

Board Members:

Charley Bible
Shannon Coleman Egle
Paul Fortunato
Tiffany Gardner
Mike George
Terry Henley
Ford Little
Lou Moran, III
Alvin Nance
Lisa Rottmann
Anthony Wise



The Health, Educational and Housing Facility Board of the County of Knox

Regular Meeting
Tuesday, October 18, 2022, 4:15 p.m.
17 Market Square, #201
Knoxville, Tennessee 37902

AGENDA

- I. Call to Order
- II. Approval of Minutes from Previous Meeting
 - ACTION** A) Regular Meeting – September 13, 2022
- III. Finance Report
 - ACTION**
- IV. Review and consideration of a preliminary bond resolution of the Board of Directors of The Health, Educational and Housing Facility Board of the County of Knox relative to the issuance of revenue bonds for Webb School of Knoxville Project), for Webb School of Knoxville in a Principal Amount Not to Exceed \$13,500,000 to finance improvements and renovations to the school’s facilities, including athletics facilities located at 9800 Webb School Lane, Knox County, Tennessee. (TEFRA)
 - ACTION**
- V. Review and Consideration of a final bond resolution of the Board of Directors of The Health, Educational and Housing Facility Board of the County of Knox Relative to a Proposed Revenue Bond Issue for Gleason Partners, L.P. in a Principal Amount Not to Exceed \$35,000,000 for the purpose of financing improvements and renovations to the buildings and other facilities at Westview Towers.
 - ACTION**
- VI. Old Business
- VII. New Business
- VIII. II. Adjourn

**MINUTES OF THE REGULAR MEETING OF THE
HEALTH, EDUCATIONAL & HOUSING FACILITY BOARD OF THE COUNTY OF
KNOX**

September 13, 2022, 4:29 p.m.

The regular meeting of the Board of Directors of the Health, Educational & Housing Facility Board of the County of Knox (the “Health, Ed Board” or “Board”) was held on Tuesday, September 13, 2022, at 4:29 p.m., pursuant to notice duly provided to the Directors and the public. The meeting was held at the offices of the Knoxville Chamber and The Development Corporation of Knox County located at 17 Market Square, #201, Knoxville, Tennessee, 37902.

The following Directors were present at the meeting, Paul Fortunato (Chair), Tiffany Gardner (Vice-Chair), Shannon Coleman Egle (Secretary), Mike George, Dr. Anthony Wise, Alvin Nance, Lisa Rottmann, and Ford Little.

Also, in attendance were Mike Odom (The Development Corporation), Brenda Wilson Spence (The Development Corporation), Mac McWhorter (Knoxville Chamber), Karen Kakanis (Knoxville Chamber), R. Christopher Trump (Legal Counsel – Egerton, McAfee, Armistead & Davis, P.C.), Katrina Vargas (Paralegal - Egerton, McAfee, Armistead & Davis, P.C.), Mark Mamantov (Bass Berry & Sims), and John Geppi (Covenant Health).

I. Paul Fortunato, the Board’s Chair, called the Health, Ed Board meeting to order. The Agenda of the Health, Ed Board meeting is attached hereto as Exhibit A.

The Health, Ed Board then discussed the following matters and took the following actions as noted:

II. Review/ Approve Minutes from Previous Meeting. The Chair of the meeting asked if there were any changes to the minutes of the regular meeting held on August 9, 2022. With the acceptance of a proposed correction to the minutes and upon a motion by Tiffany Gardner, and a second by Terry Henley, the minutes of the August 9, 2022, meeting, as corrected, were unanimously approved. A copy of the minutes are attached hereto as Exhibit B.

III. TEFRA hearing in connection with Board’s qualified 501(c)(3) revenue bonds that were previously issued (the proceeds of which were loaned to Covenant Health and affiliates thereof), and the use of such proceeds to finance certain projects located at: (i) 244 Fort Sanders West Boulevard, Knoxville, Tennessee 37922 in the total approximate amount of \$5,000,000 (ii) 6450 Provision Cares Way, Knoxville, Tennessee 37909 in the total approximate amount of \$45,000,000 and (iii) 653 Merchants Greene Boulevard, Morristown, Tennessee 37813 in the total approximate amount of \$15,000,000 (TEFRA).

