

RESOLUTION NO.:

Dated:

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO APPROVING A PLAN OF FINANCE INCLUDING THE ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 TO FINANCE AND REFINANCE A QUALIFIED RESIDENTIAL RENTAL PROJECT FOR THE BENEFIT OF AUBURN PARK II, L.P., A CALIFORNIA LIMITED PARTNERSHIP, AND CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, AHG Auburn Park II, LLC, a California limited liability company (the “General Partner”), an affiliate of Affirmed Housing Group, Inc. (the “Sponsor”), on behalf of Auburn Park II, L.P., a California limited partnership, or another ownership entity to be created by the General Partner or by another affiliate of the Sponsor (such limited partnership or ownership entity being referred to herein as the “Borrower”), have requested that the California Municipal Finance Authority (the “Authority”) undertake a plan of finance, including the issuance from time to time of one or more series of revenue bonds in an aggregate principal amount not to exceed \$15,000,000 (together with a like amount of refunding bonds) (the “Bonds”) to finance and refinance the acquisition, rehabilitation and improvement of a 69-unit qualified residential rental project (the “Project”) to be owned and operated by the Borrower and located at 5135 University Avenue, in the City of San Diego, County of San Diego County (the “County”), California; and

WHEREAS, an “applicable elected representative” of the jurisdiction in which the Project is to be located is required to approve the plan of finance for the Project, including the issuance of the Bonds, under Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”); and

WHEREAS, the Board of Supervisors of the County (the “Board”) is the elected legislative body of the County and is an “applicable elected representative” for purposes of Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the Board approve the plan of finance for the Project, including the issuance of the Bonds by the Authority, in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the “Agreement”), among certain local agencies, including the County; and

WHEREAS, approval of the plan of finance to satisfy the public approval requirement of Section 147(f) of the Code is to satisfy that requirement for the issuance of the Bonds by the Authority as well as the reissuance of the Bonds by the Authority in the event of construction delays; and

WHEREAS, pursuant to Section 147(f) of the Code, the Board has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the plan of finance for the Project, including the issuance of the Bonds by the Authority;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of San Diego as follows:

Section 1. On information and belief, the foregoing recitals are true and correct.

Section 2. The Board hereby approves the plan of finance for the Project, including the issuance of the Bonds by the Authority. It is the purpose and intent of the Board that this resolution constitute approval of the plan of finance for the Project, including the issuance of the Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of a governmental unit having jurisdiction over the area in which the Project is to be located, in accordance with said Section 147(f) and Section 4 of the Agreement.

Section 3. The plan of finance and issuance of the Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party. The County shall have no responsibility or liability whatsoever with respect to the plan of finance or Bonds.

Section 4. The adoption of this Resolution shall not obligate the County or any department thereof to (i) provide any financing to acquire or construct the Project or any financing of the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, rehabilitation or operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

Section 5. The officers of the County are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.

Section 6. This resolution shall take effect immediately upon its adoption.

APPROVED AS TO FORM AND LEGALITY
CLAUDIA G. SILVA, COUNTY COUNSEL

By: WALTER DE LORRELL III, CHIEF DEPUTY