

## **RESOLUTION TO BORROW FUNDS FROM COMMUNITY LOAN FUND**

A regular meeting of the Troy Community Land Bank Corporation (the “TCLB”) was convened pursuant to and was in all respects duly held pursuant to Governor’s Executive Order 202.1 (2020) permits the board to consider the use of telephone conferencing, “to the extent necessary to permit any public body to meet and take such actions authorized by the law without permitting in public in-person access to meetings and authorizing such meetings to be held remotely by conference call or similar service, provided that the public has the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed; and due notice of the time and place of said meeting was duly given in accordance with the Governor’s Executive Order 202.1 (2020) on November 10, 2021 at 8:30AM o’clock, local time.

The Regular meeting was called to order by the Chair of TCLB and, upon roll being called, the following members of the Agency were:

### **PRESENT:**

Heather King	Chair
Suzanne Spellen	Vice-Chair
Elbert Watson	Treasurer
Brian Barker	Secretary
Andrew Cooper	Member
Jeanette Nicholson	Member
John Cubit	Member
John Carmello	Member
Krystina Marable	Member

**WHEREAS**, Article 16 of the New York Not-For-Profit Corporation Law, Section 1607(a) (4) empowers the Land Bank to borrow money at such rates of interest as the Land Bank may determine; and

**WHEREAS**, the Land Bank wishes to apply for economic assistance in the form of a loan through the **Community Loan Fund of the Capital Region, Inc.**; and

**WHEREAS**, the Land Bank by and through its Director Anthony Tozzi, has made an application to the **Community Loan Fund of the Capital Region, Inc.** to borrow funds as follows:

- 1.) \$210,000.00 in a Project Loan per the terms of the attached commitment letter; and

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TROY COMMUNITY LAND BANK, AS FOLLOWS:**

The recitals above are hereby incorporated into this Resolution as if fully set forth herein.

1. That this Loan shall be used by the Corporation solely to conduct project activities approved by the Community Loan Fund of the Capital Region, Inc. as stated in the Loan Application; and
2. Be it further resolved that Anthony Tozzi, Executive Director is/are authorized to execute all documents, on behalf of this Corporation, as may be required by the Community Loan Fund of the Capital Region, Inc., or its counsel, in connection with the Loan, including, but not limited to, a Promissory Note, a Security Agreement, or a Mortgage, and any alterations, modifications, amendments, or extensions thereof; and be it further resolved that all actions previously taken by any representative of the Corporation with respect to the Loan are hereby ratified and confirmed.
3. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Heather King	Chair	VOTING	<u>YES</u>
Suzanne Spellen	Vice-Chair	VOTING	<u>YES</u>
Elbert Watson	Treasurer	VOTING	<u>YES</u>
Brian Barker	Secretary	VOTING	<u>YES</u>
Andrew Cooper	Member	VOTING	<u>YES</u>
Jeanette Nicholson	Member	VOTING	<u>YES</u>
John Cubit	Member	VOTING	<u>YES</u>
John Carmello	Member	VOTING	<u>YES</u>
Krystina Marable	Member	VOTING	<u>ABSTAIN</u>

The foregoing Resolution was thereupon declared duly adopted unanimously meeting the requirements of the Land Bank's bylaws requiring a majority of the Board approving this resolution.

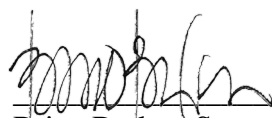
STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF RENSSELAER            )

I, the undersigned Secretary of the TROY COMMUNITY LAND BANK CORPORATION DOES HEREBY CERTIFY, that I have compared the foregoing annexed extract of the minutes of the regular meeting of the members of the Land Bank, including the Resolution contained therein, held on November 10, 2021 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Land Bank had due notice of said Regular meeting; (B) said Regular meeting was in all respects duly held pursuant to Governor's Executive Order 202.1 (2020) permits the board to consider the use of telephone conferencing, "to the extent necessary to permit any public body to meet and take such actions authorized by the law without permitting in public in-person access to meetings and authorizing such meetings to be held remotely by conference call or similar service, provided that the public has the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed; and due notice of the time and place of said meeting was duly given in accordance with the Governor's Executive Order 202.1 (2020); (D) there was a quorum of the members of the Land Bank present throughout said meeting; and (E) Pursuant to the Land Bank Bylaws, a majority of the Board has voted to approve this resolution.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Land Bank this 10th<sup>h</sup> day of November, 2021.



\_\_\_\_\_  
Brian Barker, Secretary

(SEAL)



November 9, 2021

Troy Community Land Bank Corporation  
Anthony Tozzi, Executive Director  
200 Broadway, Ste. 701  
Troy, NY 12180

Dear Mr. Tozzi:

On behalf of the Community Loan Fund of the Capital Region, Inc. (Community Loan Fund), a nonprofit financial institution with a community development mission, we are pleased to inform you that your loan request has been approved. The loan will be made available under the following terms and conditions:

**Purpose:** The purpose of this non-revolving line of credit is to finance renovations to be performed on 11 Winnie Ave, Troy, NY 12180 and on 54 Fifth Ave., Troy, NY 12180.

