

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONERS' MEETING
SDHDA CONFERENCE ROOM
April 25, 2013

Board Members Present: Lloyd Schipper, Chairman
David Pummel, Vice-Chair
Brent Dykstra, Treasurer
Linda Barker, Commissioner
Bill Hansen, Commissioner
Kurt Pfeifle, Commissioner
Paul Symens, Commissioner

Board Members Absent: None

Staff Present: Mark Lauseng, Executive Director
Brent Adney, Director of Homeownership Programs
Todd Hight, Director of Finance and Administration
Vona Johnson, Director of Rental Housing Management
Lorraine Polak, Director of Rental Housing Development
Amanda Weisgram, Director of Marketing and Research
Sheila Ricketts, Marketing/Executive Assistant
Mike Harsma, Construction Management Officer
Joanne Heckenlaible, Housing Development Officer
Doug Mahowald, Network Administrator
Scott Rounds, Housing Development Officer
Peggy Severson, Housing Development Officer

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA
Jody Zueger, Aberdeen Housing Authority
Bryan Sampson, Aberdeen Housing Authority
Tammy Frost, Mitchell Housing Authority
Joan Franken, Costello Companies
Mike Gulick, Sioux Falls YMCA
Chris Thorkelson, Lloyd Companies
Hoby Abernathy, DDI
Melissa Forster, Good Samaritan
Mary Entinger, Citi Housing/Citibank
Diane deKoeyer, Affordable Housing Solutions
Shireen Ranshau, Affordable Housing Solutions
John Wagner, Kutak Rock, Counsel to SDHDA (via telephone)
Bronson Martin, CaineMitter Associates (via telephone)
Ren Yuan, CaineMitter Associates (via telephone)
Chris Jaye, Antach Management Company (via telephone)
Andy DeCouix, Citibank (via telephone)
Gerald Haan, G.A. Haan and Associates (via telephone)

I. CALL TO ORDER

The meeting was called to order at 10:01 A.M. and roll was called.

II. APPROVAL OF AGENDA

It was moved by Commissioner Pummel and seconded by Commissioner Symens that the Agenda be adopted as presented, but reserving the right to make changes during the meeting. The motion carried unanimously.

III. APPROVAL OF MINUTES

It was moved by Commissioner Dykstra and seconded by Commissioner Hansen that the Minutes of the Board of Commissioners' Meeting dated January 31, 2013, be adopted as presented. The motion carried unanimously.

It was moved by Commissioner Pfeifle and seconded by Commissioner Pummel that the Minutes of the Board of Commissioners' Meeting dated March 4, 2013, be adopted as presented. The motion carried unanimously.

IV. TREASURER'S REPORT

Todd Hight, Director of Finance, presented the Treasurer's Report, Statement of Net Assets dated February 28, 2013; the Statement of Revenues, including the Expenses and Changes in Net Assets for the eight months ended February 28, 2013; and the Comparison of Actual Expenses to Budget as of February 28, 2013. It was moved by Commissioner Dykstra and seconded by Commissioner Symens that the Treasurer's Report be accepted as presented. The motion carried unanimously.

V. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lauseng reported that the housing partners that created the Housing Opportunity Fund will be meeting in Sioux Falls May 2 and 3 to develop guidelines and application criteria for the fund. Executive Director Lauseng also introduced two new employees, Construction Management Officer Mike Harsma and Network Administrator Doug Mahowald. Executive Director Lauseng reported that Commissioners David Pummel and Linda Barker would be attending the 2013 Mountain Plains Housing Summit in Bozeman, Montana on May 6-8, 2013.

VI. Program Reports

The Program Reports were given by Directors and discussed with the Board.

VII. OLD BUSINESS

A. Resolution No. 13-04-11: Resolution to Approve Applications for the 2013 "Paint-South Dakota" Campaign

After review and discussion, it was moved by Commissioner Pfeifle and seconded by Commissioner Dykstra that the above Resolution be adopted as follows:

WHEREAS, the Board approved Resolution No. 13-03-08 to continue the "Paint-South Dakota" Campaign 2013;

WHEREAS, SDHDA received 25 applications for the 2013 "Paint-South Dakota" Campaign; and

WHEREAS, the Board desires to approve all eligible applications that were received;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the 25 applications received under the 2013 "Paint-South Dakota" Campaign, as presented to the Board.

Via voice vote, the motion carried unanimously.

B. Resolution No. 13-04-12: Resolution to Modify Terms of FLEX-Rural Site Development Loan for Country Club Estates Development

After review and discussion, it was moved by Commissioner Pummel and seconded by Commissioner Symens that the above Resolution be adopted as follows:

WHEREAS, per Resolution No. 05-04-23, a commitment of a FLEX-Rural Site Development loan was provided to Elk Point Investments, L.L.P. for the Country Club Estates Development;

WHEREAS, due to the economic conditions and the downturn of the housing market in the recent past, lot and house sales have declined significantly;

WHEREAS, the loan is currently in good standing;

WHEREAS, per Resolution No. 10-06-44, a 12-month extension to the original term was approved;

WHEREAS, per Resolution No. 11-05-39, terms of the loan were adjusted to quarterly interest and principal payments based on a 20-year amortization at 3%, and an additional 12-month extension to the loan term was approved;

WHEREAS, per Resolution No. 12-05-41, a 12-month extension to the modified term was approved; and

WHEREAS, the owner has requested that 1) the current loan term be extended for an additional 24 months, 2) principal payments be deferred during the extension period, 3) a \$2,000 increase in the price of lots be permitted, and 4) 10 of the lots be designated as multifamily lots;

NOW, THEREFORE, BE IT RESOLVED that the request that 1) the current loan term be extended for an additional 24 months, 2) principal payments be deferred during the extension period, 3) a \$2,000 increase in the price of lots be permitted, and 4) 10 of the lots be designated as multifamily lots; is hereby approved for:

OWNER/APPLICANT
Elk Point Investments, L.L.P.

DEVELOPMENT NAME
Country Club Estates Development
Elk Point, SD

Via voice vote, the motion carried unanimously.

VIII. NEW BUSINESS

- A. Resolution No. 13-04-13: Resolution Authorizing, Approving and Directing the Issuance and Delivery of, and Determination of the Final Terms of, Mortgage Revenue Bonds (Mortgage Backed Securities Program), 2013 Series A, in an Amount not to Exceed \$100,000,000, Pursuant to a General Trust Indenture and a 2013 Series A Supplemental Trust Indenture, each to be Entered into Between the Authority and Wells Fargo Bank, National Association, as Trustee; and Authorizing the Preparation, Execution and Delivery of the General Trust Indenture, 2013 Series A Supplemental Trust Indenture and Certain Other Transaction Documents as Defined herein as may be Necessary for the Issuance of the Bonds**

After review and discussion, it was moved by Commissioner Barker and seconded by Commissioner Pummel that the above Resolution be adopted as follows:

WHEREAS, pursuant to the Constitution and the laws of the State of South Dakota, particularly the South Dakota Housing Development Authority Act, South Dakota Codified Laws, Chapter 11-11, as amended (the "Act"), the Authority is authorized to carry out the public purposes described in the Act by issuing its special obligation bonds and by entering into any agreements made in connection therewith; and

WHEREAS, pursuant to the Act, the Authority is authorized to issue its bonds and use the proceeds to, among other things, finance mortgage loans, as defined in the Act, and to finance or purchase securities backed by pools of such mortgage loans; and

WHEREAS, to provide a source of funds for its programs authorized by the Act, the Authority has determined to authorize the issuance of its Mortgage Revenue Bonds (Mortgage Backed Securities Program), 2013 Series A (the "Bonds") pursuant to a General Trust Indenture, dated as of May 1, 2013 (the "General Indenture") and a 2013 Series A Supplemental Trust Indenture, dated as of May 1, 2013 (the "Supplemental Indenture") for the purpose of financing or purchasing securities based on and backed by pools of mortgage loans, and to make deposits in various funds and accounts; and

WHEREAS, there is on file with the Executive Director-Secretary the following documents related to the Bonds (i) a draft of the General Indenture to be entered into between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"), (ii) a draft of the Supplemental Indenture to be entered into between the Authority and the Trustee, and pursuant to which it is proposed that the Bonds be issued and (iii) a draft of the preliminary Official Statement of the Authority proposed to be used to market the Bonds (the "Official Statement"), and there are to be prepared (iv) a Bond Purchase Agreement (the "Bond Purchase Agreement") to be entered into between the Authority and J.P. Morgan Securities LLC as underwriter of

the Bonds (the "Underwriter") and (v) a Continuing Disclosure Agreement to be entered into between the Authority and the Trustee, both in substantially the form used in conjunction with the issuance and sale of the Authority's Homeownership Mortgage Bonds 2012 Series D, E and F (collectively, the foregoing documents relating to the Bonds are referred to as the "Bond Documents").

