

RESOLUTION 81-41

RESOLUTION OF THE CALIFORNIA HOUSING FINANCE AGENCY
CONCERNING THE FINANCING OF LOANS TO LENDERS RELATED
TO MULTI-UNIT RENTAL HOUSING DEVELOPMENTS

WHEREAS, the California Housing Finance Agency (herein called the "Agency") has determined that there is a need for the direct or indirect financing of lower-than-market-rate construction loans for multi-unit rental housing developments eligible for assistance under the Turnkey Program of the United States Department of Housing and Urban Development;

WHEREAS, the Agency has determined to borrow money for the purpose of making loans to lenders to enable such lenders to make lower-than-market-rate construction loans for multi-unit rental housing developments eligible for assistance under the Turnkey Program of the United States Department of Housing and Urban Development; and

WHEREAS, pursuant to the Zenovich-Mosccone-Chacon Housing and Home Finance Act (herein called the "Act"), the Agency has the authority to issue notes to provide funds for making such loans to lenders and for the payment of interest, the establishment of reserves and other expenditures incident to, and necessary or convenient to, the issuance of the notes;

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

Section 1. The Agency is of the opinion and hereby determines that the issuance of a series of Loan-to-Lender Construction Loan Revenue Notes (herein called the "Notes") of the Agency on or before December 31, 1981, in an aggregate principal amount not to exceed \$200,000,000, is necessary to provide sufficient funds for financing housing developments through the making of loans to lenders to enable such lenders to make lower-than-market-rate construction loans (herein called the "Construction Loans") for multi-unit rental housing developments as to which program reservations for assistance under the Turnkey Program of the United States Department of Housing and Urban Development currently exist.

Section 2. Pursuant to the Act, the Notes are authorized to be issued at such time on or before December 31, 1981, as the Executive Director of the Agency (herein called the "Executive Director") deems appropriate upon consultation with the Treasurer of the State of California (herein called the "Treasurer"). The Notes are to have the maturity or maturities and are to bear interest at a coupon rate or coupon rates not to exceed twelve and one-half percent (12-1/2%) per annum deemed appropriate by the Executive Director; provided that no Note shall have a term in excess of three years.

Section 3. The Indenture to be entered into by and between the Agency and the Treasurer, as trustee (herein called the "Indenture"), in the form presented to this

meeting, is hereby approved by this Board, and the Executive Director is hereby authorized and directed to execute, and the Secretary of this Board is hereby authorized and directed to attest, for and in the name of and on behalf of the Agency and under its seal, an Indenture in substantially said form, with such additions, changes and modifications as the Executive Director may approve upon consultation with the Agency's legal counsel, such approval to be conclusively evidenced by the execution and delivery of the Indenture.

Section 4. The Notes shall be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places within or without California, be subject to such terms of redemption and contain such terms and conditions as the Indenture, as finally executed, may provide.

Section 5. The Loan Agreement to be entered into by and between the Agency and one or more lenders (herein called the "Loan Agreement"), in the form presented to this meeting, is hereby approved by this Board, and the Executive Director is hereby authorized to enter into, and the Secretary of this Board is hereby authorized to attest, for and in the name of and on behalf of the Agency and under its seal, one or more Loan Agreements in substantially said form, with such changes as the Executive Director may approve upon consultation with the Agency's legal counsel (such approval

to be conclusively evidenced by the execution and delivery of the Loan Agreement(s)) with such lender or lenders as the Executive Director may select upon consultation with the Treasurer, and any such selection of a lender or lenders is to be deemed approved by this Board as if it had been made by this Board.

Section 6. The Financing Agreement to be entered into by and between the Agency and one or more housing authorities (herein called the "Financing Agreement") in substantially the form presented to this meeting, is hereby approved by this Board, and the Executive Director is hereby authorized to enter into, for and in the name of and on behalf of the Agency, one or more Financing Agreements with such changes as the Executive Director may approve upon consultation with the Agency's legal counsel (such approval to be conclusively evidenced by the execution and delivery of the Financing Agreements), with such housing authority or housing authorities as the Executive Director may select upon consultation with the Treasurer, and any such selection of a housing authority or housing authorities is to be deemed approved by this Board as if it had been made by this Board.

