

## RESOLUTION NO. 24-07A

### CALIFORNIA PUBLIC FINANCE AUTHORITY

#### **A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$145,000,000 TO FINANCE OR REIMBURSE THE COSTS OF ACQUISITION, CONSTRUCTION, EXPANSION, REMODELING, RENOVATION, IMPROVEMENT, FURNISHING, AND/OR EQUIPPING OF A RESIDENTIAL SENIOR LIVING RENTAL CARE FACILITY GENERALLY KNOWN AS SUNRISE OF MANHATTAN BEACH AND OTHER MATTERS RELATING THERETO**

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the “Act”), Kings County and the Housing Authority of Kings County entered into a joint exercise of powers agreement pursuant to which the California Public Finance Authority (the “Authority”) was organized;

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in, the financing of certain projects;

WHEREAS, QSH/MB, LLC (the “Borrower”), the sole member of which is Quality Senior Housing Foundation, Inc., an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, has requested that the Authority issue tax-exempt and/or federally taxable revenue bonds to (1) finance or reimburse the costs of acquisition, construction, expansion, remodeling, renovation, improvement, furnishing, and/or equipping of a residential senior living rental care facility to be owned and operated by the Borrower and located in the City of Manhattan Beach (the “City”); (2) pay certain expenses incurred in connection with the issuance of the Bonds; (3) pay capitalized interest on the Bonds; (4) fund one or more reserve funds with respect to the Bonds; and (5) fund related working capital costs (collectively, the “Project”);

WHEREAS, the Authority is willing to issue not to exceed \$145,000,000 aggregate initial principal amount of its California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024A-1 (Senior Lien) (Sunrise of Manhattan Beach) (the “Series 2024A-1 Bonds”), its California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024A-2 (Senior Lien) (Federally Taxable) (Sunrise of Manhattan Beach) (the “Series 2024A-2 Bonds” and, together with the Series 2024A-1 Bonds, the “Senior Bonds”), its California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024B (Second Lien) (Sunrise of Manhattan Beach) (the “Second Lien Bonds”), its California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024C-1 (Subordinate Lien) (Sunrise of Manhattan Beach) (the “Series 2024C-1 Bonds”) and its California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024C-2 (Subordinate Lien) (Federally Taxable) (Sunrise of Manhattan Beach) (the “Series 2024C-

2 Bonds” and, together with the Series 2024C-1 Bonds, the “Subordinate Bonds” and, collectively with the Senior Bonds and the Second Lien Bonds, the “Bonds”), each in one or more series or sub-series, and loan the proceeds thereof to the Borrower to assist in providing financing for the Project;

WHEREAS, pursuant to the Trust Indenture (the “Indenture”), between the Authority and Wilmington Trust, National Association (the “Trustee”), the Authority will issue the Bonds, in one or more series or sub-series, as tax-exempt and/or federally taxable obligations, for the purpose, among others, of financing the Project;

WHEREAS, pursuant to the Loan Agreement (the “Loan Agreement”), between the Authority and the Borrower, the Authority will loan the proceeds of the Bonds to the Borrower, for the purpose, among others, of financing the Project (the “Loan”);

WHEREAS, pursuant to the Bond Purchase Agreement (together with the exhibits attached thereto), to be dated the date of sale of the Bonds (the “Purchase Contract”), between Goldman Sachs & Co. LLC, as underwriter (the “Underwriter”), and the Authority, as approved by the Borrower, the Bonds will be sold to the Underwriter;

WHEREAS, the Bonds will be offered for sale to Qualified Institutional Buyers, as described in Rule 144A of the Securities Act of 1933, as amended;

WHEREAS, there have been prepared and made available to the Board of Directors of the Authority the following documents required for the issuance of the Bonds:

- (1) A proposed form of the Indenture (including a Master Glossary of Terms and the proposed forms of the Bonds);
- (2) A proposed form of the Loan Agreement;
- (3) A proposed form of the Purchase Contract;
- (4) A proposed form of limited offering memorandum (the “Limited Offering Memorandum”) to be used by the Underwriter in connection with the offering and sale of the Bonds; and