NOW, THEREFORE, BE IT RESOLVED as follows:

Section 1. The Authority does hereby find and determine that (i) the issuance of the Bonds and making the deposits to the Funds and Accounts created under the General Indenture and the Supplemental Indenture will fulfill the public purposes set forth in the Act and (ii) issuance of the Bonds is necessary to provide funds to facilitate the development of a sufficient supply of residential housing in the State at prices or rentals that persons of low or moderate income can afford, by providing funds to finance or purchase securities based on and backed by pools of mortgage loans for the construction, acquisition and rehabilitation of homes and to pay costs of carrying out its authorized programs (including capital costs). The additional and further findings of the Authority relating to the Bonds set forth in the Bond Documents are incorporated herein by reference and adopted as if fully set forth at this place.

Section 2. The issuance, sale and delivery of the Bonds in an aggregate principal amount not to exceed \$100,000,000 to provide funds to finance or purchase securities based on and backed by pools of mortgage loans is hereby approved, subject, however, to the hereinafter described subsequent negotiation of the final terms of the Bonds, if issued, including the interest rates on and maturities of the Bonds, the purchase price thereof and the underwriting fee; provided, however, that the Bonds shall mature no later than 35 years from the date of issuance and bear an interest rate not to exceed 5% per annum. The terms of the Bonds are subject to further authorization and approval as follows. The Executive Director-Secretary and Director of Finance shall consult and coordinate with the Chair (or Vice Chair if the Chair is not available) with respect to the final terms of the Bonds, and the Executive Director-Secretary and Director of Finance, after so discussing the final pricing terms, are authorized (subject in all cases to the limitations otherwise set forth herein) to determine the final size of the proposed issuance of Bonds and to negotiate the final terms of the proposed issuance of the Bonds with the Underwriter, including the determination of final interest rates, redemption provisions (if any) and maturities, the sale price to the Underwriter and the net underwriting fee (which shall not exceed 2.0% of the principal amount of the Bonds).

Section 3. The form of the Bond Documents are hereby approved. The Chair, Vice Chair, Executive Director-Secretary or Director of Finance are hereby authorized and directed to execute the Bond Documents requiring execution by the Authority on behalf of the Authority. Said authority includes the authority to approve such modifications in the Bond Documents not affecting the substance of the transaction as are deemed appropriate by the officer executing the same, which approval shall be conclusively evidenced by execution of the Bond Documents by said officer.

Section 4. Without in any way limiting the power, authority or discretion elsewhere herein granted or delegated, the Authority hereby authorizes and directs the Chair, Vice Chair, Executive Director-Secretary and Director of Finance, or any of

them, to perform or cause to be performed such obligations of the Authority and such other actions as any such officer, in consultation with bond counsel and/or general counsel, shall consider necessary or desirable in connection with or in furtherance of this Resolution and the transactions contemplated by the documents and agreements identified in this Resolution, including, without limitation, the execution and delivery of agreements (including participation agreements among the Authority and the trustee for each of its various bond issues), documents, instruments and certifications, whether or not identified herein. The execution and delivery by any such officer of the Authority of any of such agreements, documents, instruments or certifications, or the performance of any act in connection with any of the matters which are the subject of this Resolution, shall constitute conclusive evidence of the approval thereof of such officer and the Authority and shall conclusively establish such officer's absolute, unconditional and irrevocable authority with respect thereto from the Authority and the approval and ratification by the Authority of the agreements, documents, instruments and certifications so executed and the action so taken. Said officers are also authorized to approve the terms and provisions of the final Official Statement prepared by the Financial Advisor in connection with the marketing of the Bonds, which terms and provisions include the final interest rates, terms and conditions of the Bonds, and such amendments, additions and deletions as the Chair or Executive Director-Secretary in the exercise of his independent judgment and discretion determines to be necessary to effectuate the marketing the Bonds are hereby approved, and the Underwriter is hereby authorized to distribute such document to prospective investors and other interested persons.

Section 5. The Authority hereby declares its intention, within the meaning of Section 1.150-2 of the Internal Revenue Code regulations, to facilitate continuous funding of its homeownership program (as described above) by, from time to time, financing mortgage loans (including securities backed by pools of such mortgage loans) and then issuing bonds in one or more series within 18 months thereof to reimburse itself for such financing, all in an amount presently expected to not exceed twice the amount of the Bonds authorized by Section 2 hereof, provided that the final amount of any such bond issuances shall be then determined by subsequent action of the Authority and this declaration does not authorize or obligate the Authority to issue any such bonds.

Section 6. Notwithstanding anything contained in the foregoing sections, if the Executive Director, upon consultation with the Chair and upon the advice of bond counsel and/or general counsel, determines that it is not in the best interests of the Authority to issue and sell the Bonds or any portion thereof (subject to any applicable provisions of the Bond Purchase Agreement), then such Bonds shall not be issued or sold in accordance with this Resolution.

Section 7. This Resolution shall take effect immediately.

Via voice vote, the motion carried unanimously.

B. Resolution No. 13-04-14: Resolution Authorizing the Issuance and Sale, and Determination of the Final Terms, of South Dakota Housing Development Authority Homeownership Mortgage Bonds, 2013 Series A, 2013 Series B and 2013 Series C in a Principal Amount not to Exceed \$64,000,000 and Setting

Forth Covenants with Respect Thereto be it Resolved by the South Dakota Housing Development Authority

After review and discussion, it was moved by Commissioner Barker and seconded by Commissioner Symens that the above Resolution be adopted as follows:

ARTICLE I

CREATION OF SERIES

Section 1.01 Authorization.

(a) **Resolutions.** This resolution, referred to herein as the “2013 Series ABC Resolution,” is adopted pursuant to Article II of the Authority’s Resolution No. 77-27, adopted June 16, 1977, as amended and supplemented, and entitled: “Resolution Providing for the Issuance of Homeownership Mortgage Bonds of the South Dakota Housing Development Authority,” referred to herein as the “Bond Resolution,” to authorize the issuance and sale and establish the terms and provisions of bonds of the Authority which are designated as (i) “Homeownership Mortgage Bonds, 2013 Series A,” in the aggregate principal amount not to exceed \$35,000,000 (the “Series A Bonds”), (ii) “Homeownership Mortgage Bonds, 2013 Series B” in the aggregate principal amount not to exceed \$9,000,000 (the “Series B Bonds”) and (iii) “Homeownership Mortgage Bonds 2013 Series C” in the aggregate amount not to exceed \$20,000,000 (the “Series C Bonds” and collectively with the Series A Bonds and the Series B Bonds, the “Series Bonds”). All terms defined in Section 103 of the Bond Resolution are used with like meaning in this 2013 Series ABC Resolution.

(b) **Purposes.** It is determined to be in the best interests of the Authority to issue the Series Bonds for the purpose of providing funding for the Authority’s Program of making or purchasing Qualified Mortgage Loans to facilitate the development of a sufficient supply of residential housing in South Dakota at prices that persons and families of low and moderate income can afford, said funding to be provided in part by the allocation, for federal income tax purposes, of sale proceeds of the Series A Bonds and the Series B Bonds (which sale proceeds include any net premium), to refund certain of the outstanding Homeownership Mortgage Bonds (the “Refunded Bonds”) heretofore issued under the Bond Resolution, and deposit of sale proceeds of the Series C Bonds into the Funds and Accounts set forth in Section 2.02 of Article II hereof to be expended for the Program.

