

Given second reading, passed, and enacted by the Fiscal Court,

August 1, 1983.

Approved:

By Harold R. Botner
County Judge/Executive

Attest:

C. S. Wagers
County Clerk

CERTIFICATE OF COUNTY CLERK

I, C.S. Wagers, hereby certify that I'm the duly qualified and acting County Clerk of the County of Madison, Kentucky, that the foregoing Ordinance is a true and correct copy of an Ordinance relating to the approval of the execution of a Cooperation Agreement between said County, providing for the joint issuance of ~~the~~ Combined Counties of Kentucky Residential Mortgage Revenue Bonds, and designating the Authorized County, that said Ordinance was introduced and given its first reading by the Fiscal Court of said County on July 18, 1983, and that it was placed and remained on file in my office for public inspection in that identical, completed form from that date until August 1, 1983, on which date it was given its second reading and final passage and enactment by said Fiscal Court.

I further certify that said meetings were duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820, and 61.825, that a quorum was present at each of said meetings, that said Ordinance has not been modified, amended, revoked, or repealed, and that same is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature as County Clerk and the official Seal of said County this August 1, 1983.

(Seal of County)

C. S. Wagers
County Clerk



MARTHA LAYNE COLLINS
GOVERNOR

EXECUTIVE ORDER

84-590

July 11, 1984

Secretary of State
Frankfort
Kentucky

COMMONWEALTH OF KENTUCKY
EXECUTIVE ORDER NO. 84-590
ISSUED BY THE GOVERNOR
OF THE COMMONWEALTH OF KENTUCKY

WHEREAS, Section 103A of the Internal Revenue Code of 1954, as amended (the "Code"), places certain restrictions upon the issuance by States and other governmental units in States of obligations, the interest on which is exempt from federal income taxation, the proceeds of which are used for the purpose of providing financing, directly or indirectly, for mortgages on owner-occupied residences, including a limitation upon the principal amount of such tax-exempt obligations ("Qualified Mortgage Bonds") that may be issued by States or other governmental units in States during any calendar year; and

WHEREAS, the provisions of Section 103A of the Code expired by operation of law on December 31, 1983, but the Tax Reform Act of 1984, enacted by the 98th Congress of the United States, extends the legal effectiveness of Section 103A of the Code until December 31, 1987, and Section 103A of the Code provides for the allocation of the State Ceiling (as therein defined) for the issuance of Qualified Mortgage Bonds upon the basis of an allocation of one-half of the State Ceiling to the state housing finance agency of each State (being the Kentucky Housing Corporation in the case of Kentucky) and one-half of the State Ceiling to other governmental units in the States having the legal authority to issue Qualified Mortgage Bonds, such allocation to other governmental units in each State being in accordance with formulas set forth in Section 103A of the Code; and

WHEREAS, the provisions of Section 103A of the Code in respect of allocation of a portion of the State Ceiling to the state housing finance agency (Kentucky Housing Corporation) and such governmental units of Kentucky may, pursuant to Section 611 of the



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GOVERNOR

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Secretary of State

Frankfort
Kentucky

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Tax Reform Act of 1984, be superseded by Proclamation of the Governor of Kentucky, and it is appropriate that the Governor of Kentucky proclaim and enact an Executive Order determining criteria and formulas incident to the allocation of a portion of the State Ceiling to governmental units in Kentucky to the end that the State Ceiling may, by subsequent Executive Orders, based upon such criteria and formulas, be allocated in the most useful and appropriate manner within the Commonwealth of Kentucky.

NOW, THEREFORE, I, Martha Layne Collins, Governor of the Commonwealth of Kentucky, by virtue of the authority vested in me by Section 611 of the Tax Reform Act of 1984 and the Constitution of Kentucky do hereby order and direct the following:

Section 1. In addition to other previously defined terms, as used in this Proclamation and Executive Order, the term "State Ceiling" means with respect to any calendar year the aggregate principal amount of Qualified Mortgage Bonds which may be issued in the Commonwealth for the financing of mortgages on owner-occupied residences, subject to the limitations imposed by Section 103A of the Code. Unless otherwise established in accordance with Section 103A of the Code, the State Ceiling shall be either:

(a) the amount published by the United States Department of the Treasury for the Commonwealth for the calendar year in which the Qualified Mortgage Bonds are issued or

(b) if no such amount has been published for the calendar year in which Qualified Mortgage Bonds are issued, the amount last so published prior to the date of issuance of the Qualified Mortgage Bonds.

Provided, however, in no event shall anything contained in



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this Proclamation and Executive Order cause the State Ceiling in Kentucky to be an amount less than \$200,000,000 in any calendar year as provided by Section 103A(g)(4) of the Code.

Section 2. The first \$100,000,000 principal amount of Qualified Mortgage Bonds of the State Ceiling or fifty percent (50%) of the State Ceiling, whichever is greater, is hereby allocated in each calendar year, beginning with the calendar year 1984 to Kentucky Housing Corporation (the "Corporation") which is hereby recognized and declared to be the state housing finance agency of Kentucky. The remainder of the State Ceiling for each calendar year, beginning with the calendar year 1984, shall be allocated to the (i) counties, (ii) urban county governments and (iii) cities of the first class, of Kentucky pursuant to determinations made by the Governor of Kentucky in respect of the criteria set forth in Section 3 hereof.

Section 3. The allocation in any calendar year of the portion of the State Ceiling which is not allocated to the Kentucky Housing Corporation shall be made by supplementary Executive Order of the Governor, based upon the criteria herein determined, to the counties, urban county governments and cities of the first class of the Commonwealth on or before February 1 of each calendar year, and shall be calculated by multiplying the percentage allocation of each county, urban county government and city of the first class which is determined by Executive Order to receive an allocation of the State Ceiling by the principal amount of the State Ceiling which is not allocated to Kentucky Housing Corporation or not reserved. In determining the percentage allocation for counties, urban county governments and cities of the first class, the Governor of the Commonwealth shall give consideration to the following procedures and criteria:



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(i) There shall initially be determined (a) the average annual aggregate principal amount of mortgages executed in each county, urban county government or city of the first class during any two (2) of the three (3) immediately preceding calendar years prior to any allocation for single family, owner-occupied residences and (b) the ratio that such average annual aggregate principal amount of mortgages executed in any such county, urban county government or city of the first class bears to the average annual aggregate principal amount of mortgages executed in the Commonwealth during the same period.

(ii) Determination shall be made of the prior experience of any county, urban county government or city of the first class in the issuance of Qualified Mortgage Bonds for the financing of owner-occupied residences, including any such financings and the results thereof prior to the enactment of Section 103A of the Code.

(iii) Determination shall be made to the prior successful application and use of the proceeds of Qualified Mortgage Bonds by counties, urban county governments and cities of the first class, including the extent to which redemption of Qualified Mortgage Bonds has been required because of non-placement of mortgages financed thereby.

(iv) Determination shall be made of any failure to utilize prior allocations of the State Ceiling, and the amounts, if any, of any uncommitted proceeds of prior Qualified Mortgage Bond issues which may be available by counties, urban county governments and cities of the first class;

(v) Determination shall be made as to the potential use and application by counties, urban county governments and cities of the first class of the proceeds of Qualified Mortgage Bonds



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for the financing of mortgages in targeted areas as defined by Section 103A of the Code; and

(vi) Determination shall be made as to any other relevant and material facts, circumstances and conditions which may be applicable to the decision of the Governor in respect of the allocation of a portion of the State Ceiling to counties, urban county governments and cities of the first class, including, but not by way of limitation, the proposed program to be financed by the applicant county, urban county government or city of the first class, studies made in respect thereto and local support for such proposed program, both governmental and private.

In making factual determinations regarding application of the foregoing criteria and formula to counties, urban county governments and cities of the first class, the Governor shall be entitled to rely upon studies, factual statements made by such governmental units and the results of questionnaires and information-gathering procedures carried out by the Kentucky Housing Corporation upon direction of the Governor.

Any determination made by the Governor in respect of the making of allocations of the State Ceiling to counties, urban county governments and cities of the first class in Kentucky in each calendar year shall be final and conclusive.

