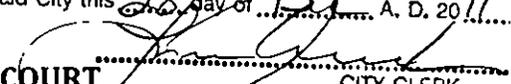


RESOLUTION NO. 199-2011

I, LINDA A. KELLEHER, City Clerk of the City of Reading, Pa., do hereby certify, that the foregoing is a true and correct copy of the original Resolution passed by the Council of the City of Reading, on the 27 day of Dec A. D. 20 11. Witness my hand and seal of the said City this 28 day of Dec A. D. 20 11.


CITY CLERK

CONSENTING TO TRANSFER AND SALE OF PENN'S COMMON COURT APARTMENTS TO LIHTC PRESERVATION PROPERTIES I, LP SUBJECT TO CITY OF READING'S LOAN AND ASSUMPTION OF SAME BY LIHTC PRESERVATION PROPERTIES I, LP

WHEREAS, in 1990, the City of Reading provided, through the Berks Community Action Program, Inc. funds (the "CITY Loan") to Penn's Common Court Associates ("Penn's Common") for the financing of the Penn's Common Court Apartments as affordable housing for low income households; and

WHEREAS, in furtherance of its nonprofit purposes, Housing Development Corporation MidAtlantic ("HDC") is working to preserve the Penn's Common Court Apartments as residential rental apartments for low income households, which Apartments will be made subject to new deed restrictions to assure continued use as affordable housing for thirty (30) to forty (40) additional years (the "Period of Affordability"), as such period shall be determined by the terms of new financing for the acquisition and preservation of the property (the "Acquisition and Rehabilitation Financing"); and

WHEREAS, HDC has formed LIHTC Preservation Properties I, LP ("LIHTC LP") to purchase, rehabilitate and operate the Penn's Common Court Apartments as affordable housing for low income families for the Period of Affordability,

NOW, THEREFORE, THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS FOLLOWS:

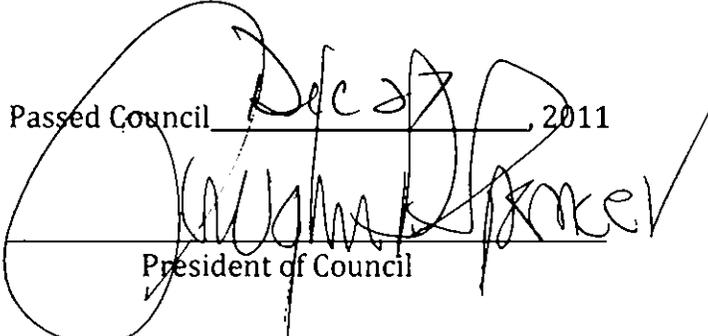
That the City of Reading hereby consents to the transfer and sale of the Penn's Common Court Apartments to LIHTC LP subject to the CITY Loan, and the assumption of the CITY Loan by LIHTC LP;

And **BE IT FURTHER RESOLVED**, that the CITY hereby consents to (i) the modification of the CITY Loan to extend the terms of maturity for periods coterminous with the Period of Affordability and (ii) the subordination of the liens of the CITY Loan to the liens of the Acquisition and Rehabilitation Financing in accordance with the requirements of such financing, and to such other terms and conditions for the assumption of the CITY Loan as set forth in the Loan Documents Assignment, Assumption and Modification Agreement and First Amendment to Mortgage and Note presented to this meeting;

And **BE IT FURTHER RESOLVED**, that the CITY hereby authorizes and directs its authorized representative or official to execute, in the name of the CITY, the Loan

Document Assignment, Assumption and Modification Agreement and First
Amendment to Mortgage and Note.

Passed Council Dec 27, 2011



President of Council

Attest:



City Clerk