

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT**

JUNE 17, 2014

Evelyn Smalls, Treasurer, presided at the Meeting of the Members of the Board of Directors of the Philadelphia Authority for Industrial Development on Tuesday, June 17, 2014, at 5:15 p.m. in PIDC's Board Room, 26th floor, Centre Square West, 1500 Market Street, Philadelphia, PA.

Members attending:

David L. Hyman, Esquire
Harold Yaffe, DDS

Attending from the PIDC staff:

John Grady	President, PIDC
Sam Rhoads	Executive Vice President, PIDC
Anthony Simonetta	Senior Vice President, Operations, PIDC
Ilene Burak, Esq.	Senior Vice President/General Counsel
Wanda Speight	Senior Vice President, Financial Services
Meg Clark	Executive Assistant, Office of the President
Mary Corcoran	Assistant Secretary, PIDC

Upon motion made by Dr. Yaffe and seconded by Mr. Hyman, the Minutes of the Meeting of the PAID Board held on May 20, 2014 were approved.

Mr. Grady requested approval of the following:

1. A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a Settlement Agreement with the United States government to settle PAID's claim against the United States Navy related to the utility contract at The Navy Yard in an amount equaling \$2,100,000 plus interest. The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and do such other acts necessary upon such terms and conditions as they deem to be in the best interests of PAID.

Upon motion made by Dr. Yaffe and seconded by Mr. Hyman, the Members unanimously approved the above Resolution.

2. A Resolution authorizing the issuance of one or more series of revenue bonds (the "Bonds") through the Philadelphia Authority for

Industrial Development ("PAID" or the "Authority") in the form attached hereto as Enclosure 1, in an amount not to exceed \$75,000,000, on behalf of Aria Health System (the Borrower. The proceeds of the Bonds will be used by the Borrower to finance (i) the payment or reimbursement of the acquisition, construction, renovation, and equipping of various facilities of the Borrower in Philadelphia and Bucks County, Pennsylvania, including the construction of a new emergency department at the Torresdale campus, and (ii) the Bonds' costs of issuance. The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to do such other acts necessary to assist the Borrower upon such terms and conditions as they deem to be in the best interests of the Authority.

Upon motion made by Mr. Hyman and seconded by Dr. Yaffe, the Members unanimously approved the above Resolution.

3. A Resolution authorizing the issuance of one or more series of revenue bonds (the "Bonds") through the Philadelphia Authority for Industrial Development ("PAID" or the "Authority") in the form attached hereto as Enclosure 2, in an amount not to exceed \$28,000,000, on behalf of Chestnut Hill College (the "College"). The proceeds of the Bonds will be used by the College to finance: (i) the current refunding of the Cheltenham Township Industrial Development Authority's Construction Line of Credit/Permanent Mortgage Note Series 2005 A-1; (ii) the current refunding of PAID's Tax-Exempt Adjustable Mode Educational Facilities Revenue Bonds (Chestnut Hill College Project) Series A and Series B of 2007; (iii) the current refunding of a construction loan provided by Wells Fargo Bank; (iv) the termination of an interest rate swap related to the Series 2007A Bonds; (v) certain capital improvements on the College's campus and (vi) a portion of the Bonds' costs of issuance. The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to do such other acts necessary to assist the College upon such terms and conditions as they deem to be in the best interests of the Authority.

Mr. Grady informed the Members that Suzanne Mayes, Esquire, a PIDC Board Member and attorney at Cozen O'Connor, represents Janney Montgomery Scott, LLC, as placement agent on this transaction.

Upon motion made by Dr. Yaffe and seconded by Mr. Hyman, the Members unanimously approved the above Resolution.

4. A Resolution authorizing the issuance of Multifamily Housing Revenue Bonds (Zion Gardens Project), Series A of 2014, Series B of 2014 and Series C of 2014 (taxable) (collectively the "Bonds")

through the Philadelphia Authority for Industrial Development ("PAID" or the "Authority"), in the form attached hereto as Enclosure 3, on behalf of Zion Gardens, L.P. (the "Borrower") in an amount up to \$18,000,000. The proceeds of the Bonds will be used by the Borrower to finance (i) the rehabilitation of an existing 94-unit residential rental housing facility known as Zion Gardens, located at 1001-37 and 1101-39 W. Girard Avenue respectively; (ii) if required, the funding of any reserve funds, and (iii) payment of certain costs of issuance. The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to do such other acts necessary to assist the Borrower and its affiliates upon such terms and conditions as they deem to be in the best interests of the Authority.