(c) **Single Issue.** Pursuant to the provisions of Section 1.150-l(c)(l) of the Income Tax Regulations (the “Regulations”), and for the purposes set forth in said Section, the Authority will treat the Series Bonds as a single issue of bonds.

(d) **Sale.**

(i) **Contract of Purchase Relating to Series Bonds.** The Authority has negotiated for the sale of the Series Bonds to Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, Dougherty & Company LLC and Wells Fargo Bank, National Association (collectively, the “Underwriters” or the “Original

Purchasers”). The Authority hereby approves the form of Contract of Purchase previously used with respect to its 2012 Series DEF Bonds, pursuant to which the Series Bonds are proposed to be sold, executed and delivered. The Chair, Vice Chair, Executive Director or Director of Finance is authorized to approve the final terms and provisions of the Contract of Purchase relating to the Series Bonds and to execute the Contract of Purchase for the Series Bonds on behalf of the Authority.

(ii) *Official Statement.* The Authority has also received and examined the form of a Preliminary Official Statement relating to the Series Bonds, containing information relating to the Authority and the Series Bonds, and hereby approves and ratifies the distribution thereof by the Underwriters. A final Official Statement, substantially in the form of the Preliminary Official Statement except for revisions required or approved by counsel for the Authority, and the officers of the Authority executing the same, and insertion of the final terms of the Series Bonds, is authorized to be prepared and signed by the Chair, Vice Chair or Executive Director and furnished to the Underwriters.

(iii) *Approval of Continuing Disclosure Agreement.* The Authority hereby approves the form of a Continuing Disclosure Agreement relating to the Series Bonds in the form previously used with respect to its 2012 Series DEF Bonds, wherein the Authority will covenant for the benefit of the beneficial owners of the Series Bonds to provide annually certain financial information and operating data relating to the Authority and to provide notices of the occurrence of certain enumerated events. Said Continuing Disclosure Agreement is approved substantially in the form described and is authorized to be signed on behalf of the Authority by the Chair, Vice Chair or Executive Director.

(e) ***Pledge; Outstanding Bonds.*** The pledge made and security interests granted in the Bond Resolution with respect to all Mortgage Loans, Revenues, money, securities, Funds and Accounts therein defined and created, and all covenants and agreements made by the Authority therein, are made and granted for the equal benefit, protection and security of the Holders of all Series Bonds, as well as all Bonds presently Outstanding under the Bond Resolution, without preference, priority or distinction of one Bond over any other of that or any other Series similarly authorized and issued under the Bond Resolution, as fully as though set out at length and resolved herein.

(f) ***Capital Reserve Requirement.*** The Capital Reserve Requirement with respect to the Series Bonds is determined to be 3% of the aggregate Capital Value of the Series Bonds from time to time Outstanding. Upon issuance, sale and delivery of the Series Bonds, there shall be deposited in the 2013 Series ABC Account in the Capital Reserve Fund, from the sources set forth in paragraph (b)(ii) of Section 2.02 of Article II hereof, or by transfer from other Accounts therein, the amount, as directed in an Officer’s Certificate delivered upon the Issue Date, which is equal to the Capital Reserve Requirement for the Series Bonds.

(g) ***Mortgage Reserve Requirement.*** The Mortgage Reserve Requirement with respect to the Series Bonds shall be 2% of the Mortgage Loans then outstanding. Upon issuance, sale and delivery of the Series Bonds, there shall be deposited in the 2013 Series ABC Account in the Mortgage Reserve Fund, from the sources set forth in paragraph (b)(iii) of Section 2.02 of Article II hereof, or by transfer from other Accounts therein, the amount, as directed in an Officer's Certificate delivered upon the Issue Date, which is equal to the Mortgage Reserve Requirement for the Series Bonds.

Section 1.02. Form of Bonds.

(a) The Series Bonds shall be issuable in the form of fully registered Bonds, of single maturities, subject to transfer, registration and exchange as provided in Article VI of the Bond Resolution. The Series Bonds authorized hereby shall be numbered serially for each Series, and no such Series Bond, whether issued initially or upon reregistration, transfer or exchange, shall bear the same number as any other Bond of the same Series contemporaneously Outstanding.

(b) The Series Bonds shall be typewritten or printed in substantially the form specified in an Officer's Certificate.

ARTICLE II

TERMS OF THE SERIES BONDS

Section 2.01. Terms.

(a) ***Determination of Final Terms of Series Bonds and Refunded Bonds.*** The issuance, sale and delivery of the Series Bonds is hereby approved, subject, however, to the hereinafter described subsequent negotiation of the final terms of the Series Bonds, if issued, including the interest rates on and maturities and redemption provisions of the Series Bonds, the purchase price thereof and the underwriting fee; provided, however, that the Series Bonds shall mature no later than 40 years from the date of issuance and bear an interest rate not to exceed 5% per annum. The terms of the Series Bonds and the determination of the Bonds to be refunded are subject to further authorization and approval as follows. The Executive Director-Secretary and Director of Finance shall consult and coordinate with the Chair (or Vice Chair if the Chair is not available) with respect to the final terms of the Series Bonds and the determination of the Bonds to be refunded, and the Executive Director-Secretary and Director of Finance, after so discussing the final pricing terms and Bonds to be refunded, are authorized (subject in all cases to the limitations otherwise set forth herein) to determine the final size of the proposed issuance of Series Bonds and the Bonds to be refunded and to negotiate the final terms of the proposed issuance of the Series Bonds with the Underwriter, including the determination of final interest rates, redemption provisions (if any) and maturities, the sale price to the Underwriter and the net underwriting fee (which shall not exceed 1.5% of the principal amount of the Series Bonds).

(b) ***Issue Date; Interest Payment Dates; Denominations and Record Date.*** The Issue Date of the Series Bonds shall be the date of delivery thereof or as may be otherwise specified by an Authorized Officer. The Series Bonds of each

Series shall be issued in denominations of \$5,000 principal amount, or any integral multiple thereof, not exceeding the principal amount maturing on any principal payment date. Interest on the Series Bonds shall be payable each May 1 and November 1, commencing November 1, 2013, by check or draft mailed to the person in whose name the Series Bond is registered on the registration books of the Authority maintained by the Trustee at the close of business on the fifteenth day of the calendar month immediately preceding the interest payment date (the "Record Date") or, upon the written request of a Holder of a Series Bond and payment of any applicable wire transfer fee of the Trustee, by wire transfer on each interest payment date from the Trustee to the Holder thereof as of the Record Date; provided, however, that so long as all of the Outstanding Series Bonds are registered in the name of The Depository Trust Company ("DTC") or its designee, or other securities depository as permitted by paragraph (e) of Section 2.03 hereof, payment of interest on the Series Bonds shall be made in accordance with operational arrangements of the securities depository as agreed to by the Authority. The principal of and any redemption premium on all Series Bonds shall be payable at the principal corporate trust office of the Trustee upon presentation and surrender of the Series Bonds on or after the date of maturity or redemption thereof; provided, however, that so long as all Outstanding Series Bonds are registered in the name of DTC or its designee, or other permitted securities depository, the securities depository may, in its discretion, make a notation on any Series Bond indicating the date and amount of any reduction of principal except in the case of final maturity, in which case the Series Bonds shall be surrendered to the Trustee for payment.

(c) **General Redemption Provisions.**

(i) *Partial Redemption.* If less than all of the Series Bonds of any Series and maturity are to be redeemed at any time, whether by the application of Sinking Fund Installments or otherwise, the Trustee shall select the Series Bonds of said Series to be redeemed among numbers to be assigned by the Trustee to each \$5,000 principal amount of any such Series Bond; provided, however, that so long as all Outstanding Series Bonds are registered in the name of DTC or its designee, or other permitted securities depository, the Series Bonds to be redeemed shall be selected in accordance with the operational arrangements of the securities depository as agreed to by the Authority.

