

RESOLUTION NO. 98-2

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY APPROVING THE ISSUANCE BY THE HOUSING FINANCE AUTHORITY OF CLAY COUNTY OF ITS SINGLE FAMILY MORTGAGE REVENUE BONDS IN THE AGGREGATE AMOUNT NOT TO EXCEED \$75,000,000 TO PROVIDE FUNDS TO FINANCE THE PURCHASE OF SINGLE-FAMILY RESIDENCES IN VARIOUS COUNTIES WITHIN THE STATE OF FLORIDA, INCLUDING ST. JOHNS COUNTY AND THE OPERATION OF THE HOUSING FINANCE AUTHORITY OF CLAY COUNTY WITHIN THE TERRITORIAL LIMITS OF ST. JOHNS COUNTY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Housing Finance Authority of Clay County, Florida (the "Clay Authority") has authorized the initiation of official action to issue its Single Family Mortgage Revenue Bonds (the "Clay Bonds") to provide financing of qualified owner-occupied single family residences to alleviate the shortage of housing in various counties within the State of Florida, including St. Johns County (collectively, the "Counties") by acquiring certain mortgage notes secured by mortgages of real property owned by moderate, middle or lesser income persons or families in the Counties.

WHEREAS, the Board of County Commissioners of Clay County, Florida conducted a Public Hearing on October 14, 1997, notice of which hearing was published on September 10, 1997, in the Clay County Leader (a copy of which notice is attached hereto as Exhibit "A" and incorporated herein), for the purpose of considering the issuance of the Clay Bonds by the Clay Authority in the aggregate principal amount not to exceed \$75,000,000, in conformance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, and the use of a portion of the proceeds

thereof to finance single, family loans programs within other counties within the State of Florida, said Public Hearing disclosing no reason why the Clay Bonds should not be issued; and

WHEREAS, the Housing Finance Authority of St. Johns County, Florida conducted a Public Hearing on DEC.29, 1997, notice of which hearing was published on DECEMBER 9, 1997, in the St. Johns Record (a copy of which notice is attached hereto as Exhibit "B" and incorporated herein), for the purpose of considering the issuance of the Clay Bonds by the Clay Authority in the aggregate principal amount not to exceed \$75,000,000, in conformance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, and the use of a portion of the proceeds thereof to finance single family loans programs within the County and other counties within the State of Florida, said Public Hearing disclosing no reason why the Clay Bonds should not be issued.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA (the "Board"):

Section 1. The Board, pursuant to, and in accordance with, the requirements set forth in Section 147(f) of the Internal Revenue Code of 1986, as amended, hereby approves the issuance of the Clay Bonds by the Clay Authority.

Section 2. Pursuant to Section 159.603, Florida Statutes, the operation of the Clay Authority within the territorial boundaries of St. Johns County, as described herein and in the Interlocal Agreement the form of which is attached hereto as

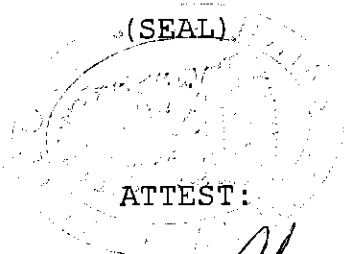
Exhibit "C", is hereby approved and authorized.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 6th day of January, 1998.

Board of County Commissioners
of St. Johns County, Florida

By: Moses A. Floyd
Moses A. Floyd, Chairman



ATTEST:

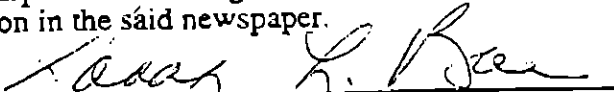
By Cheryl Strickland
Clerk

Clay County Leader
Published Weekly
318 Milwaukee Ave., Orange Park, FL 32073
(904) 278-9990 - FAX (904) 278-9987

STATE OF FLORIDA
COUNTY OF CLAY

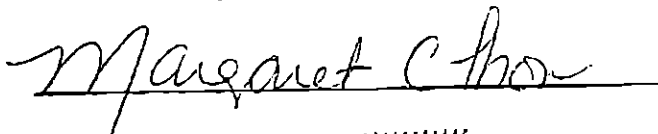
Before the undersigned authority personally appeared, Sarah L. Boe who on oath says that she is the Publisher of the CLAY COUNTY LEADER, a weekly newspaper published at Orange Park in Clay County, Florida: that the attached copy of advertisement, being a Legal Notice of Public Hearing Concerning Bonds to Finance Single Family Mortgage Program in the manner of L-N #897 To be held on October 14, 1997 at 4:00 p.m. published in said newspaper in the issue(s) of September 10, 1997.

