

MINUTES
SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY
BOARD OF COMMISSIONERS' MEETING
SDHDA CONFERENCE ROOM
Telephonic
November 1, 2012

Board Members Present: Lloyd Schipper, Chairman
Brent Dykstra, Commissioner
Bill Hansen, Commissioner (via telephone)
Paul Symens, Commissioner (via telephone)
Linda Barker, Commissioner (via telephone)

Board Members Absent: Kurt Pfeile
David Pummel

Staff Present: Mark Lauseng, Executive Director
Todd Hight, Director of Finance and Administration
Brent Adney, Director of Homeownership Programs
Lorraine Polak, Director of Rental Housing Development
Amanda Weisgram, Director of Research and Marketing
Sheila Ricketts, Marketing/Executive Assistant

Guests Present: Dixie Hieb, Davenport, Evans, Hurwitz & Smith, Counsel to SDHDA (via telephone)
Tom Caine, CaineMitter Associates (via telephone)
Bronson Martin, CaineMitter Associates (via telephone)
Ren Yuan, CaineMitter Associates (via telephone)
John Kutak, Kutak Rock LLP (via telephone)
Ann Atkinson, Kutak Rock LLP (via telephone)
Dan Rosen, Bank of America Merrill Lynch (via telephone)
Rebecca Reape, Bank of America Merrill Lynch (via telephone)

I. CALL TO ORDER

The meeting was called to order at 10:31 AM and roll was called.

II. APPROVAL OF AGENDA

- A. The distributed agenda was amended to add an item regarding Resolution Authorizing the Chair or Executive Director to finalize the rates, maturities and prices of Homeownership Mortgage Bonds, 2012 Series D, 2012 Series E and 2012 Series F in the Principal Amount not to exceed \$85,000,000. It was moved by Commissioner Dykstra 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. EXECUTIVE DIRECTOR'S REPORT

Executive Director Lauseng reported the 2012 Annual Housing Conference will be held November 13 and 14, with the Sponsor dinner to be held the evening of November 12. Commissioners were asked to let Sheila Ricketts know if they will be attending and would need a room. Executive Director Lauseng reported SDHDA's mortgage rates dropped again from 3% to 2.75% and the fixed rate from 3.5% to 3.25%.

IV. OLD BUSINESS

A. Resolution No. 12-11-99: Resolution to Approve Housing Tax Credit Program Waiver Request for Fairmont 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, per Resolution No. 11-04-19, Fairmont Limited Partnership (Owner) received a Reservation of Housing Tax Credits (HTC) pursuant to the 2011-2012 Housing Tax Credit Program Qualified Allocation Plan (QAP) for Fairmont Apartments;

WHEREAS, pursuant to the QAP, Owner is required to provide a copy of the title commitment or warranty deed evidencing ownership of the project property and an attorney's opinion regarding such ownership;

WHEREAS, pursuant to the QAP, Owner is required to expend more than ten percent of the expected basis in the project by December 31, 2012;

WHEREAS, Owner has requested a waiver of the requirements that (1) Owner provide a copy of the title commitment or warranty deed and corresponding attorney's opinion by November 1, 2012, and (2) Owner expend more than ten percent of the expected project basis be expended by December 31, 2012, and has requested that each of the foregoing deadlines be extended to June 30, 2013; and

WHEREAS, the federal requirements would allow such a waiver and extension;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the request, and the Executive Director is authorized to notify the Applicant that the Carryover Allocation Agreement will be issued for \$166,947 of Housing tax Credit or such lesser amount as determined necessary by SDHDA staff, conditioned upon the Carryover documentation being submitted to the satisfaction of SDHDA by June 30, 2013.

Via roll call vote, the motion carried unanimously.

V. NEW BUSINESS

B. Resolution No. 12-07-100: Resolution Authorizing the Issuance and Sale of South Dakota Housing Development Authority Homeownership Mortgage Bonds, 2012 Series D, 2012 Series E, and 2012 Series F in the Principle Amount of \$74,715,000 and Setting Forth Covenants with Respect Thereto

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

BE IT RESOLVED BY THE SOUTH DAKOTA HOUSING
DEVELOPMENT AUTHORITY:

ARTICLE I

CREATION OF SERIES

Section 1.01. Authorization.