Mr. Trump explained that this bond issue has already been approved and that Covenant Health would like to use the proceeds of the bond in a different manner than described in the previous TEFRA hearing on the Bond Issue.

Mr. Mamantov explained the TEFRA hearing requirements. John Geppi explained the projects and what the bond funds will be used for and how they differ from the original bond issuance. Discussion was had.

The Chair then called the TEFRA hearing to order and opened the floor for public comment. There was none. The TEFRA hearing was then closed.

Upon a motion to approve waive the agenda fee by Dr. Anthony Wise, and a second by Mike George, the resolution amending previously issued revenue bonds for Covenant Health, was unanimously approved.

IV. Committee Member Appointments.

The proposed listing of committee positions:

Application Review Committee – Tiffany Gardner, Chair; Shannon Coleman Egle, Vice-Chair; Paul Fortunato; Lisa Rottmann; Lou Moran, III; and Charley Bible.

Performance Review Committee: Mike George, Chair; Terry Henley, Vice Chair; Dr. Anthony Wise; Alvin Nance; and Ford Little.

Upon a motion made by Terry Henley and a second by Mike George, the Board unanimously voted to approve the committee appointments.

V. Old Business. None.

VI. New Business.

A) Discussion Regarding Knox County Code of Ethics and State Conflicts of Interest Requirements. Mr. Trump addressed the Board regarding Tennessee Code Annotated, Title 7, Chapter 53, relative to the Board of Directors of any Industrial Development Corporations and the requirement that all Board members complete and file a conflict of interest statement. Mr. Trump presented the Sample Conflict of Interest Statement prepared by the Tennessee Ethic Commission and asked each Board member to complete the form for the IDB's records. All Board members will comply, and the forms will be on file at the IDB office.

VII. Next Meeting. The next regular meeting of the Health, Ed Board of the County of Knox is scheduled for October 18, 2022, at 4:00 p.m. at the offices of the Knoxville Chamber and The Development Corporation of Knox County located at 17 Market Square, #201, Knoxville, Tennessee, 37902.

VIII. Adjournment. No further business having come before the Board and upon motion duly made and seconded, the Board voted unanimously to adjourn the meeting at 4:41 p.m.

Dated

Shannon Coleman Egle, Secretary

EXHIBITS

Exhibit A Agenda – September 13, 2022

Exhibit B Meeting Minutes – August 9, 2022

DRAFT

The Health, Educational and Housing Facility Board of the County of Knox
Balance Sheet with Prior Year Comparison
As of September 30, 2022

	As of September 30, 2022	As of September 30, 2021 (PY)
ASSETS		
Current Assets		
Bank Accounts		
100-000 Cash - Checking	188,680.01	120,932.10
104-000 Cash - Money Market	224,162.20	223,827.01
Total Bank Accounts	\$ 412,842.21	\$ 344,759.11
Accounts Receivable		
125-000 Accounts Receivable	11,759.00	7,000.00
Total Accounts Receivable	\$ 11,759.00	\$ 7,000.00
Other Current Assets		
127-000 Prepaid Insurance	3,020.81	2,645.81
Total Other Current Assets	\$ 3,020.81	\$ 2,645.81
Total Current Assets	\$ 427,622.02	\$ 354,404.92
TOTAL ASSETS	\$ 427,622.02	\$ 354,404.92
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
200-000 Accounts Payable	7,710.00	5,000.00
Total Accounts Payable	\$ 7,710.00	\$ 5,000.00
Total Current Liabilities	\$ 7,710.00	\$ 5,000.00
Long-Term Liabilities		
250-000 Deferred Revenue	37,872.47	
Total Long-Term Liabilities	\$ 37,872.47	\$ -
Total Liabilities	\$ 37,872.47	\$ -
Equity		
300-000 Opening Balance Equity	44,772.55	44,772.55
320-000 Retained Earnings	334,857.08	257,553.29
Net Income	2,409.92	47,079.08
Total Equity	\$ 382,039.55	\$ 349,404.92
TOTAL LIABILITIES AND EQUITY	\$ 427,622.02	\$ 354,404.92

