

Resolution to subordinate and amend the Land Use Restriction Agreement connected with the issuance of Ohio Mortgage Revenue Bonds, Series 1997C - GNMA Collateralized – for the Briggs/Wedgewood Apartments Project (Economic Development and Planning)

WHEREAS, Briggs Wedgewood Associates, L.P., a New York limited partnership (the "Borrower"); the County of Franklin, a county and political subdivision of the State of Ohio (the "County") and PNC Bank, Ohio, National Association ("Trustee") entered into a Land Use Restriction Agreement dated September 1, 1997 (the "LURA") recorded with the Franklin County Recorder as Instrument Number 199709230099903 on September 23, 1997;

WHEREAS, the LURA was executed and entered into in connection with the issuance by the County of its \$17,090,000 Ohio Mortgage Revenue Bonds, Series 1997 (GNMA Collateralized-Briggs/Wedgewood Apartments Project) (the "Bonds") under an Indenture of Trust dated as of September 1, 1997 (the "Indenture") between the County and the Trustee;

WHEREAS, the Borrower requested and the County agreed to the issuance of Bonds to finance a loan used by the Borrower to finance the acquisition, construction and equipping of the multi-family residential development known as Briggs/Wedgewood Apartments, as more particularly described in the Subordination and Amendment of Land Use Restriction Agreement (attached) (the "Property");

WHEREAS, the parties entered into the LURA to establish and preserve the tax exemption on the tax exempt Bonds;

WHEREAS, the Property is currently secured by financing insured by the Federal Housing Administration ("FHA") (FHA Project No. 043-35357) and receives a subsidy for 648 apartment units pursuant to a Housing Assistance Payments Interim (Full) Mark-to-Market Renewal Contract ("Contract No. OH16-L000-040) effective as of December 1, 2008;

WHEREAS, the Borrower has obtained a Restructuring Commitment from the Secretary of Housing and Urban Development ("HUD") dated August 19, 2010 (the "Restructuring Commitment") providing for the restructuring of the Property indebtedness;

Resolution to subordinate and amend the Land Use Restriction Agreement connected with the issuance of Ohio Mortgage Revenue Bonds, Series 1997C - GNMA Collateralized – for the Briggs/Wedgewood Apartments Project (Economic Development and Planning)

WHEREAS, the indebtedness restructuring contemplated by the Restructuring Commitment will result in prepayment of the existing Property first mortgage and the Bonds;

WHEREAS, immediately after the indebtedness restructuring contemplated by the Restructuring Commitment occurs, the Borrower shall transfer title to the Property to Wedgewood Village 2010 L.L.C., a Michigan limited liability company ("New Owner"), pursuant to Purchase and Sale Agreement dated October 21, 2009;

WHEREAS, the acquisition of the Property by New Owner and the construction and equipping of the Property by New Owner shall be financed by a new first mortgage loan that will be insured by HUD acting by and through the Federal Housing Commissioner under the provisions of Section 221(d)(4) pursuant to Section 223(a)(7) of the National Housing Act;

WHEREAS, as a condition to HUD's agreement to **i)** allow the prepayment of the existing first mortgage and the Bonds as described above; **ii)** to make certain funds available to the Property for renovation and equipping, and **iii)** to transfer the contract of mortgage insurance relating to the existing first mortgage to a new first lien mortgage loan, HUD and FHA require that the Mark-to-Market Use Agreement, the new first lien mortgage and certain other documents are to have a priority over any existing restrictions or restrictive covenants affecting the Property, including but not limited to the LURA, and that such restrictions or restrictive covenants be amended to include certain new provisions.

NOW THEREFORE BE IT RESOLVED by the Board of Commissioners, Franklin County, Ohio:

That the attached Subordination and Amendment of Land Use Restriction Agreement is hereby approved.

Prepared by: Mark Paxson