

RESOLUTION NO. 97-235

A RESOLUTION 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 NASSAU COUNTY; APPROVING A JOINT PROGRAM WITH THE HOUSING FINANCE AUTHORITY OF CLAY COUNTY, TO BE ADMINISTERED BY SUCH HOUSING FINANCE AUTHORITY IN CONNECTION WITH THE ISSUANCE OF SUCH SINGLE FAMILY MORTGAGE REVENUE BONDS; APPROVING THE EXECUTION, DELIVERY AND FILING WITH THE RESPECTIVE CLERKS OF THE CIRCUIT COURTS OF CLAY AND NASSAU COUNTIES OF AN INTERLOCAL AGREEMENT BETWEEN NASSAU COUNTY AND THE HOUSING FINANCE AUTHORITY OF CLAY COUNTY RELATING TO ITS SINGLE FAMILY MORTGAGE REVENUE BONDS; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO; 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 Nassau 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 Housing Finance Authority of Clay County, Florida conducted a Public Hearing on October 14, 1997, notice of which hearing was published on September 10, 1997, in The Florida Times-Union (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, this Board conducted a Public Hearing on this date, December 8, 1997, notice of which hearing was published on December 3, 1997 in The Florida Times-Union (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 Nassau 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 NASSAU 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 and the use of a portion of the proceeds thereof in Nassau County.

Section 2. Pursuant to Section 159.603, Florida Statutes, the operation of the Clay Authority within the territorial boundaries of Nassau County as described herein, is hereby approved.

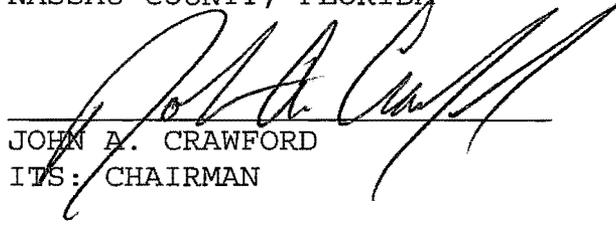
Section 3. The execution and delivery of the Interlocal Agreement authorizing the issuance of the Clay Bonds by the Clay Authority to finance qualifying single family mortgage loan programs in Clay County, the County and other participating counties, a proposed form of which is attached hereto as Exhibit "C" (the "Interlocal Agreement") is hereby authorized. The form of the Interlocal Agreement attached hereto as Exhibit "C" is hereby approved, subject to such changes, insertions and omissions and such filling of blanks therein as may be approved and made in such form by the officers of the County and the Clay Authority executing the same, such execution and delivery to be conclusive evidence of such approval. The Chairman or Vice Chairman and the Clerk or Deputy Clerk of the County are hereby authorized and empowered to execute and deliver the Interlocal Agreement, subject to such changes, modifications, additions, deletions and substitutions as such officers executing the same shall approve, such execution to be conclusive evidence of such approval and to affix thereto or impress thereon the seal of the County.

SECTION 4. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 8th day of December, 1997.

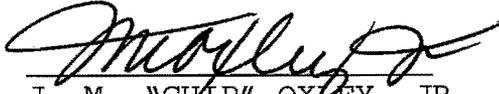
(SEAL)

BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA



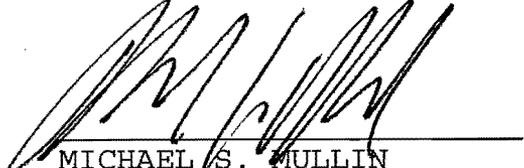
JOHN A. CRAWFORD
ITS: CHAIRMAN

ATTEST:



J. M. "CHIP" OXLEY, JR.
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney:



MICHAEL S. MULLIN

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

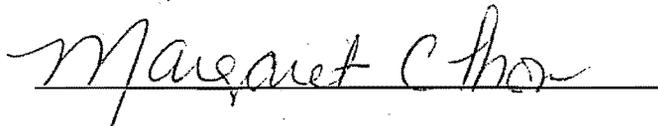
Before the undersigned authority personally appeared, Sarah L. Boe who on oath says that she is the Publisher of the CLAY COUNTY LEADER, a weekly newspaper published at Orange Park in Clay County, Florida: that the attached copy of advertisement, being a Legal Notice of Public Hearing Concerning Bonds 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.



NOTARY PUBLIC
STATE OF FLORIDA
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

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

Notice is hereby given that the Board of County Commissioners of Nassau County will conduct a public hearing on the proposed issuance by the Housing Finance Authority of Clay County, Florida (the "Clay Authority") of Single Family Mortgage Revenues Bonds of the Clay Authority in the aggregate principle amount of not to exceed \$75,000,000, a portion of the lendable proceeds of which will be used within the geographic boundaries of Nassau County, Florida to be held on December 8, 1997 at 8:15 o'clock p.m., or as soon thereafter as such matter may be taken up and heard by the Board at the Nassau County Board of County Commissioners Meeting Room, located at 70 Pages Dairy Road West, Yulee, Florida 32097.

Individuals with disabilities needing a reasonable accommodation to participate in this proceeding should contact J. M. "Chip" Oxley, Jr., Ex-Officio Clerk, not later than seven (7) days prior to the hearing at (904) 321-5700, or if hearing impaired, at 1-800-955-8770-(v) via Florida Relay Service.

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 Nassau County and various other counties in the State of Florida.

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, for such purpose, they 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.

BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA

/S/ JOHN A. CRAWFORD
Its: Chairman

ATTEST:

/S/ J. M. "CHIP" OXLEY, JR
Its: Ex-Officio Clerk

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 Nassau County, Florida, a political subdivision organized and existing under the laws of the State of Florida (hereinafter referred to as "Nassau County").