The Health, Educational and Housing Facility Board of the County of Knox

Budget Variance Report

For the 6 Periods Ended September 30, 2022

	September 2022			April 2022 - September 2022			April 2022 - March 2023	
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Remaining
Income								
410-000 Interest Revenue	2	125	(123)	261	750	(489)	1,500	83%
420-000 Base Rent Revenue	6,130	344	5,786	6,130	2,065	4,065	4,130	-48%
435-000 Application Revenue	-	1,667	(1,667)	12,000	10,000	2,000	20,000	40%
445-000 Agenda Revenue	-	166	(166)	-	1,000	(1,000)	2,000	100%
447-000 Appropriation - Retained Earnings	-	352	(352)	-	2,110	(2,110)	4,220	100%
Total Income	\$ 6,131	\$ 2,654	\$ 3,477	\$ 18,391	\$ 15,925	\$ 2,466	\$ 31,850	36%
Expenses								
502-001 Operating Expenses	28	58	(31)	701	350	351	700	0%
503-001 Advertising Expenses	45	83	(38)	355	500	(145)	1,000	65%
504-001 Administrative Expenses (TDC)	750	750	-	4,500	4,500	-	9,000	50%
507-001 Insurance Expense	604	604	-	3,625	3,625	-	7,250	50%
511-001 Accounting Expense	-	492	(492)	5,300	2,950	2,350	5,900	10%
512-001 Legal Expense	250	667	(417)	1,500	4,000	(2,500)	8,000	81%
Total Expenses	\$ 1,677	\$ 2,654	\$ (977)	\$ 15,981	\$ 15,925	\$ 56	\$ 31,850	50%
Net Operating Income	\$ 4,454	\$ -	\$ 4,454	\$ 2,410	\$ -	\$ 2,410		

The Health, Educational and Housing Facility Board of the County of Knox
Income Statement with Prior Year Comparison
For the 6 Periods Ended September 30, 2022

	<u>April - September, 2022</u>	<u>April - September, 2021 (PY)</u>
Income		
410-000 Interest Revenue	261.03	807.44
420-000 Base Rent Revenue	6,129.75	2,000.00
435-000 Application Revenue	12,000.00	11,500.00
444-000 Closing Revenue	-	46,800.00
445-000 Agenda Revenue	-	1,500.00
Total Income	\$ 18,390.78	\$ 62,607.44
Gross Profit	\$ 18,390.78	\$ 62,607.44
Expenses		
502-001 Operating Expenses	701.06	262.24
503-001 Advertising Expenses	354.78	791.10
504-001 Administrative Expenses (TDC)	4,500.00	4,500.00
507-001 Insurance Expense	3,625.02	3,175.02
511-001 Accounting Expense	5,300.00	5,300.00
512-001 Legal Expense	1,500.00	1,500.00
Total Expenses	\$ 15,980.86	\$ 15,528.36
Net Operating Income	\$ 2,409.92	\$ 47,079.08
Net Income	\$ 2,409.92	\$ 47,079.08
Other Income		
430-000 PILOT Revenue	7,710.00	5,000.00
Total Other Income	\$ 7,710.00	\$ 5,000.00
Other Expenses		
587-001 PILOT Payment Expense	7,710.00	5,000.00
Total Other Expenses	\$ 7,710.00	\$ 5,000.00
Net Other Income	\$ 0.00	\$ 0.00
Net Income	\$ 2,409.92	\$ 47,079.08

RESOLUTION
OF THE BOARD OF DIRECTORS OF
THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE COUNTY OF KNOX

WHEREAS, The Health, Educational and Housing Facility Board of the County of Knox (the “Issuer”) is a public corporation organized under and pursuant to the provisions of Sections 48-101-301 to 48-101-318, inclusive, of the Tennessee Code Annotated, as amended (the “Act”); and

