RESOLUTION 2018-9
A SPECIAL RESOLUTION
REGARDING CORPORATE RESOLUTIONS FOR ASSOCIATION LOAN

The undersigned officer(s) of LAKE OF THE WOODS ASSOCIATION, INC., a Virginia non-stock corporation ("Borrower"), hereby certify(ies) that the following resolutions have been adopted by Borrower’s Board of Directors ("Board") and, as applicable, Borrower’s members:

RESOLVED, that Borrower shall be authorized to borrow a sum of up to $5,000,000.00 ("Loan") from MUTUAL OF OMAHA BANK, a federal thrift chartered bank organized under the laws of the United States ("Lender"), in accordance with the Loan Commitment Letter issued by Lender to Borrower for the Loan. The Loan funds will be used within Borrower’s “Project,” as defined in the Loan and Security Agreement of even date herewith ("LSA"), for the purpose as set forth in Recital “B” of the LSA. The Project is subject to a set of “Governing Documents,” which are fully and accurately described in Borrower counsel’s attorney opinion letter given to Lender in connection with the Loan. The owners of lots within the Project are Borrower’s members and are governed by the Governing Documents.

FURTHER RESOLVED, that the Loan shall be evidenced by a Secured Promissory Note ("Note") and be subject to a Loan and Security Agreement, Assignment of Assessments and Lien Rights, Borrower’s Affidavit, Closing Statement, and other documents as Lender may require for the Loan (collectively, the “Loan Documents”), all executed by the Borrower in favor of the Lender. The Loan is further evidenced by a UCC-1 Financing Statement, which shall constitute a valid first lien against all assessments of the Borrower and Borrower’s members among other personal property, as further described in the Loan Documents.

FURTHER RESOLVED, that the Board has, prior to closing the Loan, obtained any approval required by Borrower’s Governing Documents and applicable law to borrow the funds contemplated. Furthermore, on February 1, 2018, in compliance with the Governing Documents and applicable law, Borrower’s Board of Directors approved an increase in the upcoming year’s general and/or regular assessments in an amount no more than $191.00 beginning on May 1, 2018, and an annual increase to be set at a minimum amount necessary to fully amortize the Loan.

FURTHER RESOLVED, that Borrower’s President and Vice President are duly authorized and directed to execute the Note and all other Loan Documents on Borrower's behalf, and take any other action reasonably necessary to consummate the Loan closing.

[SIGNATURE PAGE TO FOLLOW]
IT IS HEREBY CERTIFIED that the foregoing resolutions were duly adopted at a meeting of the Board held in accordance with the Governing Documents and applicable law. It is further certified that the Board has full power and authority to bind Borrower in accordance herewith and that the foregoing resolutions are in full force and effect as of this date, that the resolutions have not been altered, amended, modified or rescinded, and that the same shall be true, valid and binding upon Borrower at and after the closing of the Loan.

Executed on June 6, 2018.

LAKE OF THE WOODS ASSOCIATION, INC., a Virginia non-stock corporation

By: [Signature]
   President, Board of Directors

By: [Signature]
   Vice President, Board of Directors

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OF VIRGINIA
COUNTY OF Orange

On June 6, 2018, before me, Lorraine Helen Trocchio, Notary Public, personally appeared Leighton H. Cumming, Clifton D. Wilks, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the Commonwealth of Virginia that the foregoing paragraph is true and correct

WITNESS my hand and official seal.

[Signature]
Lorraine Helen Trocchio
Notary Public

[Notary Seal]

LORRAINE HELEN TROCCHIO
NOTARY PUBLIC
Commonwealth of Virginia
Reg. #7553758
My Commission Expires Nov. 30, 2021