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, Section 159.603(1) defines the area of operation for a Housing Finance Authority as the area within the territorial boundaries of the County for which the Housing Finance Authority is created, and any area outside the territorial boundaries of such County if the governing body of the County within which such outside area is located approves; and

WHEREAS, it is mutually desirable and agreeable to the clay Authority and the Board of County Commissioners of Nassau County (the "Board") for the Clay Authority to issue its Single Family Revenue Bonds (the "Clay Bonds") to provide funds to originate mortgage loans within the territorial boundaries of Nassau County and to administer or provide for the administration of a loan program with respect to the portion of the proceeds of the Clay Bonds relating to demand for mortgage loans within Nassau County; and

WHEREAS, a Public Hearing was conducted by the Board on the th day of , 1997 for the purpose of considering the issuance of the Clay Bonds by the Clay Authority in an aggregate principal amount not to exceed \$75,000,000, and the use of a portion of the proceeds thereof in Nassau County, in conformance with the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, and said Public Hearing disclosed no reason why the Clay Bonds should not be issued; and

WHEREAS, the Board has authorized the exercise by the Clay Authority of its powers to issue the Clay Bonds and making a portion of the proceeds thereof available for the purpose of making mortgage loans within the territorial boundaries of Nassau County; and

WHEREAS, the Clay Authority has authorized the initiation of official action for the issuance of the Clay Bonds; and

WHEREAS, a Public Hearing on the Bonds was conducted by the Clay Authority on the 14th day of October, 1997 for the purpose of considering the issuance of the Clay Bonds by the Clay Authority in an 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 said Public Hearing disclosed no reason why the Clay Bonds should not be issued; 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 either other counties or the Housing Finance Authorities of other counties within the State of Florida, including Nassau County (collectively, the "Subsidiaries"), each of the Subsidiaries will delegate its authority to issue mortgage revenue bonds to provide funds to originate mortgage loans 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 provide a mechanism for participating lenders 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 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 Nassau County 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 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. Nassau County hereby grants exclusive authority to the Clay Authority to issue its Single Family Mortgage Revenue Bonds 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 Nassau County are hereby deemed to be in full substitution for an equivalent principal amount of Nassau County'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 Nassau County.

The fees and expenses incurred by Nassau County and/or the County Attorney for Nassau County 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 Nassau County and issued pursuant to this Agreement or from program fees contributed by participating lenders. Such fees and expenses payable from proceeds of the Bonds shall not exceed \$1.00 per \$1,000 principal amount of Bonds allocated for use in Nassau 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 Nassau County retains and reserves its right and obligation to require reasonable reporting on programs designed for and operated within Nassau County. The Clay Authority and its agents shall provide Nassau County 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 Bonds in such amount as the Clay Authority shall in its sole judgment determine to finance qualifying single family housing developments in Nassau 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 Nassau County shall be reserved for use in originating mortgage loans in Nassau County for an initial period of 120 days following the issuance of the Bonds.

Section 3. Program Parameters. Nassau County hereby reserves the power to establish the maximum housing prices and maximum adjusted family income for eligible borrowers in Nassau County and may exercise such at any time and from time to time. In the absence of a specific determination to the contrary, which shall be controlling and shall be evidenced by passage of a resolution of the Board, Nassau County hereby determines and agrees to the use of the maximum amounts permitted under applicable Federal and Florida

law in effect from time to time. Nassau County 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 relating to the Clay Authority's Bonds will remain in full force and effect from the date of its execution until December 31, 2037; 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 for the benefit of Nassau County pursuant to the terms hereof remain outstanding, or during any period in which the proceeds of such Clay Bonds issued for the benefit of Nassau County 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 and the use of the proceeds derived from such issuance.

Section 5. Indemnity. The Clay Authority agrees to hold Nassau 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 Nassau County of the program parameters in accordance with Section 3 of this Agreement, or in connection with the approval rendered by Nassau County pursuant to Sections 159.603 and 159.604, Florida Statutes. The Clay Authority agrees to pay out of the funds derived from the Clay Bonds or from any other source available to the Clay Authority for any audits to be performed on the Program and for any fees or expenses that are expended to assist the underwriters of the Clay Bonds or any other broker, dealer or municipal securities dealer in complying with the provisions of Rule 15c2-12 of the Securities and Exchange Commission. The Clay Authority agrees that any offering circular or official statement approved by and used in marketing the Clay Bonds and the Clay Bonds will include a statement that Bondholders may not look to Nassau County for payment of the Clay Bonds and interest or premium thereon, and that any approvals rendered by Nassau County shall not be construed as a recommendation by it to prospective investors to purchase the Clay Bonds.

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.

(SEAL)

HOUSING FINANCE AUTHORITY OF CLAY
COUNTY, FLORIDA

BY: _____
CHAIRMAN

ATTEST:

By: _____
Secretary-Treasurer

(SEAL)

BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA

BY: _____
JOHN A. CRAWFORD
Its: Chairman

ATTEST:

J. M. "CHIP" OXLEY, JR.
Its: Ex-Officio Clerk

Approved As to form by the
Nassau County Attorney:

MICHAEL S. MULLIN

STATE OF FLORIDA]
] SS.
COUNTY OF NASSAU]

The foregoing instrument was acknowledged before me this
_____ day of _____, 199__, by _____
and _____, the Chairman/Vice Chairman and
Clerk of the Board of County Commissioners of Nassau County,
Florida, on behalf of the County. 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: _____