WHEREAS, Webb School of Knoxville (the “Borrower”) has requested that the Issuer issue its revenue bonds as described herein and loan the proceeds thereof to assist the Borrower in connection with certain of its financing needs as described herein; and

WHEREAS, the Borrower proposes that the Borrower, the Issuer and Truist Bank or an affiliate thereof (the “Purchaser”) enter into a Bond Purchase and Loan Agreement (the “Bond Purchase and Loan Agreement”) under which the Issuer will issue and sell its Educational Facilities Revenue Bond (Webb School of Knoxville Project) Series 2022 in the principal amount not exceeding \$13,500,000 (the “Bond”) to the Purchaser for a purchase price equal to the par amount of the Bond; and

WHEREAS, pursuant to the Bond Purchase and Loan Agreement, the Issuer will loan the proceeds of the sale of the Bond to the Borrower to (i) finance improvements and renovations to the school’s educational facilities, including athletics facilities, located at 9800 Webb School Lane, Knoxville, Knox County, Tennessee; and (ii) pay bond issuance costs; and

WHEREAS, to evidence its obligations under the Bond Purchase and Loan Agreement, the Borrower will execute its Webb School of Knoxville Note, Series 2022 (the “Note”), which will be endorsed by the Issuer to the Purchaser as security for the Bond; and

WHEREAS, the Bond will be payable solely from payments made by the Borrower under the Note and the Bond Purchase and Loan Agreement; and

WHEREAS, the officers of the Issuer have caused to be presented to this meeting the following documents which the Issuer proposes to accept and/or to execute and deliver, as applicable:

1. the form of Bond Purchase and Loan Agreement;
2. the form Note to be delivered to the Issuer and endorsed to the Purchaser; and
3. the form of the Bond.

WHEREAS, it appears that each of the instruments above referred to which is now before this meeting is in appropriate form and is an appropriate instrument to be accepted or executed and delivered by the Issuer for the purposes intended.

NOW, THEREFORE, BE, AND IT IS HEREBY RESOLVED, by the Board of Directors of The Health, Educational and Housing Facility Board of the County of Knox as follows:

RESOLVED, That the form, terms and provisions of the Bond Purchase and Loan Agreement which is before this meeting be and they are hereby approved and the Chair or Vice Chair of the Issuer, or either of them, be and they are each hereby authorized, empowered and directed to execute, acknowledge and deliver, and the Secretary or the Assistant Secretary, or

either of them, to attest (if requested) the Bond Purchase and Loan Agreement in the name and on behalf of the Issuer; that said instrument is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein; and that from and after the execution and delivery of said instrument the officers of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said instrument as executed; and, further,

RESOLVED, That the form, terms and provisions of the Note which is before this meeting be and is hereby approved, and the Chair or Vice Chair of the Issuer be and they are hereby authorized, empowered and directed to accept delivery of said instrument on behalf of the Issuer, and the Chair or Vice Chair of the Issuer, or either of them, be and they are hereby authorized, empowered and directed to endorse and the Secretary or the Assistant Secretary, or either of them, to attest (if requested) the Note to the Purchaser, in substantially the form now before this meeting and hereby approved, or with such changes therein as shall be approved by the officers of the Issuer executing the endorsement of the Note, their execution of such endorsement to constitute conclusive evidence of their approval of any and all such changes or revisions; and, further,

RESOLVED, That the form, terms and provisions of the Bond which is before this meeting be and is hereby approved and the Chair or the Vice Chair of the Issuer, or either of them, be and they are each hereby authorized, empowered and directed to execute and acknowledge the Bond in the name and on behalf of the Issuer, and the Secretary or the Assistant Secretary, or either of them, to attest (if requested), and thereupon to deliver the Bond to the Purchaser upon payment therefor as provided in the Bond Purchase and Loan Agreement; that the Bond is to be in substantially the forms now before this meeting and hereby approved, or with such changes therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Bond now before this meeting; and, further,

