

**RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE CITY OF ALEXANDRIA  
AUTHORIZING THE ISSUANCE OF UP TO \$75,000,000  
REVENUE BONDS FOR THE BENEFIT OF  
GOODWIN HOUSE INCORPORATED**

**WHEREAS**, the Industrial Development Authority of the City of Alexandria, a political subdivision of the Commonwealth of Virginia (the "Authority"), is empowered by the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, Code of Virginia of 1950, as amended (the "Act"), to issue its revenue bonds to protect and promote the health and welfare of the inhabitants of the Commonwealth of Virginia by assisting in the financing of medical facilities and facilities for the residence or care of the aged owned and operated by organizations which are exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code, as amended;

**WHEREAS**, the Authority has received an application and proposed plan of financing from Goodwin House Incorporated, a Virginia non-stock, not-for-profit corporation (the "Corporation"), requesting that the Authority issue its revenue bonds (the "Bonds"), in one or more series at one time or from time to time, to assist the Corporation in (1) financing the costs of improvements and additions to its facility at Goodwin House Alexandria, including, without limitation, (a) constructing and equipping a new five-story nursing and memory care facility, along with auditorium and community meeting spaces, (b) renovating the first and second floors of the existing nursing and memory care facility to create additional residential apartments and assisted living apartments, (c) expanding and upgrading common areas and amenities, principally dining and other functional spaces, and (d) financing routine capital improvements and equipment (collectively, the "Project"); (2) the refunding of all or a portion of the outstanding \$53,290,000 Variable Rate Demand Revenue Refunding Bonds (Goodwin House), Series 2005 (the "Series 2005 Bonds"), issued by the Authority, including the payment of costs incurred with respect to the termination of a swap entered into in connection with the Series 2005 Bonds; (3) the payment of certain costs of issuance incurred in connection with the Project and the issuance of the Bonds, funded interest on the Bonds, and the cost of credit enhancement for the Bonds; and (4) the funding of reserves, including a debt service reserve fund, for all or part of the Bonds (collectively, the "Plan of Finance");

**WHEREAS**, such assistance will benefit the inhabitants of the City of Alexandria, Virginia and the Commonwealth of Virginia, either through the increase of their commerce or through the promotion of their safety, health, welfare, convenience or prosperity;

**WHEREAS**, preliminary plans for the Plan of Finance have been described to the Authority and a public hearing has been held as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 15.2-4906 of the Act;

**WHEREAS**, the Corporation has represented that the estimated cost of undertaking the Plan of Finance will require one or more issues of revenue bonds in the aggregate principal amount not to exceed \$75,000,000;

**WHEREAS**, (a) no member of the Board of Directors of the Authority is an officer or employee of the City of Alexandria, Virginia, (b) each member has, before entering upon his duties during his or her present term of office, taken and subscribed to the oath prescribed by Section 49-1 of the Code of Virginia of 1950, as amended, and (c) at the time of their appointments and at all times thereafter, including the date hereof, all of the members of the Board of Directors of the Authority have satisfied the residency requirements of the Act;

**WHEREAS**, no member of the Board of Directors of the Authority has any personal interest or business interest in the Corporation or the bonds or has otherwise engaged in conduct prohibited under the Conflict of Interests Act, Chapter 31, Title 2.2 of the Code of Virginia of 1950, as amended, in connection with this resolution or any other official action of the Authority in connection therewith; and

**WHEREAS**, there have been presented to this meeting drafts of the following documents (the "Financing Documents"), which the Authority proposes to execute or approve to carry out the issuance and sale of the Bonds to finance the Project, copies of which instruments shall be filed with the records of the Authority:

A Preliminary Official Statement (the "Preliminary Official Statement") for the sale of the Bonds;

Bond Purchase Agreement (the "Bond Purchase Agreement") between the Authority, the Corporation and Ziegler Capital Markets Group, as Underwriter (the "Underwriter");

Indenture of Trust (the "Indenture") between the Authority and U.S. Bank, National Association, as bond trustee (the "Bond Trustee"), including the form of the Bonds;

Loan Agreement (the "Loan Agreement") between the Authority and the Corporation; and

The Corporation's promissory note to be issued in the principal amount of the aggregate principal amount of the Bonds (the "Note"), including the form of assignment thereof from the Authority to the Bond Trustee, with the Note being an Obligation under the Amended and Restated Master Trust Agreement dated as of May 7, 2007, between the Corporation and U.S. Trust National Association, as Master Trustee.