Upon motion made by Mr. Hyman and seconded by Dr. Yaffe, the Members unanimously approved the above Resolutions.

There being no further business, the Meeting was adjourned.

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

**RESOLUTION
Adopted June 17, 2014**

AUTHORIZING AND DIRECTING THE ISSUANCE OF ONE OR MORE SERIES OF THE AUTHORITY'S REVENUE BONDS FOR ARIA HEALTH SYSTEM AND ONE OR MORE AFFILIATES OF ARIA HEALTH SYSTEM INCLUDING, BUT NOT LIMITED TO, ARIA HEALTH, ARIA HEALTH PHYSICIAN SERVICES, ARIA HEALTH ORTHOPAEDICS AND HOSPITAL MEDICAL IMAGING, INC. IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$75,000,000; APPROVING THE EXECUTION OF CERTAIN FINANCING DOCUMENTS RELATING TO THE ISSUANCE AND SALE OF THE BONDS; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF THE BONDS; REQUESTING THE PURCHASER TO AUTHENTICATE THE BONDS; DIRECTING THE IMPRINTING OF CUSIP NUMBERS ON THE BONDS IF REQUESTED BY THE PURCHASER; AUTHORIZING INCIDENTAL ACTION; AND REPEALING INCONSISTENT RESOLUTIONS

WHEREAS, Philadelphia Authority for Industrial Development (the "Authority") is a body corporate and politic organized and existing under the Pennsylvania Economic Development Financing Law (Act of August 23, 1967, P.L. 251), as amended and supplemented (the "Act"); and

WHEREAS, Aria Health System and each of its affiliates including, but not limited to, Aria Health, Aria Health Physician Services, Aria Health Orthopaedics and Hospital Medical Imaging, Inc. (collectively, the "Borrowers"), each a not-for-profit corporation organized and existing under the laws of the Commonwealth of Pennsylvania, have requested the Authority to issue and the Authority has agreed to issue its Revenue Bonds Series 2014 (Aria Health System Project) (the "Bonds") in an aggregate principal amount not to exceed \$75,000,000 (net of original issue discount, if any), the proceeds of which are to be used to finance the costs of a project (the "Project") consisting of (a) the payment or reimbursement of the costs of construction, acquisition, renovation, installation and equipping of various facilities of the Borrower, including facilities in Philadelphia and Bucks County, Pennsylvania; and (b) the payment of the costs associated with the issuance of the Bonds; and

WHEREAS, the Authority proposes that the Bonds will be issued pursuant to the terms of a Bond Purchase and Loan Agreement (the "BPLA") among the Authority, Manufacturers and Traders Trust Company or an affiliate thereof (the "Purchaser") and the Borrowers; and

WHEREAS, it is contemplated that the Authority will loan the proceeds of the Bonds to the Borrower for application toward the costs of the Project pursuant to the BPLA pursuant to which the Borrower will be obligated to repay such loan of the proceeds of the Bonds at such times and in such amounts as will be sufficient to enable the Authority to pay the principal and redemption price of and interest on the Bonds as and when due; and

WHEREAS, to secure the Bonds, the Authority will assign to the Purchaser all of the right, title and interest of the Authority in and to the BPLA (except for certain rights relating to fees and expenses and indemnification of the Authority), including amounts payable by the Borrower thereunder; and

WHEREAS, certain action is required to be taken by the Authority as a prerequisite to the issuance and sale of the Bonds;

NOW, THEREFORE BE IT RESOLVED by Philadelphia Authority for Industrial Development:

Section 1. AUTHORIZATION OF ISSUANCE OF THE BONDS AND APPROVAL OF THE PROJECT. The Authority hereby authorizes the issuance of the Bonds and approves the application of the proceeds thereof for the purpose of financing the Project.

Section 2. APPROVAL OF THE BOND PURCHASE AND LOAN AGREEMENT. Subject to the further provisions hereof (including without limitation the provisions of Section 4 below), the Chairperson or Vice Chairman is hereby authorized and directed to execute and deliver, and (where applicable) the Secretary or Assistant Secretary is hereby authorized and directed to affix the corporate seal of the Authority to and attest, the BPLA, in such form as such officers of the Authority shall approve upon advice of counsel to the Authority, such approval to be conclusively evidenced by their execution thereof.