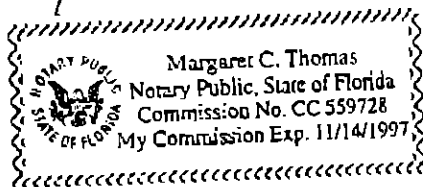
Affiant further says that the said CLAY COUNTY LEADER is a newspaper published at Orange Park in said Clay County, Florida, and that the said newspaper has heretofore been continuously published in said, Clay County, Florida once each week and has been entered as Second Class mail matter at the post office in Orange Park, in said Clay County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.


FDL #B000-792-21-748-0

Sworn to and subscribed before me

this 15th day of September, A.D. 1997, who is personally known to me or who has produced (type of identification) as identification.




Margaret C. Thomas
Notary Public, State of Florida
Commission No. CC 559728
My Commission Exp. 11/14/1997

NOTICE OF PUBLIC
HEARING CONCERNING
BONDS TO FINANCE
SINGLE FAMILY
MORTGAGE PROGRAM

Notice is hereby given that the Board of County Commissioners of Clay County, Florida, will conduct a public hearing on October 14, 1997, at 4:00 p.m. or as soon as thereafter as such matters may be heard, at the County Commission Meeting Room, 4th Floor, Administration Building, 477 Houston Street, Green Cove Springs, Florida on the following:

The proposed issuance by the Housing Finance Authority of Clay County on behalf of itself and/or other participating housing finance authorities or counties of its Single Family Mortgage Revenue Bonds in the aggregate principal amount of not to exceed \$75,000,000, the proceeds of which will provide below market interest rate mortgage financing to be used to finance the purchase of single family residences to be occupied primarily by first-time homebuyers of moderate, middle or lesser income within Clay County, and/or various other counties in the State of Florida, with which the Housing Finance Authority of Clay will enter into Interlocal Agreements with respect to said issuance of bonds.

All interested parties are invited to present their comments at the time and place set forth above.

Persons are advised that, if they decide to appeal any decision made at this hearing, they will need a record of the proceedings, and that, for such purpose, they may need to ensure that verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act persons needing a special accommodation to participate in this proceeding should contact the individual or agency publishing this notice no later than seven days prior to the proceeding at the address given in this notice. Telephone: 904-269-1111; 1-800-955-8771 (TDD) or 1-800-955-8770 (V), via Florida Relay Service.

BOARD OF COUNTY
COMMISSIONERS
CLAY COUNTY, FLORIDA.
L-N #897 pub. 9/10/97

The St. Augustine Record

PUBLISHED EVERY AFTERNOON MONDAY THROUGH FRIDAY, SATURDAY AND SUNDAY MORNING
ST. AUGUSTINE AND ST. JOHNS COUNTY, FLORIDA

STATE OF FLORIDA,
COUNTY OF ST. JOHNS

Before the undersigned authority personally appeared _____

Sandra D. Oliver who on oath says that she is
Accounting Clerk of the St. Augustine Record, a

daily newspaper published at St. Augustine in St. Johns County, Florida:

that the attached copy of advertisement, being a Notice of Meeting

in the matter of Housing Finance Authority

in the _____ Court, was published in said newspaper in the
issues of Dec 9, 1997

Affiant further says that the St. Augustine Record is a newspaper published at St. Augustine, in said St. Johns County, Florida, and that the said newspaper heretofore been continuously published in said St. Johns County, Florida, each day and has been entered as second class mail matter at the post office in the City of St. Augustine, in said St. Johns County, Florida, for a period of one year next preceding the first publication of the copy of advertisement; and affiant further says that she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing the advertisement for publication in the said newspaper.

Sworn to and subscribed before me this 9 day of Dec, 1997,
by Sandra D. Oliver who is personally
known to me or who has produced _____ as
identification. (Type of Identification)



Zoe Ann Moss
MY COMMISSION # CGF41814 EXPIRES
August 22, 2001
BONDED THRU TROY FAIN INSURANCE, INC.

Zoe Ann Moss
(Signature of Notary Public)
Zoe Ann Moss

(Seal)

(Print, Type or Stamp Commissioned Name of Notary Public)

NOTICE OF PUBLIC MEETING AND HEARING OF THE HOUSING FINANCE AUTHORITY OF ST. JOHNS COUNTY CONCERNING BONDS TO FINANCE SINGLE FAMILY MORTGAGE PROGRAM AND OTHER BUSINESS

NOTICE is hereby given that a public meeting and a public hearing will be conducted by the Housing Finance Authority of St. Johns County (the "Authority") on Monday, December 29, 1997, at 3:30 p.m. in Conference Room "A" in the County Administration Building at 4020 Lewis Speedway, north of the City limits of St. Augustine, Florida. The public hearing will be held to consider and possibly take action on the proposed issuance by the Housing Finance Authority of Clay County, Florida (the "Clay Authority") of Single Family Mortgage Revenue Bonds of the Clay Authority in the aggregate principal amount of not to exceed \$75,000,000, a portion of the lendable proceeds of which will be used within the geographic boundaries of St. Johns County, Florida. The proceeds of such bond issue will be used to finance the purchase of single family residences to be occupied primarily by first-time homebuyers of moderate, middle or lesser income within St. Johns County and various other counties in the State of Florida.

