



Legislation Details (With Text)

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2/20/2017	1	Board of Directors	approved	Pass

Approval of Sale and Release of Property, Improvements and Lease - J Beggs

Submitted By: Julie Beggs

Department: Corporate Services

Financial Impact and Cost/Benefit Considerations: \$175,000

This item provides the PEC Board of Directors an opportunity to discuss the release or sale of improvements located on property located in Travis County, Texas (the "Lake Travis Property"). PEC maintains a lease of the land at the Lake Travis Property. PEC owns the building improvements on the Lake Travis Property (the "Improvements"). The Improvements are subject to the Lien (as defined in the Master Indenture) of the Master Indenture of Trust (effective as of January 1, 1993, and as supplemented from time to time (the "Master Indenture")) between the Cooperative and The Bank of New York, as successor to Frost National Bank of San Antonio (the "Trustee") and the Deed of Trust, Security Agreement, Assignment of Rents and Leases, Fixture Filing and Financing Statement (the "Deed of Trust"). The Cooperative desires to release or sell the Improvements and terminate the lease.

WHEREAS, the Cooperative's Board of Directors hereby concludes that the Improvements are no longer necessary or advantageous in the business of the Cooperative and that the sale price represents the fair market value for the Improvements; and

WHEREAS, the Improvements constitutes less than substantially all of the property in the Cooperative's possession constituting part of the Trust Estate (as defined in the Master Indenture); and

WHEREAS, the Cooperative's Board of Directors desires to obtain a release of the Lien (as defined in the Master Indenture) from the Trustee under the Master Indenture pursuant to Section 1.9(a) and a release from the Deed of Trust in order to sell the Improvements; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE, that the Cooperative hereby requests that the Trustee release the Improvements from the Lien under the Master Indenture pursuant to Section 1.9(a) of the Master Indenture and release from the Deed of Trust so that the Cooperative may sell the Improvements for the amount as discussed this day;

BE IT FURTHER RESOLVED, that the Cooperative terminate the lease of the real property as described this day in Executive Session, with details of any such transaction to be publicly available upon public filing of instruments;

BE IT FURTHER RESOLVED, that the Chief Executive Officer or designee is authorized as a duly authorized officer or agent of the Cooperative, for and in the name and on behalf of the Cooperative, to prepare, execute, acknowledge as appropriate, and deliver any certificates, bill of sale, lease termination, and other instruments of any nature necessary or appropriate to give effect to such sale of Improvements and release of Lien and termination of Lease, in each case in such form and containing such terms and conditions as such officer or agent deems necessary; and

BE IT FURTHER RESOLVED, that the Chief Executive Officer or designee is authorized to take all such actions as needed to implement this resolution.