Section 3. FORM AND EXECUTION OF THE BONDS. The form of the Bonds shall be contained in the BPLA, shall reflect the final terms of the Bonds and shall otherwise be in such form as the Chairperson or Vice Chairman may approve upon advice of counsel to the Authority, such approval to be conclusively evidenced by the execution by the Authority of the BPLA. The execution of the Bonds by the manual or facsimile signatures of the Chairperson or Vice Chairman is hereby authorized and directed, and the Secretary or Assistant Secretary is hereby authorized and directed to affix or imprint the corporate seal of the Authority (or a facsimile thereof) to, and attest, the Bonds. The Chairperson or Vice Chairman is hereby authorized and directed to deliver the Bonds to the Purchaser for authentication under the BPLA,

and, when they have been authenticated, to deliver them or cause them to be delivered to the Purchaser pursuant to the BPLA against receipt of the purchase price due thereunder (which may be paid in installments if so provided in the BPLA) and to deposit or apply the amount so received as provided in the BPLA.

The Bonds shall be special limited obligations of the Authority payable solely out of the payments made by the Borrowers under the BPLA and out of other moneys and properties

held by the Purchaser under the BPLA. The Bonds shall not be in any way a debt or liability of the City of Philadelphia, the Commonwealth of Pennsylvania or of any other political subdivision thereof and shall not create or constitute any indebtedness, liability or obligation of the City of Philadelphia, the Commonwealth of Pennsylvania or any other political subdivision thereof, legal, moral or otherwise, nor shall the Bonds be payable out of any funds, revenues or properties of the Authority other than those pledged therefor.

Section 4. TERMS OF THE BONDS. The Bonds shall have the terms set forth in the BPLA and the Bonds, subject to the following terms: (a) the aggregate principal amount of the Bonds (net of original issue discount, if any) shall not exceed \$75,000,000, (b) the interest rate on the Bonds shall not exceed the maximum lawful rate, and (c) the maturity of the Bonds shall be no later than 35 years from the date of issuance.

Section 5. AUTHENTICATION OF THE BONDS. Upon execution of the Bonds, the Purchaser is hereby requested to authenticate the Bonds and to deliver them to or upon the order of the Chairperson or Vice Chairman.

Section 6. CUSIP NUMBERS. In accordance with the recommendation of the American Bankers Association Committee on Uniform Security Identification Procedures ("CUSIP"), if so requested by the Purchaser, a CUSIP number is hereby authorized to be imprinted on each of the Bonds.

Section 7. BOND COUNSEL. Ballard Spahr LLP, Philadelphia, Pennsylvania, is hereby appointed Bond Counsel with respect to the Bonds.

Section 8. INCIDENTAL ACTION. The Chairperson, Vice Chairman, the Secretary and the Assistant Secretary of the Authority are hereby authorized and directed to execute and deliver such other documents and instruments, including but not limited to any tax certificates or agreements required to ensure compliance with the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, or any representation letters required to make the Bonds eligible for a book entry system of registration, and to take or approve the taking of such other action as may be necessary or appropriate in order to effectuate the execution and delivery of the BPLA, the issuance and sale of the Bonds and the financing of the Project.

Section 9. EFFECTIVE DATE; INCONSISTENT PRIOR RESOLUTIONS REPEALED. This Resolution shall take effect immediately upon its adoption, and all prior resolutions or parts thereof inconsistent herewith shall be repealed.

I, the (Assistant) Secretary of Philadelphia Authority for Industrial Development, do hereby certify that the foregoing is a true, correct and complete copy of a resolution adopted by the Authority at a meeting held on June 17, 2014, notice of which was given in accordance with the requirements of law and the by-laws of the Authority and at which a quorum of the Authority was present and acted throughout; and that such resolution has not been amended, modified or repealed.

