

**RESOLUTION OF THE
WHITE MOUNTAIN APACHE TRIBE OF THE
FORT APACHE INDIAN RESERVATION**

- WHEREAS,** the Tribal Council has heard a recommendation and request from the CDC Board to develop a 22 unit apartment complex to be financed in part through Rural Development and HOME funds as well as federal low income housing tax credits; and
- WHEREAS,** the CDC will manage the project through a development agreement with Cordes Development Inc., which will develop the units similar to the recently completed Apache Ridge Townhomes; and
- WHEREAS,** the project requires that CDC obtain Rural Development funds, HOME funds and an allocation of low income housing tax credits, all of which Cordes Development will secure for CDC's benefit; and
- WHEREAS,** the project requires a long term residential lease of land in Whiteriver, Arizona, between the Tribe, the CDC, and the tax credit investor for the site in Whiteriver, Arizona on which the apartments units will be developed and;
- WHEREAS,** the Tribal Council desires to promote the development of the necessary housing for low income families.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby commits to grant a lease of available and suitable land necessary for the development of low income housing units which satisfy funding requirements for low income housing tax credits and Rural Development, and for that reason, authorizes the execution by the Tribal Chairman, or in his absence the Vice-Chairman, of the Option Agreement to Enter into Lease of Real Property, attached herein, between the Tribe and Apache Ridge II Limited Partnership, a partnership consisting of the CDC and the tax credit investor.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby authorizes the CDC, in conjunction with the assistance of Cordes Development Inc., to seek an award of federal low income housing tax credits and to apply for rural Development Section 515 funding and HOME funds necessary to finance the project.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it authorizes the CDC Board, in conjunction with review from the Legal Department,

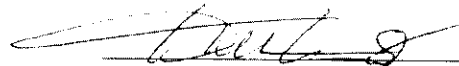
Resolution No. 02-2003-47

to compose and negotiate with Cordes Development an agreement to ensure timely application for the award of tax credits and funding for this important project.

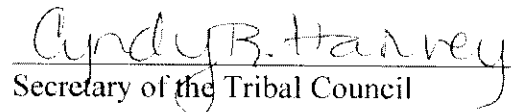
BE IT FURTHER RESOLVED, that it authorizes the Tribal Chairman execute a Tri-Party Agreement in substantially by similar form to the proposed agreement attached herein, detailing labor and employment covenants for the project with such agreement to include and address the four concerns presented to the Council by the TERO Department in its February 24, 2003 memorandum.

BE IT FURTHER RESOLVED, by the Tribal Council of the White Mountain Apache Tribe that the CDC Board shall return to seek Council response if any land lease, financial agreement or other agreements are required to effectuate the purposes of this Resolution.

The foregoing resolution was on February 24, 2003 duly adopted by a vote of THREE for, ZERO against, and TWO abstentions by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article IV, Section 1 (a), (b), (e), (h), (j), (s), (t), and (u) of the Constitution of the Tribe, ratified by the Tribe September 30, 1993, and approved by the Secretary of the Interior on November 12, 1993, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).



Chairman of the Tribal Council



Secretary of the Tribal Council

AGREEMENT TO ENTER INTO LEASE OF REAL PROPERTY

THIS AGREEMENT made and entered into this 24th day of February, 2003, by and between White Mountain Apache Tribe, hereinafter referred to as "Lessor," and Apache Ridge II, Limited Partnership, hereinafter referred to as "Lessee", WITNESSETH:

WHEREAS, Lessee was formed by its general partner, White Mountain Apache Community Development Corporation, for the purpose of newly constructing affordable housing for low and moderate income families in Whiteriver, Arizona,

WHEREAS, Lessor, White Mountain Apache Tribe, acknowledges that there is a need for additional, new affordable housing in Whiteriver, Arizona and is supportive of the efforts of Lessee to provide such housing,

WHEREAS, Lessor and Lessee desire to lease the following described real estate, situate in Whiteriver, Arizona, to-wit:

Legal Description attached hereto and incorporated herein by reference as Exhibit "A,"

(the "Property"),

WHEREAS, Lessor and Lessee desire to enter into an Option for Lease of the Property, and the parties hereby agree as follows:

1. **OPTION**: Lessee, and/or its assigns, is hereby granted an exclusive option, for a period of eighteen months from the date first set forth above, to Lease the Property under the terms and conditions as herein stated. Said Option shall be exercised by the Lessee giving written notice by certified mail at the address of Lessor as hereinafter appears, or by otherwise delivering written notice of the exercise of said option to the Lessor on or before the date of expiration. In the event the Lessee shall fail or refuse, for any reason, to give said notice of exercise of this option on or before the day as herein designated, then in that event, this Agreement is terminated and each of the parties released from any and all further liability hereunder.

2. **TERMS OF OPTION**: This Agreement is conditioned upon Lessee, at Lessee's sole expense and responsibility, successfully applying to the Arizona Department of Commerce for an award of Low Income Housing Tax Credits and HOME funds, and successfully applying to the United States Department of Agriculture, Rural Housing Services for a Section 515 Loan, all to be used for the development of an affordable housing project for low to moderate income families on the Property.

3. **OPTION CONSIDERATION**: Consideration for this Option shall be the sum of Ten Dollars (\$10.00), nonrefundable, payable upon the execution of this Agreement, the receipt of which is hereby acknowledged.

4. **TERMS OF LEASE:** The Lease shall be for a term of 25 years, with a provision for an automatic renewal of an additional term of 25 years, for a total of 50 years. The annual fee for the Lease of the Property, for both 25 year terms, shall be One Dollar (\$1.00) per year

5. **RIGHT OF ACCESS AND INSPECTION:** If required by Lessee, there shall be access to the subject property for the purpose of survey and inspections, including the right to take soil samples and other reasonable access to the premises, all in connection with the ultimate Lease of the property, all inspection or survey fees to be paid by Lessee.

6. **BINDING EFFECT:** This Agreement is binding upon the heirs, legal representatives, successors and assigns of the respective parties.

7. **ADDRESSES FOR MAILING NOTICES:**

LESSEE: Apache Ridge II, Limited Partnership
c/o White Mountain Apache Community
Development Corporation
P.O. Box 550
McNary, Arizona 85930

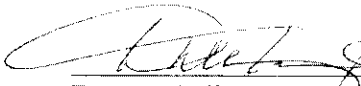
LESSOR: White Mountain Apache Tribe
P.O. Box 700
Whiteriver, Arizona 85941

IN WITNESS WHEREOF, the parties have set their hands and seals the date and year first written above.

LESSEE: APACHE RIDGE II,
LIMITED PARTNERSHIP
By: White Mountain Apache Community
Development Corporation

By: Raymond Endfield, Jr.
Title: Executive Director

LESSOR: WHITE MOUNTAIN APACHE TRIBE



By: Dallas Massey, Sr.
Title: Tribal Chairman