Section 7. This Board hereby ratifies the submission to the Housing Bond Credit Committee by the officers of the Agency on behalf of this Board, of a statement of the purpose for which the Notes are proposed to be issued and the amount of the proposed issuance. Each and

every statement within such statement of purpose shall be deemed to be adopted by this Board as if it had been made and submitted by this Board.

Section 8. The Notes are hereby authorized to be sold at private sale. The Executive Director is hereby further authorized to select one or more underwriters and to execute a purchase contract for the Notes, by and among the Agency, the Treasurer and such underwriter or underwriters, either on behalf of themselves or on behalf of themselves and as managers for the purchasers of the Notes, at such price and on such terms and conditions as he may approve after consultation with the Treasurer, such approval to be conclusively evidenced by the execution and delivery of such purchase contract.

Section 9. The Treasurer is hereby authorized and requested, without further action of this Board, and unless instructed otherwise by this Board prior to sale, to sell the Notes at the time and place and pursuant to the terms and conditions set forth in said purchase contract. The Treasurer is hereby further authorized and requested to cash and deposit the proceeds of any good faith deposit checks to be received by the Treasurer under the terms of the purchase contract in a special trust account for the benefit of the Agency, and the amount of any such good faith deposit checks shall be applied at the time of delivery of the Notes as part

of the purchase price thereof or returned to said purchaser or purchasers as provided in the purchase contract.

Section 10. The Executive Director is hereby authorized to hold, or cause to be held, information meetings concerning the Notes and to make available to interested purchasers any information in the Agency's possession that any interested prospective purchaser may reasonably request relating to the Notes, the terms and conditions of the offering, and the housing developments proposed to be financed.

Section 11. The Executive Director is hereby authorized and directed to execute, and the Secretary of this Board is hereby authorized to attest, for and in the name of and on behalf of the Agency and under its seal, the Notes in an aggregate principal amount not to exceed \$200,000,000 in accordance with the Indenture in the forms set forth therein.

Section 12. The Notes, when so executed, shall be delivered to the Trustee under the Indenture for authentication by the Treasurer, as trustee. The Treasurer is hereby requested and directed to authenticate the Notes by executing the Trustee's Certification of Authentication appearing thereon, and to deliver the Notes when duly executed and authenticated to the purchaser or purchasers thereof, as determined and confirmed by the Treasurer, upon payment of the purchase price thereof.

Section 13. The Executive Director is hereby authorized to circulate a Preliminary Official Statement relating to the Notes and, after the sale of Notes, to execute, on behalf of the Agency, and circulate an Official Statement, both substantially in the form presented to this meeting, with such changes and insertions therein as he may approve after consulting with the Agency's legal counsel, such approval to be conclusively evidenced by the execution of the Official Statement, and the circulation of such Preliminary Official Statement and such Official Statement to prospective and actual purchasers of the Notes is hereby approved.

Section 14. Except as specifically provided in the Indenture, Financing Agreement(s) and Loan Agreement(s) as finally executed, none of the policies and resolutions of this Board with respect to the financing of multi-unit housing developments shall apply to the Construction Loans, the developments financed thereby or the Notes.

Section 15. The officers of the Agency and the Treasurer 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 Notes and to otherwise effectuate the purposes of this Resolution.

Section 16. In the Executive Director's absence or upon the authorization of the Executive Director, all actions by the Executive Director herein approved or authorized may be taken by the Director of Financing. The Executive Director and the Director of Financing of the Agency are hereby authorized to act as Authorized Officers under said Indenture.

SECRETARY'S CERTIFICATE

I, Arthur Pakenham, Secretary of the Board of Directors of the California Housing Finance Agency, hereby certify that the attached copy of Resolution No. 81-41 is a full true and correct copy of a Resolution duly adopted at a regular meeting of said Board of Directors duly and regularly held in San Francisco, California, on the 8th day of October, 1981, of which meeting all of the members of said Board of Directors had due notice and at which a majority thereof were present; and that at said meeting said Resolution was adopted by the following vote:

AYES: Cantu, Hess, Ruffin, Schenk (by Collins), Turner (by Jones),
Unruh (by Gagan), Wilson, Frank
NOES: None

ABSTENTIONS: None

ABSENT: Dodd, Kruer

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; that said copy of Resolution No. 81-41 is a full, true and correct of the original Resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and is now in full force and effect.

WITNESS my hand and the seal of the California Housing Finance Agency this 8 day of October 1981.


Secretary of the Board
of Directors

(Seal)