

YAHOO! MAIL

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Date: Tue, 19 Apr 2005 14:32:37 -0700 (PDT)

From: "Frederick Young Jr" <fbyoung@sbcglobal.net>

Subject: Cross Collateral Loan

To: "Herby Price Jr" <sgig@sbcglobal.net>, "Charles Tyner" <ctyner_dgm@sbcglobal.net>, vgfjr@aol.com, acqradar@aol.com, just4et@earthlink.net, "Henry F Wooten" <Hw1357911@aol.com>, "Edward L Boynton" <potie99@earthlink.net>, "Lovell Morgan" <res0b2pp@verizon.net>

CC: "Carl Corbin" <nibroclrac@hotmail.com>, "Carl D Parker" <cdparker@ix.netcom.com>, "Donald James" <clrmech@aol.com>

Dear Board Members;

Thank you for your participation in last night's conference call. Unfortunately the email attachments did not come through. I found out about the problem this morning when I talked with Brothers Thompson and Parker. I subsequently faxed a copy of the appraisal report to all Board Members as well as to the SGW and JGW.

The ayes were:	The noes were:
Price	Tyner
Fucles	Harrington
Thompson	Wooten
Morgan	<i>Boynton</i>
Young	

I have not received a response from Director Boynton. I did not get a connect with his fax number which is listed as 310.674.7964. Based on the majority vote we will procede with the paperwork to record the collateral loan. The residual loan for \$581,704.93 that is recorded by the City of Berkeley is payable, if called; after all other indebttness is satisfied. We are borrowing \$500,000.00, against the property that has a current appraised value of \$1,309,000.00. If for some unimaginable reason we default on the \$500,000.00 loan, \$809,000.00 remaining from the \$1,309,000.00, less costs would cover the collateral loan agreement for the Los Angeles property. Any contractual arrangements regarding MW Prince Hall Arms, Inc., and the Los Angeles property will certainly be explained in our report to Grand Lodge. There will not be any minority reports allowed to accompany that report. It is my hope that as a Board we can continue to work together for the benefit of our Grand Lodge and it's future as a viable organization.

Fraternally,

 Frederick B. Young, Jr.
 Chairman, Grand Board of Directors

MOST WORSHIP PRINCE HALL GRAND LODGE
BOARD OF DIRECTORS RESOLUTION AUTHORIZING ACCEPTANCE OF LOANS
RE: CONSTRUCTION AND PERMANENT FINANCING
(PRINCE HALL ARMS, INC., 501(C)(3) TAX-EXEMPT CORPORATION)

At a duly telephonic conference meeting of the Board of Directors of Most Worshipful Prince Hall Grand Lodge, Free & Accepted Masons, State of California and Hawaii, Incorporated, a California nonprofit mutual benefit corporation (the "Corporation") held on March 30, 2005, the following resolutions were adopted:

WHEREAS, the Board of Directors of the Corporation acting as general partner deems it to be in their best interest to have MW Prince Hall Arms, nonprofit develop certain parcel of land located at 3132, 3134, and 3136 through 3138 Martin Luther King, Jr., Way and 3135, 3137 and 3139 Harper Street in the City of Berkeley, (the "Land") and more particularly described in Exhibit A attached hereto from the Corporation, on which the corporation/nonprofit intends to develop, construct, own and operate a forty-two (42) unit affordable multifamily complex and community meeting space (the "Project");

WHEREAS, the Board of Directors of the Corporation acting as the general partner deems it to be in their best interest to have MW Prince Hall Arms, nonprofit accept the assignment and to assume all of the rights and obligations of all contracts, including, but not limited, to legal services, economic consulting services, architectural services, civil engineering services, geotechnical services, landscape architectural services and tax credits from the Corporation pursuant to the terms and conditions of an assignment and assumption agreement by and between the MW Prince Hall Arms, nonprofit and the Corporation (the "Assignment and Assumption Agreement");

WHEREAS, the Board of Directors of the Corporation acting as the general partner deems it be in their best interest to have the nonprofit arrange to borrow an amount not to exceed \$600,000 from California Mortgage and Realty, Inc., (the "Lender") for the prodevelopment financing of the construction of the Project (the "Lender Loan");

WHEREAS, the Board of Directors of the Corporation acting as general partner deems it be in the best interest of the nonprofit to enter into any and all documents, including, but not limited to, a promissory note, deed of trust, loan agreement, security agreement, financing statement and subordination agreement, tax certificate, and any other types of agreements, certificate or documents (collectively, the "Lender Loan Documents") necessary to consummate the Lender Loan.

