

MINUTES OF THE AUGUST 22, 2018
MEETING OF THE HEALTH AND EDUCATIONAL FACILITIES BOARD OF
THE METROPOLITAN GOVERNMENT OF NASHVILLE
AND DAVIDSON COUNTY, TENNESSEE

The Board of Directors (the “Board of Directors”) of The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (the “Corporation”), a public corporation, met in public, special session in Metropolitan County Council Committee Room No. 1, 2nd Floor, Metropolitan Courthouse, Nashville, Tennessee, on the 22nd day of August, 2018 at 3:00 p.m., local time, pursuant to call and waiver of same, with the following members of the Board of Directors of the Corporation being present:

Stephen L. Meyer, Chairman
Robert F.C. Perry, Vice Chairman
Richard L. Brown, Secretary
Dr. Isaac Addae, Assistant Secretary
Walker Batts, Member
Chris Moth, Member

Absent:

Susan Tinney, Member

Also present was Cindy Barnett of Adams and Reese LLP, Legal Counsel for the Corporation, and the following additional persons:

Tom Johnson, Trousdale
Jack King, Butler Snow

The meeting was called to order by the Chairman, who then duly noted the presence of a quorum of the members of the Board of Directors of the Corporation.

At the request of the Chairman, Ms. Barnett then presented the following documents: (1) Waiver of Notice and Call of Special Meeting; and, (2) the Public Notice stating the time, place, and purpose of the Special Meeting of the Board of Directors, said Notice having been published once on or about Wednesday, August 8, 2018, in *The Tennessean*, a newspaper of general circulation in Nashville and Davidson County, Tennessee.

The minutes of the meeting of the Board of Directors held on July 12, 2018 were then presented. Upon motion by Mr. Moth, seconded by Mr. Perry, that such minutes be approved, such minutes were approved, all members present voting thereon, subject to any correction at any future meeting(s) of the Board of Directors of the Corporation.

The Chairman then recognized Jack King of Butler Snow who requested on behalf of The Trousdale Foundation, Inc., a Massachusetts nonprofit corporation, that the Board of Directors of the Corporation approve all documents and matters necessary or desirable in connection with the supplemental approval of those certain not to exceed \$75,000,000 Senior Living Revenue Bonds

(Trousdale Foundation Properties), Series 2018A and Series 2018B, previously approved by the Corporation. Mr. King stated that the requested supplemental approval related to a change in the scope of the facilities being financed due to the addition of the facilities located in Waynesboro, Tennessee as part of the bond financing. Mr. King noted the City of Waynesboro met August 20, 2018, held a public hearing on the Waynesboro facilities, and approved the issuance of the Bonds by the Corporation. Mr. King introduced Mr. Tom Johnson, with The Trousdale Foundation, Inc., who discussed the details of the properties to be financed, the proposed terms of the Bonds, as well as the mission of the Foundation.

After questions and discussion by members of the Board of Directors of the Corporation, the Chairman then stated that it was necessary to hold a public hearing required by Section 147(f) of the Internal Revenue Code of 1986, as amended, in connection with the consideration of the issuance of the Bonds and the nature and location of the facilities to be financed with the Bonds. The Chairman then asked if there was anyone present from the public who wished to speak on behalf of or oppose the issuance of the Bonds or the nature and location of the facilities to be financed with the Bonds. The Chairman then noted that there was no one from the public present who wished to speak on behalf of or oppose such approval and then declared the public hearing closed. After further questions and discussion by the members of the Board of Directors of the Corporation, the following Resolution was presented:

SUPPLEMENTAL BOND RESOLUTION

A RESOLUTION OF THE HEALTH AND EDUCATIONAL FACILITIES BOARD OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY, TENNESSEE SUPPLEMENTING AND AMENDING ITS BOND RESOLUTION ADOPTED OCTOBER 11, 2017 RELATING TO THE ISSUANCE OF ITS SENIOR LIVING REVENUE BONDS (TROUSDALE FOUNDATION PROPERTIES) SERIES 2017A AND ITS SENIOR LIVING REVENUE BONDS (TROUSDALE FOUNDATION PROPERTIES) SUBORDINATE SERIES 2017B AND RELATED MATTERS

WHEREAS, on October 11, 2017, the Board of Directors of The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (the "Issuer") duly adopted a Bond Resolution (the "Original Bond Resolution") authorizing its "Senior Living Revenue Bonds (Trousdale Foundation Properties) Series 2017A-1" in an aggregate principal amount not to exceed \$70,000,000 (the "Series 2017A-1 Bonds"), its "Senior Living Revenue Bonds (Trousdale Foundation Properties) Series 2017A-2" in an aggregate principal amount not to exceed \$5,000,000 (the "Series 2017A-2 Bonds"), and its "Senior Living Revenue Bonds (Trousdale Foundation Properties) Subordinate Series 2017B" in an aggregate principal amount not to exceed \$7,000,000 (the "Series 2017B Bonds," and together with the Series 2017A-1 Bonds and the Series 2017A-2 Bonds, the "Series 2017 Bonds"); and