(Assistant) Secretary

Dated: June 17, 2014

PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

RESOLUTION

APPROVING THE FINANCING OF CERTAIN PROJECTS FOR THE BENEFIT OF CHESTNUT HILL COLLEGE; PROVIDING FOR AND AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF THE AUTHORITY'S REVENUE BONDS TO FINANCE SUCH PROJECTS; AUTHORIZING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF SUCH DOCUMENTS AS MAY BE NECESSARY OR APPROPRIATE TO CONSUMMATE THE ISSUANCE AND SALE OF SUCH BONDS IN ONE OR MORE SERIES; AUTHORIZING THE OFFICERS OF THE AUTHORITY TO TAKE OTHER NECESSARY OR DESIRABLE ACTION; RATIFYING PRIOR ACTIONS; AND REPEALING INCONSISTENT RESOLUTIONS

WHEREAS, the Philadelphia Authority for Industrial Development (the "Authority") is a public instrumentality of the Commonwealth of Pennsylvania and a public body corporate and politic organized and existing under the Pennsylvania Economic Development Financing Law, Act of August 23, 1967, P.L. 251, as amended (the "Act"), for the purpose of promoting the health, safety, morals, employment, business opportunities, economic activity and general welfare of the people of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, Chestnut Hill College, is a not-for-profit corporation (the "College"), organized and existing under the laws of the Commonwealth; and

WHEREAS, the College has requested the assistance of the Authority in connection with the financing of certain projects that consist of, among other things: (i) the current refunding of the outstanding principal amount of the Cheltenham Township Industrial Development Authority's Construction Line of Credit/Permanent Mortgage Note Series 2005 A-1 (Chestnut Hill College) dated September 19, 2005 (the "2005 CTIDA Note"); (ii) the current refunding of the outstanding principal amount of the Authority's Tax-Exempt Adjustable Mode Educational Facilities Revenue Bonds (Chestnut Hill College Project) Series A of 2007 (the "Series 2007A Bonds"), and the Authority's Tax-Exempt Adjustable Mode Educational Facilities Revenue Bonds (Chestnut Hill College Project) Series B of 2007 (the "Series 2007B Bonds", and together with the Series 2007A Bonds, collectively, the "2007 Bonds"), (iii) the current refunding of the outstanding principal amount of a construction loan provided to the College by Wells Fargo Bank, National Association (the "2009 Construction Loan"), (iv) the payment of the costs of terminating an interest rate management agreement related to the Series 2007A Bonds, (v) the acquisition, construction and installation of certain capital improvements on the College's campus and (vi) the payment of a portion of the costs of issuance of bonds to be issued in one or more series as part of the plan of finance (collectively, the "Projects"); and

WHEREAS, the College has represented that the Projects will promote the public purposes of the Act, will provide substantial employment opportunities for citizens of the Commonwealth and that the Projects will not cause the removal of a plant, facility or other business from any other area of the Commonwealth; and

WHEREAS, the Authority desires to finance certain costs of the Projects out of the proceeds obtained from the sale of one or more series of its Bonds (the "Bonds") as a part of the plan of finance in a maximum aggregate principal amount not to exceed \$28,000,000; and through a loan or loans of the proceeds of each respective series of the Bonds to the College and the College will agree to make payments sufficient to pay, when due, the principal of each such series of Bonds and the interest due thereon and all other costs that may be incurred by the Authority in connection with the plan of finance; and

WHEREAS, the Authority proposes to sell each series of the Bonds to Bank United N.A. (the "Bank") pursuant to one or more bond purchase, continuing covenants or similar financing agreements (individually and collectively a "Bond Purchase Agreement"), as the same may be amended from time to time, to be entered into between the College and the Bank with regard to each series of the Bonds; and

WHEREAS, each series of the Bonds will be issued pursuant to either a Trust Indenture (the "Indenture"), as the same may be amended from time to time, to be entered into between the Authority and a bank or trust company to be selected by the College serving as trustee thereunder (the "Trustee") or pursuant to a tri-party financing agreement (the "2014 Bonds Agreement"), as the same may be amended from time to time, among the College, the Authority and the Bank, in order to authorize the issuance of each series of Bonds, as necessary and appropriate; and

WHEREAS, if the Bonds are issued pursuant to the Indenture, (i) the Authority will enter into a Loan Agreement, to be dated as set forth therein (the "Agreement"), as the same may be amended from time to time, by and between the Authority and the College, pursuant to which the Authority will loan the proceeds of each of the respective series of the Bonds to the College and the College will agree, among other things, to make certain timely loan repayments in amounts equal to the principal of, premium, if any, and interest due on the Bonds; and (ii) the Authority will assign all of its right, title and interest (except for its right to indemnification and payment of its fees and expenses) in and to the Agreement and the loan repayments to be paid by the College thereunder to the Trustee pursuant to the terms of an Assignment of Loan Agreement, to be dated as set forth therein (the "Assignment"), as the same may be amended from time to time, by and between the Authority and the Trustee; and