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Borrower and has disclosed such good faith estimates as set forth on Exhibit A attached hereto;

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Public Finance Authority, as follows:

**Section 1.** Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds designated as the “California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024 (Sunrise of Manhattan Beach)” in an aggregate principal amount (exclusive of accreted interest, if any)

not to exceed one hundred forty-five million dollars (\$145,000,000), from time to time, in one or more series or sub-series, as federally tax-exempt bonds or federally taxable bonds, with such other name or names of the Bonds or series or sub-series thereof as designated in the Indenture, pursuant to which the Bonds will be issued. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to any delegation resolution of the Authority (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the manual signature of any Authorized Signatory.

**Section 2.** The proposed form of Indenture, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in each Indenture, as finally executed.

**Section 3.** The proposed form of Loan Agreement, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 4.** The Authority is hereby authorized to sell the Bonds to the Underwriter, pursuant to the terms and conditions of the Purchase Contract. The proposed form of the Purchase Contract, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Contract in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that the maximum Underwriter’s discount or fee shall not exceed 3.0%.

**Section 5.** The proposed form of Limited Offering Memorandum, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to deliver to the Underwriter the Limited Offering Memorandum in preliminary form in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the delivery thereof. The Underwriter is hereby authorized to distribute the

Limited Offering Memorandum in preliminary form, to persons who may be interested in the purchase of the Bonds, and to deliver the Limited Offering Memorandum in final form in substantially the form of the preliminary Limited Offering Memorandum, to the purchasers of the Bonds.

**Section 6.** The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

**Section 7.** The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, security agreements, bond purchase agreements, pledge agreements, collateral assignments, investment agreements, consultant agreements, direct agreements and/or consents to assignment with respect to documents entered into by the Authority in connection with the Project, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, supplements, approvals, authorizations, directions, certifications, waivers or consents entered into or given in accordance with such documents including any letter agreements with the City.

**Section 8.** All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Loan and the Bonds are hereby ratified, confirmed and approved.

**Section 9.** Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until any hearing required by Section 147(f) of the Internal Revenue Code of 1986 has been conducted, and any public approvals required by that Section have been obtained, to provide financing for the Project.

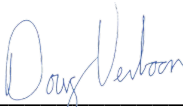
**Section 13.** The Board of Directors hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the Uniform Electronic Transactions Act

(Civil Code section 1633.1 et seq.) and digital signatures as may be permitted under Section 16.5 of the Government Code.

**Section 14.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 5th day of November, 2024.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on November 5, 2024.

By:   
Authorized Signatory  
California Public Finance Authority

## EXHIBIT A

### PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the “Borrower”) identified below has provided the following required information to the California Public Financing Authority (the “Authority”) as conduit financing provider, prior to the Authority’s regular meeting (the “Meeting”) of its board of directors (the “Board”) at which Meeting the Board will consider the authorization of conduit revenue obligations (the “Obligations”) as identified below.

1. Name of Borrower: QSH/MB, LLC.
2. Authority Meeting Date: November 5, 2024.
3. Name of Obligations: California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024A-1 (Senior Lien) (Sunrise of Manhattan Beach), California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024A-2 (Senior Lien) (Federally Taxable) (Sunrise of Manhattan Beach), California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024B (Second Lien) (Sunrise of Manhattan Beach), California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024C-1 (Subordinate Lien) (Sunrise of Manhattan Beach) and its California Public Finance Authority Senior Living Rental Housing Revenue Bonds, Series 2024C-2 (Subordinate Lien) (Federally Taxable) (Sunrise of Manhattan Beach).
4.  Private Placement Lender or Bond Purchaser,  Underwriter or  Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
  - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations: 6.6809%.
  - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$4,321,300.
  - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$85,505,136.
  - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$288,505,759.

5. The good faith estimates provided above were or will be \_\_\_ presented to the governing board of the Borrower, or \_\_\_ presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, X presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.