**NOW, THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF ALEXANDRIA:**

1. It is hereby found and determined that the financing of the Project and the refunding of the Series 2005 Bonds will be in the public interest of the City of Alexandria (the "City"), and its environs and is consistent with the purposes of the Act, and will benefit the City and its inhabitants and the inhabitants of the Commonwealth of Virginia by providing for facilities for the residence and care of the aged and lowering the cost of improving and operating such facilities.

2. The Authority hereby authorizes the issuance of the Bonds pursuant to the Indenture, the sale of the Bonds to the Underwriter pursuant to the Bond Purchase Agreement and the loan of the proceeds of the Bonds to the Corporation pursuant to the Loan Agreement. The Bonds shall have such principal amounts and maturities, bear such date or dates, bear interest at such rate or rates, be payable at such times or times and sold in such manner and on such terms as approved by the Chairman or the Vice Chairman of the Authority, either of whom may act (the "Authorized Officers"), subject to the limitations set forth below.

3. The Authorized Officers are each hereby authorized and directed to approve the final terms of the Bonds, including principal amount, maturities, interest rates and redemption prices, and the price at which the Underwriter shall purchase the Bonds; provided, however, that without further approval of the Authority, (a) the aggregate maximum principal amount of the Bonds shall not exceed \$75,000,000, (b) no Bond shall mature beyond October 1, 2050, (c) the Bonds shall bear interest at rates as provided in the Indenture, provided the true interest cost on the Bonds shall not exceed 5.0%, and (d) no redemption premium shall exceed 3% of principal.

4. The Authorized Officers are each authorized to execute and deliver the Loan Agreement, the Indenture and the Bond Purchase Agreement (which may include additional firms as underwriters). The execution and delivery of the Bond Purchase Agreement shall constitute conclusive evidence of the Authority's approval of the original aggregate principal amount of the Bonds, their maturity dates, the interest rates thereon, their initial purchase price, the optional and mandatory redemption provisions of the Bonds, and the underwriter's compensation with respect to the Bonds, subject to the limitations set forth in the preceding paragraph.

5. The Authorized Officers are each authorized to authorize the Underwriter to distribute the Preliminary Official Statement in form deemed "final" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), to prospective purchasers of the Bonds. The Preliminary Official Statement shall be in substantially the form submitted to this meeting, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by one of the Authorized Officers. The distribution of the Preliminary Official Statement shall constitute conclusive evidence of the approval of any such completions, omissions, insertions and changes and that the Authority has deemed such Preliminary Official Statement to be "final" as of its date. The Authorized Officers are each authorized and directed to approve such completions, omissions, insertions and other changes to the Preliminary Official Statement necessary to reflect the terms of the sale of the Bonds, determined as set forth in paragraph 3, and appropriate to complete it as an official statement in final form (the "Official Statement") and to execute and deliver such Official Statement to the Underwriter. Execution of the Official Statement by the Chairman or the Vice Chairman of the Authority shall constitute conclusive evidence of his approval of any such completions, omissions, insertions and changes.

6. The Authorized Officers are each hereby authorized and directed to accept from the Corporation the Note to evidence the Corporation's repayment obligation for the loan provided for in the Loan Agreement and to assign by endorsement and deliver the Note to the Bond Trustee as security for the Bonds.