WHEREAS, if the Bonds are issued pursuant to the 2014 Bonds Agreement, the Authority will loan the proceeds of each of the respective series of the Bonds to the College and the College will agree, among other things, to make certain timely loan repayments in amounts equal to the principal of, premium, if any, and interest due on the Bonds, all pursuant to the terms and provisions of the 2014 Bonds Agreement; and

WHEREAS, after inquiry, and based upon the representations of the College, the Authority has determined that the financing of the Projects through the issuance of one or more series of the Bonds will serve the public purposes of the Act promoting the health, safety, morals, employment, business opportunities, economic activity, and general welfare through the increase of the commerce and prosperity, and the improvement of the health and living conditions, of the people of the Commonwealth; and

NOW, THEREFORE, BE IT RESOLVED by the Board of the Authority, as follows:

1. This Board hereby finds and determines that:

(a) The financing of the Projects will be a “project” within the meaning of that term as defined in the Act; and

(b) The financing of the Projects through the issuance of one or more series of the Bonds as a part of the plan of finance is consistent with the public purposes of the Act, namely to: promote the health, safety, morals, employment, business opportunities, economic activity and general welfare of the people of the Commonwealth by, without limitation, promoting industrial, commercial, and economic development, alleviating unemployment, maintaining employment at a high level, and creating and developing business opportunities.

2. The Authority shall enter into the Indenture with the Trustee, and/or the 2014 Bonds Agreement with the College and the Bank, such Indenture and 2014 Bonds Agreement to contain such terms, provisions and conditions as may be acceptable to the Authority with the advice of counsel. Pursuant to the provisions of the Indenture, the Authority shall, among other things, grant to the Trustee a first assignment of its rights under the Agreement and any amendments thereto. Pursuant to the provisions of the 2014 Bonds Agreement, the Authority shall, among other things, grant to the Bank a first assignment of its rights under the Agreement and any amendments thereto.

3. If the Bonds are issued pursuant to the provisions of the Indenture, the Authority shall also enter into the Agreement and the Assignment, such Agreement and Assignment to contain such terms, provisions and conditions as may be acceptable to the Authority with the advice of counsel.

4. The Authority hereby authorizes the issuance, sale and delivery of the Bonds, in one or more series from time to time, as part of the plan of finance, such Bonds to be in fully registered form, in the maximum aggregate principal amount not to exceed \$28,000,000. The terms and conditions of such Bonds (including, without limiting the generality of the foregoing, the denomination thereof, interest rates, interest payment dates, maturity dates and redemption provisions thereof) and the form of such Bonds shall be acceptable to officers of the College and the Authority and execution and delivery thereof shall constitute conclusive

evidence of such approval by the Authority; provided that the Bonds shall have a maturity date not exceeding 35 years from the date of issuance thereof and shall bear interest at the rate or rates provided therein and in the Bond Purchase Agreement.

5. In connection with the issuance of the Bonds in one or more series, the Chair or Vice Chair of the Authority is each hereby authorized, empowered and directed to execute, acknowledge, seal and deliver, as applicable, and the Secretary or Assistant Secretary, as appropriate, of the Authority are each hereby authorized, empowered and directed to attest, the Bond Purchase Agreements, the Agreement, the Indenture, the 2014 Bonds Agreement and the Assignment, all substantially in the forms of such instruments as may be acceptable to such officers of the Authority, with the advice of counsel, with such terms, provisions and conditions therein or modifications thereto as such officer may approve, such execution and delivery thereof to constitute conclusive evidence of such approval.

6. The Chair or Vice-Chair of the Authority are hereby authorized, empowered and directed, jointly or severally, to execute, by true or facsimile signature, the Bonds of each series, and to cause to be affixed thereto the facsimile of or the true corporate seal of the Authority, and the Secretary or Assistant Secretary of the Authority is authorized, empowered and directed to attest, by true or facsimile signature, the execution of the Bonds of each series, and the affixing of the corporate seal; and such officers of this Authority are authorized and directed to deliver the Bonds of each series to the Trustee for authentication in accordance with the provisions of the Indenture, if applicable.

