

RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA, AUTHORIZING THE ISSUANCE OF
A REVENUE BOND IN AN AMOUNT UP TO \$7,000,000 FOR THE BENEFIT OF
VIRGINIA UNITED METHODIST HOMES OF WILLIAMSBURG, INC.

WHEREAS, the Economic Development Authority of James City County, Virginia (the "Authority"), is empowered by the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), to issue its revenue bonds to finance or refinance the construction and equipping of facilities for the residence or care of the aged to protect and promote the health and welfare of the inhabitants of the Commonwealth of Virginia; and

WHEREAS, Virginia United Methodist Homes of Williamsburg, Inc. (the "Borrower") has requested that the Authority issue one or more series of its Residential Care Facility Revenue Bond (Virginia United Methodist Homes of Williamsburg) (the "Bonds"), in an aggregate principal amount not to exceed \$7,000,000 to provide funds to the Borrower:

1. To finance costs associated with the renovation and expansion of the health center facility for the Borrower's 460,276-square-foot continuing care retirement community (the "Community"), located on an approximately 106-acre tract of land at 3975 WindsorMeade Way, which is at the intersection of Monticello Avenue and WindsorMeade Way in James City County, Virginia; and
2. To finance costs related to a debt service reserve fund, costs of issuance, working capital, routine capital expenditures of the Community and other expenses in connection with the issuance of the Bonds (collectively, the "Plan of Finance"); and

WHEREAS, the Authority will issue the Bonds pursuant to one or more Bond Purchase and Loan Agreements (each a "Bond Purchase and Loan Agreement"), among the Authority, the Borrower and STI Institutional & Government, Inc. (an affiliate of SunTrust Bank) (the "Lender"), and the Lender will purchase each series of the Bonds pursuant to a Bond Purchase and Loan Agreement; and

WHEREAS, the Authority will loan the proceeds of the Bonds to the Borrower pursuant to the Bond Purchase and Loan Agreements, and the Borrower will apply the proceeds under the terms of the Bond Purchase and Loan Agreements to undertake the Plan of Finance; and

WHEREAS, to evidence the Borrower's obligations under the Bond Purchase and Loan Agreements, the Borrower will execute and deliver one or more promissory notes to secure the Bonds (each a "Note"); and

WHEREAS, the Bonds are expected to be sold to the Lender pursuant to the terms of the Bond Purchase and Loan Agreements; provided that (1) the aggregate principal amount of the Bonds shall not exceed \$7,000,000, (2) the final maturity of the Bonds is not later than December 31, 2046, and (3) the Bonds shall bear interest at a variable or fixed rate (as directed by the Borrower), (4) the interest rate on any fixed rate Bonds shall not exceed 6.00% per annum and (5) the initial rate on any variable rate Bonds shall not exceed 6.00% per annum (collectively, the "Bond Terms"); and

WHEREAS, there have been presented to this meeting the preliminary forms of the following instruments, which the Authority, if a party thereto, proposes to execute to carry out the transactions described above, copies of which have been filed with the records of the Authority:

1. a Bond Purchase and Loan Agreement, including the form of the Bonds; and
2. a Note, with the Authority's assignment thereof; and

WHEREAS, the Bond Purchase and Loan Agreement and the assignment of Note are referred to below as the "Authority Documents"; and

WHEREAS, (1) No Director of the Authority is an officer or employee of the Borrower, (2) each member has, before entering upon his duties during his or her present term of office, taken and subscribed to the oath prescribed by Section 49-1 of the Code of Virginia of 1950, as amended and (3) at the time of their appointments and at all times thereafter, including the date hereof, all of the members of the Board have satisfied the residency requirements of the Act; and

WHEREAS, no Director of the Authority has any personal interest or business interest in the Borrower, the Bonds, or any of the transactions contemplated therein or has otherwise engaged in conduct prohibited under the Conflict of Interests Act, Chapter 31, Title 2.2 of the Code of Virginia of 1950, as amended in connection with this resolution or any other official action of the Authority in connection therewith.

