

RESOLUTION OF THE CALIFORNIA HOUSING
FINANCE AGENCY CONCERNING FINANCING
OF HOME OWNERSHIP AND HOME IMPROVEMENT
LOANS IN NEIGHBORHOOD PRESERVATION
AREAS PROGRAM

March 21, 1978

WHEREAS, the California Housing Finance Agency (the "Agency") has determined that there exists a need in California for financial assistance for the purchase, rehabilitation or making of general repairs and improvements to residential structures of not more than four dwelling units (the "Residential Structures") located in areas of substantial deterioration of Residential Structures, and in areas in which there is a recent history of mortgage deficiency, but in which deterioration has not progressed so far that there exists a substantial number of Residential Structures which do not conform to rehabilitation standards;

WHEREAS, the Agency has determined that it is in the public interest for the Agency to provide such financial assistance by means of a program to purchase loans to finance Residential Structures or to finance the rehabilitation or general repairs or improvements to Residential Structures (the "Loans"), each such Loan being insured for at least the first fifty percent (50%) of the principal amount and accrued interest of the Loan by one or more of the following entities: the United States government or an agency or instrumentality thereof, the Agency, or private mortgage guaranty insurers, or guaranteed by the Veterans Administration;

WHEREAS, pursuant to the Zenovich-Moscone-Chacon Housing and Home Finance Act (the "Act") the Agency has the authority to issue bonds to provide sufficient funds to finance the purchase of Loans, the payment of capitalized interest on the bonds, the establishment of reserves to secure the bonds, and other expenditures of the Agency incident to, and necessary or convenient to the issuance of the bonds;

WHEREAS, the Board of Directors of the Agency has approved in principle the issuance of its Home Ownership and Home Improvement Revenue Bonds, 1978 Series B in the aggregate principal amount of \$50,000,000 (the "Bonds") and the form of Indenture relating to the Bonds between the Agency and the Treasurer of the State of California as trustee, and has authorized the circulation of a Preliminary Official Statement; and

WHEREAS, the Housing Bond Credit Committee in accordance with the Act has approved and has taken all other action required to be taken by it by the Act prior to the issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED, by the California Housing Finance Agency as follows:

Section 1. The Agency is of the opinion and hereby ratifies its previous determination that the issuance of bonds in the aggregate principal amount of \$50,000,000 is necessary to provide sufficient funds to finance the purchase of Loans pursuant to its Home Ownership and Home Improvement Loans in Neighborhood Preservation Areas Program.

Section 2. Pursuant to the Act, revenue bonds of the Agency, designated as the "California Housing Finance Agency Home Ownership and Home Improvement Revenue Bonds, 1978 Series B" in the aggregate principal amount of fifty million dollars (\$50,000,000) (the "Bonds") are authorized to be issued, such bonds to have the maturities and bear interest at the rates specified in the Official Statement presented to this meeting.

Section 3. The proposed form of First Supplemental Indenture relating to the Bonds, as presented to this meeting, is hereby approved. The President of the Agency (the "President") and the Secretary of the Agency (the "Secretary") are hereby authorized and directed, for and on behalf and in the name of the Agency to execute, acknowledge and to deliver to the Trustee thereunder a First Supplemental Indenture in substantially said form, with such insertions and changes therein as the officers executing the same, with the advice of counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The date, the maturity dates, interest payment dates, denominations, forms, registration privileges, terms and place or places of payment, terms of redemption, security and other terms of the Bonds shall be as provided in said First Supplemental Indenture as finally executed and in the Indenture dated as of January 1, 1978, between the Agency and said Trustee. Payment to a bond reserve account in the California Housing Finance Fund established pursuant to said Indenture shall be made from the proceeds of the Bonds in the amount and to the extent provided in said Indenture and in said First Supplemental Indenture as finally executed.

Section 4. The proposed form of Contract of Purchase among the Agency, the Treasurer of the State of California (the "State Treasurer") and Bank of America NT&SA, Dean Witter Reynolds Inc., Blyth, Eastman, Dillon & Co. Incorporated, and Paine, Webber, Jackson & Curtis Incorporated, on behalf of themselves and as Managers for the several purchasers, as presented to this meeting, is hereby approved, and the Agency hereby

accepts said offer to purchase the Bonds at the aggregate price of \$50,040,000. The State Treasurer is hereby requested to sell the Bonds by executing said Contract of Purchase and delivering it to said Managers. The President is hereby authorized and directed, for and on behalf and in the name of the Agency, to execute and deliver to said Managers said Contract of Purchase.

Section 5. The President and the Secretary are hereby authorized and directed to execute, for and on behalf and in the name of the Agency and under its seal, the Bonds, in the aggregate principal amount of \$50,000,000 in accordance with said Indenture and said First Supplemental Indenture and in one or more of the forms set forth therein.

Section 6. The Bonds, when so executed, shall be delivered to the Trustee under the Indenture and First Supplemental Indenture for authentication by said Trustee. Said 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 Agency by the President, which instructions said officer is hereby authorized and directed for and on behalf and in the name of the Agency to execute and deliver to said Trustee. Such instructions should provide for the delivery of the Bonds to the purchaser or purchasers thereof, as determined and confirmed by the State Treasurer, upon payment of the purchase price thereof.

Section 7. The form of Official Statement of the Agency relating to the Bonds as presented to this meeting is hereby approved. The President is hereby authorized to sign an Official Statement in substantially said form with such changes and insertions therein as he may approve after consulting with counsel, and the circulation of said final Official Statement is hereby approved.

Section 8. The State Treasurer and officers of the Agency are hereby authorized and directed, jointly and severally to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this resolution.

CERTIFICATE OF SECRETARY

I, Stuart Honse, Secretary of the Board of Directors of the California Housing Finance Agency, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a meeting of the Board of Directors of the California Housing Finance Agency duly called and held in San Diego, California, on the 21st day of March, 1978, of which meeting all of said directors had due notice; and that at said meeting said resolution was adopted by the following vote: /

AYES: MAZEL; O'CONNOR; RAMOS; ROBINSON; STEIN; CRUEB;
FRANK.

NOES: STERNBERG.

ABSTENTION: NONE —

ABSENT: NONE —

I further certify that I have carefully compared the foregoing copy with the original minutes of said meeting on file and of record in my office; that said copy is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded in any manner since the date of its adoption, and the same is now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the Board of Directors of the California Housing Finance Agency hereto this 21 day of March, 1978.


Secretary of the California
Housing Finance Agency

[SEAL]