(a) **Resolutions.** This resolution, referred to herein as the "2012 Series DEF 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, 2012 Series D," in the aggregate principal amount of \$41,700,000 (the "Series D Bonds"), (ii) "Homeownership Mortgage Bonds, 2012 Series E" in the aggregate principal amount of \$9,355,000 (the "Series E Bonds") and (iii) "Homeownership Mortgage Bonds 2012 Series F" in the aggregate amount of \$23,660,000 (the "Series F Bonds" and collectively with the Series D Bonds and the Series E Bonds, the "Series Bonds"). The Series Bonds are referred to herein as the "Long-Term Series Bonds." All terms defined in Section 103 of the Bond Resolution are used with like meaning in this 2012 Series DEF Resolution.

(b) **Purposes.** It is determined to be in the best interests of the Authority to issue the Long-Term 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 D Bonds in the amount of \$41,700,000 (which sale proceeds include a net premium of \$ _____) and sale proceeds of the Series E Bonds in the amount of \$9,355,000 to refund the Series and principal amount of outstanding Homeownership Mortgage Bonds described on Exhibit A hereto (the "Refunded Bonds") heretofore issued under the Bond Resolution, and deposit of certain transferred and replacement proceeds of the Series D Bonds and the Series E Bonds and the sale proceeds of the Series F Bonds in the amount of \$23,660,000 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 1.150-1(c)(1) of the Income Tax Regulations (the "Regulations"), and for the purposes set forth in said Section, the Authority will treat the Long-Term Series Bonds as a single issue of bonds.

(d) **Sale.**

(i) *Contract of Purchase Relating to Long-Term Series Bonds.* The Authority has negotiated for the sale of the Long-Term Series Bonds to Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., J.P. Morgan Securities LLC, Dougherty & Company LLC and Wells Fargo Bank, National Association (collectively, the "Underwriters" or the "Original Purchasers"). The Authority has received and examined a draft of the Contract of Purchase, pursuant to which the Long-Term 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 Long-Term Series Bonds and to execute the Contract of Purchase for the Long-Term Series Bonds on behalf of the Authority.

(ii) *Official Statement.* The Authority has also received and examined the form of a Preliminary Official Statement, dated October 17, 2012, relating to the Series Bonds, containing information relating to the Authority and the Long-Term 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 Long-Term 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 has also received and examined the form of a Continuing Disclosure Agreement relating to the Long-Term Series Bonds, wherein the Authority will covenant for the benefit of the beneficial owners of the Long-Term 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 submitted 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 Long-Term 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 Long-Term Series Bonds is determined to be 3% of the aggregate Capital

Value of the Long-Term Series Bonds from time to time Outstanding. Upon issuance, sale and delivery of the Long-Term Series Bonds, there shall be deposited in the 2012 Series DEF Account in the Capital Reserve Fund, from the sources set forth in paragraph (b)(ii) of Section 2.02 of Article II hereof, the amount, as directed in a certificate of an Authorized Officer delivered upon the Issue Date, which is equal to the Capital Reserve Requirement for the Long-Term Series Bonds.

(g) **Mortgage Reserve Requirement.** The Mortgage Reserve Requirement with respect to the Long-Term Series Bonds shall be 2% of the Mortgage Loans then outstanding. Upon issuance, sale and delivery of the Long-Term Series Bonds, there shall be deposited in the 2012 Series DEF Account in the Mortgage Reserve Fund, from the sources set forth in paragraph (b)(iii) of Section 2.02 of Article II hereof, the amount, as directed in a certificate of an Authorized Officer delivered upon the Issue Date, which is equal to the Mortgage Reserve Requirement for the Long-Term Series Bonds.

Section 1.02. Form of Bonds.

(a) The Long-Term 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 Long-Term Series Bonds authorized hereby shall be numbered serially for each Series, and no such Long-Term 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 Long-Term Series Bonds shall be typewritten or printed in substantially the form attached hereto as Exhibit B, with such additions, deletions or modifications as are permitted or required by the form of bond and by the Bond Resolution or this 2012 Series DEF Resolution.

ARTICLE II

TERMS OF THE LONG-TERM SERIES BONDS

Section 2.01. Terms.