WHEREAS, Nashville Senior Care, LLC, a Tennessee nonprofit limited liability company (the "Obligated Group Representative"), has requested that the Bond Resolution be amended to (i) provide for the deletion of the Series 2017A-2 Bonds and provide for the authorization of the Issuer's "Senior Living Revenue Bonds (Trousdale Foundation Properties) Subordinate Series 2018B-2;" (ii) provide for a change in the aggregate not to exceed principal

amounts of the Series 2017 Bonds, which shall be designated “Series 2018 Bonds,” as follows: Series 2018A Bonds, \$62,000,000; Series 2018B-1 Bonds, \$7,000,000; and Series 2018B-2 Bonds, \$6,000,000; (iii) provide for the addition to the Project to include the refinancing of certain outstanding indebtedness relating to Waynesboro Health and Rehab, a 56-unit skilled nursing facility located at 104 J.V. Mangubat Drive, Waynesboro, Wayne County, Tennessee, that includes skilled nursing facilities and a rehabilitation center (the “Additional Facility”); (iv) provide for the substitution of B.C. Zeigler and Company, as the underwriter of the Series 2018 Bonds; (v) approve the deletion of Nashville Real Estate Investors, LLC, as an Obligor approved by the Original Bond Resolution (the “Removed Obligor”) (vi) approve the addition of Waynesboro Healthcare, LLC, a Tennessee nonprofit limited liability company (the “Additional Obligor”), as an additional Obligor under the documents approved by the Original Bond Resolution; and (vii) approve B.C. Zeigler and Company as the underwriter of the Series 2018 Bonds; and

WHEREAS, it will be necessary for the Series 2018 Bonds, the Additional Facility being financed, and the Additional Obligor to be approved by the applicable elected representative of The Metropolitan Government of Nashville and Davidson County, Tennessee in accordance with the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended from time to time (the “Code”) and Treasury Regulations Section 5f.103-2(d); and

WHEREAS, there have been presented to the Issuer at this meeting proposed revised forms of the following documents that were approved in the Original Bond Resolution: the Loan Agreement, the Bond Indenture, the Tax Agreement, the Bond Purchase Agreements, the Series 2018 Bonds as set forth in the Bond Indenture, the Master Indenture, Supplement One, the Series 2018 Master Obligations as set forth in Supplement One, the Deed of Trust, the Land Use Restriction Agreement; and the Preliminary Official Statement;

NOW, THEREFORE, BE IT RESOLVED, as follows:

Section 1. Purpose of this Resolution. This Supplemental Bond Resolution is adopted to supplement and amend the Original Bond Resolution and together the Original Bond Resolution and this Supplemental Bond Resolution shall be known as the Bond Resolution.

Section 2. Authority for this Resolution. This Resolution is adopted pursuant to the Act, as defined in the Bond Resolution and other applicable provisions of law.

Section 3. Definitions. Except as amended hereby, the definitions contained in the Original Bond Resolution are hereby incorporated by reference and made a part hereof.

Section 4. Authorization of Bonds. The first paragraph of Section 3 of the Original Bond Resolution is hereby deleted and replaced with the following:

Section 5. Authorization of Bonds. For the purpose of paying the costs, in whole or in part, of acquiring and improving the Project, which includes the Additional Facility, funding the Debt Service Reserve Fund under the Master Indenture, and paying all or a portion of the costs of issuance of the Series 2018 Bonds, the issuance of the Series 2018A Bonds, the Series 2018B-1 Bonds, and Series 2018B-2 Bonds is hereby authorized. The aggregate principal amount of the

