

**RESOLUTION
APPROVING THE ISSUANCE BY
THE PUBLIC FINANCE AUTHORITY OF BONDS
ON BEHALF OF AGAPE HERITAGE GP, INC.**

WHEREAS, Agape Heritage GP, Inc. (the "Borrower"), has requested that the Public Finance Authority (the "Authority") issue bonds (the "Bonds") in an amount not to exceed \$12,000,000, which will be used to finance the costs of the acquisition and rehabilitation of a residential rental facility known as Heritage Square located at 515 S. Sugar Road, Edinburg, Texas 78539 (the "Facility"); and

WHEREAS, the Facility will be owned and operated by the Borrower and initially managed by United Apartment Group; and

WHEREAS, the Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"); and

WHEREAS, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the "applicable elected representative" of a governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, County Judge Ramon Garcia (the "County Judge") is the applicable elected representative of Hidalgo County, Texas; and

WHEREAS, the Borrower has requested that the County Judge approve the financing of the Facility and the issuance of the Bonds in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Amended and Restated Joint Exercise of Powers Agreement Relating to the Public Finance Authority, dated as of September 28, 2010 (the "Joint Exercise Agreement"); and

WHEREAS, pursuant to Section 147(f) of the Code, the County Judge or his designee has, following notice duly given in the form attached hereto as Exhibit A (the "TEFRA Notice"), held a public hearing regarding the financing of the Facility and the issuance of the Bonds, and the County Commissioners Court desires to approve the financing and the issuance of the Bonds and authorize the County Judge to execute the required approval; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COMMISSIONERS' COURT OF HIDALGO COUNTY, TEXAS AS FOLLOWS:

Section 1. The County Judge is hereby authorized to approve the issuance of the Bonds by the Authority for financing the Facility. This resolution constitutes approval of the issuance of the Bonds by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Facility is located, in accordance with Section 147(f) of the Code and the Joint Exercise Agreement.

Section 2. THE BONDS SHALL NOT REPRESENT OR CONSTITUTE A DEBT OR PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE ISSUER, THE COUNTY OF HIDALGO, TEXAS, THE CITY OF EDINBURG, TEXAS OR THE STATE OF TEXAS OR ANY OF ITS POLITICAL SUBDIVISIONS.

Adopted this ____ day of July, 2014.

By: _____
Name: _____
Title: _____

EXHIBIT A

NOTICE OF PUBLIC HEARING MULTIFAMILY HOUSING REVENUE BONDS

Notice is hereby given that a public hearing will be held by the Hidalgo County Commissioners' Court (the "Host") on Tuesday, July ____, at 10:00 a.m. at the Commissioners' Court Room at 415 W. University Drive, Edinburg, Texas 78539. This hearing is for the purpose of considering the authorization and approval of the issuance by Public Finance Authority, a commission duly organized under the laws of the State of Wisconsin (the "Issuer") of its Multifamily Housing Revenue Bonds, Series 2014 (Heritage Square Apartments Project) in one or more series, pursuant to a plan of finance, in an aggregate principal amount not to exceed \$12,000,000 (the "Bonds"). The Bonds are expected to be issued pursuant to Section 66.0304 of the Wisconsin Statutes, as amended. If the Bonds are approved, the proceeds of the Bonds will be used to make a loan to Agape Heritage GP, Inc., or its assigns (the "Borrower") to finance the acquisition and rehabilitation of a 204-unit residential rental facility known as Heritage Square and located at 515 S. Sugar Road, Edinburg, Texas 78539 (the "Project"). The owner and operator of the Project will be the Borrower and United Apartment Group will be the manager..

THE BONDS SHALL NOT REPRESENT OR CONSTITUTE A DEBT OR PLEDGE OF THE FAITH AND CREDIT OR THE TAXING POWER OF THE ISSUER, THE CITY OF EDINBURG, TEXAS, THE COUNTY OF HIDALGO OR THE STATE OF TEXAS OR ANY OF ITS POLITICAL SUBDIVISIONS.

Interested persons are invited to attend this public hearing and will be given the opportunity to express their views concerning the approval by the Host of the issuance of the Bonds by the Issuer for the purpose of financing the Project.

Anyone desiring to make written comments may give them to the County Clerk at 100 N. Closner, 1st Floor, P.O. Box 58, Edinburg, Texas 78539 on or before the date and time of the aforementioned hearing. This notice is given pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended.

By order of the County Clerk
Hidalgo County, Texas

TEFRA Approval
by
Hidalgo County Judge

Pursuant to a resolution of the Hidalgo County Commissioners' Court adopted on July ____, 2014 and a hearing held at 10:00 a.m. on the morning of July ____, 2014 pursuant to a notice duly published on June ____, 2014 in the Edinburg Monitor, I hereby approve the issuance by the Public Finance Authority of Bonds in the aggregate principal amount not to exceed \$12,000,000 to be issued for the purpose of financing the acquisition and rehabilitation of a residential rental facility known as Heritage Square Apartments.

Executed this ____ day of July, 2014.

Ramon Garcia
Hidalgo County Judge