Section 4. In determining facts, conditions and circumstances in respect of the application of the criteria set forth in Section 3 hereof to each county, urban county government and city of the first class wishing to request an allocation of a portion of the State Ceiling as hereinafter provided, the Kentucky Housing Corporation, on behalf



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GOVERNOR

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of and with the approval of the Governor, shall promulgate such informational forms, questionnaires, application forms and data survey instruments as shall be reasonably required in order to enable the Governor to determine the facts, conditions, circumstances and qualifications under the criteria set forth in Section 3 hereof to each request for an allocation of a portion of the State Ceiling made by a county, urban county government or a city of the first class. The Governor shall receive and consider such data as gathered by the Kentucky Housing Corporation. All such data and information shall be retained by Kentucky Housing Corporation as part of its permanent records and shall be relied upon by the Governor in connection with the making of annual allocations of that portion of the State Ceiling which is not allocated to the Kentucky Housing Corporation.

Section 5. (1) On or before September 1 of the calendar year preceding the calendar year for which an allocation of a portion of the State Ceiling is to be made to counties, urban county governments and cities of the first class, the Kentucky Housing Corporation, on behalf of the Governor and in accordance with procedures to be approved by the Governor, shall advise each county in Kentucky in writing of the availability of a portion of the State Ceiling to counties, urban county governments and cities of the first class. Any county, urban county government or city of the first class wishing to request an allocation of a portion of the State Ceiling must, by the following December 1, adopt a resolution or ordinance expressing its intention to issue Qualified Mortgage Bonds or to combine with one or more additional counties, urban



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county governments or cities of the first class in such issuance. Such resolutions or ordinances, together with definitive further information and data from or on behalf of the applicant or applicants in support of the requests for allocations of a portion of the State Ceiling, shall be filed with the Kentucky Housing Corporation, acting on behalf of the Governor, and shall describe the proposed program (and the need and demand therefor) for the financing of which Qualified Mortgage Bonds are proposed to be issued. Such information and data shall identify targeted areas, as defined in Section 103A of the Internal Revenue Code of 1954, as amended, within such county, counties, urban county governments or city of the first class. In addition, following the making of any allocation, such county, counties, urban county governments or city of the first class, shall advise Kentucky Housing Corporation on a current and regular basis as to the status of its or their proposed programs pursuant to reporting procedures to be determined by Kentucky Housing Corporation and approved by the Governor.

(2) In order to promote economies in the issuance of Qualified Mortgage Bonds, two or more counties, urban county governments or cities of the first class may join together for the purpose of issuing Qualified Mortgage Bonds, in which event bonds in the principal amount equal to the sum of the aggregate allocations of the State Ceiling of such counties, urban county governments or cities of the first class may be issued, and the proceeds thereof may be used within such counties, urban county governments or cities of the first class to finance mortgages in such amounts as they may agree; provided that some portion of such proceeds must be used to



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GOVERNOR

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Frankfort
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finance mortgages in each of such counties, urban county governments or cities of the first class.

Section 6. (1) In the event any county, urban county government or city of the first class which has received an allocation of a portion of the State Ceiling has not issued Qualified Mortgage Bonds for the financing thereof by September 1 of the calendar year for which the allocation is made (and by November 1 in calendar year 1984), such allocation shall lapse and revert to the Commonwealth and is automatically allocated to Kentucky Housing Corporation.

(2) Any county, urban county government or city of the first class which has received an allocation of a portion of the State Ceiling shall, at such time as it is apparent that such allocation will not be used by such county, urban county government or city of the first class, either alone or in combination with one or more additional counties, urban county governments or cities of the first class, advise in writing the Kentucky Housing Corporation, acting on behalf of the Governor, that such county, urban county government or city of the first class will not be able to utilize all or a portion of such allocation. At such time such allocations shall lapse and revert to the Commonwealth and are automatically allocated to Kentucky Housing Corporation.

Section 7. The allocation of a portion of the State Ceiling to counties, urban county governments and cities of the first class for calendar year 1984 shall be made in accordance with the criteria and formula set forth in Section 3 hereof without regard to the time limitations set out in Section 5 hereof.

This Executive Order shall effective July 18, 1984.



MARTHA LAYNE COLLINS
GOVERNOR

EXECUTIVE ORDER

84-590
July 11, 1984

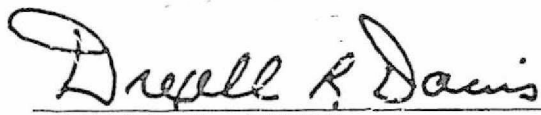
Secretary of State

Frankfort
Kentucky

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Done this 11th day of July, 1984,
at Frankfort, Kentucky.


MARTHA LAYNE COLLINS, GOVERNOR
Commonwealth of Kentucky



DREXELL R. DAVIS
Secretary of State

July 20, 1984

The Honorable Harold K. Botner
County Judge/Executive
Madison County Courthouse
Richmond, Kentucky 40475

Dear Judge Botner:

This letter is to inform you that Governor Martha Layne Collins has enacted Executive Order 84-590 dated July 11, 1984, with an effective date of July 18, 1984. This Executive Order outlines the criteria and procedures to be adhered to when applying for a portion of the State Ceiling for the issuance of Qualified Mortgage Bonds as outlined within the Order.

As you will note, Kentucky Housing Corporation (KHC) has received a \$100,000,000 allocation, or fifty (50%) percent, whichever is greater, and all legal entities, be they counties, cities of the first class, or urban county government, may share in the remainder, but not less than \$100,000,000.

Governor Collins has delegated to KHC the responsibility to gather information and data in connection with formal requests from those entities eligible in accordance with the enclosed Executive Order. If you desire an allocation, please adhere to the procedures as outlined in this Order and complete the attached questionnaire. Please send to KHC along with official evidence in the form of a resolution(s) from the governing body or bodies applying by August 20, 1984.

If we can be of further help to you in this process, please feel free to contact me at your earliest convenience.

Sincerely yours,



F. Lynn Luallen
Executive Director

Enclosures

*Advised 8/21/84 by Judge Allen of
Clark Co. not to reply as MACED
is not going to issue any bonds*



F. LYNN LUALLEN
Executive Director

QUESTIONNAIRE

1. Name of Issuing Entity _____
2. Amount of Authority Requested _____
3. Geographic Area in Which Proceeds Are to Be Used _____

4. Program Director or Coordinator _____
Address _____

Telephone No. _____
5. What was the amount of mortgage originations secured by single-family owner-occupied residences in your jurisdiction during 1983? _____
_____ During 1982? _____ During 1981? _____
6. Have you issued Mortgage Revenue Bonds before? _____ If yes, please answer the following questions:
 - 6a. Have proceeds been fully utilized for the funding of qualified mortgage loans? _____
 - 6b. Over what time period were the proceeds utilized? _____

 - 6c. Are there presently uncommitted bond proceeds from previous years? _____ If so, state the amount as well as the mortgage loan rate. _____
 - 6d. Do you anticipate to call bonds with these uncommitted proceeds? _____ If so, state amount and approximate date of call.

6e. Have bonds previously been redeemed from unused proceeds of a Mortgage Revenue Bond issue? _____ If so, please state amount. _____

7. What is the maximum percentage of lendable proceeds which you will be required to place in the targeted area as defined in Section 103A of the Internal Revenue Code of 1954, as amended? _____
By what methods do you expect to achieve this target? _____

8. Describe your proposed Qualified Mortgage Bond program; please include the following elements:

8a. Issue structure _____

8b. Market study results _____

8c. Special targeting _____

8d. Income caps _____

8e. Purchase price caps _____

8f. Purpose of mortgage loans to be financed, i.e., rehabilitation, owner-financing, etc. _____

8g. Lending process, i.e., will private lending institutions be used? _____ If so, please describe allocation procedure.