7. The Authorized Officers are each hereby authorized and directed to execute the Bonds by manual or facsimile signature, and the Secretary of the Authority and the Assistant Secretary, either of whom may act, are authorized and directed to have the seal of the Authority affixed or printed thereon and to attest such seal by manual or facsimile signature. The officers of the Authority are authorized and directed to deliver the Bonds to the Bond Trustee for authentication and to cause the Bonds so executed and authenticated to be delivered to or for the account of the Underwriter upon terms provided in the Bond Purchase Agreement and the other Financing Documents; provided, however, that the delivery of the Bonds shall not occur until the City Council of the City of Alexandria, Virginia, has approved the Bonds as and to the extent as required by law.

8. The Financing Documents and the Bonds, each of which are hereby approved, shall be in substantially the forms submitted to this meeting, which are hereby approved, with such completions, omissions, insertions and changes that do not materially adversely affect the Authority's interests and as may be acceptable to the Corporation, as the executing officer of the Authority or the Authority's counsel may approve, with execution of any Financing Document constituting conclusive evidence of approval of any such completions, omissions, insertions and changes. One or more additional underwriting firms may be added to the Bond Purchase Agreement.

9. The officers of the Authority are hereby authorized and directed to execute, deliver and file all documents, certificates and instruments, including without limitation Internal Revenue Service Form 8038, an escrow agreement in respect of the Series 2005 Bonds and a tax compliance agreement, on behalf of the Authority and to take all such further action as may be necessary or desirable in connection with the issuance and sale of the Bonds and the Plan of Finance.

10. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the Plan of Finance and the issuance and sale of the Bonds are hereby authorized, ratified and approved.

11. Any authorization herein to execute a document shall include authorization to record such document where appropriate and to deliver it to the other parties thereto.

12. At the request of the Corporation, the Authority hereby approves the selection of Christian & Barton, L.L.P. as bond counsel to supervise the proceedings and approve the issuance of the Bonds. The Authority hereby consents to Christian & Barton, L.L.P.'s representation of the Corporation in connection with the issuance of the Bonds.

13. All costs and expenses in connection with the issuance of the Bonds, the financing of the Project and the refunding of the Series 2005 Bonds, including the fees and expenses of bond counsel and the Authority's counsel, shall be paid from the proceeds of the Bonds to the extent allowed by law, or from funds provided by the Corporation or its affiliates. If for any reason the Bonds are not issued or if the proceeds thereof cannot be used to pay all such expenses, it is understood that all such costs and expenses shall be paid by the Corporation and

that the Authority shall not have responsibility therefor. If the Bonds are issued, the Corporation shall also pay the Authority's administrative fee as required by the Loan Agreement.

14. The Corporation will pay the reasonable fees of the Authority in connection with the issuance of the Bonds and the Plan of Finance, and, if the Bonds are issued, the Authority's administrative fee as required by the Loan Agreement.

15. It having been represented to the Authority that it may be necessary to proceed immediately with the acquisition, construction, equipping and installation of all or part of the Project, the Authority hereby agrees that the Corporation may proceed with its plans, enter into contracts for such acquisition, construction, equipping and installation, and take such other steps as it may deem appropriate in connection therewith, provided that nothing herein shall be deemed to authorize the Corporation to obligate the Authority without its consent in each instance to the payment of any moneys or the performance of any acts in connection with the Project. The Authority agrees that the Corporation, to the extent permitted by law, may be reimbursed from the proceeds of the Bonds for all costs so incurred by it.

16. Neither the Authority nor the City has endorsed the creditworthiness of the Corporation or the Corporation's ability to repay the Bonds.

17. The Authority hereby recommends that the City Council of the City of Alexandria, Virginia, approve the issuance of the Bonds as required by Section 147(f) of the IRS Code and Section 15.2-4906 of the Virginia Code.

18. This resolution shall become effective immediately.

### CERTIFICATE

The undersigned Secretary of the Industrial Development Authority of the City of Alexandria (the "Authority") certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority present and voting at a meeting duly called and held on April 7, 2015, in accordance with law; and that such resolution has not been repealed, revoked, rescinded or amended but is in full force and effect on this date.

WITNESS the following signature and seal of the Authority, this 1<sup>st</sup> day of April, 2015.

  
Asst. Secretary of the Industrial Development Authority  
of the City of Alexandria

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