[Multifamily Housing Revenue Refunding Bonds]


WHEREAS, The Housing Authority of the City and County of San Francisco (the “Authority”) has heretofore financed the construction of a multifamily rental housing

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development known as the 737 Post Street Apartments (the “Project”), and in order to do so
issued $27,000,000 of its Variable Rate Demand Multifamily Housing Revenue Bonds 1985
Series D (737 Post Street Apartments Project) (the “Prior Bonds”) pursuant to that certain
Indenture, dated as of December 1, 1985 between the Authority and U.S. Bank Trust National
Association (as successor to Security Pacific National Bank) as trustee, as amended and
supplemented to the date hereof (the “Prior Indenture”), and made a loan of the proceeds
thereof to the predecessor to Whitecliff I Apartments, Ltd., a California limited partnership, R.
Ryder Construction, Inc., a California corporation, and L&R Associates -- SF, LLC, a
California limited liability company (collectively, the “Owner”) pursuant to that certain Loan
Agreement, dated as of December 1, 1985, among the Authority, the predecessor to the
Owner and the Trustee, as amended and supplemented to the date hereof (the “Prior Loan
Agreement”); and

WHEREAS, The Owner has requested that the City and County of San Francisco (the
“City”) redeem the Prior Bonds in accordance with the Prior Indenture, and that the City issue
its Bonds (hereinafter defined) in order to accomplish such redemption; and

WHEREAS, The Board of Supervisors of the City (the “Board”) desires to assist the
Owner and preserve the availability of the units in the Project for low and moderate income
persons or families, and in order to accomplish such purposes desires to provide for the
refunding of the Prior Bonds in order to provide for refinancing of the Project; and

WHEREAS, The interest on the Bonds may qualify for tax exemption under Section
103 of the Internal Revenue Code of 1986, as amended, (the “Code”), only if the Bonds are
approved in accordance with Section 147 (f) of the Code;

WHEREAS, The Project is located wholly within the City and County of San Francisco;

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WHEREAS, On July 11, 2000, the City caused a notice stating that a public hearing with respect to the issuance of the Bonds would be held by the Mayor’s Office of Housing on July 26, 2000, to appear in the Independent, which is a newspaper of general circulation in the City, such date of publication being not less than fourteen days prior to the date of the hearing; and

WHEREAS, The Mayor’s Office of Housing held the public hearing described above, and an opportunity was provided for interested parties to present arguments for and against the issuance of the Bonds and the nature and location of the Project to be financed by the issuance of the Bonds; and

WHEREAS, This Board is the elected legislative body of the City and is the applicable elected representative required to approve the issuance of the Bonds within the meaning of the Section 147(f) of the Code; and

WHEREAS, There has been prepared and presented to the Board for consideration at this meeting the documentation required for the issuance of such Bonds; and

WHEREAS, It appears that each of the documents which is now before this Board is substantially in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended; and

WHEREAS, Newman and Associates, Inc. (the “Underwriter”) has expressed its intention to purchase the Bonds authorized hereby, and the Board finds that the public interest and necessity require that the City at this time make arrangements for the sale of such Bonds; and

WHEREAS, The Federal Home Loan Mortgage Corporation (“Freddie Mac”) has agreed, subject to the satisfaction of certain conditions, to facilitate the refinancing of the Project by providing credit enhancement and liquidity for the Bonds; now, therefore, be it

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RESOLVED, BY THIS BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO AS FOLLOWS:

Section 1. Approval of Recitals. The Board hereby finds and declares that the above recitals are true and correct.

Section 2. Approval of Issuance of Bonds. In accordance with the Act (as defined in the hereinafter referred to Indenture) and the Indenture (hereinafter defined), the City is hereby authorized to issue revenue bonds of the City, such bonds to be designated as “City and County of San Francisco Variable Rate Demand Multifamily Housing Revenue Refunding Bonds Series 2000A (Post Street Towers – Freddie Mac Credit Enhanced),” in an aggregate principal amount not to exceed $17,000,000 (the “Bonds”), with an initial interest rate not to exceed eight percent (8%) per annum for the Bonds, and which shall have a final maturity date not later than December 1, 2031. The Bonds shall be in the form set forth in and otherwise in accordance with the Indenture, and shall be executed by the manual or facsimile signature of the Mayor of the City (the “Mayor”) and the manual or facsimile seal of the City shall be impressed or reproduced thereon and attested by the manual or facsimile signature of the Clerk of the Board.

Section 3. Indenture. The Indenture (the “Indenture”), between the City and a trustee bank to be determined by the City (the “Trustee”), in substantially the form presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The Mayor is hereby authorized to execute, and the Clerk of the Board is hereby authorized to attest the Indenture in substantially said form, with such additions thereto and changes therein as the City Attorney (the “City Attorney”) and co-Bond Counsel may approve or recommend in accordance with Section 11 hereof.

Section 4. Bond Purchase Agreement. The City is hereby authorized to sell the Bonds pursuant to the terms and conditions of the Bond Purchase Agreement (the “Bond

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Pursuant Agreement”), among the City, the Owner and the Underwriters in substantially the form presented to the Board, a copy of which is on file with the Clerk of the Board; and such Bond Purchase Agreement is hereby approved. The Mayor is hereby authorized to execute, and the Clerk of the Board is hereby authorized to attest, the Bond Purchase Agreement, in substantially said form, with such additions thereto and changes therein as the City Attorney and co-Bond Counsel may approve or recommend in accordance with Section 11 hereof.

Section 5. Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants. The form of Amended and Restated Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), among the City, the Trustee and the Owner, in substantially the form presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The Mayor is hereby authorized to execute, and the Clerk of the Board is hereby authorized to attest the Regulatory Agreement, in substantially said form, with such additions thereto and changes therein as the City Attorney and co-Bond Counsel may approve or recommend in accordance with Section 11 hereof.