7. Upon written order of the Chair or Vice Chair of the Authority, the Trustee is requested and is authorized to authenticate and deliver the Bonds of each series, as to be more fully provided in the Indenture and/or the 2014 Bonds Agreement.

8. The Authority shall deposit or cause to be deposited the proceeds realized from the sale of each series of the Bonds for use in accordance with the provisions of the Indenture or the 2014 Bonds Agreement, as applicable. The Chair or Vice Chair of the Authority is authorized and directed to execute and deliver, and the Secretary or Assistant Secretary, as appropriate, are each authorized to attest, appropriate closing certificates and other certificates, security documents, instruments, elections, letters, financing statements, documents and agreements in connection with the issuance and sale of each series of the Bonds and the use, deposit and disposition of the proceeds of each series of the Bonds as may be required by Bond Counsel, counsel to the Bank and counsel to the Authority, such execution and delivery thereof to constitute conclusive evidence of approval by such officers on behalf of the Authority.

9. The Chair or Vice Chair or Executive Director of the Authority, are authorized, empowered and directed to accept and approve a completed Refunding Application and a completed Single Application for Assistance (collectively, the "Application") from the Borrower and to submit such Application to the Department of Community and Economic

Development of the Commonwealth for final approval and to do such other acts or things as may be necessary, proper or desirable, in their sole judgment, to effect the financing of the Projects and the issuance of each series of the Bonds, from time to time, and the other transactions contemplated by this Resolution.

10. The Chair, Vice Chair, Secretary or Assistant Secretary of this Authority are specifically authorized and directed to execute all documents necessary to evidence the issuance of each series of the Bonds to finance the Projects, or any loan agreements, notes, bonds, agreements, instruments, certificates and any other documents including, without limiting the generality of the foregoing, to the extent such certificates, documents and instruments as may be required to comply with the requirements of Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended, all of which documents, certificates and instruments shall be in a form or forms satisfactory to the counsel to this Authority and to the officers of this Authority executing the same, and to undertake all actions deemed necessary to carry out the financing of the Projects contemplated herein. The execution of said documents by said officers of this Authority shall be conclusive evidence of such satisfaction and acceptance thereof.

11. Notwithstanding any other provision of this Resolution, the Bonds, when and if issued, shall not be deemed an obligation of the City or County of Philadelphia, the Commonwealth nor any other political subdivision thereof, and shall be payable solely from payments made by or on behalf of the College. No recourse shall be had for the payment of the principal or the redemption price of or the interest on the Bonds or for any other claim based on the Bonds, against the Authority or any successor body, against any officer, board member, agent or employee of the Authority, past, present or future, or against any other moneys, accounts, rights or other assets the Authority may possess.

12. The Authority approves, ratifies and confirms all action heretofore taken by officers and other persons in the name or on behalf of the Authority in connection with the undertakings herein contemplated.

13. The Authority hereby acknowledges the appointment of Stevens & Lee, P.C., as Bond Counsel in connection with the Projects and the issuance of the Bonds.

14. All attorneys' fees, Trustee fees, Bank fees, rating agency fees, credit enhancement fees, printing fees and all other professional and advisory fees incurred in connection with the issuance of the Bonds and the Projects shall be paid by the College. The Authority shall have no liability with respect to such costs.

15. This Resolution shall become effective immediately.

16. All prior resolutions or parts thereof inconsistent herewith are repealed.

06/17/14

The undersigned, (Assistant) Secretary of the Philadelphia Authority for Industrial Development, hereby certifies that the foregoing Resolution was duly adopted by the Authority at a meeting duly held pursuant to proper notice, and that such Resolution has not been rescinded or amended and remains in full force and effect.

WITNESS the signature of the undersigned and the seal of the Authority this 17th day of June, 2014.