(ii) *General Provisions.* All actions taken by the Authority and the Trustee in the redemption of Series Bonds shall conform to the provisions of Sections 405 and 409 and Article VII of the Bond Resolution, provided that, pursuant to the provisions of Section 803 of the Bond Resolution, the provisions of Section 704 of the Bond Resolution are hereby modified to require that mailed notice of redemption shall be given not less than 30 days prior to a redemption date and that published notice of redemption of the Series Bonds shall not be required.

Section 2.02. Establishment and Funding of Accounts Related to Series Bonds.

(a) **2013 Series ABC Clearing Account.** The Trustee shall establish on its books a 2013 Series ABC Clearing Account and deposit therein net proceeds of the Series Bonds upon receipt by the Trustee from the Underwriters. The Trustee shall

then transfer or credit amounts therein to other Funds and Accounts for the financing of Qualified Mortgage Loans and for the payment of the Refunded Bonds as directed in an Officer's Certificate.

(b) ***Establishment and Funding of Certain Accounts Relating to the Series Bonds.*** The following accounts are hereby created relating to the Series Bonds and shall be funded from the sources and in the amounts set forth or determined in the manner as follows:

(i) There is established an account designated as the 2013 Series ABC Mortgage Loan Account, moneys in which shall be used for the purposes and as authorized by Section 303 of the Bond Resolution. On the date of issuance of the Series Bonds, there shall be deposited by the Trustee into the 2013 Series ABC Mortgage Loan Account from the 2013 Series ABC Clearing Account the amount as directed in an Officer's Certificate delivered upon the Issue Date.

(ii) There is established an account within the Capital Reserve Fund designated as the 2013 Series ABC Account. On the date of issuance of the Series Bonds, there shall be deposited by the Trustee into the 2013 Series ABC Account in the Capital Reserve Fund, the Capital Reserve Requirement for the Series Bonds, from the 2013 Series ABC Clearing Account as directed in an Officer's Certificate delivered upon the Issue Date.

(iii) There is established an account within the Mortgage Reserve Fund designated as the 2013 Series ABC Account. On the date of issuance of the Series Bonds, there shall be deposited by the Trustee into the 2013 Series ABC Account in the Mortgage Reserve Fund, the Mortgage Reserve Requirement for the Series Bonds, from the 2013 Series ABC Clearing Account as directed in an Officer's Certificate delivered upon the Issue Date.

(iv) There is established an account within the Revenue Fund designated as the 2013 Series ABC Account. On the date of issuance of the Series Bonds, the Trustee shall deposit the accrued interest, if any, received with respect to the Series Bonds into the 2013 Series ABC Account in the Revenue Fund.

(v) Such moneys shall be transferred to the 2013 Series ABC Account of the Revenue Fund from the 2013 Series ABC Clearing Account, and such deposits shall be made into said Account on the date of issuance of the Series Bonds from such sources, all as directed by an Officer's Certificate, and the Trustee shall make deposits and disbursements of Revenues allocable to the Series Bonds into and from said Account from time to time in accordance with Sections 402 and 403 of the Bond Resolution or as otherwise directed by an Officer's Certificate.

(vi) Costs of Issuance of the Series Bonds may be paid from the Revenue Fund or Special Program Fund, or any Costs of Issuance

Account established in connection with the issuance of the Series Bonds, upon receipt by the Trustee of an Officer's Certificate authorizing and directing such payment.

Section 2.03. Conditions Precedent to Issuance and Delivery.

(a) ***Documents Furnished to Trustee.*** For purposes of the Bond Resolution, the Series Bonds are considered as being issued to provide funds for the making or purchase of Qualified Mortgage Loans and the refunding of Outstanding Bonds as set forth in Section 202(2) of the Bond Resolution. In accordance with the provisions of Section 203 of the Bond Resolution, the Executive Director shall furnish to the Trustee on the date of issuance and delivery of the Series Bonds:

(i) Certified copies of the Bond Resolution and this 2013 Series ABC Resolution.

(ii) An opinion of Counsel to the Authority that the Bond Resolution and this 2013 Series ABC Resolution have been duly adopted by the Authority and are valid and binding upon it and enforceable in accordance with their terms, that the Bond Resolution creates the valid pledge it purports to create, and that the principal amount of the Series Bonds, when added to the principal amount of other obligations theretofore issued by the Authority, does not exceed any legal limitations.

(iii) An Officer's Certificate, stating:

(A) The interest rates, maturities, redemption provisions and any other terms of the Series Bonds, as well as the purchase price thereof and underwriting fee and any Bonds to be refunded, pursuant to Section 2.01(a) hereof.

(B) The amounts of the proceeds of the Series Bonds and other funds to be credited to the Funds and Accounts referred to in Section 301 of the Bond Resolution at the time of delivery of the Series Bonds, as provided in this 2013 Series ABC Resolution.

(C) That upon the issuance of the Series Bonds, the Parity Test and the Cash Flow Test will be satisfied.

(D) That the issuance of the Series Bonds will have no material adverse effect on the ability of the Authority to pay the Principal Installments of and interest on all Bonds.

(iv) An Officer's Certificate:

(A) Identifying the Bonds, interest and redemption premiums, if any, to be refunded and identifying separately those Bonds to be paid at their respective maturity dates and those to be redeemed at specified Redemption Prices and on specified dates at which such Bonds may be redeemed from funds held in the Redemption Fund and from other funds.

(B) Directing the Trustee to make due publication, if applicable, of a notice of redemption and refunding with respect to the Refunded Bonds to be redeemed prior to maturity.

(C) Stating that funds will be deposited with the Trustee at or before the time of delivery of the Series A Bonds and Series B Bonds, sufficient to effect retirement of the Refunded Bonds, interest and any redemption premiums thereon.

(b) **Trustee's Certification.** The Executive Director shall then request the Trustee to determine and certify:

(i) That it has received the documents listed in paragraph (a) of this Section 2.03.

(ii) That the amount to be deposited in the Capital Reserve Fund is sufficient to increase the amount in that Fund to the Capital Reserve Requirement effective after the issuance of the Series Bonds, as computed by the Trustee.

(iii) That upon the issuance of the Series Bonds, and deposit of amounts in all Funds and Accounts as directed in the Officer's Certificate, the Parity Test will be satisfied.

(c) **Certification Under Applicable Federal Tax Law.** An Authorized Officer is authorized and directed, on the date of delivery of the Series Bonds, to prepare and execute a certificate on behalf of the Authority, setting forth in brief and summary terms the facts, estimates and circumstances on the basis of which the Authority reasonably expects that the proceeds of the Series Bonds will not be used in a manner that would cause the Series Bonds to be arbitrage bonds under applicable federal tax law.

(d) **Execution and Delivery of Series Bonds.** The Series Bonds shall be executed in the name of the Authority by the manual or facsimile signature of the Chair or Vice Chair and countersigned by the manual or facsimile signature of its counsel, attested by the manual or facsimile signature of the Executive Director, shall be authenticated by the Trustee by manual signature in accordance with the provisions of Section 603(A) of the Bond Resolution, and shall be sealed with a printed or actual facsimile of the official seal of the Authority. After receipt of the Trustee's Certificate referred to in paragraph (b) of this Section, the Chair and Executive Director are authorized and directed to prepare, execute on its behalf and deliver to the Underwriters the certificates, opinions and other documents specified in the Contract of Purchase and the Bond Resolution and this 2013 Series ABC Resolution and to deliver the Series Bonds to the Underwriters after receipt by the Trustee of the purchase price in the amount and in the manner therein specified.

(e) **Securities Depository.**

(i) For purposes of this Section, the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Series Bond, the person in whose name such Series Bond is recorded as the beneficial owner of such Series Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Series Bonds as securities depository.