(a) **Issue Date; Interest Payment Dates; Denominations and Record Date.** The Issue Date of the Long-Term Series Bonds shall be November 8, 2012. The Long-Term 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 Long-Term Series Bonds shall be payable each May 1 and November 1, commencing May 1, 2013, by check or draft mailed to the person in whose name the Long-Term 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 Long-Term 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 Long-Term 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 Long-Term 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 Long-Term Series Bonds shall be payable at the principal corporate trust office of the Trustee upon presentation and surrender of the Long-Term Series Bonds on or after the date of maturity or redemption thereof; provided, however, that so long as all Outstanding Long-Term 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 Long-Term Series Bond indicating the date and amount of any reduction of principal except in the case of final maturity, in which case the Long-Term Series Bonds shall be surrendered to the Trustee for payment.

(b) **2012 Series D Serial Bonds.** \$24,370,000 principal amount of the 2012 Series D Bonds shall be Serial Bonds maturing on May 1 and November 1 in the following years and amounts and bearing interest at the following rates per annum:

Date	Amount	Rate
May 1, 2013	\$ 945,000	%
November 1, 2013	1,255,000	
May 1, 2014	1,260,000	
November 1, 2014	1,260,000	
May 1, 2015	1,265,000	
November 1, 2015	1,275,000	
May 1, 2016	1,280,000	
November 1, 2016	1,295,000	
May 1, 2017	1,305,000	
November 1, 2017	1,310,000	
May 1, 2018	1,320,000	
November 1, 2018	1,340,000	
May 1, 2019	1,345,000	
November 1, 2019	1,360,000	
May 1, 2020	1,385,000	
November 1, 2020	1,400,000	
May 1, 2021	1,415,000	
November 1, 2021	1,435,000	
May 1, 2022	920,000	

(c) **2012 Series D PAC Term Bonds Due May 1, 2030.** \$17,330,000 principal amount of the 2012 Series D PAC Term Bonds shall be Term Bonds bearing interest at the rate of ____% per annum and maturing May 1, 2030 (the "Series D PAC Term Bonds") and shall be subject to mandatory redemption by application of Sinking Fund Installments at their principal amount plus accrued interest on May 1 and on November 1 in the following years and in the following amounts:

Year	Principal Amount (May 1)	Principal Amount (November 1)	Year	Principal Amount (May 1)	Principal Amount (November 1)
2025	\$770,000	\$1,685,000	2028	\$1,830,000	\$1,860,000
2026	1,720,000	1,745,000	2029	1,890,000	1,930,000
2027	1,780,000	1,805,000	2030	315,000*	---

*Maturity.

(d) **2012 Series E Term Bonds Due May 1, 2025.** \$9,355,000 principal amount of the 2012 Series E Bonds shall be Term Bonds bearing interest at the rate of ____% per annum and maturing May 1, 2025 and shall be subject to mandatory redemption by application of Sinking Fund Installments at their principal amount plus accrued interest on May 1 and on November 1 in the following years and in the following amounts:

Year	Principal Amount (May 1)	Principal Amount (November 1)	Year	Principal Amount (May 1)	Principal Amount (November 1)
2022	\$ 565,000	\$1,530,000	2024	\$1,605,000	\$1,630,000
2023	1,555,000	1,580,000	2025	\$890,000*	---

*Maturity.

(e) **2012 Series F Term Bonds Due May 1, 2033.** \$13,500,000 principal amount of the 2012 Series F Bonds shall be Term Bonds bearing interest at the rate of ____% per annum and maturing May 1, 2033 and shall be subject to mandatory redemption by application of Sinking Fund Installments at their principal amount plus accrued interest on May 1 and on November 1 in the following years and in the following amounts:

Year	Principal Amount (May 1)	Principal Amount (November 1)	Year	Principal Amount (May 1)	Principal Amount (November 1)
				\$2,125,00	
2030	\$1,645,000	\$2,005,000	2032	0	\$1,780,000
2031	2,040,000	2,080,000	2033	1,825,000*	---

*Maturity.

(f) **2012 Series F Term Bonds Due November 1, 2037.** \$4,370,000 principal amount of the 2012 Series F Bonds shall be Term Bonds bearing interest at the rate of ____% per annum and maturing November 1, 2037 and shall be subject to mandatory redemption by application of Sinking Fund Installments at their principal amount plus accrued interest on May 1 and on November 1 in the following years and in the following amounts:

Year	Principal Amount (May 1)	Principal Amount (November 1)	Year	Principal Amount (May 1)	Principal Amount (November 1)
2033	\$ -	\$450,000	2036	\$495,000	\$505,000
2034	460,000	470,000	2037	510,000	520,000*
2035	475,000	485,000			

*Maturity.