**PHILADELPHIA AUTHORITY FOR
INDUSTRIAL DEVELOPMENT**

By: _____
(Assistant) Secretary

[Seal]

RESOLUTION OF THE PHILADELPHIA AUTHORITY
FOR INDUSTRIAL DEVELOPMENT
PHILADELPHIA, PENNSYLVANIA
ADOPTED: JUNE 17, 2014

WHEREAS, the Philadelphia Authority for Industrial Development (the "Authority") is a public instrumentality of the Commonwealth of Pennsylvania (the "Commonwealth") and a public body corporate and politic organized and existing under the Pennsylvania Economic Development Financing Law, Act of August 23, 1967, P.L. 251, as amended (the "Act") for the purposes set forth therein; and

WHEREAS, the Partnership (herein defined) has requested the Authority to issue its Multifamily Housing Revenue Bonds (Zion Gardens Project) Series A of 2014 (Tax-Exempt) (the "Series A Bonds"), Series B of 2014 (Tax-Exempt) (the "Series B Bonds") and Series C of 2014 (Taxable) (the "Series C Bonds" and together with Series A Bonds and Series B Bonds, the "Bonds") for the benefit of Zion Gardens, L.P., a Pennsylvania limited partnership (the "Partnership") of up to \$15,000,000 in tax-exempt bonds and \$3,000,000 in taxable bonds; and

WHEREAS, the Partnership will use the proceeds of the Bonds, along with the proceeds from the sale of "4%" low-income tax credits to be allocated by the Pennsylvania Housing Finance Agency to finance a project consisting of:

- (i) the acquisition of a ninety-nine year leasehold interest in the existing residential rental housing facility known as Zion Gardens (the "Facility") and any appurtenances, equipment, furnishing, fixtures and other real and personal property associated therewith, for the purpose of rehabilitating and equipping the Facility, which is located on adjacent parcels of land at 1001-37 and 1101-39 West Girard Avenue in the City of Philadelphia, Philadelphia County, Commonwealth of Pennsylvania, and contains 94 residential apartment units;
- (ii) the funding, if determined to be necessary or desirable, of a liquidity and/or credit facility and reasonably required reserves, for the Bonds; and
- (iii) the payment of certain costs of issuance of the Bonds ((i), (ii), (iii) together (the "Project")); and

WHEREAS, the rehabilitation and equipping of the Facility will result in 30 two-bedroom residential apartment units, 52 one-bedroom residential apartment units and 16 efficiency residential apartment units; and

WHEREAS, the Authority will issue the Bonds pursuant to a trust indenture (the "Trust Indenture") by and between the Authority and a trustee (the "Trustee") and the Bond proceeds will be loaned by the Authority to the Partnership pursuant to a loan agreement (the "Loan Agreement"); and

WHEREAS, to evidence its payment obligations under the Loan Agreement, the Partnership will execute and deliver a Multifamily Note to be dated as of the date of closing (the "Note"), and the obligations of the Partnership under the Note will be secured by a lien on and security interest in the Facility pursuant to a Multifamily Mortgage, Assignment of Rents, Security Agreement and Fixture Filing of even date therewith to the Trustee (the "Mortgage"), made by the Partnership in favor of the Authority; and

WHEREAS, a TEFRA hearing was held on April 8, 2014, and the Mayor of the City of Philadelphia is expected to approve the issue of the Bonds; and

WHEREAS, the Partnership and the Authority will enter into a bond purchase agreement (the "Bond Purchase Agreement") with a bond purchaser (the "Bond Purchaser") in connection with the direct placement of the Bonds with the Bond Purchaser, for its own account; and

WHEREAS, after inquiry, and based upon the representations of the Partnership, the Authority has determined that the financing of the Project through the issuance of the Bonds will serve the public purposes of the Act by providing financing for facilities and services for persons requiring special care and other basic services and related facilities conducive to economic activity within the Commonwealth.

NOW THEREFORE, BE IT RESOLVED by the Board of the Authority, that;

I. Based upon representations of the Partnership in its application to the Authority, the Authority hereby finds and determines that:

A. the financing of the Project will be a "project" within the meaning of that term as defined in the Act; and

B. the financing of the Project through the issuance by the Authority under the Act of its Bonds is consistent with the public purposes of the Act.