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Authority of James City County, Virginia, that:

1. It is hereby found and determined that the Plan of Finance will be in the public interest and will promote the commerce, safety, health, welfare, convenience or prosperity of the Commonwealth of Virginia, James City County, Virginia and their citizens and in particular will promote the providing of health care facilities and other facilities for the residence and care of the aged in accordance with their special needs.
2. The issuance of the Bonds, in one or more series, for the purpose of undertaking the Plan of Finance is hereby approved. The Bonds shall be in substantially the form attached to the Bond Purchase and Loan Agreement.
3. The Bonds and the Authority Documents are hereby approved in substantially the forms submitted to this meeting, with such changes, insertions or omissions (including, without limitation, changes of the dates thereof) consistent with the Bond Terms as may be approved by the Chairman or the Vice Chairman of the Authority (either of whom may act), whose approval will be evidenced conclusively by the execution and delivery of the Bond.
4. The Chairman and Vice Chairman of the Authority (either of whom may act) are each hereby authorized and directed to execute and deliver the Bonds to or for the account of the Lender and the Authority Documents to the other parties thereto upon approval of their final form, terms and conditions consistent with the Bond Terms. The Chairman and the Vice Chairman of the Authority (either of whom may act) are each authorized to approve the number of series, interest rates, maturities, redemption provisions, put provisions and other terms of the Bonds, consistent with the Bond Terms, with the inclusion of such terms in the Bond Purchase and Loan Agreements being conclusive

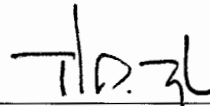
evidence of such approval. The sale of the Bonds to the Lender pursuant to the Bond Purchase and Loan Agreements is hereby approved and authorized provided such sale shall be consistent with the Bond Terms.

5. The Chairman and the Vice Chairman of the Authority (either of whom may act) are each hereby authorized to execute on behalf of the Authority the Bonds and the Authority Documents to which the Authority is a party, and the Secretary and the Assistant Secretary of the Authority are each hereby authorized to affix the seal of the Authority to the Bonds and, if required, the Authority Documents and to attest such seal. The signatures of the Chairman, the Vice Chairman, the Secretary and the Assistant Secretary and the seal of the Authority may be by facsimile. Each officer of the Authority is hereby authorized to execute and deliver on behalf of the Authority such instruments, documents or certificates and to do and perform such things and acts, as he or she deems necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Bonds, the Authority Documents or such instruments, documents or certificates, and all of the foregoing, previously done or performed by such officers of the Authority, are in all respects approved, ratified and confirmed.
6. All costs and expenses in connection with the undertaking of the Plan of Finance, including the fees and expenses of Bond Counsel and Authority Counsel, shall be paid by the Borrower or, to the extent permitted by applicable law, from the proceeds of the Bonds. If for any reason no bond is issued, it is understood that all such expenses shall be paid by the Borrower and that the Authority shall have no responsibility therefor.
7. This resolution shall be effective immediately.

CERTIFICATE

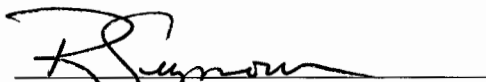
The undersigned Secretary of the Economic Development Authority of James City County, Virginia (the "Authority"), hereby certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority at a meeting duly called and held on September 8, 2016, in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended but is in full force and effect on the date hereof.

WITNESS the following signature and seal of the Authority as of September 8, 2016.



Chairman, Economic Development Authority of
James City County, Virginia

ATTEST:


Russell C. Seymour
Secretary to the EDA

WARNER
CARSON
ODLE
GERHARDT
HARRIS
MONTGOMERY
TINGLE

VOTES		
<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>
<u>Absent</u>	_____	_____
<u>✓</u>	_____	_____
<u>Absent</u>	_____	_____
<u>✓</u>	_____	<u>✓</u>
<u>✓</u>	_____	_____
<u>Absent</u>	_____	_____
<u>✓</u>	_____	_____

Adopted by the Economic Development Authority of James City County, Virginia, this 8th day of September, 2016.

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