

RESOLUTION

WHEREAS, Hallmark Beverly Hills, LLC (the “Borrower”) has requested The Health, Educational and Housing Facilities Board of Sevier County, Tennessee (the “Issuer”) issue its Revenue Bonds for the benefit of the Borrower, in the aggregate principal amount of not to exceed \$41,334,000 (the “Bonds”); and

WHEREAS, a portion of the proceeds of the Bonds will be used for the purpose of (a) financing the cost of acquisition and renovation of the multifamily properties listed in *Exhibit A* attached hereto and incorporated by reference (collectively, the “Projects”), (b) funding reserves and (c) paying certain costs of issuance of the Bonds; and

WHEREAS, in order to achieve interest savings, the Borrower desires that the Bonds be issued in compliance with the requirements of the Internal Revenue Code of 1986, as amended (the “Code”) so that interest on the Bonds will be excludable from the gross income of the owners thereof; and

WHEREAS, Section 147(f) of the Code and Chapter 101, Part 3 of Title 48, Tennessee Code Annotated (T.C.A. §48-101-301 *et seq.*) as amended (“Title 48 of the TN Code”) each require, as a condition to issuing the Bonds to acquire the Projects, that the City Council (the “Board”) of Crossville, Tennessee (the “City”) approve of the Issuer’s issuance of the Bonds; and

WHEREAS, it is deemed necessary and advisable that this Resolution be adopted.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD AS FOLLOWS:

SECTION 1. Beverly Hills Apartments, located at 50 Beverly Hills Circle, Crossville, Tennessee 38555 (the “Project”) is located within the corporate limits of Crossville, Tennessee (the “Jurisdiction”). The Project will be owned by the Borrower. The issuance of the Bonds by the Issuer in an aggregate amount not to exceed \$41,334,000 is hereby approved for purposes of Section 147(f) of the Code and Title 48 of the TN Code.

SECTION 2. A hearing open to the public was held on December 10, 2013, for which due and reasonable public notice was given to the Jurisdiction in accordance with the provisions of law and the procedures established therefor.

SECTION 3. Such approval shall be solely for the purposes of Section 147(f) of the Code and Title 48 of the TN Code. The City shall have no liabilities for the payment of the Bonds nor shall any of its assets be pledged to the payment of the Bonds.

SECTION 4. This Resolution shall take effect and be in full force immediately after its adoption by the Board.

[Remainder of page intentionally left blank]

**THIS RESOLUTION HAVING BEEN DULY CONSIDERED AND VOTED UPON
WAS PASSED AND APPROVED THIS _____ DAY OF _____, 2013.**

CROSSVILLE, TENNESSEE

By: _____

Name: _____

Title: _____

ATTEST:

By: _____

Name: _____

Title: _____

EXHIBIT A

**TN13 RD PRESERVATION PORTFOLIO
HALLMARK**

	PROPERTY	STREET	CITY	COUNTY	ST	ZIP	TOTAL UNITS
1	BELMONT LODGE (PARIS)	400 Lankford Road	Paris	Henry	TN	38242	36
2	BEVERLY HILLS (9%)	50 Beverly Hills Circle	Crossville	Cumberland	TN	38555	43
3	BLUEGRASS VILLAGE	430 Jernigan Drive	Somerville	Fayette	TN	38068	40
4	BROOKWOOD	128 Brookwood Lane	Gainesboro	Jackson	TN	38562	44
5	CAMBRIDGE (MPR)	118 Cambridge Court	Dover	Stewart	TN	37058	49
6	CAMELOT MANOR (MPR)	305 Dillard St.	Ridgely	Lake	TN	38080	25
7	CANTERWAY	1898 Madison Street	Shelbyville	Bedford	TN	37160	20
8	CEDARS (MPR)	264 Main Street	Maynardville	Union	TN	37807	41
9	CHEROKEE SQUARE (MPR)	2013 Brown Drive	Rogersville	Hawkins	TN	37857	31
10	CLEARVIEW (MPR)	3318 Highway 31 West	White House	Sumner	TN	37188	48
11	COLONY SQUARE	1175 Highway 641 South	Paris	Henry	TN	38242	36
12	COUNTRY PLACE	2599 S. Main St.	Springfield	Robertson	TN	37172	39
13	CREEKWOOD	115 Bradford Place	Carthage	Smith	TN	37030	32
14	FENTRESS OAKS	428 Lawson Street	Jamestown	Fentress	TN	38556	32
15	FOREST OAKS (MPR)	2150 Bell Street	Ashland City	Cheatham	TN	37015	41
16	HERITAGE VILLAS (MPR)	4040 Reasons Boulevard	Milan	Gibson	TN	38358	49
17	MOUNTAIN VILLAGE (MPR)	30 Mtn. Village Lane	Crossville	Cumberland	TN	38555	48
18	OAKWOOD VILLAGE	2021 Oakwood Drive	Westmoreland	Sumner	TN	37186	25
19	PARTRIDGE MEADOWS (9%) (MPR)	460 Oriole Drive	McMinnville	Warren	TN	37110	48
20	RED OAK (MPR)	100 Schools Drive	Camden	Benton	TN	38320	39
21	RIVERWOOD	503 Riverwood Drive	Clifton	Wayne	TN	38425	41
22	SHAMROCK (MPR)	11 Shamrock Drive	Erin	Houston	TN	37061	43
23	SOUTHWOOD (9%)	150 Austin St.	Savannah	Hardin	TN	38372	44
24	STONE GATE (MPR)	126 Prospect Road	Maynardville	Union	TN	37807	32
25	SUNCREST (MPR)	261 Suncrest Way	Newport	Cocke	TN	37821	32
26	SYCAMORE TRACE	126 North Shepard Drive	Bulls Gap	Hawkins	TN	37711	32

TOTALS

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