

RESOLUTION NO. 84-28

RESOLUTION OF THE CALIFORNIA HOUSING FINANCE
AGENCY CONCERNING THE FINANCING OF LOANS
RELATED TO SINGLE-FAMILY RESIDENCES
AND THE ISSUANCE OF THE AGENCY'S
HOME MORTGAGE REVENUE BONDS

WHEREAS, the California Housing Finance Agency (herein called the "Agency") has determined that there exists a need in California for providing financial assistance to persons and families of low or moderate income to enable them to purchase moderately priced single-family residences (herein called the "Residences");

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 (herein called the "Program") to make lower-than-market-rate loans for the permanent financing of Residences (herein called the "Loans"), each such Loan being insured for at least the first fifty percent (50%) of the principal amount of the Loan by a private mortgage guaranty insurer;

WHEREAS, pursuant to the Zenovich-Moscone-Chacon Housing and Home Finance Act (herein called the "Act"), the Agency has the authority to issue bonds to provide sufficient funds to finance the Program, including 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 Agency, pursuant to the Act, has from time to time issued various series of its Home Mortgage Revenue Bonds (herein called the "Bonds") to provide funds to finance the Program;

WHEREAS, the Board of Directors of the Agency has determined to approve the offering and sale of one or more additional series of Bonds, in the aggregate principal amount of not to exceed the lesser of \$500,000,000 or the amount allocated to the Agency pursuant to Chapter 3.5 of Part 1 of Division 31 of the Health and Safety Code of the State of California (the "Agency Allocation"), from time to time during the course of calendar year 1984, and at such interest rates as the Executive Director of the Agency deems appropriate; and

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

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 one or more additional series of Bonds, on or before December 31, 1984, in an aggregate principal amount of not to exceed the lesser of \$500,000,000 or the Agency Allocation, is necessary to provide sufficient funds to finance the purchase of Loans pursuant to the Program.

Section 2. Pursuant to the Act, the Bonds are authorized to be issued at such time or times on or before December 31, 1984, 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") as to the timing of each such issuance. The Bonds are to have the maturity or maturities and are to bear interest at the fixed or variable rate or rates deemed appropriate by the Executive Director; provided that no Bond shall have a term in excess of forty years or bear interest at a stated rate in excess of fourteen percent (14%) per annum.

Section 3. The Executive Director is hereby authorized and directed to submit to the Housing Bond Credit Committee a statement of the purpose for which the Bonds are proposed to be issued and the tentative amount of such proposed issues.

Section 4. The Executive Director of the Agency is hereby expressly authorized and directed, for and on behalf and in the name of the Agency, to determine, among other things, the maturities, the Sinking Fund Installments, if any, the portion of the Bonds which are to be Term Bonds, if any, the portion of the Bonds which are to be Serial Bonds, if any, and the Bond Reserve Account Requirement and upon consultation with the Agency's legal counsel, to approve one or more Supplemental Indentures containing such terms, such approval to be conclusively evidenced by the execution and delivery of such Supplemental Indenture(s) by the authorized officers of the Agency. The Executive Director and the Secretary of the Board of Directors of the Agency (herein called 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 one or

more Supplemental Indentures in form or forms acceptable to them. The Executive Director is hereby additionally authorized to enter into such supplementary bond insurance or put option arrangements as may produce a lower net cost of funds to the Agency for the Program.

Section 5. The Bonds shall be in such denominations, 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 General Indenture by and between the Agency and the Treasurer, dated as of September 1, 1982, and each Supplemental Indenture shall provide. The Bonds shall be issued in registered form only.

Section 6. The Executive Director is hereby authorized to enter into, and the Secretary of the Board of Directors of the Agency is hereby authorized to attest, for and in the name and on behalf of the Agency and under its seal, one or more Mortgage Purchase Agreements and Servicing Agreements with such lender or lenders as the Executive Director may select in accordance with the purposes of the Program, 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 7. The Bonds are hereby authorized to be sold at a negotiated sale or sales. The selection of Merrill Lynch Capital Markets and Shearson Lehman/American Express Inc., as senior managers (herein called the "Senior Managers") for the first series of Bonds to be issued pursuant to this resolution, is hereby approved. For any subsequent series of Bonds issued pursuant to this resolution, the Executive Director shall select such senior managers as he may determine to further the purposes of the Program ("Subsequent Series Senior Managers"). The Executive Director is hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver one or more Purchase Contracts with the Senior Managers or Subsequent Series Senior Managers and such other underwriters, if any, as the Executive Director may select, in the form or forms approved by the Executive Director upon consultation with the Agency's legal counsel, such approval to be evidenced conclusively by the execution and delivery of said purchase contract by the Executive Director.

Section 8. The 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 Purchase Contract or Contracts as finally executed. 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 or Contracts in a special trust account for the benefit of the Agency, and the amount of said check or checks shall be applied at the time of delivery of the Bonds as part of the purchase price thereof or returned to the Underwriters as provided in the Purchase Contract or Contracts.

Section 9. The Executive Director is further authorized to hold information meetings concerning the Bonds and to distribute other information and material relating to the Bonds.