(g) **2012 Series F Term Bonds Due November 1, 2042.** \$5,790,000 principal amount of the 2012 Series F Bonds shall be Term Bonds bearing interest at the rate of _____% per annum and maturing November 1, 2042 and shall be subject to mandatory redemption by application of Sinking Fund Installments at their principal amount plus accrued interest on May 1 and on November 1 in the following years and in the following amounts:

Year	Principal Amount (May 1)	Principal Amount (November 1)	Year	Principal Amount (May 1)	Principal Amount (November 1)
2038	\$530,000	\$540,000	2041	\$595,000	\$605,000
2039	550,000	560,000	2042	620,000	630,000*
2040	575,000	585,000			

*Maturity.

(h) **Optional and Special Redemption Provisions.**

(i) *Optional Redemption.* The Long-Term Series Bonds are subject to redemption, at the option of the Authority, in whole or in part, at any time on or after May 1, 2022, from any source of funds, at a redemption price equal to the principal amount thereof plus accrued interest thereon, if any, to the date of redemption, without premium (except the Series D PAC Term Bonds will be redeemed at a premium that maintains the same yield as the original purchase price thereof until November 1, 2022, calculated as described in Exhibit C hereto).

(ii) *Special Redemption (unused proceeds).* The 2012 Series F Bonds are subject to special redemption at the option of the Authority, in whole or in part, at any time, at their principal amount plus accrued interest thereon, without premium from amounts on deposit in the 2012 Series DEF Mortgage Loan Account constituting sale proceeds of the 2012 Series F Bonds which are not applied to the purchase of Qualified Mortgage Loans ("Unexpended Proceeds"), provided that such purchase or redemption would not have any materially adverse effect on the ability of the Authority to pay, when due, the principal of and interest on the Bonds Outstanding under the Bond Resolution thereafter.

The Authority shall determine the amount of any remaining Unexpended Proceeds, if any, as of _____, 2016, and shall apply the amount of Unexpended Proceeds to the redemption of Series Bonds on or before May 8, 2016, as shall be necessary in the opinion of the Authority, upon consultation with bond counsel, to meet the requirements of Section 143(a)(2)(D) of the Code. In allocating expenditures from the 2012 Series DEF Mortgage Loan Account to the proceeds of the Series Bonds deposited therein, expenditures shall be allocated first to any transferred proceeds constituting unspent proceeds of the Series Bonds deposited into said Mortgage Loan Account with the earliest original issuance date.

(iii) *Special Redemption (excess revenues).* The Long-Term Series Bonds are subject to special redemption at the option of the Authority, in whole or in part, at any time, at their principal amount plus accrued interest thereon, without premium from amounts deposited in the Capital Reserve Fund and the Mortgage Reserve Fund which are not applied to the maintenance of reserve requirements and amounts deposited in the Revenue Fund in excess of the principal and interest then due and payable on Outstanding Bonds under the Bond Resolution which are transferred to the Redemption Fund, including Prepayments with respect to any Series of Bonds (collectively “Excess Revenues”), provided that such purchase or redemption would not have any materially adverse effect on the ability of the Authority to pay, when due, the principal of and interest on the Bonds Outstanding under the Bond Resolution thereafter.

So long as any Series D PAC Term Bonds remain Outstanding, 100% of the Prepayments of Mortgage Loans allocable to the Long-Term Series Bonds will be applied first to the redemption of the Series D PAC Term Bonds in an amount up to the following cumulative amounts during the applicable redemption period ending on the dates as set forth in the following table:

Date	Cumulative Amount	Date	Cumulative Amount
May 1, 2013	\$ 840,000	May 1, 2018	\$ 9,800,000
November 1, 2013	1,815,000	November 1, 2018	10,855,000
May 1, 2014	2,755,000	May 1, 2019	11,920,000
November 1, 2014	3,660,000	November 1, 2019	12,940,000
May 1, 2015	4,530,000	May 1, 2020	13,915,000
November 1, 2015	5,365,000	November 1, 2020	14,850,000
May 1, 2016	6,165,000	May 1, 2021	15,745,000
November 1, 2016	6,980,000	November 1, 2021	16,600,000
May 1, 2017	7,855,000	May 1, 2022	17,330,000
November 1, 2017	8,800,000		

Prepayments of Mortgage Loans other than Mortgage Loans allocable to the Long-Term Series Bonds may be applied to the redemption of Series D PAC

Term Bonds, but only to the extent that such redemptions do not exceed the Cumulative Amounts set forth in the table above (provided that such prepayments may be applied to the redemption of Series D PAC Term Bonds in excess of such Cumulative Amounts if such redemption is necessary to preserve the tax-exempt status of interest on the Long-Term Series Bonds).