At closing, loan proceeds will be used to pay in full a loan made by and to discharge a mortgage filed by Ameristar Financial Corp. for the 11 Winnie St., Troy, NY project.

**Amount:** Two hundred ten thousand dollars (\$210,000).

**Interest rate:** Four and one-half percent (4.50%) fixed.

**Repayment:** Monthly interest only payments for the term of the loan with principal reduction payments due upon receipt of 100% of the net proceeds from the sale of 11 Winnie Ave., Troy, NY 12180 and 54 Fifth Ave., Troy, NY 12180 as identified in the loan application.

Payment from 100% of the net proceeds of the sale of 11 Winnie Ave., Troy, NY 12180 and 54 Fifth Ave., Troy, NY 12180 must be paid to the Community Loan Fund within 5 business days from the closing. All outstanding principal and interest are due at maturity or upon receipt of funds from the sale of the respective properties as identified in the loan application, whichever occurs first. Payment is due the 1<sup>st</sup> of each month.

**Maturity:** 9 months from the date of the loan closing.

**Prepayment:** There shall be no penalties for prepayment of the loan.

Penalties: Five percent (5%) of payment amount if more than ten (10) days late.

Loan

Proceeds: At closing, loan proceeds may be used to pay in full a loan made by and to discharge a mortgage filed by Ameristar Financial Corp. for the 11 Winnie St., Troy, NY project.

Loan proceeds shall be used to pay for only approved purchase, acquisition and renovation costs as outlined in the project budget. Loan funds to be released per AIA forms and/or invoices/receipts that detail work performed. All requests must detail the dollar amounts as they relate to the work performed unless otherwise approved by the lender.

Security: 1) First position mortgage lien on each subject property to be filed should the loan not perform as planned.  
2) First position Assignment of Leases & Rents on each subject property to be filed should the loan not perform as planned.  
3) UCC lien on all of the borrower's property, whether now owned or hereafter acquired, including, but not limited to, accounts, accounts receivable, chattel paper, commercial tort claims, deposit accounts, documents, equipment, furniture and fixtures, general intangibles, goods, instruments, inventory, investment property, letter-of-credit rights, as such terms, if applicable, are defined under the New York Uniform Commercial Code (the "UCC").

Origination

Fee: 1% (*Waived*).

Legal fee: Borrower is responsible for Lender's attorney fees. Fee may be paid from loan proceeds. The Community Loan Fund's attorney for this transaction is:

Aline D. Galgay, Esquire  
15 Albany Hill Extension  
Westerlo, New York 12193  
(p) 518-797-9289  
(f) 518-797-9541

Borrower's  
Counsel:

It is the Community Loan Fund's understanding that the Borrower has retained the following attorney to assist with this transaction:

Catherine Hedgeman, Esq.  
Hedgeman Law Firm  
PO Box 177  
Slingerlands, NY 12159  
(p) 518-752-3111



Escrow: No escrow account will be required for this transaction. Borrower agrees to furnish the Community Loan Fund annually with copies of paid tax receipts or proof of exemption related to the subject property in a timely manner. The Community Loan Fund reserves the right, at its sole discretion, to require the establishment of an escrow account to be funded with equal monthly payments in an amount sufficient to pay all taxes and insurance premiums associated with the subject property.

Title: The Community Loan Fund shall require a standard mortgage title policy, including reinsurance required by the Community Loan Fund from a company, or companies, approved by the Community Loan Fund. A title insurance binder, or commitment, and copies of documents creating title insurance exceptions shall be submitted prior to the date of intended closing date with sufficient time for attorney review. The title policy will insure the Community Loan Fund of the Capital Region, Inc., its successors and or assigns.

Survey: In the event that the title company is unable to issue affirmative survey coverage, the Community Loan Fund may require a survey certified to the Community Loan Fund and the title company by a licensed surveyor acceptable to the Community Loan Fund and the title company.

Flood Hazard: If requested, evidence shall be provided to the Community Loan Fund as to whether or not the land is located within an area identified pursuant to the Flood Disaster Protection Act as having special flood hazards. The Community Loan Fund reserves the right, in its sole discretion, to declare this commitment to be null and void, or to require a flood insurance policy in a coverage amount satisfactory to the Community Loan Fund, naming the Community Loan Fund as mortgagee and loss payee, if the property is in a flood hazard area.

#### Environmental

Reports: If requested, evidence will be provided by the Borrower as to whether or not the land is located within any Federal, State or Government authority, and whether or not any hazardous or toxic waste or other materials regulated, controlled, or prohibited by any Federal, State, or local environmental law are located on the land. The Community Loan Fund reserves the right to require, at Borrower's expense, an environmental audit of the land by an engineer or other environmental consultant designated by the Community Loan Fund. The Community Loan Fund reserves the right to declare this commitment to be null and void if any report discloses evidence that hazardous or toxic material have contaminated the land.

