

RESOLUTION # \_\_\_\_\_

RESOLUTION AUTHORIZING THE EXECUTION OF SUBORDINATION  
AGREEMENTS AND OTHER ACTS RELATED TO THE COMMUNITY  
DEVELOPMENT LOAN FOR THE EAST HAVEN PROJECT

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WHEREAS, on February 5, 2019, the Buncombe County Board of Commissioners accepted a proposal by Mountain Housing Opportunities, Inc., a North Carolina non-profit corporation organized under the laws of the State of North Carolina (hereinafter referred to as "MHO"), for an interest free loan totaling \$2,200,000 for a project that would support the development of affordable housing within the County known as the "East Haven Project" (hereinafter referred to as the "Project"); and

WHEREAS, on May 29, 2019, Buncombe County and MHO entered into a community development loan agreement secured by a deed of trust recorded on May 31, 2019 in Book 5775, Page 1038, in the Office of the Register of Deeds of Buncombe County, North Carolina (hereinafter referred to as the "Agreement") with East Haven Apartments, LLC, a North Carolina limited liability corporation organized under the laws of the State of North Carolina (hereinafter referred to as "East Haven") for the construction of 95 rental housing units affordable to low and moderate income persons at the East Haven Project site located at located at 2244 US 70, Swannanoa, NC called "East Haven Apartments" (hereinafter referred to as the Property); and

WHEREAS, According the Agreement, the County lien priority on the Property shall never be lower than fourth position; and

WHEREAS, East Haven and MHO have requested that the County consent to the filing of a deed of trust that would move the County to third position lien priority by executing the subordination agreement attached hereto as Exhibit A (hereinafter the "Subordination Agreement"); and

WHEREAS, this request is consistent with the terms of the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County of Buncombe as follows:

1. That it hereby authorizes the execution of the Subordination Agreement and any future subordination agreements that are consistent with the terms of the Agreement.
2. That the Chair, the Vice-Chair, the County Manager, or the County Manager's Designee, or any one of them, are hereby authorized to execute such documents

as may be required to effect the purposes and intents of this Resolution, the Subordination Agreement, the Agreement, and/or this Boards February 5, 2019, approval of the East Haven Project.

- 3. That, by and with the consent of the County Legal Department, County staff is hereby authorized to proceed with this undertaking and all acts and doings of officers, employees and agents of the County, whether taken prior to, on, or after the date of this Resolution, that are in conformity with and in the furtherance of the purposes and intents of this Resolution as described above shall be, and the same hereby are, in all respects ratified, approved and confirmed.
- 4. That this resolution shall become effective upon its adoption.

This the 2<sup>nd</sup> day of June, 2020.

ATTEST

BOARD OF COMMISSIONERS FOR THE  
COUNTY OF BUNCOMBE

\_\_\_\_\_  
Lamar Joyner, Clerk

By: \_\_\_\_\_  
Brownie Newman, Chair

APPROVED AS TO FORM

\_\_\_\_\_  
County Attorney