RESOLVED, That the instruments herein authorized shall be dated as of the date the initial payment is received for the Bond or such other date as shall be approved by the officers executing such instruments; and, further,

RESOLVED, That the Bond, and the interest payable thereon, are limited obligations of the Issuer, and shall not be deemed to constitute a general debt or liability of the Issuer, but shall be payable solely from such special sources and funds provided therefor in accordance with the provisions thereof and the provisions of the Bond Purchase and Loan Agreement; and, further,

RESOLVED, That neither the State of Tennessee nor any political subdivision thereof, shall be liable for the payment of the principal of, or the interest on, the Bond, or for the performance of any pledge, mortgage, obligation, agreement, or certification, of any kind whatsoever of the Issuer, and neither the Bond nor any of the pledges, mortgages, agreements, obligations, or certifications of the Issuer shall be construed to constitute an indebtedness of the State of Tennessee or any political subdivision thereof, within the meaning of any constitutional or statutory provisions whatsoever; and, further,

RESOLVED, That no recourse under, or upon, any statement, obligation, covenant, agreement, or certification, contained in any of the foregoing documents or in any other document or certification whatsoever, or under any judgment obtained against the Issuer or by the

enforcement of any assessment or by any legal or equitable proceeding or by virtue of any constitution or statute or otherwise, or under any circumstances, under or independent of the foregoing documents or any other document or certification, whatsoever, shall be had against any incorporator, member, director, or officer, as such, past, present, or future, of the Issuer, either directly or through the Issuer, or otherwise, for the payment for, or to, the Issuer, or any receiver thereof, or from, or to, the owner of the Bond, for any sum that may be due and unpaid by the upon the Bond or the interest payable thereon; any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such incorporator, member, director, or officer, as such, to respond by reason of any act or omission on his or her part or otherwise for, directly or indirectly, the payment for, or to, the Issuer or any receiver thereof, or for, or to, the owner of the Bond, of the principal of, or the premium, if any, or interest on, the Bond, shall be deemed to have been waived and released as a condition of, and consideration for, the execution of the aforesaid documents and the issuance of the Bond; and, further,

RESOLVED, That the Chair or the Vice Chair of the Issuer, or either of them, be and they are hereby authorized, empowered and directed upon delivery of the Bond to file with the State Director of Local Finance in the Office of the Comptroller of the Treasury the information required by Section 9-21-151 of Tennessee Code Annotated; and, further,

RESOLVED, That the Chair or the Vice Chair of the Issuer, or either of them, be and each is hereby authorized, empowered and directed to prepare and file with the Secretary of the Treasury the Statement (Form 8038) with respect to the Bonds if required by Section 149(e)(2) of the Internal Revenue Code of 1986; and, further,

RESOLVED, That the officers of the Issuer are hereby authorized to execute, deliver and file such additional documents, certificates and instruments, including, without limitation, federal tax compliance agreements and financing statements to evidence security interests created under the Bond Purchase and Loan Agreement, and to take all such further actions, from time to time, as they may consider necessary or desirable in connection with the issuance and sale of the Bond; and, further,

RESOLVED, That all acts of any of the officers of the Issuer which are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bond, including without limitation, the execution and delivery of other documents in connection therewith, shall be and the same hereby are in all respects, approved and confirmed.

DATE: September 20, 2022

THE HEALTH, EDUCATION & HOUSING FACILITIES BOARD OF THE COUNTY OF KNOX

17 Market Square, #201
Knoxville, TN 37902-1405

The Board meets monthly on the second Tuesday at 4:15 p.m. in the offices of The Development Corporation located at 17 Market Square, #201, Knoxville, TN 37902-1405.

PROJECT APPLICATION

PROJECT NAME: Webb School of Knoxville

LOCATION: 9800 Webb School Lane, Knoxville, Tennessee

SUBMITTED BY: Webb School of Knoxville, a Tennessee nonprofit corporation

AUTHORIZATION – AMOUNT ASKING FOR: \$13,500,000

ESTIMATED PROJECT COST AND BREAKDOWN Total amount of bonds not to exceed \$13,500,000 to:

- (i) Finance improvements and renovations to the school's facilities, including athletics facilities; and
- (ii) Pay the costs of issuance of the bonds.

