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June 1, 2006

Mayor John F. Cook
City Representatives
City of El Paso
2 Civic Center Plaza, 10th Floor
El Paso, TX 79901

Re: El Paso Housing Finance Corporation Multifamily Housing
Revenue Bonds, (Amberwood Project) Series 2006

Dear Mayor and City Representatives:

On Tuesday, June 6, 2006, there will be a Resolution on the City Council agenda to approve the issuance of, and to authorize the Mayor to execute the Mayor's Certificate and General Certificate of the City in connection with a Bond Issue by the El Paso Housing Finance Corporation. A copy of the General Certificate, Mayor's Certificate, and the Resolution has been provided with the agenda item.

This project is the financing of a multifamily project, known as the Amberwood Apartments. The purchaser of this complex is committed to rehabilitation of the complex and rental to persons of low and moderate income. The approvals in the Resolution are required by the Attorney General of Texas. The public hearing was held on April 6, 2006. The El Paso Housing Finance Corporation approved the issuance and adopted its Resolution authorizing issuance of the bonds on May 24, 2006. The financing will have in effect a regulatory agreement which requires the owners of the project to reserve 100% of the units for persons earning 60% of the area median income or less. As with all EPHFC revenue bonds, these bonds are revenue bonds payable only out of the rents and other revenues of the project. They are not payable from any other sources of the EPHFC. They are not obligations of the City in any manner.

Mayor John F. Cook
City Representatives
June 1, 2006
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As I indicated above, the EPHFC has authorized this program in a bond Resolution of its Board of Directors adopted on May 24, 2006. After the City Council has adopted its Resolution, all documents will be forwarded to the Texas Attorney General for review and a request that the Attorney General issue its approving opinion. It is anticipated that the Bond Issue will be ready to close on June 15, 2006.

This program is part of the continuing effort of the EPHFC to benefit El Paso by providing greater availability of affordable housing for low and moderate income families, maintaining the programs of the home construction industry and related jobs, and the addition of property to the tax rolls. The members of the El Paso Housing Finance Corporation Board of Directors are: Susie M. Byrd, Michael Bray, City Representative J. Alejandro Lozano, City Representative Presi Ortega, Robert Ash, Charles Vinson and Vivian Rojas.

A representative of the Purchaser, and I will be at the City Council meeting should there be any questions. In the interim, if you have any questions, please do not hesitate to contact any of the board members of the EPHFC, or me.

Very truly yours,



Norman J. Gordon

cc: Joyce Wilson, City Manager
Charles McNabb, City Attorney
Jorge Villegas, Deputy City Attorney
Robin Miller, First Southwest Co.
Paul Braden

Board of Directors, El Paso Housing Finance Corporation

CITY CLERK DEPT.

06 JUN -5 PM 4:10

RESOLUTION

WHEREAS, the El Paso Housing Finance Corporation (the "**Issuer**") was duly created and organized pursuant to and in accordance with the provisions of the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended, for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe, sanitary housing for persons of low and moderate income at prices they can afford; and

WHEREAS, the Issuer has determined to issue its Multifamily Housing Revenue Bonds (Amberwood Project) Series 2006 (the "**Bonds**") for the purpose of providing additional funding to certain qualified low and moderate income residents of the City of El Paso, Texas (the "**City**") to afford the costs of decent, safe, and sanitary housing located within the City, and

WHEREAS, the Issuer has conducted and held a public hearing regarding issuance of the Bonds on April 6, 2006 at 11:00 a.m., pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended; and

WHEREAS, the City approves and encourages the Issuer in its efforts to accomplish the issuance of the Bonds and, as part of such transaction, is willing to provide its General Certificate, and for the Mayor of the City to provide his Certificate concerning the conduct of the Public Hearing on April 6, 2006, copies of which are both attached hereto as Exhibits to this Resolution and made a part hereof for all purposes; and

WHEREAS, the City Council of the City hereby authorizes the Mayor to execute both the said General Certificate of the City and the Mayor's Certificate, and deliver same to the Issuer.

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of El Paso, Texas, that:

1. The Preambles to this Resolution set forth above are incorporated herein and made part of this Resolution.
2. The Mayor of the City is hereby authorized to execute a General Certificate of the City and the Mayor's Certificate in the form attached as Exhibits to this Resolution and deliver same to the El Paso Housing Finance Corporation to be used in connection with the issuance of its Bonds.

SIGNED this _____ day of June, 2006.

ATTEST:

CITY OF EL PASO

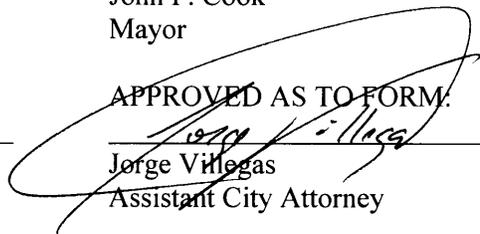
Richarda Duffy Momesen
City Clerk

John F. Cook
Mayor

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Norman J. Gordon
Attorney at Law



Jorge Villegas
Assistant City Attorney

GENERAL CERTIFICATE OF CITY OF EL PASO

We, the undersigned, Mayor and City Clerk of the City of El Paso, Texas (the "City"), make this certification for the benefit of all persons interested in the issuance by the El Paso Housing Finance Corporation (the "Issuer") of its MULTIFAMILY HOUSING REVENUE BONDS (AMBERWOOD PROJECT) SERIES 2006 (the "Bonds"):