WHEREAS, the Corporation acting on behalf of MW Prince Hall Arms, Inc., the nonprofit borrowed an amount not exceeding One Million Three Hundred Thousand Dollars (\$1,300,000) from the City of Berkeley (the "City Loan") for the development and construction of the Project. It is noted in the Notice of Modification Under Deed of Trust dated March 18, 2005 from the City of Berkeley Housing Trust Fund that the Promissory Note is modified to show an actual principal amount disbursed as \$581,704.93.

WHEREAS, the Board of Directors of the Corporation acting as general partner deems it be in their best interest to have the nonprofit seek additional sources of development and construction financing from commercial lending institutions and public agencies in amount necessary if there is a shortfall in the Project development and construction budget ("Additional Financing");

WHEREAS, the Board of Directors acting as general partner deems it to be in their best interest to have the nonprofit enter into any and all agreements, including, but not limited to, promissory notes, deeds of trust, loan agreement, security agreement, declaration of restrictive covenants and regulatory agreement

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Mar. 30 2005 12:07PM P2

and any other type of agreements, documents or certificates (collectively, the Additional Loan Documents") necessary to consummate additional sources of construction financing for the construction of the Project.

NOW, THEREFORE, BE IT RESOLVED: That the Corporation acting as general partner shall have MW Prince Hall Arms, Inc., nonprofit acquire the Land;

FUTHER RESOLVED: That the Corporation acting as general partner shall have the nonprofit enter into future Assignment and Assumption Agreements;

FURTHER RESOLVED: That the Corporation acting as general partner of the nonprofit will borrow an amount not to exceed \$600,000 from the Lender California Mortgage and Realty, Inc., (the "Lender") for the financing of the pre-construction of the Project;

FURTHER RESOLVED: That the Corporation acting as general partner shall enter into the Lender Loan Documents;

FURTHER RESOLVED: That the Corporation acting as general partner of the nonprofit shall seek and enter into Additional Financing or assign the duties, responsibility and execution to the nonprofit.

FURTHER RESOLVED: That the Corporation acting as general partner of the nonprofit shall enter into Additional Loan Documents or assign the duties, responsibility and execution to the nonprofit.

FURTHER RESOLVED: That Frederick B. Young, Jr., Chairman of the Corporation is authorized and directed to execute any and all necessary documents, including but not limited to, the Lender Loan Documents, City Loan Documents, Additional Loan Documents, the Assignment and Assumption Agreement, and to do all such other acts and things that may be necessary or required to execute the Lender Loan with California Mortgage and Realty, Inc., and to do any and all other activities contemplated in this Resolution.

I, the undersigned, hereby certify that the foregoing is a true copy of the Resolution adopted by the Board of Directors of the above mentioned Corporation at a meeting of said Board held on the aforementioned date and that said Resolution is in full force and effect.

Dated: 3/30, 2005

Billy R. Huntington *GRAND*
Secretary



**MOST WORSHIP PRINCE HALL GRAND LODGE, A CALIFORNIA CORPORATION
BOARD OF DIRECTORS RESOLUTION AUTHORIZING ACCEPTANCE OF LOANS**

At a duly telephonic conference meeting of the Board of Directors of Most Worshipful Prince Hall, Grand Lodge, a California Corporation also known as Most Worshipful Prince Hall Grand Lodge, Free & Accepted Masons, State of California and Hawaii, Incorporated, a California nonprofit mutual benefit corporation (the "Corporation") held on April 27, 2005, the following resolution was adopted:

WHEREAS, on this 27th day of April 2005, the Board of Directors of the Corporation acting as general partner deem it to be in their best interest to designate and authorize the Chairman of the Corporation Frederick B. Young, Jr., to direct and execute any and all necessary documents with California Mortgage and Realty, Inc., to effectuate and consummate the acceptance of said Loan.

I, the undersigned, hereby certify that the foregoing is a true copy of the Resolution adopted by the Board of Directors of the above mentioned Corporation at a meeting of said Board held on the aforementioned date and that said Resolution is in full force and effect.

Dated: 4/27, 2005

B. F. Young Jr.

Secretary