PROCEDURE FOR SALE OF BONDS Private Placement

PURCHASER: Truist Bank

GUARANTOR: Not Applicable

FISCAL AGENT (if selected): Not Applicable

ATTORNEY (if selected): Bond Counsel: G. Mark Mamantov, Bass, Berry & Sims PLC

TRUSTEE (if selected): Not Applicable

BRIEF DESCRIPTION OF PROJECT: To finance improvements and renovations to the school's facilities, including athletics facilities, located at 9800 Webb School Lane, Knoxville, Tennessee.

RESOLUTION AUTHORIZING AND APPROVING ALL DOCUMENTS, INSTRUMENTS, ACTIONS, AND MATTERS NECESSARY OR APPROPRIATE FOR, OR PERTAINING TO, THE ISSUANCE, SALE, AND DELIVERY BY THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE COUNTY OF KNOX OF ITS COLLATERALIZED MULTIFAMILY HOUSING BONDS (WESTVIEW TOWERS PROJECT), SERIES 2022 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED THIRTY-FIVE MILLION DOLLARS (\$35,000,000)

WHEREAS, the Board of Directors of The Health, Educational and Housing Facility Board of the County of Knox (the "Issuer"), has met pursuant to proper notice; and

WHEREAS, Gleason Partners, L.P., a Tennessee limited partnership (the "Borrower"), has requested the Issuer to finance the acquisition, rehabilitation and equipping of Loudon Gardens Apartments, an approximately 240-unit housing facility for low and moderate-income citizens located in Knoxville, Knox County, Tennessee (the "Project"), which project is of the character and will accomplish the purposes of Part 3, Chapter 101, Title 48 of the Tennessee Code Annotated, as amended (the "Act"); and

WHEREAS, the Issuer proposes to finance the Project by the issuance and sale of its revenue bonds in an amount not to exceed \$35,000,000; and

WHEREAS, the Issuer previously held a public hearing with respect to the issuance of Bonds, as required under Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, there have been submitted to the Issuer at this meeting the forms of the following instruments which the Issuer proposes to execute to carry out the transactions described above, copies of which instruments shall be filed with the records of the Issuer:

(a) Trust Indenture (the "Indenture") between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee");

(b) The form of the Issuer's Collateralized Multifamily Housing Bond (Westview Towers Project), Series 2022 (the "Bonds");

(c) Loan Agreement (the "Loan Agreement") between the Issuer and the Borrower, to provide for the loan of the proceeds of the Bonds to the Borrower and for the repayment of such loan;

(d) Bond Purchase Agreement (the "Purchase Agreement") by and among the Issuer, the Borrower, and the purchaser of the Bonds (the "Bond Purchaser"); and

(e) A Preliminary Official Statement (the "Preliminary Official Statement") relating to the issuance and sale of the Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE COUNTY OF KNOX:

1. It is hereby found and determined that the financing of the Project will assist the Borrower in connection with its mission of providing safe, affordable housing to the citizens of the State of Tennessee, thereby improving their health and well-being and promoting the purposes of the Act.

2. It is hereby found to be most advantageous to sell the Bonds, upon the terms and conditions set forth in the Purchase Agreement.

3. The Chairman or Vice Chairman of the Issuer is hereby authorized and directed to execute and either is authorized to deliver the Purchase Agreement to the other parties thereto.

4. The Chairman or Vice Chairman of the Issuer is hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Issuer is authorized to attest, and either is authorized and directed to deliver the Indenture to the Trustee.

5. The Chairman or Vice Chairman of the Issuer is hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Issuer is authorized to attest, and either is authorized to deliver the Loan Agreement to the Borrower, the Trustee and the Lender.

6. The Chairman or Vice Chairman of the Issuer is hereby authorized and directed to execute by facsimile or manual signature, attested by the facsimile or manual signature of its Secretary or Assistant Secretary, and either is authorized and directed to deliver the Bonds to the Trustee for authentication and delivery to the Bond Purchaser thereof upon payment of the purchase price therefor.