If the amount available for such redemption is less than \$100,000, the Authority may delay redemption of the Series D PAC Term Bonds until the amount of Prepayments available totals \$100,000 or more. If the 2012 Series F Bonds are redeemed from Unexpended Proceeds, the amount of Series D PAC Term Bonds redeemed will be proportional to the total amount of Long-Term Series Bonds being redeemed and the Cumulative Amounts set forth above will be reduced proportionately.

Prepayments of all Mortgage Loans allocable to the Long-Term Series Bonds in excess of the Cumulative Amounts set forth above, but less than the Cumulative Amounts set forth below, will be applied to the redemption of Bonds other than the Series D PAC Term Bonds, provided that such Prepayments may be used to redeem the Series D PAC Term Bonds if such redemption is necessary to preserve the tax-exempt status of the interest on the Long-Term Series Bonds. Prepayments of Mortgage Loans allocable to the Long-Term Series Bonds in excess of the Cumulative Amounts set forth below may be applied by the Authority to the redemption of any Bonds, including the Series D PAC Term Bonds.

Date	Cumulative Amount	Date	Cumulative Amount
May 1, 2013	\$ 4,335,000	May 1, 2018	\$34,740,000
November 1, 2013	8,940,000	November 1, 2018	37,680,000
May 1, 2014	12,955,000	May 1, 2019	40,465,000
November 1, 2014	16,455,000	November 1, 2019	42,895,000
May 1, 2015	19,505,000	May 1, 2020	45,010,000
November 1, 2015	22,160,000	November 1, 2020	46,850,000
May 1, 2016	24,470,000	May 1, 2021	48,450,000
November 1, 2016	26,700,000	November 1, 2021	49,840,000
May 1, 2017	29,180,000	May 1, 2022	51,045,000
November 1, 2017	31,880,000		

If any 2012 Series F Bonds are redeemed from Unexpended Proceeds, the Cumulative Amounts immediately set forth above will be reduced proportionately.

(i) **General Redemption Provisions.**

(i) *Partial Redemption.* If less than all of the Long-Term 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 Long-Term 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 Long-Term Series Bond; provided, however, that so long as all Outstanding Long-Term Series Bonds are registered in the name of DTC or its designee, or other permitted securities depository, the Long-Term 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 Long-Term 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 Long-Term Series Bonds shall not be required.

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

(a) **2012 Series DEF Clearing Account.** The Trustee shall establish on its books a 2012 Series DEF Clearing Account and deposit therein sale proceeds of the 2012 Series DEF Bonds in the amount of \$_____ upon receipt by the Trustee from the Underwriters. The Trustee shall then transfer or credit amounts therein for the financing of Qualified Mortgage Loans and for the payment of the Refunded Bonds as directed in a certificate of an Authorized Officer.

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

(i) There is established an account designated as the 2012 Series DEF 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 Long-Term Series Bonds, there shall be deposited by the Trustee into the 2012 Series DEF Mortgage Loan Account from the 2012 Series DEF Clearing Account the amount as directed in a certificate of an Authorized Officer delivered upon the Issue Date.

(ii) There is established an account within the Capital Reserve Fund designated as the 2012 Series DEF Account. On the date of issuance of the Long-Term Series Bonds, there shall be deposited by the Trustee into the 2012 Series DEF Account in the Capital Reserve Fund, the Capital Reserve Requirement for the Long-Term Series Bonds, from the 2012 Series DEF Clearing Account as directed in a certificate of an Authorized Officer delivered upon the Issue Date.

(iii) There is established an account within the Mortgage Reserve Fund designated as the 2012 Series DEF Account. On the date of issuance of

the Long-Term Series Bonds, there shall be deposited by the Trustee into the 2012 Series DEF Account in the Mortgage Reserve Fund, the Mortgage Reserve Requirement for the Long-Term Series Bonds, from the 2012 Series DEF Clearing Account as directed in a certificate of an Authorized Officer delivered upon the Issue Date.

