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RESOLUTION 13-16

RESOLUTION AUTHORIZING A FINAL LOAN COMMITMENT

WHEREAS, the California Housing Finance Agency (the "Agency") has received a loan application on behalf of Mountain Breeze Villas, LP, a California limited partnership (the "Borrower"), seeking a loan commitment, the proceeds of which are to be used to provide financing for a multifamily housing development located in Highland, San Bernardino County, California, to be known as Mountain Breeze Villas (the "Development"); and

WHEREAS, the loan application has been reviewed by Agency staff which prepared a report presented to the Board on the meeting date recited below (the "Staff Report"), recommending Board approval subject to certain recommended terms and conditions; and

WHEREAS, Agency staff has determined or expects to determine prior to making a binding commitment to fund the loan for which the application has been made, that (i) the Agency can effectively and prudently raise capital to fund the loan for which the application has been made, by direct access to the capital markets, by private placement, or other means and (ii) any financial mechanisms needed to insure prudent and reasonable financing of loans can be achieved; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Agency, as the issuer of tax-exempt bonds, to declare its reasonable official intent to reimburse prior expenditures for the Development with proceeds of a subsequent borrowing; and

WHEREAS, on October 7, 2013, the Executive Director exercised the authority delegated to her under Resolution 94-10 to declare the official intent of the Agency to reimburse such prior expenditures for the Development; and

WHEREAS, the Board wishes to grant the staff the authority to enter into a loan commitment upon Agency staff determining in its judgment that reasonable and prudent financing mechanisms can be achieved;

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

1. The Executive Director, or in her absence, her designee, is hereby authorized to execute and deliver a final commitment letter, in a form acceptable to the Agency, and subject to recommended terms and conditions set forth in the Staff Report and any terms and conditions as

1 the Board has designated in the Minutes of the Board Meeting, in relation to the Development  
2 described above and as follows:

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4 PROJECT 5 NUMBER	6 DEVELOPMENT NAME/ 7 LOCALITY	8 MORTGAGE 9 AMOUNT
10 13-037-R/S	11 Mountain Breeze Villas 12 Highland, San Bernardino, 13 California	14 \$12,000,000.00 Acquisition/Rehabilitation 15 Financing 16 \$ 8,000,000.00 Permanent 1 <sup>st</sup> Loan 17 \$ 840,000.00 RHCP 2 <sup>nd</sup> Loan

18 The Board recognizes that, in the event staff cannot determine that reasonable and prudent  
19 financing mechanisms can be achieved, the staff will not enter into loan commitments to finance  
20 the Development. In addition, access to capital markets may require significant changes to the  
21 terms of loans submitted to the Board. Notwithstanding paragraph 2 below, the staff is authorized  
22 to make any needed modifications to the loan which in staff's judgment are directly or indirectly  
23 the result of the disruptions to the capital markets referred to above.

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25 2. The Executive Director may modify the terms and conditions of the loans or  
26 loans as described in the Staff Report, provided that major modifications, as defined below, must  
27 be submitted to this Board for approval. "Major modifications" as used herein means  
28 modifications which either (i) increase the total aggregate amount of any loans made pursuant to  
29 the Resolution by more than 7%; or (ii) modifications which, in the judgment of the Executive  
30 Director, adversely change the financial or public purpose aspects of the final commitment in a  
31 substantial way.

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33 I hereby certify that this is a true and correct copy of Resolution 13-16 adopted at a duly  
34 constituted meeting of the Board of the Agency held on November 12, 2013, at Burbank,  
35 California.

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ATTEST:   
Secretary