Series 2018 Bonds shall not exceed \$75,000,000, the aggregate principal amount of the Series 2018A Bonds shall not exceed \$62,000,000; the aggregate principal amount of the Series 2018B-1 Bonds shall not exceed \$7,000,000, and the aggregate principal amount of the Series 2018B-2 Bonds shall not exceed \$6,000,000. The Series 2018B-1 Bonds and the Series 2018B-2 shall be subordinate in payment and security to the Series 2018A Bonds, as provided in the Bond Indenture and the Bond Documents, as defined in the Loan Agreement. The Series 2018 Bonds shall be dated their date of issuance and delivery. The Series 2018 Bonds shall mature on a date not more than forty (40) years from their date of issuance, bear interest at rates not to exceed eight percent (8%) per annum, be subject to redemption prior to maturity and be payable as set forth in the Bond Indenture. The Series 2018 Bonds shall be issued as registered Bonds without coupons in various denominations with such rights of exchangeability and transfer of registration and shall be in the form and executed and authenticated in the manner provided in the Bond Indenture. There is hereby delegated to the Chairman or Vice-Chairman the approval of the final terms of the Series 2018 Bonds, which shall be contained in the Bond Indenture, and the execution of the Bond Indenture by the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Issuer as hereby authorized shall be conclusive evidence of such approval. The term "Bonds" as used herein shall be deemed to mean and include the Series 2018 Bonds as initially issued and delivered and Bonds issued in exchange therefor or in exchange for Bonds previously issued.

Section 6. Approval of Revisions to Documents Approved by the Bond Resolution. The execution, delivery, and performance by the Issuer of the Loan Agreement, the Bond Indenture, the Tax Agreement, the Bond Purchase Agreements, the Series 2018 Bonds as set forth in the Bond Indenture, and the Land Use Restriction Agreement substantially in the forms presented at this meeting are hereby authorized. Such documents shall be in substantially the form presented at this meeting, subject to such changes, insertions or omissions as may be approved by the Chairman or Vice Chairman of the Issuer and the execution of such documents by the Chairman or Vice Chairman and Secretary or Assistant Secretary of the Issuer as hereby authorized shall be conclusive evidence of any such approval. The Master Indenture, Supplement One, the Series 2018 Master Obligations, and the Deed of Trust in substantially the forms presented to this meeting, are hereby approved, subject to such changes, insertions, or omissions as may be approved by the Issuer prior to the execution and delivery thereof, which approval shall be evidenced by the execution of the Bond Indenture by the Chairman or Vice Chairman of the Issuer.

Section 7. Approval of Offering Documents. The use and distribution of the Preliminary Official Statement with respect to the publically offered Series 2018 Bonds is hereby approved. The use and distribution of a final Official Statement, in the form of the Preliminary Official Statement, but with final amounts, interest rates, maturities, and redemption schedules is hereby approved and the Chairman or Vice Chairman of the Issuer is hereby authorized to approve the final Official Statement on behalf of the Issuer.

Section 8. Dates of Documents. The documents approved by the Bond Resolution shall be dated as of September 1, 2018 (or such other date as may be approved by the Issuer) or the date of execution thereof. The approval of the date of the documents by the Issuer shall be evidenced by the execution of such documents by the Chairman or Vice Chairman of the Issuer.

Section 9. Governmental Approval. The Issuer hereby authorizes requesting the approval of the Series 2018 Bonds by the applicable elected representative of The Metropolitan Government of Nashville and Davidson County, Tennessee in accordance with the provisions of Section 147(f) of the Code and Treasury Regulations Section 5f.103-2(d).

Section 10. Ratification and Confirmation of Bond Resolution. Except as modified or amended by this Supplemental Bond Resolution, the Original Bond Resolution is hereby ratified and confirmed.

Section 11. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions, and shall in no way affect the validity of any of the other provisions hereof or of the Bonds issued under the Indenture.

Section 12. Repealing Clause. All resolutions or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 13. Effective Date. This Resolution shall take effect immediately upon its adoption.

ADOPTED this 22nd day of August, 2018.

THE HEALTH AND EDUCATIONAL
FACILITIES BOARD OF THE
METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON
COUNTY, TENNESSEE

Attest:

Chairman

Secretary

After further discussion and questions by the members of the Board of Directors of the Corporation, upon motion by Mr. Brown, seconded by Mr. Moth, that the above Resolution be adopted, such Resolution was adopted, all members present voting affirmatively thereon.

The Chairman then recognized Ms. Barnett to present, as matters of information, confirmation of the mailings to each member of the State Reports on Debt Obligation for the

issues that closed since the last meeting of the Corporation on July 12, 2018. Ms. Barnett stated the Reports presented were the following:

\$40,000,000 Collateralized Multifamily Housing Bonds (Trevecca Towers I/East Project)
Series 2018

\$20,000,000 Collateralized Multifamily Housing Bonds (Trevecca Towers II Project)
Series 2018

\$17,000,000 Collateralized Multifamily Housing Bonds (Dandridge Towers Project)
Series 2018

There being no further business, upon motion duly made, seconded, and unanimously adopted, the meeting of the Board of Directors was adjourned.

/s/ Stephen L. Meyer
CHAIRMAN

/s/ Richard L. Brown
SECRETARY