(ii) The Series Bonds shall be initially issued as separately authenticated fully registered Bonds, and one Series Bond of each Series shall be issued in the principal amount of each stated maturity of the Series Bonds of each such Series. Upon initial issuance, the ownership of such Series Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Trustee and the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the Series Bonds registered in its name for the purposes of payment of the principal of or interest on the Series Bonds, selecting the Series Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Series Bonds under the Bond Resolution or this 2013 Series ABC Resolution, registering the transfer of Series Bonds, and for all other purposes whatsoever, and neither the Trustee nor the Authority shall be affected by any notice to the contrary. Neither the Trustee nor the Authority shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Series Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Series Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Series Bonds, with respect to any notice which is permitted or required to be given to owners of Series Bonds under the Bond Resolution or this 2013 Series ABC Resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Series Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Series Bonds. So long as any Series Bond is registered in the name of Cede & Co., as nominee of DTC, the Trustee shall pay all principal of and interest on such Series Bond, and shall give all notices with respect to such Series Bond, only to Cede & Co. in accordance with DTC’s Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the Authority’s obligations with respect to the principal of and interest on the Series Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Series Bond for each separate stated maturity of each

Series evidencing the obligation of the Authority to make payments of principal and interest. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Series Bonds will be transferable to such new nominee in accordance with subsection (iv) hereof.

(iii) In the event the Authority determines that it is in the best interest of the Beneficial Owners that they be able to obtain Series Bonds in the form of bond certificates, the Authority may notify DTC and the Trustee, whereupon DTC shall notify the Participants of the availability through DTC of Series Bonds in the form of certificates. In such event, the Series Bonds will be transferable in accordance with subsection (iv) hereof. DTC may determine to discontinue providing its services with respect to the Series Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event the Series Bonds will be transferable in accordance with subsection (iv) hereof.

(iv) In the event that any transfer or exchange of Series Bonds is permitted under subsection (ii) or (iii) hereof, such transfer or exchange shall be accomplished upon receipt by the Trustee of the Series Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of the Bond Resolution and this 2013 Series ABC Resolution. In the event Series Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Series Bonds, or another securities depository as owner of all the Series Bonds, the provisions of the Bond Resolution and this 2013 Series ABC Resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Series Bonds in the form of bond certificates and the method of payment of principal of and interest on such Series Bonds in the form of bond certificates.

ARTICLE III

THE CODE AND RESTRICTIONS

Section 3.01. Tax Covenant and Restrictions.

(a) **General Tax Covenant.** In Section 505 of the Bond Resolution the Authority has covenanted that it will at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Authority on the Bonds shall be exempt from all federal income taxation, and that no part of the proceeds of the Bonds shall at any time be used directly or indirectly to acquire securities or obligations the acquisition of which, from the funds used for that purpose, if reasonably anticipated on the date of issuance of any Bond, would have caused such Bond to be an arbitrage bond, unless such acquisition is at such time permitted by applicable federal tax law and the Treasury Regulations thereunder, as then in effect. The Authority shall at all times do and perform all acts and things permitted by law and the Bond Resolution and necessary or desirable in order to assure that the proceeds of the Series Bonds and the Revenues attributable thereto

will be used in a manner consistent with the provisions of applicable federal tax law and applicable Regulations.

(b) **Authority and Effect.** Sections 3.01 and 3.02 of this Article III shall be applicable only to the obligations, covenants, agreements, limitations, conditions and restrictions of and upon the Authority in relation to the Holders of the Series Bonds. The meaning of capitalized terms used in Sections 3.01 and 3.02 of this Article III are as defined in Section 103 of the Bond Resolution or in this 2013 Series ABC Resolution. The covenants and restrictions set forth in subsections (c), (d), (e), (f), (g), (i), (j) and (m) of Section 3.02 hereof shall apply to Mortgage Loans made in whole or in part from the proceeds of the Series C Bonds initially deposited into the 2013 Series ABC Mortgage Loan Account or Revenues attributable thereto. The Authority retains the right to impose covenants with respect to Mortgage Loans, Homes and Mortgagors more restrictive than those imposed by applicable federal tax law.

(c) **Amendments.** Any particular covenant or restriction set forth in Sections 3.01 and 3.02 of this Article III, other than the covenant in (a) of this Section 3.01, shall apply only to the extent that the same is necessary to implement the provisions of applicable federal tax law and the Regulations to assure that the interest to be paid on the Series Bonds shall be and remain excluded from gross income for purposes of federal income taxation. If and to the extent that applicable federal tax law is amended or additional Regulations are promulgated or rulings given thereunder, and the Authority determines on the advice of counsel that the effect thereof is to add to, delete from or change the restrictions and limitations contained in applicable federal tax law or the Authority's interpretation thereof, any provision of Sections 3.01 and 3.02 of this Article III may be amended or supplemented to conform to applicable federal tax law and the Regulations and rulings thereunder as then in effect, without the consent of the Trustee or Bondholders, as contemplated in Section 801 of the Bond Resolution.

Section 3.02. Compliance With Applicable Federal Tax Law.

(a) **Code Provisions.** The Authority determines to apply the provisions of Section 143 of the Code to the Mortgage Loans to be made or purchased, in whole or in part, from the proceeds of the Series C Bonds credited to the 2013 Series ABC Mortgage Loan Account, and the Authority determines to take all necessary action to insure that the 2013 Series C Bonds meet the requirements of Section 143 as an issue of "qualified mortgage bonds." The Series A Bonds and the Series B Bonds are being issued to refund the Refunded Bonds. In conjunction with the issuance of the Refunded Bonds the Authority covenanted to comply with then applicable federal tax rules and take all action necessary to insure that such Refunded Bonds (or any "new money" Bonds refunded thereby) complied with the requirements of said Section 143 (or any applicable prior provisions of the Code), including any Mortgage Loans financed with recycled repayments of Mortgage Loans financed by such Refunded Bonds, so that the interest on the related Bonds would be exempt from federal income taxation; the Authority hereby reconfirms and renews such covenants in conjunction with the issuance of the Series A Bonds and the Series B Bonds.

(b) **Compliance Procedures.** In Section 505(A) of the Bond Resolution, the Authority has covenanted that it will at all times do and perform all acts and things

permitted by law and necessary or desirable in order to assure that interest paid by the Authority on the Bonds shall not be includable in gross income for federal income tax purposes. The procedures set forth in this Section shall be followed by the Authority and all Mortgagors and Mortgage Lenders participating in the Program to assure performance of this covenant as to the Series C Bonds. The Authority shall use its best efforts to execute and deliver with Mortgage Lenders binding Mortgage Purchase Agreements relating to the Mortgage Loans to be purchased from proceeds of the Series C Bonds credited to the 2013 Series ABC Mortgage Loan Account as soon after the issuance of the Series Bonds as practicable.

(c) **Good Faith and Corrective Action.** Actions to assure compliance with the requirements of applicable federal tax law are set forth in the following paragraphs of this Section. As to the mortgage eligibility requirements of applicable federal tax law the Authority and its staff shall in good faith attempt to meet all of them before the Mortgages are executed, and to assure that 95% or more of the proceeds of the Series C Bonds deposited in the 2013 Series ABC Mortgage Loan Account are devoted to residences with respect to which, at the time the Mortgages are executed, all such requirements are met, and that any failure to meet such requirements will be corrected within a reasonable period after the failure is first discovered, if necessary by calling the Mortgage Loan or replacing it with a qualifying Mortgage Loan. As to the arbitrage and recapture requirements of Sections 143 and 148 of the Code, to the extent applicable the Authority and its staff shall in good faith attempt to meet all such requirements and shall take all reasonable steps to avoid failure due to inadvertent error.

(d) **Residence.** Each Mortgage Loan financed by the proceeds of the Series C Bonds shall be made to finance the construction or purchase of a Home, as defined in the Bond Resolution, located in the State and containing not more than four dwelling units, which meets the requirements of Section 143(k)(7) of the Code and which is or can reasonably be expected to become the principal residence of the Mortgagor as established by an affidavit secured by the Mortgage Lender from the Mortgagor stating his or her intent so to occupy the Home not later than 60 days after final closing and thereafter to maintain it as his or her principal residence, stating that no use will be made of the Home (or of the area occupied by the Mortgagor in the case of a two- to four-family Home) which would cause any Series C Bond to meet the private business use tests of Section 141(b) of the Code, and stating that the Home is not to be used as an investment property or a recreational home.