8h. Please describe proposed method of monitoring compliance with the Federal law. _____

8i. How will program be administered, i.e., trustee, investment procedures, up front fees, etc.? _____

9. Please supply any other data or information not covered in the above.

August 31, 1984

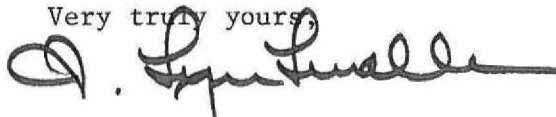
The Honorable Harold K. Botner
County Judge/Executive
Madison County Courthouse
Richmond, Kentucky 40475

Dear Judge Botner:

In accordance with Executive Order 84-590 enacted by Governor Martha Layne Collins on July 11, 1984 with an effective date of July 18, 1984, this letter is to inform you of the availability of a portion of the State Ceiling of \$200,000,000 for the issuance of Qualified Mortgage Bonds for calendar year 1985. As in calendar year 1984, Kentucky Housing Corporation has received a \$100,000,000 allocation, or fifty (50%) percent, whichever is greater, and all legal entities, be they counties, cities of the first class, or urban county government, may share in the remainder, but not less than \$100,000,000.

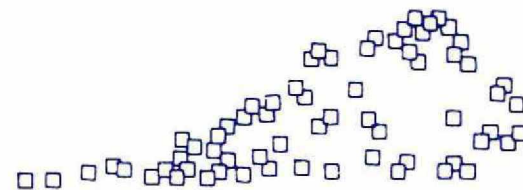
Governor Collins has delegated to KHC the responsibility of gathering information and data in connection with formal requests from those entities eligible in accordance with the enclosed Executive Order. If you desire an allocation, please adhere to the procedures as outlined in this Order and complete the attached questionnaire. Please send to KHC along with official evidence in the form of a resolution(s) from the governing body or bodies applying by December 1, 1984.

If we can be of further help to you in this process, please feel free to contact me at your earliest convenience.

Very truly yours,


F. Lynn Luallen
Executive Director

Enclosures



F. LYNN LUALLEN
Executive Director

EXHIBIT A TO COOPERATION AGREEMENT

LIST OF ISSUER COUNTIES
(CONSTITUTING COMBINED COUNTIES OF KENTUCKY)
AND AMOUNT OF ALLOCATION

County of Bell Courthouse Pineville, Kentucky \$138,000	County of Carter Courthouse Grayson, Kentucky \$45,000	County of Casey Courthouse Liberty, Kentucky \$20,000
County of Clark Courthouse Winchester, Kentucky \$76,000	County of Clay Courthouse Manchester, Kentucky \$26,000	County of Floyd Courthouse Prestonsburg, Kentucky \$5,078,000
County of Harlan Courthouse Harlan, Kentucky \$39,300	County of Johnson Courthouse Paintsville, Kentucky \$5,100,000	County of Laurel Courthouse London, Kentucky \$80,000
County of Lawrence Courthouse Louisa, Kentucky \$18,000	County of Lee Courthouse Beattyville, Kentucky \$10,000	County of Leslie Courthouse Hyden, Kentucky \$4,000
County of Lewis Courthouse Vanceburg, Kentucky \$2,526,000	† County of Madison Courthouse Richmond, Kentucky \$128,000	County of Martin Courthouse Inez, Kentucky \$14,000
County of Montgomery Courthouse Mt. Sterling, Kentucky \$67,000	County of Morgan Courthouse West Liberty, Kentucky \$24,000	County of Perry Courthouse Hazard, Kentucky \$69,000
County of Pike Courthouse Pikeville, Kentucky \$3,655,000 remaining unused allocation	County of Powell Courthouse Stanton, Kentucky \$30,000	County of Rockcastle Courthouse Mount Vernon, Kentucky \$18,000
County of Rowan Courthouse Morehead, Kentucky \$43,000	County of Russell Courthouse Jamestown, Kentucky	



JOHN Y. BROWN, JR.
GOVERNOR

EXECUTIVE ORDER

82-1102

December 27, 1982

Secretary of State
Frankfort
Kentucky

ISSUANCE OF QUALIFIED MORTGAGE BONDS
(AMENDING EXECUTIVE ORDER 82-620)

WHEREAS, under the Mortgage Subsidy Bond Tax Act of 1980, codified in Section 103A of the Internal Revenue Code of the United States, and under the Temporary Regulations of the Internal Revenue Service issued thereunder, specifically Section 6a.103A-2(g) thereof, there has been placed upon state, county and municipal governments of the Commonwealth a "market limitation" with respect to the issuance of tax-exempt bonds in 1982 and 1983, the net proceeds of which are to be used for the purpose of purchasing qualified mortgage loans, meeting the requirements of said Act and Temporary Regulation; and

WHEREAS, under said Act and Temporary Regulation Section 6a.103A-2(g)(9), the Governor of the Commonwealth in the absence of legislation is empowered to prescribe an allocation formula with respect to the above-referenced market limitation among the governmental units in the Commonwealth having authority to issue such tax-exempt bonds; and

WHEREAS, it would be in the best interest of the Commonwealth and its citizens in order to (1) provide financial housing assistance to the greatest number of persons and families of lower and moderate income throughout the state, (2) provide uniformity and economies in providing such assistance, and (3) provide for a greater possibility that such financial housing assistance will be made fully available to the citizens of the Commonwealth, that the Governor exercise his allocation prerogative, described under Temporary Regulation Section 6a.103A-2(g)(ii); and

WHEREAS, Executive Order 82-620 was issued directing the "market limitation" allocation of the Commonwealth under the Mortgage Subsidy Bond Tax Act of 1980 for the calendar years 1982 and 1983; and

WHEREAS, it is necessary to amend said Executive Order 82-620 with respect to the 1983 allocation:

NOW, THEREFORE, I, John Y. Brown, Jr., Governor of the Commonwealth of Kentucky, pursuant to the authority vested in me by the Mortgage Subsidy Bond Tax Act of 1980 and the Constitution and laws of Kentucky, do hereby restate and amend Executive Order 82-620 and direct that the allocation of the Commonwealth's "market limitation" with respect to the issuance of "qualified mortgage bonds" under Temporary Regulation Section 6a.103A-2(g) of the Internal Revenue Service in calendar year 1983 shall be as follows:

(1) The "market limitation" for any county or other local governmental body having authority to issue residential mortgage bonds (other than the Kentucky Housing Corporation) for the 1983 calendar year shall be an amount equal to such county's or local governmental body's proportionate share being an amount which bears the same ratio to \$10,000,000 as:

(a) The average annual aggregate principal amount of mortgages executed during the immediately preceding three calendar years for single-family, owner-occupied residences located within the jurisdiction of such issuing authority, bears to;



JOHN Y. BROWN, JR.
GOVERNOR

EXECUTIVE ORDER

82-1102

December 27, 1982

Secretary of State
Frankfort,
Kentucky

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(b) An average determined in the same way for the entire Commonwealth of Kentucky.

(2) For the purposes of numerical paragraph 1, above, if both a county and local governmental body, within the county, contemplate issuance of "qualified mortgage bonds" within the terms of the above allocation, presents an overlapping jurisdiction question, such county and local governmental body shall be governed by the provisions of Temporary Regulation Section 6a.103A-2(g) (5).

(3) Provided, however, for any county or other local governmental body having authority to issue residential mortgage bonds to qualify for the above allocation it must meet the requirements listed in subparagraphs (a) and (b), below, failure to meet either one of such requirements operating as a lapse of such allocation:

(a) Enact on or before March 15, 1983, a resolution, order or ordinance at a duly convened meeting of such county's or local government's legislative body, expressing its intention to issue "qualified mortgage bonds" within the meaning of the said Temporary Regulation, and deliver to the office of the Secretary of the Kentucky Transportation Cabinet, State Office Building, Frankfort, Kentucky 40601, a certified copy of such resolution, order or ordinance within ten days of its enactment, the Secretary being charged with the determination of the "market limitation" for issuing authority, which determination shall be made and communicated no later than twenty days after receipt of such copy.

(b) Sale and issuance of such bonds in the indicated principal amount, or such lesser amount as it may determine, on or before August 31, 1983. Promptly after such issuance the issuer shall deliver to the Secretary of the Kentucky Transportation Cabinet at the address given above a certification with respect to the sale and issuance and the principal amount thereof.

(4) Prior to December 31, 1982, the Secretary of the Transportation Cabinet shall submit to the Governor his recommendations as to the allocation of \$140,000,000 of the Commonwealth's market limitation to the various counties of the Commonwealth. Upon receipt the Governor shall review and, if accepted, approve the recommendations on or prior to December 31, 1982.

