

HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5167

A RESOLUTION of the Housing Authority of the County of King supplementing Resolution No. 5015, as amended, to provide for the extension of maturity of the Authority's Revolving Line of Credit Revenue Notes, 2005, Series A (Non-AMT) and Series C (Taxable) (Seola Crossing Project) in the aggregate principal amount of not to exceed \$30,000,000 at any one time outstanding.

ADOPTED June 16, 2008

This document was prepared by:

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WHEREAS, pursuant to Resolution No. 5015 adopted July 11, 2005, the Housing Authority of the County of King (the "Authority") issued its Revolving Line of Credit Revenue Notes, 2005, Series A (Non-AMT), Series B (AMT) and Series C (Taxable) (Seola Crossing Project), in the aggregate principal amount of not to exceed \$35,000,000 at any one time outstanding; and

WHEREAS, the Board of Commissioners of the Authority (the "Board") adopted Resolution No. 5021 on August 8, 2005, to expand the purposes for which Draws on the Notes could be used, and Resolution No. 5051 on May 8, 2006, to provide for certain changes relating to the provision of additional security for the Notes pursuant to a contingent loan agreement with King County, Washington; and

WHEREAS, Resolution No. 5015, as amended, provides that the Notes shall mature on August 1, 2008, unless the Maturity Date of the Notes is extended; and

WHEREAS, Bank of America, N.A. (the "Bank"), the holder of the Notes, has offered to permit the extension of maturity of the Series A Note and the Series C Note to August 1, 2010, in the reduced amount of \$30,000,000, on the terms set forth in this resolution; and

WHEREAS, the Board of Commissioners of the Authority has determined that it is necessary and advisable that the Authority extend the maturity of the Series A Note and the Series C Note on such terms; NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING as follows:

Section 1. Definitions. As used in this resolution, the following words have the following meanings:

“CLA Tax-Exempt LIBOR Rate” means, for any applicable Interest Period, a rate per annum equal to 65% of the LIBOR Fixed Rate, plus 1.05%.

“CLA Taxable LIBOR Rate” means for any applicable Interest Period, a rate per annum equal to the LIBOR Fixed Rate plus 0.55%.

“CLA Tax-Exempt Prime Rate” means a variable rate of interest per annum equal to 65% of the Prime Rate, minus 0.70%.

“CLA Taxable Prime Rate” means a variable rate of interest per annum equal to Prime Rate minus 2.15%.

“Tax-Exempt LIBOR Rate” means a fixed rate of interest per annum equal to 65% of the LIBOR Fixed Rate, plus 1.35%, which rate shall be adjusted on each LIBOR Reset Date.

“Taxable LIBOR Rate” means a rate per annum equal to the LIBOR Fixed Rate plus 1.00%, which rate shall be adjusted on each LIBOR Reset Date.

“Tax-Exempt Prime Rate” means a rate per annum equal to 65% of the Prime Rate, minus 0.40%.

“Taxable Prime Rate” means a rate per annum equal to Prime Rate minus 1.70%.

“Term Sheet” means the letter to the Authority from the Bank proposing the terms under which the Bank authorizes the extension of maturity of the Series A Note and the Series C Note under the terms set forth herein.

All other capitalized terms used but not defined in this resolution have the meanings ascribed to those terms in Resolution No. 5015, as amended by Resolutions Nos. 5021 and 5051.

Section 2. Description of Series A Note and Series C Note From and After August 1, 2008. The Maturity Date for the Series A Note and the Series C Note shall be August 1, 2010. From and after August 1, 2008, the combined Draws on the Series A Note and the Series C Note at any one time outstanding shall not exceed \$30,000,000.

From and after August 1, 2008, each Draw on the Series A Note shall bear interest at either the Tax-Exempt Prime Rate or the Tax-Exempt LIBOR Rate, and each Draw on the Series C Note shall bear interest at either the Taxable Prime Rate or the Taxable LIBOR Rate, in each case with such interest rate option chosen by the Executive Director or his or her designee at the time of each Draw. If the Draw is to bear interest based on the Prime Rate, the Authority may request the Draw by 1:00 on any business day for which payment of such Draw is requested.