(e) **Three-year Prior Ownership.** Except as provided below, no Mortgage Loan financed by the proceeds of the Series C Bonds shall be purchased unless the originating Mortgage Lender secures and files with the Authority an affidavit of the Mortgagor stating that he or she has not had a present ownership interest in a principal residence at any time during the three-year period ending on the date when the Mortgage is executed, unless the Mortgage Loan is made for a residence within a "targeted area," as defined in Section 143(h) of the Code and Section 6a.103A-2(b) of the Regulations or is made to a qualified veteran pursuant to Section 143(d)(2) of the Code. In addition, except for Mortgage Loans in targeted areas or to veterans as provided in the preceding sentence, the Mortgage Lender shall secure from the Mortgagor copies of the Mortgagor's federal tax returns which were filed with the Internal Revenue Service for the preceding three years (or an affidavit from the Mortgagor that a return was not due for one or more of said years or such other

documentation approved by the Authority verifying that the Mortgagor has not held a present ownership interest in a principal residence at any time during the three-year period ending with the date the Mortgage is executed), in order to ascertain and certify to the Authority whether the Mortgagor has claimed a deduction for taxes on property which was the Mortgagor's principal residence or for interest on a mortgage secured by such property. The Mortgage Loan shall not be purchased if either the Mortgage Lender or the Authority has reason to believe the affidavit to be false.

(f) **Purchase Price.** No Mortgage Loan financed by the proceeds of the Series C Bonds shall be purchased if the acquisition cost of the Home for which it is made exceeds 90%, or 110% if located in a targeted area as defined in paragraph (e) above, of the average area purchase price applicable to the Home as of the date of purchase or the date of financing commitment by the Mortgage Lender, whichever is earlier, as established by average area purchase price limitations published by the Treasury Department for the statistical area in which the Home is located or as established by more accurate and comprehensive data available to the Authority as permitted by Section 6a.103A-2(f)(5) of the Regulations. Acquisition cost shall be determined in accordance with Section 6a.103A-2(b)(8) of the Regulations, including all cash and noncash items deemed therein to be included under particular circumstances as a cost of acquiring a residence from the seller as a completed residential unit. The Mortgage Lender shall secure and file with the Authority affidavits from both the seller and the Mortgagor, establishing facts showing that the acquisition cost requirement has been met.

(g) **Income Requirements.** All owner financing provided in whole or in part from the proceeds of the Series C Bonds shall be provided for Mortgagors whose family income is 115% or less of the applicable median family income, except as otherwise permitted for targeted areas pursuant to Section 143(f)(3) or high-housing-cost areas pursuant to Section 143(f)(5) of the Code. The Mortgage Lender shall secure and file with the Authority income information from available loan documents, as specified in Revenue Ruling 86-124, and an affidavit of the Mortgagor that the family income restrictions have been met. The family income limits shall be adjusted for families of fewer than three individuals in accordance with Section 143(f)(6) of the Code.

(h) **Volume Cap.** The Authority shall allocate to the Series Bonds such portion of its "private activity" bonding authority as is required by Section 146(f) of the Code.

(i) **Placement in Targeted Areas.** With respect to the Series C Bonds, the Authority shall reserve that portion of the proceeds of Series C Bonds deposited into the 2013 Series ABC Mortgage Loan Account required by Section 146(h) of the Code to be set aside for the purchase of Mortgage Loans in targeted areas.

(j) **Recapture.** The Authority will take all action necessary to comply with the requirements of Section 143(m) of the Code applicable to it, including particularly the requirements of Section 143(m)(7) and applicable Regulations, as well as Revenue Ruling 91-3 and Revenue Procedure 91-8.

(k) **Arbitrage.** The Authority will take all actions as may be necessary to assure that the Series Bonds will meet the applicable requirements of

Sections 143(g) and 148 of the Code, and applicable Regulations, relating to arbitrage, and the Authority will pay or cause to be paid the rebate amount with respect to the Series Bonds required by Section 148(f) of the Code and the Regulations, as provided in the Arbitrage Rebate Certificate executed by the Trustee and the Authority in conjunction with the issuance and delivery of the Series Bonds.

(l) **Special Requirements Relating to Use of Amounts on Deposit in the 2013 Series ABC Account in the Revenue Fund.** To comply with the provisions of Section 143(a)(2)(A)(iv) of the Code, the Authority shall apply requisite percentages of scheduled principal payments and Prepayments of Qualified Mortgage Loans financed with funds deposited into the 2013 Series ABC Mortgage Loan Account or allocable to the Series Bonds under applicable federal tax law, to the retirement of Series Bonds at maturity or by special redemption.

(m) **New Mortgage and Assumption Requirements.** None of the proceeds of the Series C Bonds shall be used to acquire or replace an existing Mortgage, and all of the lendable proceeds shall be used to purchase Mortgage Loans of persons who did not have a Mortgage (whether or not paid off) on the Home securing the Mortgage Loan at any time prior to the execution of the Mortgage, except in the cases of (i) a construction period loan, or (ii) a bridge loan, or similar initial temporary financing having a term of 24 months or less. The relevant instruments relating to each Mortgage Loan and Mortgage purchased in whole or in part from the proceeds of the Series C Bonds shall contain a clause to the effect that the Mortgage Loan shall be due on sale of the Home unless assumption by the purchaser is consented to by the Authority, which consent will only be given if the Authority has determined that the requirements of paragraphs (d), (e), (f) and (g) of this Section are met with respect to such assumption. In the event that such requirements are not met, notwithstanding such determination, the error will be corrected as provided in paragraph (c).

Section 3.03. The Authority hereby declares its intention, within the meaning of Section 1.150-2 of the Internal Revenue Code regulations, to facilitate continuous funding of its homeownership program (as described above) by, from time to time, financing mortgage loans and then issuing bonds in one or more series within 18 months thereof to reimburse itself for such financing, all in an amount presently expected to not exceed twice the amount of the Bonds authorized by Section 2 hereof, provided that the final amount of any such bond issuances shall be then determined by subsequent action of the Authority and this declaration does not authorize or obligate the Authority to issue any such bonds.

ARTICLE IV

EFFECTIVE DATE

This 2013 Series ABC Resolution shall take effect immediately.

Via voice vote, the motion carried unanimously.

C. Resolution No. 13-04-15: Resolution to Reserve Housing Tax Credits and HOME Funds for Brandon Heights Apartments

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Dykstra that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits and HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>TAX CREDITS RESERVED</u>
Brandon Heights Limited Partnership	Brandon Heights Apartments Brandon, SD	\$292,913
		<u>GENERAL POOL HOME AMOUNT</u>
		\$800,000

BE IT FURTHER RESOLVED that because there are not sufficient 2013 Housing Tax Credits, the Reservation of \$292,913 be made available first from any remaining 2013 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2014 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the motion carried unanimously.

B. Resolution No. 13-04-16: Resolution to Reserve Housing Tax Credits and HOME Funds for Chasing Willows Apartments

After review and discussion, it was moved by Commissioner Symens and seconded by Commissioner Pummel that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits and HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>TAX CREDITS RESERVED</u>
Chasing Willows Limited Partnership	Chasing Willows Apartments Sioux Falls, SD	\$550,214

GENERAL POOL
HOME AMOUNT
\$930,000

BE IT FURTHER RESOLVED that because there are not sufficient 2013 Housing Tax Credits, the Reservation of \$550,214 be made available first from any remaining 2013 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2014 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the motion carried unanimously.

C. Resolution No. 13-04-17: Resolution to Deny Housing Tax Credits and HOME Funds for China Town and Knots Landing

After review and discussion, it was moved by Commissioner Pummel and seconded by Commissioner Dykstra that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits and HOME funds be denied for:

OWNER/APPLICANT
Cheyenne River
Housing Authority

DEVELOPMENT NAME
China Town and Knots Landing
Eagle Butte, SD

Via voice vote, the motion carried unanimously.