II. The Authority hereby authorizes the issuance of the Bonds in original principal amounts not to exceed \$18,000,000. The terms and conditions of such Bonds (including, without limiting the generality of the foregoing, the denomination thereof, interest rates, interest payment dates, conversion provisions, maturity dates and redemption provisions thereof) and the form of such Bonds shall be as approved by Counsel (as hereinafter appointed) and shall be approved by the officers of the Authority who execute and deliver such Bonds, after consultation with Counsel to the Authority, the execution and delivery of such Bonds by officers of the Authority to constitute conclusive evidence of such approval. During the rehabilitation phase of the Project, the Bonds shall bear interest at the variable monthly interest rate established by the Securities Industry and Financial Markets Association plus three (3) percent for twelve months from the day of the closing. At the completion of the rehabilitation phase of the Project,

the interest rate on the Series A Bonds shall be adjusted to a rate not to exceed 5.85% during the period that the Series A Bonds are outstanding. During the same period, the Series B Bonds and the Series C Bonds shall bear interest at a rate not to exceed 4.00%.

III. The Authority shall enter into the Loan Agreement which shall provide that the Authority will lend the proceeds of the Bonds to the Partnership and the Partnership will agree, among other things, to make loan repayments in amounts and at times sufficient to timely pay the principal of, premium, if any, and interest on the Bonds and pursuant to such Loan Agreement, the Authority shall assign to the Trustee all of its right, title and interest (except for its right to indemnification and payment of its fees and expenses) in and to the Loan Agreement and amounts to be paid by the Partnership thereunder (except for amounts paid in respect of indemnification of the Authority and payment of Authority's fees and expenses).

IV. The Chairman or Vice Chairman, Secretary or Assistant Secretary or any other proper officer of the Authority is hereby authorized, empowered and directed to execute attest, acknowledge, and deliver, as applicable, the Loan Agreement substantially in the form approved by the officer executing the same after consultation with Counsel to the Authority, execution and delivery of such documents to constitute conclusive evidence of such approval.

V. The Chairman or Vice Chairman of the Authority is hereby authorized, empowered and directed to execute, by true or facsimile signature, the Trust Indenture and to cause to be affixed thereto the true corporate seal of the Authority, or a facsimile thereof, and the Secretary or Assistant Secretary of the Authority is authorized, empowered and directed to attest, by true or facsimile signature, the execution of the Trust Indenture and the affixing of the corporate seal; and such officers of the Authority are authorized and directed to deliver the Trust Indenture and Loan Agreement to the Trustee in accordance with the provisions of the Bond Purchase Agreement.

VI. The Authority shall deposit or cause to be deposited with the Partnership, for use in accordance with the provisions of the Loan Agreement, the loan proceeds realized from the Authority. Any officer of the Authority is authorized and directed to execute and deliver appropriate closing certifications or other certificates, instruments, elections, letters, financing statements, documents and agreements in connection with the issuance of the Bonds and the use, deposit and disposition of the proceeds of the Bonds as may be required by Counsel to the Authority.

VII. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Secretary or Assistant Secretary and any other officer of the Authority are authorized and directed to proceed with the undertakings herein contemplated. Such officers are authorized, empowered, and directed to do any and all acts and things and to execute and deliver any and all documents, agreements, instruments or certificates that may be necessary, proper or desirable to effect the transactions contemplated by this Resolution, including, but not limited to, the execution and delivery of such documents, instruments, certificates, agreements, financing statements, letters, etc. as may be reasonably requested and as may be approved by Counsel for the Authority. The

execution and delivery, by any officer of the Authority, of any and all documents, instruments or certificates that may be necessary, proper or desirable to effect the transactions contemplated by this Resolution shall constitute conclusive evidence of approval by such officer.

VIII. The Authority hereby appoints Duane Morris LLP, Philadelphia, Pennsylvania to serve as bond counsel in connection with the issuance of the Bonds.

IX. Payment of any and all attorney fees, and all other professional and advisory fees incurred in connection with the Project shall be the responsibility of the Partnership and not of the Authority. The Authority shall have no liability with respect to such costs.

X. This Resolution shall become effective immediately.

XI. In the event any provision, section, sentence, clause or part of this resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this resolution, it being the intent of the Authority that such remainder shall be and shall remain in full force and effect.

XII. All prior resolutions or parts thereof, inconsistent herewith are repealed, canceled and annulled.

SECRETARY CERTIFICATION

The undersigned does hereby certify and declare the he is the Secretary of the Philadelphia Authority for Industrial Development (the "Authority") and that the foregoing is a true and correct copy of a resolution of the Authority duly adopted at a meeting held June 17, 2014 pursuant to due and proper notice.

WITNESS the signature of the undersigned Secretary of the Philadelphia Authority for Industrial Development on this, the 17th day of June, 2014.

[SEAL]
