



TOWN OF KNIGHTDALE

950 Steeple Square Court
Knightdale, NC 27545
KnightdaleNC.gov

RESOLUTION #25-09-17-001

RESOLUTION APPROVING THE ISSUANCE OF NOT TO EXCEED \$100,000,000 OF PUBLIC FINANCE AUTHORITY TAXABLE MULTIFAMILY HOUSING REVENUE BONDS (VILLAGE GATE AT KNIGHTDALE I AND II) FOR THE BENEFIT OF VILLAGE GATE APARTMENTS LLC

WHEREAS, the Town Council (the “Town Council”) of the Town of Knightdale, North Carolina (the “Town”) met in Knightdale, North Carolina, at 7:00 p.m. on the 17th day of September, 2025; and

WHEREAS, the Public Finance Authority (the “Authority”) has agreed to issue its Taxable Multifamily Housing Revenue Bonds (Village Gate at Knightdale I and II), Series 2025 (the “Bonds”), in an aggregate principal amount not to exceed \$100,000,000, and to lend the proceeds thereof to Village Gate Apartments LLC, a North Carolina limited liability company (the “Borrower”), to be used to (i) finance and refinance the costs of acquiring, constructing, installing and equipping of a 212-unit multifamily residential rental housing development and related facilities known as Village Gate at Knightdale Phase I and a 176-unit multifamily residential rental housing development and related facilities known as Village Gate at Knightdale Phase II, all located or to be located in the Town of Knightdale, North Carolina (collectively, the “Project”), (ii) fund any required reserves for the Bonds, and (iii) pay certain costs of issuance of the Bonds; and

WHEREAS, the Project will be owned or operated by the Borrower and located within the corporate limits of the Town; and

WHEREAS, the statute under which the Authority is created (the “Act”) requires that any bonds issued by the Authority to finance the Project may only be issued after approval of the financing of the Project by the Town Council of the Town; and

WHEREAS, the Borrower will agree to repay the principal, premium, if any, and interest on the Bonds and the Town will have no liability whatsoever for the payment of principal of, premium, if any, or interest on the Bonds, and the Bonds will not affect the Town’s debt ratios or legal debt limit and the Town will not incur any liability for repayment of the Bonds by approving the Bonds for purposes of the Act; and

WHEREAS, the Bonds shall not be deemed to constitute a debt of the Town or a pledge of the faith and credit of the Town, but shall be limited obligations of the Authority payable solely from the

loan repayments to be made by the Borrower to the Authority, and shall contain on the face thereof a statement to the effect that neither the faith and credit nor the taxing power of the Town is pledged to the payment of the principal of or interest on the Bonds; and

WHEREAS, because no taxes or revenues of the Town are pledged to pay the Bonds, the staff of the Town has made no financial analysis of the Bonds, the Borrower, or the Project; and

WHEREAS, the Town Council has determined that approval of the issuance of the Bonds is solely to satisfy the requirement of the Act and shall in no event constitute an endorsement of the Bonds or the Project or the creditworthiness of the Borrower, nor shall such approval in any event be construed to obligate the Town for the payment of the principal of or premium or interest on the Bonds or for the performance of any pledge, mortgage or obligation or agreement of any kind whatsoever which may be undertaken by the Authority, or to constitute the Bonds or any of the agreements or obligations of the Authority an indebtedness of the Town, within the meaning of any constitutional or statutory provision whatsoever.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF KNIGHTDALE, NORTH CAROLINA THAT:

1. The proposed issuance of the Bonds by the Authority in one or more series in an amount not to exceed \$100,000,000, the proceeds of which will be loaned to the Borrower and used to finance the Project, is hereby approved for purposes of the Act.
2. The Town has no responsibility for the payment of the principal of or interest on the Bonds or for any costs incurred by the Borrower with respect to the Bonds or the Project nor shall the Bonds be deemed to constitute a debt of the Town or a pledge of the faith and credit of the Town.
3. The approval of the issuance of the Bonds does not constitute an endorsement to a prospective purchaser of the Bonds of the creditworthiness of the Bonds or the Borrower.
4. The approval of the issuance of the Bonds contained in this resolution is independent of any other approval or approvals by the Town Council or the Town that may be required in connection with the Project (the “Additional Approvals”), and nothing contained in this resolution shall be construed to imply that any such Additional Approvals will be granted or to bind the Town Council or the Town in any way with respect to any Additional Approvals.
5. This resolution shall take effect immediately upon its adoption.

This the 17th day of September, 2025

BY: _____
Jessica Day, Mayor

ATTEST: _____
Heather M. Smith, Town Clerk