In addition, such counties shall be entitled to their proportionate share of the \$10,000,000 allocation as made pursuant to paragraph (1) of this Executive Order. Provided, however, that in order for a county to qualify for the approved allocation, it must take the action contemplated in paragraph (3)(a) of this Executive Order, indicating its intention to issue "qualified mortgage bonds" and, in addition, sell and issue such bonds on or before August 31, 1983.

Two or more counties may join together for the purpose of issuing "qualified mortgage bonds" allocated in which event bonds in the principal amount equal to the sum of such counties' allocations may be issued with the net bond proceeds to be used for the purchase of qualified mortgage loans to be apportioned among such counties as they may agree.



JOHN Y. BROWN, JR.
GOVERNOR

EXECUTIVE ORDER

82-1102

December 27, 1982

Secretary of State
Frankfort,
Kentucky

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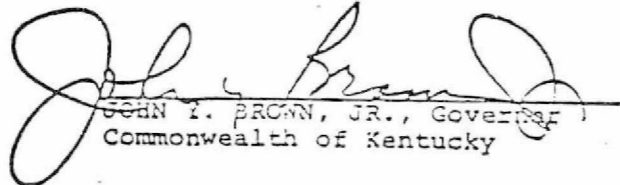
(5) The Kentucky Housing Corporation, created and operating under Chapter 198A of the Kentucky Revised Statutes, is hereby allocated \$50,000,000 of the state ceiling "market limitation" for the Commonwealth of Kentucky for the 1983 calendar year, the requirements of paragraph (3), hereinabove, not being applicable thereto. In addition, the Kentucky Housing Corporation is further allocated as a part of its "market limitation" an amount equal to the unused portion of the \$150,000,000 "market limitation" allocated to county and other local governmental bodies under paragraphs (1) and (4), hereinabove, such additional allocation to be determined by the Secretary of the Kentucky Transportation Cabinet after the August 31, 1983, deadline for sale and issuance of "qualified mortgage bonds" by counties and local governmental bodies.

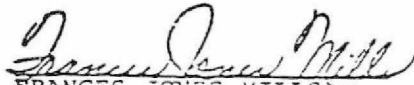
(6) Paragraph (6) of Executive Order 82-620 is hereby revoked in its entirety.

(7) In the event any one or more of the paragraphs of this Executive Order, or any portion of a paragraph, shall be held for any reason to be illegal or invalid, such illegality or invalidity shall not affect any other paragraph or portion thereof, but this Executive Order shall be construed and enforced as if such illegal or invalid paragraph or portion thereof had not been contained herein.

(8) The Secretary of the Kentucky Transportation Cabinet and the Executive Director of the Kentucky Housing Corporation shall take all necessary steps to implement this Order.

This Order shall be effective as of December 22, 1982.

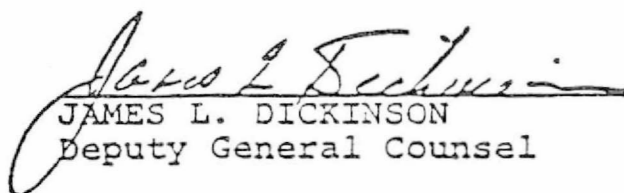

JOHN Y. BROWN, JR., Governor
Commonwealth of Kentucky


FRANCES JONES MILLS
Secretary of State

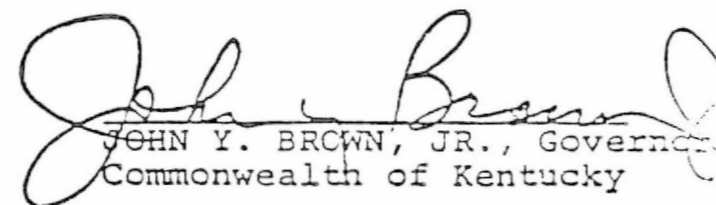
ALLOCATION OF BOND ISSUES
PER EXECUTIVE ORDER 82-1102
CALENDAR YEAR 1983

	<u>Allocation</u>
Boone	\$ 6,000,000
Bracken	2,500,000
Campbell	7,000,000
Daviess	6,000,000
Fayette	22,000,000
Fleming	2,000,000
Floyd	5,000,000
Jefferson	40,000,000
Johnson	5,000,000
Kenton	7,000,000
Lewis	2,500,000
Mason	2,500,000
Pike	24,000,000
Robertson	2,500,000
Warren	<u>6,000,000</u>
TOTAL	\$140,000,000

EXAMINED


JAMES L. DICKINSON
Deputy General Counsel

APPROVED


JOHN Y. BROWN, JR., Governor
Commonwealth of Kentucky

DATE: 12-22-82



OFFICE FOR POLICY AND MANAGEMENT
FINANCE AND ADMINISTRATION CABINET
CAPITOL ANNEX
FRANKFORT, KENTUCKY 40601

May 31, 1983

Mr. Joseph Rubin
Rubin and Hays
300 Fireside Building
209 South Fifth Street
Louisville, KY 40202

Dear Joe:

Attached are the latest Mortgage Revenue Bond principal allocations you requested. I hope this will be helpful.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tanya Gritz".

Tanya Gritz
Financial and Investment Program Manager
Division of Investment and Debt Management

TG:mcu

Attachment

March 29, 1983 - Mortgage Bond Allocation

Bell County	\$ 138,000.00
Boone County	6,067,000.00
Bullitt County	114,000.00
Campbell County	7,435,000.00
Carter County	45,000.00
Casey County	20,000.00
Clark County	76,000.00
Clay County	26,000.00
Daviess County	6,389,000.00
Fayette County	22,740,000.00
Harlan County	39,300.00
Jefferson County	42,960,000.00
Kenton County	7,558,000.00
Laurel County	80,000.00
Lawrence County	18,000.00
Lee County	10,000.00
Leslie County	4,000.00
Madison County	128,000.00
Martin County	14,000.00
Montgomery County	67,000.00
Morgan County	24,000.00
Perry County	69,000.00
Pike County	24,100,000.00
Powell County	30,000.00
Rockcastle County	18,000.00
Rowan County	43,000.00
Warren County	6,240,000.00

Buffalo Trace Regional Housing Authority

Robertson County	2,514,000.00
Bracken County	2,535,000.00
Fleming County	2,018,000.00
Lewis County	2,526,000.00
Mason County	2,542,000.00
{ Johnson County	5,100,000.00
{ Floyd County	5,078,000.00

not in B. Trace ad.

COUNTY OF MADISON, KENTUCKY

The address, principal office, and place of business of such county is:

County of Madison
Courthouse
Richmond, Kentucky 40475

(Seal of County)

By Harold K. Botner
County Judge/Executive
Authorized by action of the Fiscal Court
of the County on 1 Aug, 1983.

Attest:

C. S. Wagner
County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF MADISON)

The foregoing instrument was acknowledged before me this 2nd day of August, 1983, by Harold K. Botner and C. S. Wagner, who are the County Judge/Executive and Clerk, of Madison County, Kentucky, on behalf of said County.

WITNESS my signature and notarial seal this August 21, 1983.

My commission expires: July 2, 1986.

(Seal of Notary)

Lea S. Perry
Notary Public in and for said County
and State

NOTICE AS TO INTENDED PASSAGE
AND
SUMMARY OF ORDINANCE

Notice is hereby given that the Fiscal Court of _____ County, Kentucky, at a meeting to be held at _____ M., local time, on _____, 1983, at the regular meeting place of the Fiscal Court at the Courthouse in _____, Kentucky, will give second reading to and consider for passage and enactment (following first reading on an earlier date) an Ordinance relating to the approval by the County of the execution of an (Inter-Local) Cooperation Agreement between said County and approximately 22 other Counties (the number of which Counties may be supplemented or reduced), providing for the joint issuance by said Counties of Bonds entitled "Combined Counties of Kentucky Residential Mortgage Revenue Bonds", in 1983; designating the County of Clark, Kentucky, as the "Authorized County" to act on behalf of this County, together with all other Counties constituting the "Combined Counties of Kentucky", in the issuance of said Bonds; and authorizing and approving the plan of financing whereby such "Authorized County" will, pursuant to said Inter-Local Cooperation Act, authorize, advertise for sale, accept the successful bid, issue, sell, and deliver such Bonds, provided the interest rate, price, and certain other provisions comply with the parameters specified in said Inter-Local Cooperation Agreement.