The public meeting will be for the purpose of conducting the public hearing and for such other purposes and business as may be appropriate.

If a person decides to appeal any decision made with respect to any matter considered at the meeting or hearing, such person will need a record of the proceedings, and for such purposes such person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Notice to persons needing special accommodations and to all hearing impaired persons: In accordance with the American with Disabilities Act, persons needing a special accommodation or an interpreter to participate in this meeting or hearing should contact the ADA Coordinator at (904) 823-2501 or at the County Administration Office, St. Augustine, FL 32085. For hearing impaired individuals: Telecommunications Device for the Deaf (TDD): 823-2501 or the Florida Relay Service: 1-800-955-8770, no later than 5 days prior to the date of this meeting.

DATED: December 5, 1997

HOUSING FINANCE AUTHORITY OF ST. JOHNS COUNTY
BY: JAMES G. SISCO
James G. Sisco, Attorney
LO69A Dec. 9, 1997

EXHIBIT B

EXHIBIT C

INTERLOCAL AGREEMENT

THIS AGREEMENT made and entered into by and between the HOUSING FINANCE AUTHORITY OF CLAY COUNTY, FLORIDA, a public body corporate and politic organized and existing under the laws of the State of Florida (hereinafter referred to as the "Clay Authority"), and the HOUSING FINANCE AUTHORITY OF ST. JOHNS COUNTY, FLORIDA, a public body corporate and politic organized and existing under the laws of the State of Florida (hereinafter referred to as the "St. Johns Authority").

W I T N E S S E T H:

WHEREAS, Part IV of Chapter 159 of the Florida Statutes authorizes the creation of Housing Finance Authorities within the State of Florida for the purpose of issuing revenue bonds to assist in relieving the shortage of housing available at prices or rentals which many persons and families can afford; and

WHEREAS, the Clay Authority has authorized the initiation of official action for the issuance in calendar year 1998 of its Single Family Mortgage Revenue Bonds (the "Clay Bonds"); and

WHEREAS, pursuant to Section 143 of the Internal Revenue Code of 1986, as amended, the amount of private activity bonds, including qualified mortgage bonds, which may be issued by governmental units in any calendar year is limited, and is available for allocation to issuers within the State in accordance with Chapter 159, Part VI, Florida Statutes; and

WHEREAS, pursuant to individual interlocal agreements to be entered into between the Clay Authority and the Housing Finance Authorities of other counties within the State of Florida, including St. Johns County (collectively, the "Subsidiaries"), each of the Subsidiaries will delegate its authority to purchase mortgage loans originated within the territorial boundaries of its respective county to the Clay Authority (the territorial boundaries of Clay County and the territorial boundaries of the Subsidiaries, collectively, the "Area of Operation"); and

WHEREAS, by combining the allocation amounts of the Clay Authority and the Subsidiaries, the Clay Authority will be able to make available mortgage loans at rates below the rates otherwise possible if any of the Subsidiaries undertook a separate issue; and

WHEREAS, the issuance of the Clay Bonds by the Clay Authority for use in the Area of Operation will result in a wider allocation of fixed expenses and achieve certain other economies of scale that will have the effect of reducing the interest on mortgage loans that otherwise would have to be charged; and

WHEREAS, Sections 163.01, 159.608 and 125.01, Florida Statutes, authorize the Clay Authority and the St. Johns Authority to enter into this Interlocal Agreement in order to make the most efficient use of their respective powers, resources and capabilities by authorizing the Clay Authority to exercise those powers which are common to them for the purpose of issuing one or more series of the Clay Bonds to finance qualifying single family mortgage loan programs for the entire Area of Operation.

NOW, THEREFORE, the parties agree as follows:

Section 1. Substitution of Bonds; Expenses. The St. Johns Authority hereby grants exclusive authority to the Clay Authority to issue its Single Family Mortgage Revenue Bonds in calendar year 1998 for qualified single family housing developments described in the resolutions authorizing the Clay Bonds, and any such Clay Bonds issued for such qualifying housing developments in St. Johns County are hereby deemed to be in full substitution for an equivalent principal amount of the St. Johns Authority's Bonds. All revenues generated by bonds issued pursuant to this Agreement and by the use of the proceeds thereof, will be administered by the Clay Authority or its agents and all payments due from such revenues shall be paid by the Clay Authority or its agents without further action by St. Johns County or the St. Johns Authority.

