

RESOLUTION NO. 00-12

RESOLUTION OF THE CALIFORNIA HOUSING FINANCE AGENCY TO (1)
FACILITATE THE AFFORDABLE HOUSING PRESERVATION ACTIVITI ES OF THE
AGENCY BY AMENDING RESOLUTION NO. 00-05A AND RESOLUTION NO. 00-06A
TO AUTHORIZE THE ISSUANCE OF COMMERCIAL PAPER AND OTHER
OBLIGATIONS FOR THE PURPOSE, AMONG OTHERS, OF ACQUIRING EXISTING
MORTGAGE LOANS THAT FINANCE EXISTING DEVELOPMENTS

AND

(2) AUTHORIZE THE ESTABLISHMENT OF A SUBCOMMITTEE OF THE BOARD OF
DIRECTORS

WHEREAS, the California Housing Finance Agency (the "Agency") has determined that there exists a need in California for the financing of mortgage loans for the acquisition, construction, development or preservation of multifamily rental housing developments that provide housing for persons and families of low or moderate income;

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 make or acquire, or to make loans to lenders to make or acquire, mortgage loans that finance such developments;

WHEREAS, pursuant to Parts 1 through 4 of Division 31 of the California Health and Safety Code (the "Act"); the Agency has the authority to issue bonds (including notes and other evidences of indebtedness) to provide sufficient funds to finance such program;

WHEREAS, on January 20, 2000 the Agency adopted its Resolution No. 00-06A authorizing the issuance of Bonds (as defined in the Act and such resolution, including notes and other evidences of indebtedness) to provide funds for the Program (including the acquisition of existing Loans financing existing Developments, as such capitalized terms are defined in such resolution), and also adopted its related Resolution No. 00-05A;

WHEREAS, in order to facilitate the affordable housing preservation activities of the Agency, the Agency now desires to amend Resolution No. 00-06A and Resolution No. 00-05A to authorize the issuance of additional obligations to finance the acquisition of existing mortgage loans that finance existing developments and to approve a new form of indenture under which the Agency may issue commercial paper notes; and

WHEREAS, the issuance of commercial paper notes for the acquisition of fixed-rate mortgage loans would increase the Agency's exposure to the economic effects of changing short-term interest rates;

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

Section 1. Determination of Need and Amount. In order to authorize the offer, sale and issuance of one or more series of Bonds in the aggregate amount necessary to finance the acquisition of existing Loans that finance existing Developments, Section 1 of Resolution No. 00-06A is hereby amended to move the word "and" from immediately before subsection (c) thereof to immediately after such subsection (c) and to add at the end of such section a new subsection (d) to read as follows:

"(d) if and to the extent the Bonds are issued for the purpose of financing or refinancing the acquisition of existing Loans that finance existing Developments, or for the purpose of refinancing such Developments, \$600,000,000".

Section 2. Authorization and Timing. In order to provide for the issuance of Bonds to refund any short term Bonds issued for the purpose of acquiring existing Loans or to refinance Developments financed by such Loans, Section 2 of Resolution No. 00-06A is hereby amended to add at the end thereof a new clause to read as follows:

“; and provided, further, that Bonds being issued to refund Bonds of the type described in Section 1(d) of this resolution or to refinance Developments financed by Bonds of the type described in such Section 1(d) may be issued at any time prior to the original maturity date of the original Loans financed by such Bonds”.

Section 3. Approval of Commercial Paper Note Indenture. In order to authorize the execution and delivery of one or more indentures providing for the issuance of and securing commercial paper notes of the Agency, Section 3 of Resolution No. 00-06A is hereby amended to move the word "or" from immediately before subsection (a)(15) thereof to immediately after such subsection (a)(15) and to add thereafter a new subsection (16) to read as follows:

"(16) the form of commercial paper note indenture presented to the May 11, 2000 meeting of the Agency”.

Section 4. Approval of Forms and Terms of Bonds. For purposes of Section 4 of Resolution 00-06A, commercial paper shall be treated as if it were variable rate debt.

Section 5. Authorization of Related Financial Agreements. For the purpose of amending the authorized aggregate outstanding principal amount of short-term credit facilities from the Pooled Money Investment Account authorized under Resolution No. 00-06A and Resolution No. 00-05A (the single family bond resolution also adopted January 20, 2000), the dollar amount in the last paragraph of Section 9 of Resolution No. 00-6A and the dollar amount in the last paragraph of Section 10 of Resolution No. 00-05A are each amended to read "\$850,000,000".

Section 6. Authorization for the Establishment of a Subcommittee. In order to increase the substantive understanding of the financial risks being taken by the Agency through its issuance of variable rate debt, the Chairman is authorized, upon consultation with Agency staff and legal counsel, to establish a subcommittee of the Board of Directors. The

Chairman is hereby authorized to determine the size of the subcommittee, appoint members of the Board of Directors to serve on the subcommittee, establish procedures for the subcommittee to follow in carrying out its responsibilities, and determine the reporting relationship of the subcommittee to the Board of Directors.

Section 7. Ratification of Prior Actions. All actions previously taken by the officers of the Agency in connection with the implementation of the Program and the issuance of the Bonds are hereby approved and ratified.

SECRETARY'S CERTIFICATE

I, David N. Beaver, 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 00-12 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 11th day of May, 2000, of which meeting all said directors had due notice; and that at said meeting said resolution was adopted by the following vote:

AYES: ANGELIDES (by Peterson), BORNSTEIN, CZUKER, EASTON, HAWKINS,
KLEIN, MOZILO, WALLACE

NOES: NONE

ABSTENTIONS: NONE

ABSENT: CONTRERAS-SWEET, HOBBS

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 11th day of May, 2000.

[SEAL]



David N. Beaver
Secretary of the Board of
Directors of the California
Housing Finance Agency

SECRETARY'S CERTIFICATE

I, David N. Beaver, 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 the Resolution 00-12 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 11th day of May, 2000, of which meeting all said directors had due notice; and that at said meeting said resolution was adopted by the following vote:

AYES: ANGELIDES (by Peterson), BORNSTEIN, CZUKER, EASTON, HAWKINS,
KLEIN, MOZILO, WALLACE

NOES: NONE

ABSTENTIONS: NONE

ABSENT: CONTRERAS-SWEET, HOBBS

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 ____ day of

[SEAL]



David N. Beaver
Secretary of the Board of
Directors of the California
Housing Finance Agency