Said Ordinance specifically approves the proposed Cooperation Agreement among all of the Counties, approves the establishment of a Single Family Mortgage Purchase Program, ordained in said Ordinance, and declares that such Program is reasonably necessary to carry out a proper governmental function, viz., the facilitation of the construction and purchase of new housing and the purchase of existing housing, through the issuance of the proposed revenue bonds to finance residential mortgage loans. A copy of the Cooperation Agreement is attached to said Ordinance.

The full text of the Ordinance (and the aforementioned Cooperation Agreement, together with certain related exhibits) is and will be on file from and after the date of publication of this Notice in the office of the undersigned Clerk, in said County Courthouse where same is and will be available for public inspection. (Signed) _____, County Clerk.

NOTE: Please change the words "County Clerk" to "Fiscal Court Clerk", if the County has appointed a Fiscal Court Clerk.

1986

KENTUCKY
COUNTIES

For info call
Suzanne Trane Add
1-800-633-2588

MORTGAGE
PROGRAM

BLUEGRASS AREA DEVELOPMENT DISTRICT
PRE-QUALIFYING AFFIDAVIT

(BANK NAME)

- | | <u>YES</u> | <u>NO</u> |
|---|------------|-----------|
| 1) DO YOU INTEND TO OCCUPY THIS PROPERTY AS YOUR PRINCIPAL RESIDENCE WITHIN SIXTY(60) DAYS OF CLOSING AND DO YOU INTEND TO MAINTAIN THIS PROPERTY AS YOUR PERSONAL RESIDENCE? | ___ | ___ |
| 2) IS THIS RESIDENTIAL PROPERTY LOCATED WITHIN BOYLE, ESTILL, GARRARD, HARRISON, JESSAMINE, LINCOLN, MADISON, POWELL, OR SCOTT COUNTY, KY? | ___ | ___ |
| 3) DO YOU AFFIRM THAT NONE OF THE TOTAL AREA OF THE RESIDENCE WILL BE USED IN A TRADE OR BUSINESS? | ___ | ___ |
| 4) DO YOU AFFIRM THAT THE FULL SALES PRICE OF THE RESIDENT PROPERTY DOES NOT EXCEED THE FOLLOWING? | | |

	<u>JESSAMINE COUNTY</u>	<u>OTHER COUNTIES</u>		
a. NEW HOME.....	\$66,420	\$81,180	___	___
b. EXISTING HOME.....	\$56,160	\$68,640	___	___

I (WE) DO HEREBY SWEAR THAT THE ANSWERS TO THE ABOVE QUESTIONS ARE TRUE AND CORRECT TO THE BEST OF MY (OUR) KNOWLEDGE AND BELIEF.

(DATE)

(APPLICANT)

(APPLICANT)

STATE OF KENTUCKY
COUNTY OF _____SCT:

SUBSCRIBED AND SWORN TO BEFORE ME BY _____

_____, THIS ___ DAY OF _____, 19__.

(NOTARY PUBLIC)

MY COMMISSION EXPIRES _____

1986 KENTUCKY COUNTIES
SINGLE FAMILY MORTGAGE PROGRAM

BLUEGRASS AREA DEVELOPMENT DISTRICT

INTEREST RATE	(1)	8.79%
TERM (MAXIMUM MATURITY)		8/1/2016
CLOSING COSTS (APPROXIMATELY)	(2)	6%
DOWN PAYMENT	(3)	5%
MAXIMUM PURCHASE PRICES		
NEW		\$81,180
EXISTING		\$68,640
MAXIMUM INCOME (GROSS)		SEE LENDER
ANNUAL PERCENTAGE RATE	(4)	9.82%
PREPAYMENT PENALTY		SEE (5) BELOW

FOOTNOTES:

(1) THE INTEREST RATES ON ACTUAL LOANS WILL BE DETERMINED ON THE DATE BONDS ARE SOLD LONG-TERM. ALL INITIAL BONDS WERE SOLD SHORT-TERM FOR LATER CONVERSION, FROM WHICH WILL COME THE REVENUES TO FUND ACTUAL HOME LOANS. THE RATE SHOWN HERE IS A "NOT-TO-EXCEED" RATE.

(2) SOME CLOSING COSTS ARE BASED ON THE LOAN AMOUNT AND LOAN-TO-VALUE RATIOS, WHILE OTHERS, SUCH AS APPRAISAL FEES, ARE FIXED COSTS.

(3) MINIMUM DOWN PAYMENT FOR "STICK-BUILT" HOMES. MINIMUM DOWN PAYMENT FOR MANUFACTURED HOMES (DOUBLE-WIDE ONLY) 10%. MINIMUM DOWN PAYMENT IN ALL CASES WILL BE \$1500.

(4) APR SHOWN IS FOR A HOME SOLD FOR \$40,000--DOWN PAYMENT 5%--LOAN AMOUNT \$38,000. ACTUAL APR WILL BE LESS IF DOWN PAYMENT IS GREATER.

(5) LOANS WILL BE SUBJECT TO A PREPAYMENT PENALTY OF UP TO 2% OF THE PRINCIPAL BALANCE IF PAID IN FULL WITHIN THE FIRST 5 YEARS.

FOR INITIAL PROCESSING, SEE OR CALL ONE OF THE FOLLOWING:

<u>CONTACT</u>	<u>COUNTY</u>	<u>PHONE</u>
----------------	---------------	--------------

INSERT NAME OF BANK OR YOUR NAME IF YOU ARE NOT USING BANKS TO PRE-QUALIFY OR AS LENDERS.

THE BLUEGRASS AREA DEVELOPMENT DISTRICT IS AN EQUAL HOUSING LENDER. ALL BANKS ARE MEMBERS OF FDIC AND EQUAL HOUSING LENDERS.

INFORMATION SHEET FOR
PROGRAM ADMINISTRATOR'S REPORT
CLASS A
LENDABLE PROCEEDS

ADD/ COUNTY	SIZE OF ALLOCATION(\$)	MAX. INCOME(\$)	MAXIMUM SALES PRICE ALLOWED NEW/EXISTING	T/NT

BIG SANDY				
	3,000,000			
FLOYD		31,080	31,180/68,640	T
JOHNSON		31,080	31,180/68,640	T
MAGOFFIN		31,080	31,180/68,640	T
MARTIN		31,080	31,180/68,640	T
PIKE		31,080	31,180/68,640	T
BLUEGRASS				
	SEE FOOTNOTE			
BOYLE	(BTADD)	32,200	31,180/68,640	T
ESTILL	(BTADD)	31,080	31,180/68,640	T
GARRARD	(BTADD)	31,080	31,180/68,640	T
HARRISON	(BTADD)	31,080	31,180/68,640	T
JESSAMINE	(BTADD)	29,900	66,420/56,160	NT
LINCOLN	(BTADD)	31,080	31,180/68,640	T
MADISON	(BTADD)	31,080	31,180/68,640	T
NICHOLAS	(BTADD)	31,080	31,180/68,640	T
POWELL	(BTADD)	31,080	31,180/68,640	T
SCOTT	(BTADD)	33,400	31,180/68,640	T
BUFFALO TRACE				
	15,534,786			
BRACKEN		31,080	31,180/68,640	T
FLEMING		31,080	31,180/68,640	T
LEWIS		31,080	31,180/68,640	T
MASON		31,080	31,180/68,640	T
ROBERTSON		31,080	31,180/68,640	T
CUMBERLAND VALLEY				
	3,500,000			
BELL		31,080	31,180/68,640	T
CLAY		31,080	31,180/68,640	T
HARLAN		31,080	31,180/68,640	T
JACKSON		31,080	31,180/68,640	T
KNOX		31,080	31,180/68,640	T
LAUREL		28,500	66,420/56,160	NT
ROCKCASTLE		31,080	31,180/68,640	T
WHITLEY		31,080	31,180/68,640	T

ADD/ COUNTY	SIZE OF ALLOCATION	MAX. INCOME(\$)	MAXIMUM SALES PRICE ALLOWED NEW/EXISTING	T/NT
----------------	-----------------------	--------------------	--	------