1. On May 24, 2006, and at all times since, the following persons, each of whom resides within the City, have been duly appointed by the Governing Body of the City as members of the Board of Directors of the Issuer:

Susannah M. Byrd
Michael Bray
Presi Ortega, Jr.
J. Alexandro Lozano
Robert Ash
Vivian Rojas
Charles Vinson

2. The Governing Body has not created a "joint housing finance corporation" within the meaning of the Texas Housing Finance Corporations Act, as amended (the "Act").
3. The Governing Body has approved the Issuer's Articles of Incorporation and any amendments thereto.
4. The Governing Body has not amended the Issuer's Articles of Incorporation to change the structure, organization, programs or activities of the Issuer, nor has the Governing Body terminated the Issuer as set forth in Section 394.016(c) of the Act or otherwise, nor has the Governing Body taken any action to limit the effectiveness of the Resolution adopted by the Issuer authorizing the Bonds or to otherwise affect the Bond transaction.
5. The Attorney General of the State of Texas is hereby authorized to date this Certificate on and as of the date of his approval of the Bonds, and this Certificate and the matters herein certified shall be deemed for all purposes to be true, accurate and correct on and as of that date and on and as of the date of delivery of the Bonds, unless the City, through an authorized officer, shall notify the Attorney General and the Issuer in writing to the contrary prior to either of such dates.

(Signature Page Follows)

WITNESS OUR HANDS AND THE OFFICIAL SEAL OF THE CITY this
_____ day of June, 2006

John F. Cook
Mayor, City of El Paso, Texas

Richarda Duffy Momsen, City Clerk
City of El Paso, Texas

(SEAL)

APPROVED AS TO FORM:



Norman J. Gordon, Issuer's Counsel

(Signature Page for General Certificate of City)

MAYOR'S CERTIFICATE

El Paso Housing Finance Corporation
2 Civic Center Plaza
El Paso, Texas 79901

Re: EL PASO HOUSING FINANCE CORPORATION
MULTIFAMILY HOUSING REVENUE BONDS (AMBERWOOD PROJECT)
SERIES 2006

Madam and Gentlemen:

Pursuant to Section 147(f) of the United States Internal Revenue Code of 1986, as amended (the "Code"), I hereby certify that I have been duly elected Mayor of the City of El Paso, Texas, and as such constitute the chief elected executive officer of such City. I have been informed by you that the El Paso Housing Finance Corporation (the "Issuer") has adopted a Resolution authorizing the issuance of the captioned bonds (the "Bonds") under the provisions of the Texas Housing Finance Corporations Act for the purpose of financing the cost of residential ownership and providing decent, safe, and affordable housing for the residents of the City of El Paso, Texas.

I have been informed that a public hearing regarding the issuance of the Bonds was held by the Issuer on April 6, 2006, at 11:00 a.m.

I hereby approve the issuance of the Bonds for the purpose of Section 147(f) of the Code.

Very truly yours,

John F. Cook, Mayor, City of El Paso, Texas

June 6, 2006

Approved as to Form:



Norman F. Gordon, Issuer's Counsel

Minutes of a Public Hearing
By El Paso Housing Finance Corporation
April 6, 2006

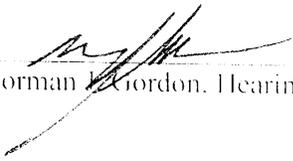
The hearing commenced at 11:07 A.M. Present were Mr. Norman J. Gordon, hearing officer, Mr. Chad Rennaker of Pacificap Properties, Mr. Paul Braden, Bond Counsel, Mr. William Lilly of the City of El Paso, and Mari Hafemuster and Chris Wagoner of Best Real Estate, El Paso Texas.

The hearing officer explained the publication of the notice and the general nature of the bond issue to provide financing for the residential rental development currently known as the Amberwood Apartments located at 5249 Wren in the City of El Paso Texas. He explained that the multifamily mortgage revenue bonds would be issued in an amount not to exceed \$7,800,000 to fund the acquisition and rehabilitation of the project.

Mr. Rennaker spoke next. Mr. Rennaker discussed the project, the intention to use 4% housing tax credits as assistance in the project and the types of rehabilitation the units and the complex as a whole would receive, including improvements to the landscaping, parking lot and interior of the units. Under the financing, 100% of the units would be reserved for individuals and families earning 60% of the area median income or less.

Mr. Lilly asked whether relocation assistance would be provided. Mr. Rennaker replied that he did not expect massive relocation, the work on the units as well as the qualification of tenants would be phased over a year, and that information would be provided to the tenants desiring to relocate, as well as assistance on utility hookup or transfer. Mr. Lilly asked about neighborhood outreach. Mr. Rennaker replied that they had notified everyone as required by the TDHCA, including neighbors, no negative comments had been received yet, and that everyone in the area was aware that the development needs help. Mr. Lilly then asked about the rent limits. Mr. Rennaker indicated that although the limit was 60%, his experience told him that most of the tenants would have incomes in the range of 50%-55% of area median income.

There being no further public comment the hearing was adjourned at 11:16 A.M.


Norman J. Gordon, Hearing Officer