Section 10. The Executive Director is hereby authorized and directed to execute, and the Secretary of the Board of Directors of the Agency is hereby authorized to attest, for and on behalf and in the name of the Agency and under its seal, the Bonds, in an aggregate principal amount of not to exceed the lesser of \$500,000,000 or the Agency Allocation, in accordance with the General Indenture and the Supplemental Indenture(s), in one or more of the forms set forth in the Supplemental Indenture(s).

Section 11. The Bonds, when so executed, shall be delivered to the Trustee under the General Indenture and the Supplemental Indenture(s) to be authenticated by, or caused to be authenticated by, the Treasurer. The Treasurer is hereby requested and directed to cause the Registrar appointed by the Supplemental Indenture(s) to authenticate the Bonds by executing the Registrar's Certificate of Authentication and Registration appearing thereon, and to deliver the Bonds when duly executed and authenticated to the Senior Managers in accordance with written instructions executed on behalf of the Agency by the Executive Director, which instruction said officer is hereby authorized and directed, for and on behalf and in the name of the Agency, to execute and deliver to the Treasurer. Such instructions shall provide for the delivery of the Bonds to the Senior Managers and the other underwriters, if any, upon payment of the purchase price or prices thereof.

Section 12. The Executive Director is hereby authorized to circulate Preliminary Official Statements and, after the Agency's entering into the Purchase Contract or Contracts for the sale of the Bonds, to circulate, execute and deliver Official Statements, in substantially the forms of the Preliminary Official Statement with such changes and insertions therein as he may approve after consulting with

the Agency's legal counsel, and the circulation of such Preliminary Official Statements and such Official Statements to prospective and actual purchasers of the Bonds is hereby approved.

Section 13. All actions previously taken by the Agency relating to the Program and the issuance of the Bonds, including, but not limited to, the distribution of its Program Manual, Lender Application, Offer to Originate and Service Loans, Mortgage Purchase Agreement, Servicing Agreement and Servicer's Guide are hereby ratified.

Section 14. The Treasurer and officers of the Agency, or the duly authorized deputies thereof, 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 15. In the Executive Director's absence or upon his authorization, all actions by the Executive Director herein approved or authorized may be taken by the Director of Financing of the Agency.

SECRETARY'S CERTIFICATE

I, Robert N. Joehnck, 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 84-28 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held in Millbrae, California, on the 9th day of August, 1984, of which meeting all said directors had due notice; and that at said meeting said Resolution was adopted by the following vote:

AYES: Cantu, DeSantis (by Jones), Hendricks, Langston, Mazirow, Peevey, Unruh (by Aceituno), Sterpa

NOES: None

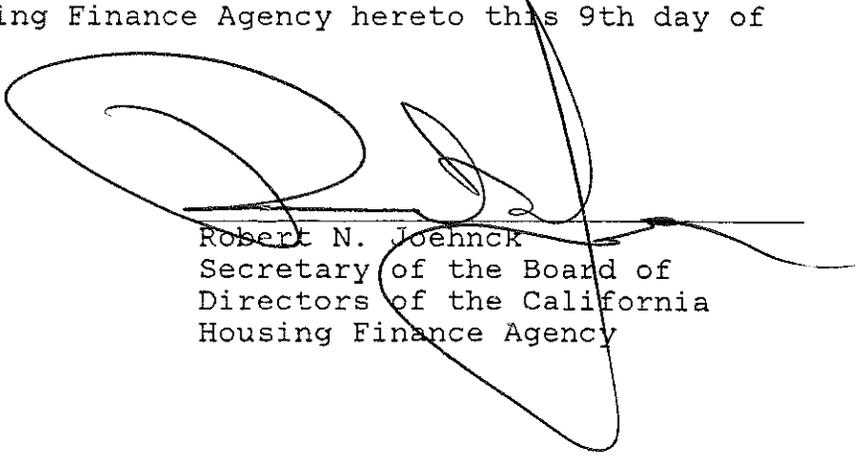
ABSTENTIONS: None

ABSENT: Kruer, West

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 August, 1984.

[SEAL]



Robert N. Joehnck
Secretary of the Board of
Directors of the California
Housing Finance Agency

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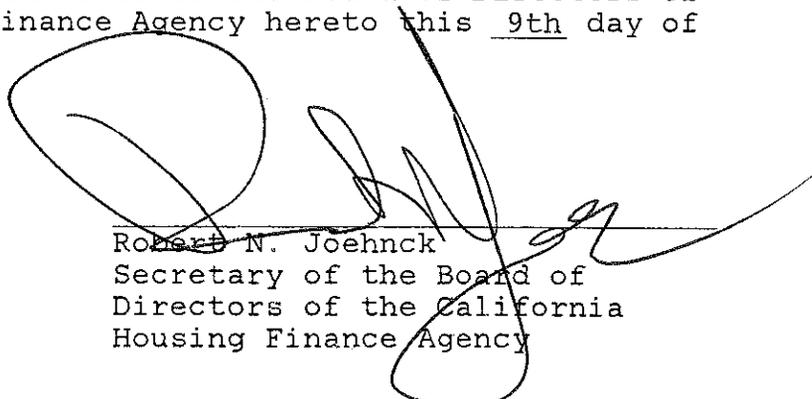
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Robert N. Joehnck
Secretary of the Board of
Directors of the California
Housing Finance Agency