FIVCO				
	1,105,000			
BOYD		27,715	66,420/56,160	NT
GREENUP		27,715	66,420/56,160	NT
LAWRENCE		81,080	81,180/68,640	T

GATEWAY				
	2,000,000			
BATH		31,080	81,180/68,640	T
MENIFEE		31,080	81,180/68,640	T
MONTGOMERY		31,080	81,180/68,640	T
MORGAN		31,080	81,180/68,640	T
ROWAN		31,080	81,180/68,640	T

KY RIVER				
	1,100,000			
BREATHITT		31,080	81,180/68,640	T
LEE		31,080	81,180/68,640	T
LESLIE		31,080	81,180/68,640	T
LETCHER		31,080	81,180/68,640	T
KNOTT		31,080	81,180/68,640	T
PERRY		31,080	81,180/68,640	T
WOLFE		31,080	81,180/68,640	T

LAKE CUMBERLAND				
	3,000,000			
ADAIR		31,080	81,180/68,640	T
CASEY		31,080	81,180/68,640	T
CLINTON		31,080	81,180/68,640	T
CUMBERLAND		31,080	81,180/68,640	T
McCREARY		31,080	81,180/68,640	T
PULASKI		31,080	81,180/68,640	T
RUSSELL		31,080	81,180/68,640	T
TAYLOR		25,530	66,420/56,160	NT
WAYNE		31,080	81,180/68,640	T

NORTHERN KY				
	SEE FOOTNOTE			
CARROLL	(BTADD)	31,080	81,180/68,640	T
GALLATIN	(BTADD)	31,080	81,180/68,640	T
GRANT	(BTADD)	32,080	81,180/68,640	T
PENDLETON	(BTADD)	31,080	81,180/68,640	T

T O T A L \$29,239,786.00

***** FOOTNOTE *****
 (BTADD) ALTHOUGH THESE COUNTIES ARE NOT IN THE BTADD
 DISTRICT, BTADD WILL BE THE ORIGINATING LENDER.

INTERLOCAL COOPERATION AGREEMENT

BY AND BETWEEN

COMBINED COUNTIES OF KENTUCKY

DRAFT: F

INDEX TO INTER-LOCAL COOPERATION AGREEMENT

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INTER-LOCAL COOPERATION AGREEMENT

THIS INTER-LOCAL COOPERATION AGREEMENT (the "Cooperation Agreement"), made and entered into as of July 15, 1983, by and between such Counties of Kentucky as will have executed this Cooperation Agreement (hereinafter referred to as the "Counties" or collectively as the "Issuer"), which Counties have heretofore adopted or will, by appropriate Ordinances, adopt a Single Family Mortgage Purchase Program, hereinafter referred to, to facilitate the construction and purchase of new housing and the purchase of existing housing (the "Program"),

W I T N E S S E T H :

WHEREAS, the Counties desire to facilitate the purchase and construction of new housing and the purchase of existing housing within their respective boundaries,

NOW, THEREFORE, THE COUNTIES HEREBY AGREE AS FOLLOWS:

ARTICLE 1

DEFINITIONS

All words and phrases in this Cooperation Agreement (except as herein otherwise expressly provided or unless the context otherwise requires) shall have the respective meaning specified herein as follows:

"ACCOUNTS" shall mean any one or more as the case may be, of the separate special trust accounts created and established in the Indenture.

"ADMINISTRATOR" shall mean the Administrator designated in the Indenture, or any successor to its rights, duties, and obligations under the Indenture.

"ARBITRAGE BONDS" shall mean municipal bonds bearing interest which is or becomes subject to Federal income taxation by reason of being issued in violation of the arbitrage statutes and/or regulations of the United States.

"AUTHORIZED COUNTY" shall mean the County of Clark, Kentucky.

"BONDS" means the Combined Counties of Kentucky Residential Mortgage Revenue Bonds, Series A of 1983, Series B of 1983, and Series C of 1983, dated August 1, 1983. "Series A Bonds" shall refer to the Series A Bonds of 1983, "Series B Bonds" shall refer to the Series B Bonds of 1983, and "Series C Bonds" shall refer to the Series C Bonds of 1983.

"COUNTIES" means all of the Counties entering into this Cooperation Agreement, and more specifically identified in Exhibit A attached hereto.

"FUNDS" shall mean any one or more, as the case may be, of the separate special trust funds created and established in the Indenture.

"INDENTURE" refers to the Trust Indenture between the Authorized County, on behalf of all of the Counties, and the Trustee, dated as of August 1, 1983, authorizing and securing the Bonds.

"ISSUER" or "ISSUER COUNTIES" refers to all of the Counties entering into this Cooperation Agreement, and more specifically identified in Exhibit A attached hereto.

"ISSUANCE DATE" means the date of delivery of the Bonds to the initial purchasers thereof.

"MORTGAGE DOCUMENTS" shall mean the Mortgage Notes, Mortgages, insurance policies, and related documents to be attached to the Servicing Agreement, which are to be held and maintained in the custody of the Trustee in accordance with such Servicing Agreement.

"MORTGAGE INSURANCE PROCEEDS" shall mean the proceeds of any insurance paid by an insurance company as a result of a default in the required payments of principal of and/or interest on a Mortgage Loan financed by the Bonds.

"MORTGAGE NOTES" or "NOTES" shall mean the promissory notes so designated in the Servicing Agreement evidencing obligations to repay Mortgage Loans.

"MORTGAGES" shall mean the mortgages so designated in the Servicing Agreement securing the Mortgage Loans.

"MORTGAGE LOANS" shall mean the mortgage loans so designated in the Servicing Agreement which are evidenced by the Mortgage Notes and secured by the Mortgages and which are to be acquired by the Issuer in accordance with such Servicing Agreement and the Indenture.

"ORIGINATION PERIOD" means the period beginning on the Issuance Date and ending no later than August 31, 1986, as shall be specified in the Servicing Agreement.

"OTHER COUNTIES" refers to all of the Counties entering into this Cooperation Agreement except the one county referred to as a single county in the same sentence as the sentence in which the words "Other Counties" appears.

"PARTICIPANTS" shall mean those lending institutions accepted by the Issuer, acting through the Authorized County, to participate in the Program in accordance with the Agreement.

"PERMISSIBLE LIMITATIONS" shall mean limitations imposed by State law and by Federal law, including Section 103(A) of the Internal Revenue Code of 1954, as amended, to the extent permitted by such laws without jeopardizing the tax-exempt status of interest on the Bonds.

"PROGRAM" shall mean the Counties' Single Family Mortgage Purchase Program, as implemented through the Servicing Agreement, the Indenture, and related documents, in order to provide more adequate residential housing facilities for persons within the boundaries of the Issuer Counties who meet the requirements of the Program.

"PROGRAM COORDINATOR" shall mean Mountain Association for Community Economic Development, Inc. (MACED), a non-profit Kentucky corporation, having its principal office at 210 Center Street, Berea, Kentucky 40403, which shall serve as "Program Coordinator" in cooperation with the Authorized County, the Administrator, and the Trustee, to assist in coordinating the various steps in the financing and in the Program.

"PROGRAM PARTICIPATION FEES" shall mean the fees so designated in the Servicing Agreement, which are to be paid by the Participants to the Trustee for the account of the Counties and applied as provided herein.

"SALE, SERVICING, AND ADMINISTRATION AGREEMENT" or "SERVICING AGREEMENT" refers to the Sale, Servicing, and Administration Agreement dated as of August 1, 1983, among the Participants, the Administrator, the Program Coordinator, the Trustee, and the Authorized County (on behalf of all of the Issuer Counties), and all Exhibits, amendments, and/or supplements thereto, entered into in connection with the financing of the Program through the issuance of the Bonds.

"SERIES A BONDS" means the "Combined Counties of Kentucky Residential Mortgage Revenue Bonds, Series A of 1983", dated August 1, 1983.

"SERIES B BONDS" means the "Combined Counties of Kentucky Residential Mortgage Revenue Bonds, Series B of 1983", dated August 1, 1983.

"SERIES C BONDS" means the "Combined Counties of Kentucky Residential Mortgage Revenue Bonds, Series C of 1983", dated August 1, 1983.