D. Resolution No. 13-04-18: Resolution to Deny Housing Tax Credit and HOME Funds for Emerald Pointe Townhomes

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Pfeifle that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits and HOME funds be denied for:

OWNER/APPLICANT
Emerald Pointe I, LLP

DEVELOPMENT NAME
Emerald Pointe Townhomes
Sioux Falls, SD

Via voice vote, the motion carried unanimously.

E. Resolution No. 13-04-19: Resolution to Reserve HOME Funds for Habitat for Humanity – Canton Affordable Housing

After review and discussion, it was moved by Commissioner Pfeifle and seconded by Commissioner Symens that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a letter offering a Reservation of HOME funds be forwarded to the following Applicant:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>GENERAL POOL HOME AMOUNT</u>
Habitat for Humanity of Greater Sioux Falls, Inc	Habitat for Humanity Canton Affordable Housing Canton, SD	\$72,330

Via voice vote, the motion carried unanimously.

F. Resolution No. 13-04-20: Resolution to Conditionally Commit Neighborhood Stabilization Program 3 (NSP3) Funds for Habitat for Humanity – Sioux Falls Rehabilitation

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Dykstra that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the Neighborhood Stabilization Program Plan (NSP3); and

WHEREAS, based on information provided, the Applicant is eligible to receive NSP3 funds and has agreed to comply with all NSP3 requirements;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Conditional Commitment of NSP3 funds to the following Applicant, conditioned upon receipt of additional required documentation and a favorable conclusion of the environmental review:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>NSP3 AMOUNT RESERVED</u>
Habitat for Humanity of Greater Sioux Falls, Inc.	Habitat for Humanity of Greater Sioux Falls, Inc. Sioux Falls, SD	\$32,560

Via voice vote, the motion carried unanimously.

G. Resolution No. 13-04-21: Resolution to Approve HOME Program Waiver Request for Highland Five Homes

After review and discussion, it was moved by Commissioner Barker and seconded by Commissioner Symens that the above Resolution be adopted as follows:

WHEREAS, Sioux Falls Housing Corporation (Applicant) submitted an application for HOME funds for Highland Five Homes, and

WHEREAS, the Applicant has requested a waiver of the 2013-2014 HOME Program Allocation Plan in regards to the submission of a market study completed by a third party analyst;

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for Highland Five Homes.

Via voice vote, the motion carried unanimously.

H. Resolution No. 13-04-22: Resolution to Approve HOME Program Waiver Request for Highland Five Homes

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Pfeifle that the above Resolution be adopted as follows:

WHEREAS, Sioux Falls Housing Corporation (Applicant) submitted an application for HOME funds for Highland Five Homes, and

WHEREAS, the Applicant has requested a waiver of the 2013-2014 HOME Program Allocation Plan in regards to certain underwriting standards relating to the vacancy rate;

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for Highland Five Homes.

Via voice vote, the motion carried unanimously.

I. Resolution No. 13-04-23: Resolution to Reserve HOME Funds and Conditionally Commit Neighborhood Stabilization Program 3 (NSP3) Funds for Highland Five Homes

After review and discussion, it was moved by Commissioner Symens and seconded by Commissioner Dykstra that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 HOME Program Allocation Plan and the Neighborhood Stabilization Program 3 Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a letter offering a Reservation of HOME funds and a Conditional Commitment of NSP3 funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, HOME and NSP3 funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>GENERAL POOL HOME AMOUNT</u>
Sioux Falls Housing Corporation	Highland Five Homes Sioux Falls, SD	\$171,162
		<u>NSP3 AMOUNT</u>
		\$100,000

Via voice vote, the motion carried unanimously.

J. Resolution No. 13-04-24: Resolution to Reserve Housing Tax Credits and HOME Funds for Jackson Heights Apartments

After review and discussion, it was moved by Commissioner Pummel and seconded by Commissioner Pfeifle that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits and HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>TAX CREDITS RESERVED</u>
Jackson Heights Apartments Limited Partnership	Jackson Heights Apartments Aberdeen, SD	\$426,660
		<u>CHDO SET-ASIDE AMOUNT</u>
		\$905,494

BE IT FURTHER RESOLVED that because there are not sufficient 2013 Housing Tax Credits, the Reservation of \$426,660 be made available first from any remaining 2013 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2014 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the motion carried unanimously.

K. Resolution No. 13-04-25: Resolution to Deny Housing Tax Credit and HOME Funds for Madison Park Townhomes

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Dykstra that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits and HOME funds be denied for:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>
Vermillion Madison Park Apartments, LLC	Madison Park Townhomes Vermillion, SD

Via voice vote, the motion carried unanimously.

L. Resolution No. 13-04-26: Resolution to Reserve Housing Tax Credits and HOME Funds for Mitchell Townhomes

After review and discussion, it was moved by Commissioner Pfeifle and seconded by Commissioner Barker that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits and HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>TAX CREDITS RESERVED</u>
Mitchell Townhomes, LLC	Mitchell Townhomes Mitchell, SD	\$327,654
		<u>GENERAL POOL HOME AMOUNT</u>
		\$610,000

BE IT FURTHER RESOLVED that because there are not sufficient 2013 Housing Tax Credits, the Reservation of \$327,654 be made available first from any remaining 2013 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2014 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the motion carried unanimously.

M. Resolution No. 13-04-27: Resolution to Deny Housing Tax Credit and HOME Funds for Rapid City Good Samaritan Housing

After review and discussion, it was moved by Commissioner Pummel and seconded by Commissioner Symens that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits and HOME funds be denied for:

OWNER/APPLICANT

Rapid City Good Samaritan
Housing, Limited Partnership

DEVELOPMENT NAME

Rapid City Good Samaritan Housing
Rapid City, SD

Via voice vote, the motion carried unanimously.

N. Resolution No. 13-04-28: Resolution to Approve HOME Program Waiver Request for Sicangu Village Estates III

After review and discussion, it was moved by Commissioner Dykstra and seconded by Commissioner Pummel that the above Resolution be adopted as follows:

WHEREAS, Sicangu Village Estates III, LLC (Applicant) submitted an application for Housing Tax Credits (HTCs) and HOME funds for Sicangu Village Estates III, and

WHEREAS, the Applicant has requested a waiver of the 2013-2014 HTC Program Qualified Allocation Plan (QAP) and the 2013-2014 HOME Program Allocation Plan in regard to certain underwriting standards that pertain to unit rents;

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for Sicangu Village Estates III.

Via voice vote, the motion carried unanimously.

O. Resolution No. 13-04-29: Resolution to Reserve Housing Tax Credits and HOME Funds for Sicangu Village Estates III

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Symens that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits and HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>TAX CREDITS RESERVED</u>
Sicangu Village Estates III, LLC	Sicangu Village Estates III Rosebud Reservation	\$194,916
		<u>GENERAL POOL HOME AMOUNT</u>
		\$500,000

BE IT FURTHER RESOLVED that because there are not sufficient 2013 Housing Tax Credits, the Reservation of \$194,916 be made available first from any remaining 2013 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2014 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the motion carried unanimously.

M. Resolution No. 13-04-30: Resolution to Approve Housing Tax Credit and HOME Program Waiver Request for Sioux Falls Ministry Housing

After review and discussion, it was moved by Commissioner Symens and seconded by Commissioner Dykstra that the above Resolution be adopted as follows:

WHEREAS, Sioux Falls Ministry Center (Applicant) submitted an application for Housing Tax Credits (HTCs) and HOME funds for Sioux Falls Ministry Housing, and

WHEREAS, the Applicant has requested a waiver of the 2013-2014 HTC Program Qualified Allocation Plan (QAP) and the 2013-2014 HOME Program Allocation Plan in regard to certain development standards that pertain to the required number of parking spaces;

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for Sioux Falls Ministry Housing.

Via voice vote, the motion carried unanimously.