The fees and expenses incurred by the St. Johns Authority with respect to the single family mortgage revenue bond program specified in this Agreement, shall be paid from the proceeds of any bonds allocable for use in St. Johns County and issued pursuant to this Agreement or from program fees contributed by participating lenders. Such fees and expenses payable from proceeds of the Clay Bonds shall not exceed \$1.00 per \$1,000 principal amount of Clay Bonds allocated for use in St. Johns County.

Section 2. Administration. The Clay Authority hereby assumes responsibility for administering this Agreement by and through its employees, agents and officers; provided, however, that the St. Johns Authority retains and reserves its right to require reasonable reporting on programs designed for and operated within St. Johns County. The Clay Authority and its agents shall provide the St. Johns Authority with such reports as may be necessary to account for funds generated by this Agreement.

The Clay Authority shall have full authority and responsibility to negotiate, validate, market, sell, issue and deliver its Clay Bonds in such amount as the Clay Authority shall in its sole judgment determine to finance qualifying single family housing developments in St. Johns County and to take such other action as may be necessary or convenient to accomplish such purpose, such bonds to be issued in one or more series as determined by the Clay Authority. All lendable proceeds of Bonds attributable to the mortgage loan demand in St. Johns County shall be reserved for use

in originating mortgage loans in St. Johns County for an initial period of 120 days. Thereafter, lendable proceeds of all Clay Bonds may be used within the area of operation of the program of the Clay Authority, composed of Alachua, Clay, Nassau, and St. Johns Counties.

The Clay Authority hereby agrees to use its best efforts to promote the origination of Mortgage Loans for housing within St. Johns County.

Section 3. Program Parameters. In connection with the Clay Bond proceeds, the maximum housing prices and maximum adjusted-family income for eligible borrowers in St. Johns County shall not exceed the maximum amounts previously approved by the St. Johns Authority and the Board of County Commissioners of St. Johns County for similar programs. The St. Johns Authority hereby consents and agrees to the establishment by the Clay Authority of all other program parameters including, but not limited to, selection of allocations among participating lenders as may be required for any bonds issued by the Clay Authority pursuant to this Agreement.

Section 4. Term. This Agreement will remain in full force and effect from the date of its execution until December 31, 2027; provided that any party hereto shall have the right to terminate this Agreement upon 30 days written notice to the other party hereto. Notwithstanding the foregoing, it is agreed that this Agreement may not be terminated by any party during any period that any series of Clay Bonds issued pursuant to the terms hereof remain outstanding, or during any period in which the proceeds of such Clay Bonds are still in the possession of the Clay Authority or its agents pending distribution, unless the parties to this Agreement mutually agree in writing to the terms of such termination. It is further agreed that in the event of termination the parties to this Agreement will provide continuing cooperation to each other in fulfilling the obligations associated with the issuance of Clay Bonds pursuant to this Agreement.

Section 5. Indemnity. The Clay Authority agrees to hold the St. Johns Authority and St. Johns County harmless, to the extent permitted by law, from any and all liability for repayment of principal of and interest or penalty on the Clay Bonds or in connection with the approval by the St. Johns Authority of the program parameters as required by Section 3 of this Agreement, or in connection with the approval rendered by St. Johns County pursuant to Sections 159.603 and 159.604, Florida Statutes. The Clay Authority agrees that any offering circular or official statement approved by and used in marketing the Clay Bonds will include a statement that Bondholders may not look to the St. Johns Authority or to St. Johns County for payment of the Clay Bonds and interest or premium thereon.

Section 6. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties to this Agreement have caused their names to be affixed hereto by the proper officers thereof as of the _____ day of _____, 1997.

HOUSING FINANCE AUTHORITY OF CLAY COUNTY, FLORIDA

(SEAL)

By _____
Chairman

ATTEST:

By _____
Secretary-Treasurer

HOUSING FINANCE AUTHORITY OF ST. JOHNS COUNTY, FLORIDA

(SEAL)

By _____
Chairman

ATTEST:

By _____
Secretary

STATE OF FLORIDA]
] SS.
COUNTY OF CLAY]

The foregoing instrument was acknowledged before me this
_____ day of _____, 1997, by _____
and _____, the _____
and _____ of the Housing Finance Authority
of Clay County, Florida, on behalf of the Authority. They are
personally known to me or who have produced _____
as identification and who did/did not take an oath.

(print name)
Notary Public
My Commission expires: _____

STATE OF FLORIDA]
] SS.
COUNTY OF ST. JOHNS]

The foregoing instrument was acknowledged before me this
_____ day of _____, 1997, by _____
and _____, the _____
and _____ of the Housing Finance Authority
of St. Johns County, Florida, on behalf of the Authority. They
are personally known to me or who have produced
_____ as identification and who did/did not take
an oath.

(print name)
Notary Public
My Commission expires: _____