

RESOLUTION 80-74

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

WHEREAS, the California Housing Finance Agency (the "Agency") has determined that there exists a need in the State of California (the "State") 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 an ongoing 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 or guaranteed 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;

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 the offering and sale of its Home Ownership and Home Improvement Revenue Bonds in the aggregate principal amount of \$250,000,000 (the "Bonds") from time to time during the course of the calendar year 1980, in such series, in such amounts, and at such interest rates as the Executive Director of the Agency deems appropriate;

WHEREAS, the Housing Bond Credit Committee, pursuant to the Act, is required to determine the general adequacy of the program's security for the Bonds in protecting the credit of the State;

WHEREAS, the Agency desires to amend Sections 2, 5, 6 and 10 of Resolution 79-133 of the Board of Directors of the Agency to sell its Bonds by private sales; and

WHEREAS, the Agency desires to be able to sell its bonds at private sales and at a net interest cost of not to exceed twelve percent (12%), and to repeal Resolution 79-133 of the Board of Directors of the Agency;

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

Section 1. Section 2 of Resolution 79-133 is amended to read in full as follows:

Pursuant to the Act, revenue bonds of the Agency, designated as "California Housing Finance Agency Home Ownership and Home Improvement Revenue Bonds" in the aggregate principal amount of up to \$250,000,000 (the "Bonds") are authorized to be issued following public or private sales thereof at such times during calendar year 1980 and in such series as the Executive Director of the Agency deems appropriate upon consultation with the State Treasurer and the Housing Bond Credit Committee. The Bonds are to have the maturities deemed appropriate by the Executive Director of the Agency. In the event of a public sale, the Bonds are to bear interest at the rates specified in the bid or bids accepted by the State Treasurer pursuant to the terms of the notice of sale published for each series of Bonds offered and, in the event of a private sale, the Bonds are to bear interest at the rates specified by a purchase contract by and among the Agency, the State Treasurer, and the purchaser or purchasers of such Bonds; provided that no Bond shall have a term in excess of 40 years or bear a net interest cost in excess of 12%. The Executive Director of

the Agency is hereby authorized to determine upon consultation with the State Treasurer whether to sell the Bonds at public or private sale. If the Executive Director determines to sell the Bonds at private sale, he is hereby authorized to select one or more underwriters and to execute a purchase contract for the Bonds, by and among the Agency, the State Treasurer and such underwriters, either on behalf of themselves or on behalf of themselves and as managers for the purchasers of the Bonds, on such terms and conditions as he may approve, such approval to be conclusively evidenced by the execution of such purchase contract.

Section 2. Section 5 of Resolution 79-133 is amended to read in full as follows:

In connection with any public sale of each series of Bonds the Executive Director is hereby expressly authorized to determine the limitations to be set forth in a notice of sale on the bids for the purchase of the Bonds. The State Treasurer is hereby authorized and requested to cause notices of sale, in such form as the Executive Director of the Agency may direct, to be published in such newspapers or journals as the Executive Director may select, on such date or dates as the Executive Director may deem advisable. The State Treasurer hereby is requested to coordinate with the Executive Director of the Agency and set forth in said notices of sale the dates upon which bids for the Bonds shall be received. Such bids shall be received at the times and places, and subject to the terms and conditions set forth in said notices of sale.

Section 3. Section 6 of Resolution 79-133 is amended to read in full as follows:

The State Treasurer is hereby authorized and requested, without further action of the Board of Directors of the Agency and unless instructed otherwise by the Board of Directors

of the Agency, to sell the Bonds at the times and places and pursuant to the terms and conditions set forth in the notices of sale or purchase contracts. The State Treasurer is hereby further authorized and requested to cash and deposit the proceeds of any bid checks to be received by the State Treasurer in connection with a sale of Bonds in a special trust account for the benefit of the Agency, and the amount of said checks shall be applied at the time of delivery of the Bonds as part of the purchase price thereof or returned to said bidders.

Section 4. Section 10 of Resolution 79-133 is amended to read as follows:

The Executive Director is hereby authorized to circulate Preliminary Official Statements relating to the Bonds and after the Agency's entering into a contract for the sale of any series of the Bonds, whether such sale is public or private, an Official Statement, both in substantially such form with such changes and insertions therein as he may approve after consulting with counsel, and the circulation of such Preliminary Official Statements and such Official Statement to prospective and actual purchasers of the Bonds is hereby approved.

Section 5. 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.

Section 6. Except as amended hereby, all provisions of Resolution 79-133 of the Board of Directors of the Agency remain in full force and effect.

SECRETARY'S CERTIFICATE

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 Resolution 80-74 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held in Sacramento, California, on the 9th day of October, 1980, of which meeting all said directors had due notice; and that at said meeting said Resolution was adopted by the following vote:

AYES: Cantu, Dodd, Frank, Hess, Ruffin, Schenk (by Flores),
Terner (by Berg), Unruh (by McCausland)

NOES: None

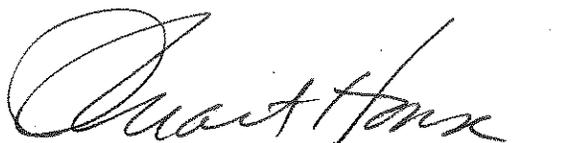
ABSTENTION: None

ABSENT: Kruer

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 9th day of October 1980.

(SEAL)



Stuart Honse
Secretary of the Board of
Directors of the California
Housing Finance Agency