"SPECIAL HAZARD INSURANCE POLICY" shall mean the special hazard insurance policy that the Trustee shall be required to maintain with respect to special hazards as to each residential property mortgaged by a Mortgage Loan financed by the Bonds.

"TRUSTEE" shall mean the Trustee designated in the definition of that term contained in the Indenture.

ARTICLE 2

RECITALS

The parties recite and agree that the following is a true and accurate statement of the factual background incident to the execution of this Cooperation Agreement:

(a) Pursuant to the Constitution and Laws of the Commonwealth of Kentucky, and particularly Section 67.083(3)(j) of the Kentucky Revised Statutes (the "Act"), Kentucky Counties are authorized to carry out the public purposes specified in the Act, including the issuance of bonds in order to "provide counties as units of general purpose local government with the necessary latitude and flexibility to provide and finance various governmental services...." including "facilitating the purchase and construction of new and existing housing"

within their respective boundaries, which is construed to include the issuance of revenue bonds to acquire home mortgages and to pledge such home mortgages as security for the payment of the principal of and interest on such bonds, and including the entering into of any agreements in connection therewith.

(b) The Governor of Kentucky, by Executive Order 82-1102, dated December 27, 1982, as supplemented by the Mortgage Bond Allocations calculated by the Secretary of the Transportation Cabinet of Kentucky, as reported by the Finance and Administration Cabinet of Kentucky by letter dated May 31, 1983, a copy of which Executive Order 82-1102, and a copy of which letter of the Finance and Administration Cabinet dated May 31, 1983, are attached hereto, has allocated to the various Counties in Kentucky who are parties to this Agreement the right to issue in 1983 (prior to August 31, 1983), certain designated amounts of Residential Mortgage Revenue Bonds. It is contemplated that such allocated amount of bonds (a) will be increased by assignments of certain allocations referred to in Subsection (h) below; and/or (b) may be decreased (i) if less than all of the listed Counties become parties to this Agreement, and/or (ii) if less than all of the proceeds of the Bonds shall be requested as allocations for mortgage originations by the respective Participants (financial institutions), and/or (c) for any other necessary reason.

(c) The Counties are authorized under Sections 65.210 through 65.300, inclusive, of the Kentucky Revised Statutes, which Statutes are known as the Inter-Local Cooperation Act, to cooperate and act jointly in exercising any and all powers, privileges, and authority capable of exercise by the Counties in their respective individual capacities (all of the Statutes referred to in this paragraph and in the preceding paragraph being hereinafter collectively referred to as the "Act").

(d) Pursuant to the provisions of the Act, it is determined and declared that it is necessary and for the best interests of the citizens, residents, and inhabitants of the respective Issuer Counties, that the Issuer

Counties cooperate in taking action to:

(1) provide for and promote the public health, safety, and general welfare of the Counties by the adoption and implementation of a Single Family Mortgage Purchase Program, so that persons meeting the "Eligible Borrower" definition and limitations as approved in the Servicing Agreement, can finance the construction and purchase of new housing and the purchase of existing housing, at less than the prevailing market interest rate;

(2) to promote the well-being of families of varying economic means, by the carrying out of such Program; and

(3) to encourage the increase of industry, commercial activities, and the economic development of the Counties by the stimulation of construction and purchase of new housing and the purchase of existing housing, accompanied by increases in the ad valorem tax base, the occupational tax base, and economic viability of the Counties and their respective citizens generally, by the carrying out of the Program.

(e) The Program will benefit the public health, safety, and general welfare of the citizens of the Counties.

(f) It is necessary, desirable, and authorized by the Act that such Counties approve the issuance by the Counties of the Bonds to provide funds needed for the Program.

(g) It is contemplated that certain financial institutions ("Participants") located in the respective Counties shall sell Mortgage Loans to a trustee bank (the "Trustee") (which loans must meet certain criteria to be specified in the Servicing Agreement), which will be serviced by the Participants and/or by other financial institutions on behalf of certain Participants.

(h) In addition to the allocations of the Counties who are parties to this Cooperation Agreement, it is acknowledged that it is contemplated that the Counties of Boone, Campbell, and Kenton, Kentucky (or any one or more of such Counties), which have received allocations of the right to issue Mortgage Revenue Bonds in 1983 in the respective amounts of \$6,067,000, \$7,435,000, and \$7,558,000, have transferred and assigned or will transfer and assign their right to the issuance of such Mortgage Revenue Bonds to the "Combined Counties of

Kentucky" without reservation.

The County of Pike, which has been allocated the right to issue a total of \$24,100,000 of Bonds in 1983 has previously issued \$20,445,000 of such Bonds, and the remaining balance of \$3,655,000 shall be treated as part of the allocation of Pike County in this financing; the County of Floyd has been allocated the right to issue \$5,078,000 of Bonds in 1983, and the County of Johnson has been allocated the right to issue \$5,100,000 of Bonds in 1983. Since both the County of Floyd and the County of Johnson participated in the issuance of similar Bonds in 1982 and the proceeds thereof have not yet been fully disbursed for allocation to mortgage loans in connection with their (1982) program, and will not have been so disbursed prior to August 31, 1983, it is contemplated that such Counties of Pike, Floyd, and Johnson, and their respective Participants, shall join in this Program for the purpose of enabling their respective 1983 allocations of Bonds (the remaining \$3,655,000 of the Pike County 1983 allocation) to be issued prior to August 31, 1983, with the provision that they shall have a right to obtain allocations of funds for the purpose of originating mortgages, to the extent that funds are available therefor, at an appropriate later date.

Also, it is contemplated that the County of Lewis, Kentucky, which has been allocated the sum of \$2,526,000 of bonds to be issued in 1983, may elect to participate with the Combined Counties of Kentucky in this Program to the extent of \$1,000,000 (or other appropriate amount) of such allocation of bonds.

In the event that any one or more of the Counties of Boone, Campbell, Kenton, shall fail to make the indicated assignments and/or in the event that any one or more of the Counties of Floyd, Johnson, Pike, or Lewis shall fail to join in this Agreement, this Agreement shall be effective to the extent feasible without such respective assignment(s) and/or participations.

Also, it is contemplated that one or more additional counties may either assign their allocation(s) to the Combined Counties or join in with the Issuer Counties as a joint member thereof and as a signer of this Agreement.

Because of the large number of Counties involved, it has been determined to be advisable to have the various Counties which sign this Cooperation Agreement, approve certain parameters for the issuance of such Bonds, on condition that the minimum bid for the Bonds be not less than the minimum specified herein, that the maximum interest rate be not in excess of the maximum rate specified herein, and that all of the Counties who are parties to this Cooperation Agreement specifically authorize the County of Clark, Kentucky (the "Authorized County"), on behalf of all of the Counties, to approve jointly all of the necessary documentation for the issuance of such Bonds, including the approval of the Bonds designated as the Series A of 1983 Bonds, the Series B of 1983 Bonds, and the Series C of 1983 Bonds.

It is contemplated that the Series A Bonds will be first lien Bonds, secured by and payable from a first pledge of the revenues of the Program, and that the Series B Bonds and the Series C Bonds will bear inferior security, subject to the priority of the Series A Bonds, payable solely out of revenues of the Program, if available, but with the provision that failure to pay any of the Series B Bonds or the Series C Bonds would not constitute an event of default as to such Bonds if such failure shall result from lack of revenues generated by the Program.

It is deemed advisable that the Counties enter into this Cooperation Agreement, of the kind prescribed by KRS 65.250, to provide for the joint issuance of the Bonds to finance the Program.

ARTICLE 3

JOINT ISSUANCE OF BONDS BY COUNTIES

(a) The Counties hereby jointly associate for the purpose of issuing the Bonds to finance the Program (as defined herein) within their respective

boundaries, pursuant to the Inter-Local Cooperation Act of Kentucky (KRS 65.210-300), under the names of all of the Counties, to be known as the Combined Counties of Kentucky, with such Bonds to be designated as the "Combined Counties of Kentucky Residential Mortgage Revenue Bonds, Series 1983".

