

**MINUTES OF SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
THE INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE CITY OF GLENDALE, ARIZONA
(June 15, 2016)**

A Special Meeting of the Board of Directors of The Industrial Development Authority of the City of Glendale, Arizona (the "Authority") was duly called and held on Wednesday, June 15, 2016, at 4:00 p.m. in Conference Room 2-A, Glendale City Hall, 5850 West Glendale Avenue, Glendale, Arizona.

The following Directors of the Authority were present at the meeting: Howard A. McKenna, John Catledge, Michael F. Mitchum, Robert L. Holmes and Lyle Miller. Howard A. McKenna, President of the Authority, presided at the meeting and Michael Mitchum served as Secretary at the meeting.

Also present were William F. Wilder and John J. Fries, of the firm of Ryley, Carlock & Applewhite, legal counsel to the Authority; William P. Connealy, designated Special Counsel to the Authority; Kristen Stephenson, a representative of The City of Glendale Economic Development Department; and Gretchen Cobb, Chief Operating Officer and Carter Smitherman, Chief Financial Officer of People of Faith, Inc.

The minutes of the Special Meeting of the Board of Directors of the Authority held on May 24, 2016, were presented to the meeting and reviewed and discussed. Upon a motion made by Mr. Holmes and seconded by Mr. Mitchum, the reading of the minutes was waived and the minutes were approved and adopted by unanimous vote.

Mr. Wilder explained to the Board that People of Faith, Inc. dba Royal Oaks desired to use the Authority as the Issuer of revenue bonds and that he and his firm has served as counsel to People of Faith, Inc. since its inception in the early 1980's, and thus needed to step aside as the Authority's legal counsel for the People of Faith, Inc. financing.

Mr. Wilder recommended that William P. Connealy of the firm of Tobin & Connealy, be designated as special legal counsel to the Authority for the subject financing.

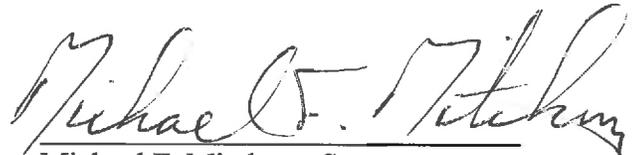
Thereafter, upon a motion made by Mr. Mitchum and seconded by Mr. Holmes, the Board voted unanimously to select William P. Connealy as special legal counsel to the Authority in connection with the bond financing for People of Faith, Inc. and consented to Mr. Wilder and his firm representing People of Faith, Inc. in connection with such financing, and that Mr. Connealy be designated as an authorized representative of the Authority to conduct any public hearings requested in connection with the issuance of such bonds.

Next, the letter application of People of Faith, Inc. was distributed to the Board and a presentation was made to the Board by Gretchen Cobb and Carter Smitherman in support of the proposed revenue bond financing in an amount of not to exceed \$42,000,000 for the Royal Oaks Project.

After discussion and upon a motion made by Mr. Mitchum and seconded by Mr. Catledge, the Authority Board voted unanimously to grant preliminary approval to People of Faith, Inc. for the issuance of not to exceed \$42,000,000 of Senior Living Revenue Refunding Bonds, Series 2016 (Royal Oaks Project), the proceeds of the sale of which would be loaned to People of Faith, Inc. to refund all of the outstanding bonds issued by The Arizona Health Facilities Authority in 2014, for the benefit of People of Faith, Inc.

Next, Mr. Mitchum distributed a financial report prepared as of June 15, 2016, noting that the Authority had \$4,272.06 in a checking account at BMO Harris/M&I Bank and \$104,365.82 on deposit in a money market account at BMO Harris/M&I Bank for a total fund balance of \$108,637.88. Thereafter, upon a motion made by Mr. Holmes and seconded by Mr. Miller, the financial report provided by Mr. Mitchum was accepted as presented. A copy of the financial report is included in the records of the Authority.

There being no further business, upon the motion of Mr. Holmes, duly seconded by Mr. Mitchum, the meeting was adjourned at 4:55 p.m.



Michael F. Mitchum, Secretary