

RESOLUTION APPROVING ISSUANCE OF BONDS BY THE
ABILENE HOUSING FINANCE CORPORATION

WHEREAS, pursuant to the Constitution and laws of the State of Texas, particularly the Texas Housing Finance Corporations Act, (Article 1269¹-7, Vernon's Texas Civil Statutes, as amended) (the "Act"), the City of Abilene, Texas (the "City") authorized the creation of the Abilene Housing Finance Corporation (the "Corporation") for the purpose of benefiting and accomplishing public purposes of, and on behalf of, the City, by financing the cost of residential ownership and development that will provide decent, safe and sanitary housing for residents of the City at prices they can afford;

WHEREAS, to provide adequate residential housing facilities for low and moderate income families and persons within the City, the Corporation previously issued its "Single Family Mortgage Revenue Bonds (Multiple Originators and Servicers), 1980 Series A (the "Series 1980 Bonds") for the purpose of providing funds for the Corporation's purchase, without recourse, from certain mortgage lending institutions certain mortgage loans made to finance the residential housing facilities intended for use as the place of residence by persons of low and moderate income (the "Series 1980 Mortgage Loans"); and

WHEREAS, the Series 1980 Mortgage Loans have maturities of seven years from their date of origination and therefore, become due and payable within the next eighteen months; and

WHEREAS, the City Council of the City has determined that it is in the best interest of the mortgagors of the 1980 Mortgage Loans and the residents of the City to approve the issuance by the Corporation of its "Single Family Mortgage Revenue Refunding Bonds, Series 1987 and Series 1987A" (the "Bonds") for the purpose of providing a portion of the funds necessary to refund or redeem all of the outstanding Series 1980 Bonds and thereby effecting a refinancing of the Series 1980 Mortgage Loans; and

WHEREAS, the City Council hereby finds and determines that the Corporation has filed with the City such information regarding the issuance of the Bonds as is required under the Act and the Corporation's Financial Advisor has filed a financial report on the Bonds with the City prior to the date hereof;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS THAT:

Section 1. The Bonds which are to be issued:

(A) In the maximum aggregate face amount of \$7,500,000; and

(B) To provide a portion of the funds necessary to refund all of the outstanding Series 1980 Bonds, thereby effecting a refinancing of the Series 1980 Mortgage Loans to result in mortgage loans with a remaining term to maturity of approximately 23 years and a mortgage interest rate not to exceed 11.25% per annum,

are hereby approved. The approval herein given is in accordance with the Bylaws of the Corporation and is not to be construed as any undertaking by the City and neither the faith and credit nor the taxing power of the City shall be pledged for the payment of the principal of, redemption premium, if any, or interest on the Bonds.

Section 2. The Mayor and the City Secretary are hereby authorized jointly and severally, to execute and deliver such endorsements, instruments, certificates, documents, or papers necessary and advisable to carry out the intent and purposes of this Resolution.

PASSED AND APPROVED this 12/3/87.

Dale Ferguson
Mayor

ATTEST:

Patricia Hancock
City Secretary

(SEAL)

APPROVED:

Hancey Cargill, Jr.
CITY ATTORNEY