(iv) There is established an account within the Revenue Fund designated as the 2012 Series DEF Account. On the date of issuance of the Long-Term Series Bonds, the Trustee shall deposit the accrued interest, if any, received with respect to the Long-Term Series Bonds into the 2012 Series DEF Account in the Revenue Fund.

(v) The amount of \$-0- shall be transferred to the 2012 Series DEF Account of the Revenue Fund from the 2012 Series DEF Clearing Account. No deposits shall be made into said Account on the date of issuance of the Long-Term Series Bonds, but the Trustee shall make deposits and disbursements of Revenues allocable to the Long-Term 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 furnished pursuant to the Bond Resolution.

(vi) The Authority has determined not to establish a Costs of Issuance Account in connection with the issuance of the Long-Term Series Bonds. Costs of Issuance of the Long-Term Series Bonds may be paid from the Revenue Fund or Special Program Fund 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 Long-Term 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 Long-Term Series Bonds:

(i) Certified copies of the Bond Resolution and this 2012 Series DEF Resolution.

(ii) An opinion of Counsel to the Authority that the Bond Resolution and this 2012 Series DEF 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 Long-Term 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 amounts of the proceeds of the Long-Term 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 Long-Term Series Bonds, as provided in this 2012 Series DEF Resolution.

(B) That upon the issuance of the Long-Term Series Bonds, the Parity Test and the Cash Flow Test will be satisfied.

(C) That the issuance of the Long-Term 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 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 refunding Bonds, sufficient to effect retirement of the Bonds, interest and redemption premiums to be refunded.

(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 Long-Term Series Bonds, as computed by the Trustee.

(iii) That upon the issuance of the Long-Term 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 Long-Term 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, including the Long-Term Series Bonds, will not be used in a manner that would cause the Series Bonds, including the Long-Term Series Bonds, to be arbitrage bonds under applicable federal tax law.

(d) **Execution and Delivery of Long-Term Series Bonds.** The Long-Term Series Bonds shall be printed or typewritten, and 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 2012 Series DEF Resolution and to deliver the Long-Term 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 Long-Term Series Bond, the person in whose name such Long-Term Series Bond is recorded as the beneficial owner of such Long-Term 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 Long-Term 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 Long-Term Series Bonds as securities depository.

(ii) The Long-Term Series Bonds shall be initially issued as separately authenticated fully registered Bonds, and one Long-Term Series Bond of each Series shall be issued in the principal amount of each stated maturity of the Long-Term Series Bonds of each such Series. Upon initial issuance, the ownership of such Long-Term 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 Long-Term Series Bonds registered in its name for the purposes of payment of the principal of or interest on the Long-Term Series Bonds, selecting the

Long-Term Series Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Long-Term Series Bonds under the Bond Resolution or this 2012 Series DEF Resolution, registering the transfer of Long-Term 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 Long-Term 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 Long-Term 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 Long-Term Series Bonds, with respect to any notice which is permitted or required to be given to owners of Long-Term Series Bonds under the Bond Resolution or this 2012 Series DEF 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 Long-Term Series Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Long-Term Series Bonds. So long as any Long-Term 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 Long-Term Series Bond, and shall give all notices with respect to such Long-Term 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 Long-Term Series Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Long-Term 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 Long-Term 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 Long-Term 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 Long-Term Series Bonds in the form of certificates. In such event, the Long-Term Series Bonds will be transferable in accordance with subsection (iv) hereof. DTC may determine to discontinue providing its services with respect to the Long-Term 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 Long-Term Series Bonds will be transferable in accordance with subsection (iv) hereof.