Section 6. Financing Agreement. The form of Financing Agreement (the “Financing Agreement”) among the City, the Trustee and the Owner, in substantially the form presented to the Board, a copy of which is on file with the Clerk of the Board, is hereby approved. The Mayor is hereby authorized to execute, and the Clerk of the Board is hereby authorized to attest the Financing Agreement, in substantially said form, with such additions thereto and changes therein as the City Attorney and co-Bond Counsel may approve or recommend in accordance with Section 11 hereof.

Section 7. Remarketing Agreement. The form of Remarketing Agreement (the “Remarketing Agreement”) among the City, the Owner and the Remarketing Agent named therein, in substantially the form presented to the Board, a copy of which is on file with the

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Clerk of the Board, is hereby approved. The Mayor is hereby authorized to execute, and the
Clerk of the Board is hereby authorized to attest the Remarketing Agreement, in substantially
said form, with such additions thereto and changes therein as the City Attorney and co-Bond
Counsel may approve or recommend in accordance with Section 11 hereof.

Section 8. Approval of the Form and Circulation of Official Statement Relating to
Bonds. The form of preliminary official statement relating to the Bonds (the “Preliminary
Official Statement”), to be used in connection with the offer and sale of the Bonds, in
substantially the form presented to the Board, a copy of which is on file with the Clerk of the
Board, is hereby approved, and the Board hereby ratifies and approves distribution of the
Preliminary Official Statement to the Underwriter. The Mayor or the Controller is hereby
authorized to execute, at the time of sale of the Bonds, said form of Preliminary Official
Statement as the final Official Statement (the “Official Statement”), with such additions thereto
or changes therein as the City Attorney and co-Bond Counsel may approve or recommend in
accordance with Section 11 hereof.

Section 9. Approval of Intercreditor Agreement. The form of Intercreditor
Agreement (the “Intercreditor Agreement”) among the City, the Trustee and Freddie Mac, in
substantially the form presented to the Board, a copy of which is on file with the Clerk of the
Board, is hereby approved. The Mayor is hereby authorized to execute, and the Clerk of the
Board is hereby authorized to attest, the Intercreditor Agreement, in substantially said form,
with such additions thereto and changes therein as the City Attorney and Co-Bond Counsel
may approve or recommend in accordance with Section 11 hereof.

Section 10. Approval of Bonds. This Board hereby approves the issuance of
the Bonds by the City to refund the Prior Bonds and refinance costs of the Project. It is the
purpose and intent of this Board that this Resolution constitute approval of the Bonds by the
applicable elected representative of the issuer of the Bonds and the applicable elected

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representative of the governmental unit having jurisdiction over the area in which the Project
is located, in accordance with Section 147(f) of the Code.

Section 11. Modifications, Changes, Additions. An Authorized Officer (as such term
is defined in the Indenture) executing a document approved herein, in consultation with the
City Attorney and co-Bond Counsel, is hereby authorized to approve and make such
modifications, changes or additions to the Indenture, the Regulatory Agreement, the
Financing Agreement, the Remarketing Agreement, the Bond Purchase Agreement, the
Intercreditor Agreement, and the Preliminary Official Statement as may be necessary or
advisable, provided that such modification does not authorize an aggregate principal amount
of Bonds in excess of $17,000,000 or provide for a final maturity on the Bonds later than
December 1, 2031. The approval of any modification, addition, or change to any of the
aforementioned documents shall be evidenced conclusively by the execution and delivery of
the document in question.

Section 12. Ratification. All actions heretofore taken by the officers and agents of the
City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and
ratified, and the proper officers of the City are hereby authorized and directed, for and in the
name and on behalf of the City, to do any and all things and take any and all actions and
execute and deliver any and all certificates, agreements and other documents, including but
not limited to those documents described in the Indenture and the other documents herein
approved, which they, or any of them, may deem necessary or advisable in order to
consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes
thereof and of the documents herein approved in accordance with this Resolution.

Section 13. All documents referenced herein as being on file with the Clerk of the
Board are located in File No. 001298.

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MAYOR WILLIE L. BROWN, JR.
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APPROVED AS TO FORM:

LOUISE H. RENNE
City Attorney

By: [Signature]
MICHELLE W. SEXTON
Deputy City Attorney
Resolution authorizing the issuance and delivery of Multifamily Housing Revenue Bonds (as defined herein) in an aggregate principal amount not to exceed $17,000,000 for the purpose of refunding Bonds previously issued to provide financing for a Multifamily Rental Housing Project; authorizing the sale of the Bonds; approving the form of and authorizing the execution of an indenture providing the terms and conditions of the Bonds; approving the form of and authorizing the execution of the Bond purchase agreement providing the terms and conditions for the sale of the Bonds; approving the form of and authorizing the execution of an amended and restated regulatory agreement and declaration of restrictive covenants; approving the form of and authorizing the execution of a financing agreement; approving the form of and authorizing the execution of a remarketing agreement; approving the form of and authorizing the execution of an intercreditor agreement; approving and authorizing the preparation and distribution of a preliminary official statement and the preparation, execution and distribution of an official statement relating to the Bonds; approving the form of and authorizing the execution of an intercreditor agreement; approving and authorizing the execution and delivery of any document necessary to implement this Resolution; ratifying and approving any action heretofore taken in connection with the Bonds, the project and the refunding of the prior Bonds; and related matters.

August 7, 2000 Board of Supervisors — ADOPTED

Ayes: 10 - Ammiano, Becerra, Bierman, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

Absent: 1 - Brown
I hereby certify that the foregoing Resolution was ADOPTED on August 7, 2000 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young
Clerk of the Board

Mayor Willie L. Brown Jr.