#### Permanent Insurance:

Prior to, or at, closing, an insurance policy must be submitted to the Community Loan Fund. Policy must be from a company satisfactory to the Community Loan Fund and must include provisions for a thirty-day

minimum cancellation or non-renewal and must designate the Community Loan Fund of the Capital Region, Inc., its successors and or assigns as mortgagee and loss payee. Minimum coverage amount must be equal to the amount of loan funds advanced for each property purchased with proceeds from this loan.

**Breach of Commitment:**

The issuance of this commitment letter is based upon the accuracy of your representations and statements made in the loan applications and other additional representations, information, exhibits, and other matters presented to the Community Loan Fund for consideration. The Community Loan Fund shall have the option to declare this commitment to be breached if there have been any material difference, misstatement, or material error in anything submitted to the Community Loan Fund or if, prior to the loan disbursement, there shall have been any material adverse change in the state of facts submitted to the Community Loan Fund or at the discretion of the Community Loan Fund and if the Borrower has become insolvent, bankrupt, incompetent or deceased.

**Loan Closing**

**Costs:** The Borrower shall be responsible for all closing costs and expenses associated with this loan and commitment, including, but not limited to, the Community Loan Fund's origination fee and recording fees whether or not the loan closing occurs.

**Documentation:**

The Borrower agrees to provide the Community Loan Fund and/or its attorney with any other documents, and agrees further to comply with any other requirements, as may be deemed necessary to close this loan.

**Commitment Like a Loan Document:**

If the loan closes in accordance with the terms of this commitment letter, this letter shall be considered incorporated into the Promissory Note or Loan Agreement evidencing such loan. To the extent any of the terms of this commitment letter are subsequently deemed in conflict with the terms of such Promissory Note or Loan Agreement, the terms of the Promissory Note or Loan Agreement shall prevail.

**Preconditions:**

1. Prior to advancing loan proceeds, the Borrower will provide a copy of the hazard insurance binder verifying insurance coverage acceptable to the Community Loan Fund (see Flood Hazard and Permanent Insurance sections).
2. Prior to closing of this loan, the Borrower will provide a signed Board Resolution authorizing the loan and designating an executor of all loan documents including loan advancement requests.



3. Prior to advancing loan proceeds, review and approval of a final Project Cash Flow Schedule, project timeline and Sources & Uses of Funds for each home to be purchased.
4. Receipt, review and final approval of the fully executed contract with the builder. All terms and conditions of the contract must be acceptable to the Community Loan Fund.
5. Prior to advancing loan proceeds, Borrower to provide evidence, satisfactory to the Community Loan Fund, that the Borrower has all necessary permits and has complied with all applicable land use, building code, zoning, environmental, health, safety, subdivision and similar statutes, codes and regulations for the project and the Borrower's planned use of the subject property.
6. Any other information, documentation and assurances requested by the Community Loan Fund or its counsel.

Reporting:

1. Borrower will provide copies of audited financial statements, IRS 990 and NYS CHAR500 within 120 days of end of fiscal year.
2. Starting 12/31/21, within 30 days after the close of each fiscal quarter, the Borrower will provide the Community Loan Fund with internal financial statements, consisting at minimum of a statement of financial position and a statement of activities.
3. No later than 30 days prior to the end of each fiscal year, the Borrower will provide a budget and a 12-month cash flow forecast for the next fiscal year.
4. Provide annual proof that the property taxes and school taxes for the subject properties purchased have been paid or that the property has been granted exemption from paying property taxes.
5. Any other financial information upon request.

Covenants:

1. Excluding Depreciation & Amortization Expenses, annual net revenue must be greater than zero on the last day of the Borrower's fiscal year.
2. Current assets must remain in excess of current liabilities on the last day of the Borrower's fiscal year.
3. In the event there is a change in any of the Borrower's key personnel, the Borrower shall submit notice of such change to Lender within 30 days of such change occurring. This designation typically includes, but is not limited to, the members of the board of directors, chief executive officer, chief operating officer and chief financial officer, etc. (i.e. those people having authority and responsibility for planning, directing and controlling the activities of the organization either directly or indirectly).



Length of commitment: This commitment shall expire upon occurrence of any of the following events:

- a. If not appropriately signed and returned to Community Loan Fund by November 19, 2021; or
- b. If not closed on or before November 30, 2021; or
- c. Upon closing.

Community Loan Fund Sr. Lending Officer, Dorian L. Wells, Deputy Director & Director of Lending, Walt Brady, and Executive Director, Linda MacFarlane, are authorized to execute all necessary documents related to this transaction on behalf of the Community Loan Fund of the Capital Region, Inc.

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Dorian L. Wells, Sr. Lending Officer

If these terms are acceptable to you, please sign below, keep a copy for records, and return to the Community Loan Fund address above:

ACCEPTED AND AGREED UPON:

\_\_\_\_\_  
Anthony Tozzi, Executive Director

\_\_\_\_\_  
Date