

**RESOLUTION CONSENTING TO THE “LOAN MODIFICATION INSTRUMENT”
BETWEEN CHURCHVIEW PLACE LIMITED PARTNERSHIP AND YADKIN BANK DBA
NEWBRIDGE BANK AND RATIFYING PREVIOUS ACTION PLACING PRIORITY OF
THE CITY’S LIEN ON PROPERTY LOCATED AT 2302 OLD CHAPMAN STREET IN
THIRD POSITION**

WHEREAS, in 2008 the City entered into a loan agreement with Churchview Place Limited Partnership for the development of a 68 unit multi-family complex for seniors located at 2302 Old Chapman Street;

WHEREAS, due to the onset of the recession and turbulence in the Low Income Housing Tax Credit syndication market, the North Carolina Housing Finance Agency offered forgivable loans to tax credit developers subject to their loan being in second position;

WHEREAS, as a result of Churchview Place Limited Partnership qualifying for said loan from the North Carolina Housing Finance Agency, staff sought City Council approval for the City’s loan to move to third position; however, the resulting resolution, Resolution 242-09, mistakenly identified that the City’s lien would be in second position;

WHEREAS, following Resolution 242-09, the City executed subordination agreements in 2009, for construction financing, and 2011, for permanent financing, placing the City’s lien in third position behind the bank loan and forgivable loan from NCHFA;

WHEREAS, Yadkin Bank DBA NewBridge Bank has agreed to modify the terms of their current loan to Churchview Place Limited Partnership to improve the interest rate from 7.5% to 5.9% fixed rate and to restructure the prepayment penalty schedule;

WHEREAS, Churchview Place Limited Partnership and Yadkin Bank DBA NewBridge Bank have requested the City consent to the loan modification for assurance that the City would remain in third lien position despite said loan modification.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That it hereby consents to the “Loan Document Modification Instrument” between Churchview Place Limited Partnership and Yadkin Bank DBA NewBridge Bank and ratifies the previous action taken in 2011 placing priority of the City’s lien on property located at 2302 Old Chapman Street in third position.