7. The Issuer hereby approves the preparation and distribution of the Preliminary Official Statement in connection with the sale of the Bonds. The Issuer hereby authorizes the preparation of an Official Statement in substantially the same form as the Preliminary Official Statement with such changes

as are necessary to finalize and complete the Preliminary Official Statement. Nothing herein shall constitute the approval by the Issuer of the form of the Preliminary Official Statement, the Official Statement or the information contained therein other than information directly relating to the Issuer contained therein. The Chairman of the Issuer is hereby authorized to execute such certificates as are requested to deem the Preliminary Official Statement as final as of its date within the meaning of Rule 15c2-12 under Securities Exchange Act of 1934.

8. The Purchase Agreement, the Indenture, the Loan Agreement and the Bonds shall be in substantially the forms submitted, which are hereby approved, with such completions, omissions, insertions and changes as may be approved by the officers executing them, their execution to constitute conclusive evidence of their approval of any such omissions, insertions and changes. In connection with the execution of the Purchase Agreement and the Indenture, the officer(s) are hereby expressly authorized to approve the maturities and interest rates on the Bonds, provided that none of the interest rates on the Bonds may exceed the maximum interest rate permitted by law, the aggregate principal amount of the Bonds shall not exceed \$35,000,000 and the final maturity of the Bonds shall be no later than the maximum term permitted by law.

9. The officers of the Issuer are hereby authorized and directed to execute, deliver and file all certificates and instruments, including Internal Revenue Service Form 8038, financing statements to evidence security interests created under the Indenture, a land use restriction agreement, a Tax Exemption Certificate and Agreement, and an informational statement to be filed with the State of Tennessee, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds and the financing of the Project.

10. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

11. The Bonds, and the interest payable thereon, are limited obligations of the Issuer, and shall not be deemed to constitute a general debt or liability of the Issuer, but shall be payable solely from

such special sources and funds provided therefor in accordance with the provisions thereof and the provisions of the Indenture.

Neither the State of Tennessee, nor any other political subdivision thereof, shall be liable for the payment of the principal of, or the interest on, the Bonds, or for the performance of any pledge, mortgage, obligation, agreement, or certification, of any kind whatsoever of the Issuer, and neither the Bonds, nor any of the pledges, mortgages, agreements, obligations, or certifications of the Issuer shall be construed to constitute an indebtedness of the State of Tennessee, or any other political subdivision thereof, within the meaning of any constitutional or statutory provisions whatsoever.

No recourse under, or upon, any statement, obligation, covenant, agreement, or certification, contained in any of the foregoing documents, including, without limitation, the Bonds, and the Indenture; or in any other document or certification whatsoever; or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding or by virtue or any constitution or statute or otherwise, or under any circumstances, under or independent of the foregoing documents, including, without limitation the Bonds, and the Indenture; or any other document or certification, whatsoever, shall be had against any incorporator, member, director, or officer, as such, past, present, or future, of the Issuer, either directly or through the Issuer, or otherwise, for the payment for, or to, the Issuer, or any receiver thereof, or from, or to, the owner of the Bonds for any sum that may be due and unpaid by the Issuer upon the Bonds, or the interest payable thereon. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such incorporator, member, director, or officer, as such, to respond by reason of any act or omission on his or her part of otherwise for, directly or indirectly, the payment for, or to, the Issuer or any receiver thereof, or for, or to, the owners of the Bonds, of the principal of, or the premium, if any, or interest on, the Bonds shall be deemed to have been waived and released as a condition of, and consideration for, the execution of the aforesaid documents and the issuance of the Bonds.

12. All other acts of the officers of the Issuer which are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the financing of the Project are hereby approved and confirmed.

Approved and adopted this _____ day of _____, 2022.

THE HEALTH, EDUCATIONAL AND HOUSING
FACILITY BOARD OF THE COUNTY OF KNOX

By: _____
Name: _____
Title: _____

33825051.1