P. Resolution No. 13-04-31: Resolution to Reserve Housing Tax Credits, HOME Funds and Conditionally Commit Neighborhood Stabilization Program 3 (NSP3) Funds for Sioux Falls Ministry Housing

After review and discussion, it was moved by Commissioner Pummel and seconded by Commissioner Hansen that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan, the 2013-2014 HOME Program Allocation Plan and the Neighborhood Stabilization Program 3 Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering

a Reservation of Housing Tax Credits, a letter offering a Reservation of HOME funds, and a Conditional Commitment of NSP3 funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits, HOME and NSP3 funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>TAX CREDITS RESERVED</u>
Sioux Falls Ministry Center	Sioux Falls Ministry Housing Sioux Falls, SD	\$267,396
		<u>GENERAL POOL HOME AMOUNT</u>
		\$195,412
		<u>NSP3 AMOUNT</u>
		\$660,000

BE IT FURTHER RESOLVED that because there are not sufficient 2013 Housing Tax Credits, the Reservation of \$267,396 be made available first from any remaining 2013 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2014 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the motion carried unanimously.

Q. Resolution No. 13-04-32: Resolution to Approve Housing Tax Credit and HOME Program Waiver Request for Sioux Falls YMCA Housing Initiative

After review and discussion, it was moved by Commissioner Dykstra and seconded by Commissioner Barker that the above Resolution be adopted as follows:

WHEREAS, Sioux Falls YMCA Housing Initiative (Applicant) submitted an application for Housing Tax Credits (HTCs) and HOME funds for Sioux Falls YMCA Housing Initiative, and

WHEREAS, the Applicant has requested a waiver of the 2013-2014 HTC Program Qualified Allocation Plan (QAP) and the 2013-2014 HOME Program Allocation Plan in regard to certain development standards that pertain to the requirement of installation of playground equipment;

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for Sioux Falls YMCA Housing Initiative.

Via voice vote, the motion carried unanimously.

R. Resolution No. 13-04-33: Resolution to Approve Housing Tax Credit and HOME Program Waiver Request for Sioux Falls YMCA Housing Initiative

After review and discussion, it was moved by Commissioner Pummel and seconded by Commissioner Barker that the above Resolution be adopted as follows:

WHEREAS, Sioux Falls YMCA Housing Initiative, Limited Partnership (Applicant) submitted an application for Housing Tax Credits (HTCs) and HOME funds for Sioux Falls YMCA Housing Initiative, and

WHEREAS, the Applicant has requested a waiver of the 2013-2014 HTC Program Qualified Allocation Plan (QAP) and the 2013-2014 HOME Program Allocation Plan in regard to certain development standards that pertain to the required number of parking spaces;

NOW, THEREFORE, BE IT RESOLVED that the waiver is hereby approved for Sioux Falls YMCA Housing Initiative.

Via voice vote, the motion carried unanimously.

S. Resolution No. 13-04-34: Resolution to Reserve Housing Tax Credits and HOME Funds for Sioux Falls YMCA Housing Initiative

After review and discussion, it was moved by Commissioner Hansen and seconded by Commissioner Dykstra that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits and HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>TAX CREDITS RESERVED</u>
Sioux Falls YMCA Housing Initiative Limited Partnership	Sioux Falls YMCA Housing Initiative Sioux Falls, SD	\$556,700
		<u>GENERAL POOL HOME AMOUNT</u>
		\$668,780

BE IT FURTHER RESOLVED that because there are not sufficient 2013 Housing Tax Credits, the Reservation of \$556,700 be made available first from any remaining 2013 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2014 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the motion carried unanimously.

T. Resolution No. 13-04-35: Resolution to Conditionally Commit Neighborhood Stabilization Program 3 (NSP3) Funds for Spring Pointe Apartments

After review and discussion, it was moved by Commissioner Dykstra and seconded by Commissioner Pummel that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the Neighborhood Stabilization Program Plan (NSP3); and

WHEREAS, based on information provided, the Applicant is eligible to receive NSP3 funds and has agreed to comply with all NSP3 requirements;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director be authorized to issue a Conditional Commitment of NSP3 funds to the following Applicant, conditioned upon receipt of additional required documentation and a favorable conclusion of the environmental review:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>NSP3 AMOUNT RESERVED</u>
Sioux Falls Housing Corporation	Spring Pointe Apartments Sioux Falls, SD	\$299,089

Via voice vote, the motion carried unanimously.

U. Resolution No. 13-04-36: Resolution to Reserve Housing Tax Credits and HOME Funds for Turning Leaf Apartments

After review and discussion, it was moved by Commissioner Symens and seconded by Commissioner Pfeifle that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that based on information provided in the application, a Conditional Reservation and Binding Commitment Agreement offering a Reservation of Housing Tax Credits and a letter offering a Reservation of HOME funds be forwarded to the following Applicant, and that upon satisfaction of all conditions, Housing Tax Credits and HOME funds be allocated to:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>	<u>TAX CREDITS RESERVED</u>
C.R. Lloyd Associates, Inc	Turning Leaf Apartments Sioux Falls, SD	\$167,435
		<u>GENERAL POOL HOME AMOUNT</u>
		\$787,494

BE IT FURTHER RESOLVED that because there are not sufficient 2013 Housing Tax Credits, the Reservation of \$167,435 be made available first from any remaining 2013 Housing Tax Credits and any Housing Tax Credits returned, recaptured, or otherwise made available after this date, and that the Executive Director be authorized to issue a forward commitment from the first Housing Tax Credits available in 2014 up to the total amount of Housing Tax Credits reserved herein.

Via voice vote, the motion carried unanimously.

V. Resolution No. 13-04-37: Resolution to Deny Housing Tax Credit and HOME Funds for Westwood Apartments

After review and discussion, it was moved by Commissioner Dykstra and seconded by Commissioner Pummel that the above Resolution be adopted as follows:

WHEREAS, the following application has been reviewed and evaluated in accordance with the 2013-2014 Housing Tax Credit Program Qualified Allocation Plan and the 2013-2014 HOME Program Allocation Plan;

NOW, THEREFORE, BE IT RESOLVED that the application for Housing Tax Credits and HOME funds be denied for:

<u>OWNER/APPLICANT</u>	<u>DEVELOPMENT NAME</u>
Westwood Limited Partnership Grandview, LLC	Westwood Apartments Sioux Falls, SD

Via voice vote, the motion carried unanimously.

W. Resolution No. 13-04-38: Resolution to Approve Transfer of Ownership and Assumption of Home Loan for Prairie View Townhomes

After review and discussion, it was moved by Commissioner Barker and seconded by Commissioner Hansen that the above Resolution be adopted as follows:

WHEREAS, the South Dakota Housing Development Authority (SDHDA) previously made a loan under the HOME Investment Partnership Program to Ronald W. Hatch and Sheane S. Hatch for the Prairie View Townhomes located in Yankton, South Dakota;

WHEREAS, the HOME loan is secured by a Mortgage and Security Agreement;

WHEREAS, the property is subject to a Regulatory Agreement covering certain requirements and restrictions under the HOME Program;

WHEREAS, the owners propose to sell their interest in Prairie View Townhomes to Don P. Neukirch and Marla K. Neukirch, unrelated third parties;

WHEREAS, the owners and proposed purchaser has met SDHDA's criteria for transfer of ownership and assumption of the Mortgage Note and related Mortgage and Security Agreement;

WHEREAS, Don P. Neukirch and Marla P. Neukirch have agreed to enter into a Regulatory Agreement with respect to the ongoing requirements under the HOME Investment Partnership Program; and

WHEREAS, the first mortgage bank has not received the appraisal on the property;

NOW, THEREFORE, BE IT RESOLVED, that the transfer of ownership of Prairie View Townhomes from Ronald W. Hatch and Sheana S. Hatch to Don P. Neukirch and Marla K. Neukirch and the assumption of the Mortgage Note and Security Agreement by Don P. Neukirch and Marla K. Neukirch is hereby approved, conditioned upon receipt of the appraisal.

Via voice vote, the motion carried unanimously.

DATE OF NEXT MEETING AND ADJOURNMENT

The date of next the Board of Commissioners' Meeting has not been set. It was moved by Commissioner Dykstra and seconded by Commissioner Pummel that the meeting be adjourned. The meeting was adjourned at 11:55 A.M.

Respectfully submitted,



Mark Lauseng
Secretary