implement its undertakings as set forth herein.

8. The Authority hereby recommends that the Board approve the modification of the Bond and hereby directs the Chairman or Vice Chairman to submit to the Board the statement in the form prescribed by Section 15.2-4907 of the Act, a reasonably detailed summary of the comments expressed at the public hearing as required by Section 15.2-4906 of the Act, a copy of this resolution, and a copy of the City Resolution.

9. This resolution shall take effect immediately upon its adoption.

The undersigned hereby certifies that the above resolution was duly adopted by a majority of the directors of the Economic Development Authority of James City County, Virginia, at a meeting duly called and held on June 9, 2016, and that such resolution is in full force and effect on the date hereof.

Dated: June 9, 2016

A handwritten signature in black ink, appearing to read "R. Symon", is written over a horizontal line.

Secretary, Economic Development Authority of
James City County, Virginia

SUMMARY OF PUBLIC HEARING

At 8:06 a.m. on June 9, 2016, the Chairman of the Economic Development Authority of the James City County, Virginia (the "Authority") announced the commencement of a public hearing in the large conference room in the Authority's offices located at 101-D Mounts Bay Road, Williamsburg, Virginia 23185, on the plan of refinance of the Christopher Newport University Education Foundation, a Virginia nonstock corporation (the "Foundation"), the location and mailing address of which is 1 University Place, Newport News, Virginia 23606, for the amendment of a Revenue Bond (Christopher Newport University Project) Series 2001 (the "Bond"), issued by the Authority in the original principal amount of \$8,000,000, to assist the Foundation in (a) the acquisition of properties for student housing, parking and other facilities associated with Christopher Newport University (the "Project"), (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. The Project, which is owned by the Foundation, consists of certain real estate located adjacent to or in the immediate vicinity of the campus of Christopher Newport University in the City of Newport News, Virginia. The Bond will be amended to extend its maturity for an additional term of ten (10) years and to adjust its interest rate from a floating rate to a fixed rate.

Kevin A. White, Esquire, Bond Counsel, described to the Authority the nature of the plan of refinance and the process for its approval. Mr. Douglas L. Hornsby, Esquire, Chief Executive Officer of the Foundation, described the current status of the Project and the plan of refinance. No other member of the public spoke at the public hearing in support of or opposition to the plan of refinance and the Chairman closed the public hearing at 8:12 a.m.