

**RESOLUTION 22-05**

**RESOLUTION OF THE TOWN OF HOLDEN BEACH, NORTH CAROLINA, APPROVING AN  
INSTALLMENT FINANCING CONTRACT AND DELIVERY THEREOF AND PROVIDING FOR  
CERTAIN OTHER RELATED MATTERS**

**WHEREAS**, the Town of Holden Beach, North Carolina (the “*Town*”) is a municipal corporation of the State of North Carolina (the “*State*”), validly existing under the Constitution, statutes and laws of the State;

**WHEREAS**, the Town has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts in order to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price;

**WHEREAS**, the Board of Commissioners of the Town (the “*Board*”) has determined that it is in the best interest of the Town to enter into an installment financing contract (the “*Contract*”) with Truist Bank (the “*Bank*”) in an aggregate amount not to exceed \$3,300,000, pursuant to which the Town will receive an advance of funds under which the Town will make certain installment payments, in order to (a) pay the costs of, or reimburse itself for paying the costs of, acquiring property in the Town located at 441 Ocean Boulevard W., including the pier (the “*Property*”), and (b) pay the costs associated with entering into the Contract;

**WHEREAS**, the Town anticipates that it may acquire the Property using funds currently on hand before executing and delivering the Contract, if necessary, and therefore may reimburse itself for the costs of acquisition of the Property from the proceeds of the Contract;

**WHEREAS**, the obligation of the Town to make Installment Payments under the Contract is a limited obligation of the Town payable solely from currently budgeted appropriations of the Town and does not constitute a pledge of the faith and credit of the Town within the meaning of any constitutional debt limitation;

**WHEREAS**, to provide security for the Town’s obligations under the Contract, the Town will grant to the Bank a security interest under a deed of trust, security agreement and fixture filing (the “*Deed of Trust*”) in the Town’s fee simple interest in the Property, together all improvements and fixtures located thereon;

**WHEREAS**, to prevent unauthorized or fraudulent wire transfers through cyber fraud and other means, the Town and the Bank will enter into a wire transfer agreement (the “*Wire Transfer Agreement*”);

**WHEREAS**, a public hearing on the Contract after publication of a notice with respect to such public hearing must be held and the Board conducted such public hearing at its January 18, 2022 meeting;

**WHEREAS**, there has been made available to the Board the form of the Contract, the Deed of Trust, and the Wire Transfer Agreement (collectively, the “*Instruments*”) which the Town proposes to approve, enter into and deliver, as applicable, to effectuate the proposed financing; and

**WHEREAS**, it appears that each of the Instruments is in appropriate form and is an appropriate instrument for the purposes intended;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF HOLDEN BEACH, NORTH CAROLINA, AS FOLLOWS:**

**Section 1. Approval, Authorization and Execution of Instruments.** The Board hereby approves the financing of the acquisition of the Property in accordance with the terms of the Instruments, which will be valid, legal and binding obligations of the Town in accordance with their respective terms. The Board hereby approves the amount to be advanced by the Bank to the Town pursuant to the Contract in an aggregate principal

amount not to exceed \$3,300,000, at an interest rate of 3.18% per annum, such amount to be repaid by the Town to the Bank as provided in the Contract. The form, terms and content of the Instruments are in all respects authorized, approved and confirmed, and each of the Mayor, the Town Manager, the Assistant Town Manager, and the Town Clerk, or their respective designees (the "*Authorized Officers*") are authorized, empowered and directed to execute and deliver the Instruments for and on behalf of the Town, including necessary counterparts, in substantially the forms presented to the Board, but with such changes, modifications, additions or deletions therein as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, modifications, additions or deletions, and that from and after the execution and delivery of the Instruments, each of the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Instruments as executed.

**Section 2. Further Actions.** Each of the Authorized Officers are hereby designated as the Town's representatives to act on behalf of the Town in connection with the transactions contemplated by the Instruments, and each of the Authorized Officers are authorized and directed to proceed with financing the acquisition of the Property in accordance with the terms of the Instruments and to seek opinions on matters of law from the Town Attorney, which the Town Attorney is authorized to furnish on behalf of the Town, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. Each of the Authorized Officers is hereby authorized to designate one or more employees of the Town to take all actions which each of the Authorized Officers is authorized to perform under this Resolution, and each of the Authorized Officers, including their designees, is in all respects authorized on behalf of the Town to supply all information pertaining to the transactions contemplated by the Instruments. Each of the Authorized Officers is authorized to execute and deliver for and on behalf of the Town any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the Instruments or as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution. Any and all acts of the Authorized Officers may be done individually or collectively.

**Section 3. Reimbursement.** The Town is authorized to reimburse itself from the proceeds of the Contract for any costs incurred and paid by the Town from funds on hand to acquire the Property, if necessary.

**Section 4. Related Actions.** All acts and doings of officers, employees and agents of the Town, whether taken prior to, on, or after the date of this Resolution, that are in conformity with and in furtherance of the purposes and intents of this Resolution as described above shall be, and the same hereby are, in all respects ratified, approved and confirmed.

**Section 5. Repealer.** All motions, orders, resolutions, ordinances and parts thereof, in conflict herewith are hereby repealed.

**Section 6. Severability.** If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

**Section 7. Effective Date.** This Resolution is effective on the date of its adoption.

STATE OF NORTH CAROLINA            )  
                                                          )  
COUNTY OF BRUNSWICK            )        ss:

I, HEATHER FINNELL, Town Clerk of the Town of Holden Beach, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution entitled “**RESOLUTION OF THE TOWN OF HOLDEN BEACH, NORTH CAROLINA, APPROVING AN INSTALLMENT FINANCING CONTRACT AND DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS**” adopted by the Board of Commissioners of the Town of Holden Beach, North Carolina at a meeting held on the 8th day of March, 2022.

**WITNESS** my hand and the corporate seal of the Town of Holden Beach, North Carolina, this the \_\_\_\_ day of March, 2022.

[SEAL]

\_\_\_\_\_  
Heather Finnell  
Town Clerk  
Town of Holden Beach, North Carolina