

RESOLUTION NO. 20081106-AHFC004

WHEREAS, the Austin Housing Finance Corporation (AHFC) has been created and organized in accordance with the Texas Housing Finance Corporations Act, Chapter 394, Local Government Code, (Act), to provide a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices they can afford; and

WHEREAS, the Act authorizes AHFC:

(a) to make loans to any person to provide financing for rental residential developments located within the jurisdiction of AHFC and intended to be occupied substantially (at least 90 percent) by persons of low and moderate income, as determined by AHFC;

(b) to issue its revenue bonds to obtain moneys to make loans and provide financing, to establish necessary reserve funds, to pay administrative costs, and pay other costs incurred in connection with the issuance of these bonds; and

(c) to pledge all or any part of the revenues, receipts, or resources of AHFC, including the revenues and receipts to be received by AHFC from, or in connection with, these funds, and to mortgage, pledge, or grant security interests in such loans or other property of AHFC to secure the payment of the principal, or redemption price of and interest on the bonds; and

WHEREAS, the Board of Directors of AHFC (Board) has determined to apply for allocation of the calendar year 2008 "Emergency Housing Volume Cap" (Program) for private activity bonds in an amount not to exceed \$60,000,000 to issue and sell its qualified housing bonds in one or more series to finance the acquisition, equipping or rehabilitation of one or more qualified residential rental projects to be located within the jurisdiction of AHFC, in accordance with the Constitution and laws of the State of Texas; and

WHEREAS, the "Emergency Housing Volume Cap" as defined in the Housing and Economic Recovery Act of 2008, Pub. L. No. 110-289, 122 Stat. 2654 (Housing and Economic Recovery Act) is subject to allocation, in the manner specified in the Housing and Economic Recovery Act; and

WHEREAS, the Housing and Economic Recovery Act requires AHFC, in order to receive an allocation of a portion of the Emergency

Housing Volume Cap to issue private activity bonds and to satisfy the requirements of Section 146(a) of the Code, to file an application for reservation (Allocation Application) with the Texas Bond Review Board (TBRB); and

WHEREAS, the Board desires to take action to apply for an allocation for volume cap for private activity bonds in order to issue qualified housing bonds to finance the acquisition, equipping or rehabilitation of one or more qualified residential rental projects to be located within the jurisdiction of AHFC; **NOW THEREFORE**,

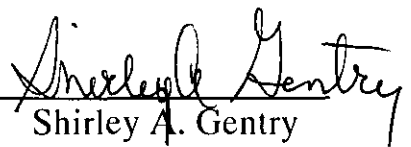
**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE
AUSTIN HOUSING FINANCE CORPORATION:**

1. The Board finds that the issuance of qualified housing bonds to finance the acquisition, equipping or rehabilitation of one or more qualified residential rental projects to be located within the jurisdiction of AHFC will promote the public purposes described in Section 394.002 of the Act, including assisting persons of low and moderate income to obtain decent, safe, and sanitary housing at rentals they can afford.

2. The Board authorizes its staff to apply for Emergency Housing Volume Cap for private activity bonds in an amount not to exceed \$60,000,000 to issue qualified housing bonds to finance the acquisition, equipping or rehabilitation of one or more qualified residential rental projects to be located within the jurisdiction of AHFC.
3. The Board appoints Chapman and Cutler LLP to act as authorized legal representative to carry out the purposes of this Resolution, including acting on behalf of the Corporation on specific correspondence as requested by the TBRB.
4. The Board authorizes its legal representatives to file a 2008 Allocation Application with the TBRB.
5. The Board authorizes the officers of AHFC to take action as may be necessary to carry out the purposes of this Resolution.

ADOPTED: November 6, 2008

ATTEST:


Shirley A. Gentry
Secretary