(iv) In the event that any transfer or exchange of Long-Term Series Bonds is permitted under subsection (ii) or (iii) hereof, such transfer or exchange shall be accomplished upon receipt by the Trustee of the Long-Term 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 2012 Series DEF Resolution. In the event Long-Term 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 Long-Term Series Bonds, or another securities depository as owner of all the Long-Term Series Bonds, the provisions of the Bond Resolution and this 2012 Series DEF Resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Long-Term Series Bonds in the form of bond certificates and the method of payment of principal of and interest on such Long-Term 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, including the Long-Term 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 Long-Term 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 2012 Series DEF 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 2012 Series F Bonds initially deposited into the 2012 Series DEF 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 Long-Term 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 2012 Series F Bonds credited to the 2012 Series DEF Mortgage Loan Account, and the Authority determines to take all necessary action to insure that the 2012 Series F Bonds meet the requirements of Section 143 as an issue of "qualified mortgage bonds." The 2012 Series D Bonds and the 2012 Series E 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 2012 Series D Bonds and the 2012 Series E 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 2012 Series F 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 2012 Series F Bonds credited to the 2012 Series DEF Mortgage Loan Account as soon after the issuance of the Long-Term 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 2012 Series F Bonds deposited in the 2012 Series DEF 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 2012 Series F 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 2012 Series F 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 2012 Series F 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 2012 Series F 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 2012 Series F Bonds shall be provided for Mortgages 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 Mortgage Lender 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 \$_____ of its bonding authority carried over for use in 2012 and subsequent years, pursuant to Section 146(f) of the Code, to the Long-Term Series Bonds; the remaining \$_____ net proceeds of the Long-Term Series Bonds are eligible for treatment as "refunding bonds" pursuant to Section 1313(a) of the Tax Reform Act of 1986 or Section 146(i) of the Code, as applicable, and need no such allocation.

(i) **Placement in Targeted Areas.** With respect to the 2012 Series F Bonds, the Authority shall reserve at least the amount of \$_____ of the total \$_____ proceeds of 2012 Series F Bonds deposited into the 2012 Series DEF 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 2012 Series DEF Account in the Revenue Fund.** To comply with the provisions of Section 143(a)(2)(A)(iv) of the Code, the following percentages of scheduled principal payments and Prepayments of Qualified Mortgage Loans financed with funds deposited into the 2012 Series DEF Mortgage Loan Account or allocable to the Series Bonds under applicable federal tax law, and received on or after the following dates, will be applied no later than the close of the first semiannual period beginning after the date of receipt to the retirement of Series Bonds at maturity or by special redemption:

Date	Percent
11/8/2012	49.5%
5/21/2013	57.0
9/4/2013	67.1
11/8/2022	100.0

(m) ***New Mortgage and Assumption Requirements.*** None of the proceeds of the 2012 Series F 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 2012 Series F 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).

ARTICLE IV

EFFECTIVE DATE

This 2012 Series DEF Resolution shall take effect immediately.

Via roll call vote, the motion carried unanimously.

C. Resolution No. 12-11-101: Resolution Authorizing the Chair or Executive Director to Finalize the Rates, Maturities and Prices of Homeownership Mortgage Bonds, 2012 Series D, 2012 Series E and 2012 Series F in the Principal Amount not to Exceed \$85,000,000

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

WHEREAS, the South Dakota Housing Development Authority (the "Authority") commenced the public marketing of its \$74,715,000 principal amount of Homeownership Mortgage Bonds, 2012 Series D, 2012 Series E and 2012 Series F (the "Bonds") earlier this week, but the final interest rates, maturities and prices have not been finalized due to weather-related disruptions in New York City; and

NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director are hereby authorized to finalize the Bond principal amounts, rates, maturities and prices of said Bonds consistent with the preliminary Bond amounts, terms and prices which have been presented to the Board, with such changes as they shall deem appropriate and beneficial to the sale of such Bonds and in the best interests of the Authority; provided that in no event shall the principal amount of Bonds exceed \$85,000,000 nor any

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NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director are hereby authorized to finalize the Bond principal amounts, rates, maturities and prices of said Bonds consistent with the preliminary Bond amounts, terms and prices which have been presented to the Board, with such changes as they shall deem appropriate and beneficial to the sale of such Bonds and in the best interests of the Authority; provided that in no event shall the principal amount of Bonds exceed \$85,000,000 nor any interest rate exceed 6%, and they are directed to set forth such final terms in Resolution No. 12-11-E just adopted which specifies the other provisions of said Bonds.

Via roll call vote, the motion carried unanimously.

V. DATE OF NEXT MEETING AND ADJOURNMENT

The next Board of Commissioners' meeting is scheduled for Thursday, November 8, 2012 at 11:00 AM. Interested parties may participate at the SDHDA Board Room in Pierre. It was moved by Commissioner Dykstra and seconded by Commissioner Symens that the meeting adjourn. The meeting adjourned at 10:48 AM.

Respectfully submitted,


Mark Lauseng
Secretary