Notwithstanding the foregoing, to the extent that the Contingent Loan Agreement is in effect and available to provide credit support for all or a portion of the Draws on the Series A Note and the Series C Note, (i.e., to the extent that the total amount of “Bonds” (as defined in the Contingent Loan Agreement) supported by the Contingent Loan Agreement, including all or a portion of the Draws on the Series A Note and the Series C Note, does not exceed \$35,000,000), then from and after August 1, 2008, each Draw on the Series A Note that is supported by the Contingent Loan Agreement shall bear interest at either the CLA Tax-Exempt Prime Rate or the

CLA Tax-Exempt LIBOR Rate, and each Draw on the Series C Note that is supported by the Contingent Loan Agreement shall bear interest at either the CLA Taxable Prime Rate or the CLA Taxable LIBOR Rate, as applicable.

Except as described above with respect to the maturity date, aggregate amount and interest rates on Draws on the Series A Note and the Series C Note from and after August 1, 2008, the Notes shall have the terms set forth in Resolution No. 5015, as amended, in all respects.

The Authority finds that the fixing of the above interest rate indices is in the best interest of the Authority.

Section 3. Elimination of Commitment Regarding Letters of Credit. The Bank's commitment to provide one or more letters of credit in connection with the financing of the Project is terminated, and all references in Resolution No. 5015, as amended, to the Letter of Credit Amount are eliminated.

Section 4. Approval of Transaction. The Bank has proposed to permit the extension of maturity of the Series A Note and the Series C Note, under the terms and conditions contained in this resolution and the Term Sheet, including the payment of (i) a renewal fee in the amount of \$15,000, (ii) the reasonable fees of counsel to the Bank, and (iii) an unused commitment fee in the amount of 12 basis points (.12%) per annum, payable for quarters in which the average outstanding combined amounts of the Series A Note and the Series C Note are less than \$7,500,000 and calculated on the amount by which \$30,000,000 exceeds the daily outstanding combined amounts of the Series A Note and the Series C Note. The Board finds that the Bank's proposal is in the best interest of the Authority. The Executive Director of the Authority is

authorized and directed to do everything necessary for the extension of maturity of the Series A Note and the Series C Note on the terms set forth in this resolution.

Section 5. Acting Officers Authorized. Any action required by this resolution to be taken by the Chair of the Board or Executive Director of the Authority may in the absence of such person be taken by the duly authorized acting Chair of the Board or the Deputy Executive Director or Assistant Executive Director for Administrative Affairs of the Authority, respectively.

Section 6. Ratification and Confirmation. Any actions of the Authority or its officers prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

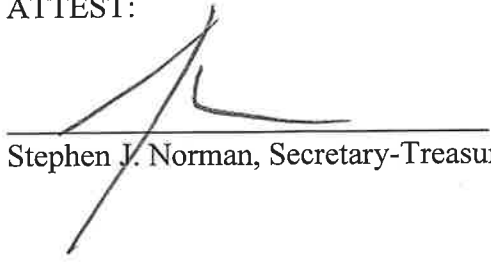
Section 7. Effective Date. This resolution shall be in full force and effect from and after its adoption and approval.

ADOPTED by the Board of Commissioners of the Housing Authority of the County of King at a regular open public meeting this 16th day of June, 2008.

HOUSING AUTHORITY OF THE COUNTY OF KING

By: 
Nancy Holland-Young, Chair

ATTEST:


Stephen J. Norman, Secretary-Treasurer


CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director of the Housing Authority of the County of King (the "Authority") and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 5167 (the "Resolution") is a true and correct copy of the resolution of the Board of Commissioners of the Authority, as adopted at a meeting of the Authority held on the 16th day of June, 2008, and duly recorded in the minute books of the Authority.

2. That such meeting was duly convened and held in all respects in accordance with law, and, to the extent required by law, due and proper notice of such meeting was given; that a quorum was present throughout the meeting and a majority of the members of the Board of Commissioners of the Authority present at the meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of June, 2008.



Executive Director of the Authority