(b) Because of the large number of Counties involved in this financing, it is not considered to be feasible for each of the Counties to approve the specific documents authorizing the Bonds, including the Servicing Agreement, the Trust Indenture, the Notice of Bond Sale, the Official Terms and Conditions of Sale of Bonds, the Bid Form, the Ordinance approving same, and the related documents.

(c) Accordingly, the parties entering into this Cooperation Agreement specifically authorize the Authorized County to authorize, advertise, execute, issue, sell, and deliver the Bonds and any and all other instruments and documents relating thereto on behalf of all of the Counties, subject to the following limitations:

(1) The security for the Bonds which may be pledged to the Trustee and to the Bondholders, shall consist of:

- (A) all right, title, and interest of the Issuer (except rights of indemnification, reimbursement, attorneys' fees, Trustee's fees, and termination rights) owned or thereafter acquired by the Counties in and to the Servicing Agreement, including, without limitation, all present and future rights of the Issuer to make claim for, collect, and receive, any income, revenues, issues, profits, insurance proceeds, and other sums of money payable to or for the account of or receivable by the Issuer under the Servicing Agreement, to bring actions and proceedings under the Servicing Agreement, or for the enforcement thereof, and to do any and all things which the Issuer is or may become entitled to do under the Servicing Agreement;
- (B) all right, title, and interest of the Issuer acquired in and to the Mortgage Documents, including any amendments, extensions, or renewals of the terms thereof, including, without limitation, all existing and future rights of the Issuer to make claim for, collect, and receive any income,

revenues, issues, profits, insurance proceeds, and other sums of money payable to or for the account of or receivable by the Issuer under the Mortgage Documents (whether payable pursuant to the Mortgage Notes, the Mortgages, or otherwise), to bring actions and proceedings under the Mortgage Notes, the Mortgages, or other Mortgage Documents, or for the enforcement thereof, and to do any and all things which the Issuer may become entitled to do under the Mortgage Documents.

- (C) all right, title, and interest of the Issuer acquired in and to the moneys deposited or required to be deposited in any Fund or Account pursuant to the provisions of the Indenture or the Servicing Agreement, together with all investment earnings thereon (to the extent permitted by law); and
- (D) any and all property of every kind and nature (including without limitation, cash, obligations, or securities), which may from time to time be conveyed, assigned, hypothecated, endorsed, pledged, mortgaged, granted, or delivered to or deposited with the Trustee as additional security by the Issuer or any one on behalf of the Issuer, or which, pursuant to any of the provisions of the Indenture may come into the possession or control of the Trustee as security thereunder, or of a receiver lawfully appointed thereunder, all of which property the Trustee is authorized to receive, hold, and apply according to the terms of the Indenture.

(2) The Bonds shall be, and both the Bonds and the documents securing same shall expressly state that the Bonds shall be, limited obligations of the Issuer Counties payable solely from:

- (A) revenues and other amounts derived from and in connection with the Program and the Mortgage Loans, including Mortgage Insurance Proceeds and other insurance proceeds with respect thereto; and
- (B) the moneys held in the various Funds and Accounts produced from the sale of the Bonds, from the payments under the Mortgages, from insurance proceeds related to the Program, and/or from condemnation and/or other sources produced by the Program, and/or the Mortgages, together with investment earnings thereon, subject to Permissible Limitations.

(3) The Bonds shall constitute a valid claim of the respective holders thereof against the proceeds referred to in Subsection (2) above, the revenues, amounts, and moneys referred to in such Subsection (2), all of which shall be pledged to secure the payment of the principal of, premium, if any, and interest on the Bonds, and which shall be utilized for no other purpose, except as expressly authorized in the Indenture or the Servicing Agreement, subject to Permissible Limitations.

(4) The Bonds shall never constitute (and the Bonds and the documents shall so affirm) general obligations of the Issuer or any of the Issuer Counties, and under no circumstances shall the Bonds ever be payable from, nor shall the holder thereof have any rightful claim to, any income, revenues, funds, or assets of the Issuer Counties other than those pledged under the Servicing Agreement and the Indenture as security for the payment of the Bonds, as specified in Section (c)(1) of Article 3 hereof.

(5) It is understood that it is contemplated that in addition to the Series A Bonds, all of the Series B Bonds and Series C Bonds may be issued to finance the Program. It is understood that the maturities of such Series B and Series C Bonds will be so structured and the terms of such Bonds will be so written that the failure of the Program to produce sufficient revenues to pay the principal of and interest on such Series B Bonds and/or such Series C Bonds shall not constitute an Event of Default as to such Series B Bonds and/or Series C Bonds, and neither principal of nor interest on such Series B Bonds and/or Series C Bonds shall be payable at any time unless the Program shall have produced sufficient revenues and in ample time to make such payments, in order to assure the Counties that any such inadequacy of revenues to pay such Series B Bonds and/or Series C Bonds will not create a default as to any of such Series B Bonds and/or Series C Bonds.

(6) The maximum interest rate which the Series A Bonds may bear shall not exceed eleven and one-half percent (11-1/2%) per annum, and the maximum interest rate which the Series B Bonds and the Series C Bonds may bear shall not exceed thirteen percent (13%) per annum; and the minimum bid for the Bonds of any and all of said Series shall be not less than ninety-eight percent (98%) of par. Additional bidding limitations may be specified in the Program documents.

(7) The maturities of the Bonds shall not exceed thirty-three (33) years.

(8) The Trust Indenture shall create a number of Funds, including the following:

- (A) Acquisition Fund;
- (B) Cost of Issuance Fund;
- (C) Revenue Fund;
- (D) Series A Bond Fund, including the Interest Account, the Principal Account, and the Redemption Account;
- (E) Mortgage Reserve Fund;
- (F) Expense Fund;
- (G) Series B Bond Fund, including the Interest Account, the Principal Account, and the Redemption Account;
- (H) Series C Bond Fund, including the Interest Account, the Principal Account, and the Redemption Account; and
- (I) Excess Earnings Fund.

(9) The Trust Indenture may create a Fund or Funds (funded by monies other than proceeds of the Bonds or funds derived from the Program) to subsidize any facet of the Program.

(10) Each Fund and Account shall be maintained by the Trustee as a separate and distinct Trust Fund or Account to be held, managed, invested, disbursed, and administered as specified in the Indenture.

(11) On the Issuance Date the Trustee shall deposit the proceeds received from the sale of the Bonds, together with the proceeds of any Program Participation Fees received from the Participants, substantially as follows:

- (A) An amount equal to the accrued interest on the respective Series of Bonds from the date thereof until the date of delivery to the initial purchasers thereof, shall be deposited into the Interest Account portion of the respective Bond Funds.
- (B) An amount equal to approximately three to seven percent (3% to 7%) of the total Bond Proceeds (subject to reasonable variation as specified in the Indenture) shall be deposited into the Mortgage Reserve Fund.
- (C) An amount equal to not exceeding three percent (3%) of the total Bond Issue (as specified in the Indenture) shall be deposited into the Cost of Issuance Fund.
- (D) The balance then remaining from the proceeds received from the sale of the Bonds, together with any other supplemental funds, shall be deposited into the Acquisition Fund.

ARTICLE 4

USE AND APPLICATION OF FUNDS

The various Funds created in the Indenture shall be applied and used as specified in the Indenture, provided such Funds shall be required generally for the following purposes:

(a) ACQUISITION FUND:

The moneys in the Acquisition Fund shall generally be applied to acquire Mortgage Loans during the Origination Period, and, after the expiration of the Origination Period, shall be applied to redeem Bonds.

(b) COST OF ISSUANCE FUND.

Amounts on deposit in the Cost of Issuance Fund shall be applied to pay the costs of issuing the Bonds, including legal, printing, publication, and recording costs, and initial Special Hazard Insurance premium, if any, fees of

the financial advisor, fees of the Program Coordinator, Rating Agency fees, Market Study fees, if any, fees of the Trustee, fees, if any, of the Administrator, any computer and other expenses incurred in determining and verifying the sufficiency of projected cash flows or in determining that the Bonds do not constitute (taxable) Arbitrage Bonds, and such other expenses as shall be approved by the Authorized County.

The Authorized County is specifically authorized on behalf of the Counties to approve the employment of the Program Coordinator, Bond Counsel, Special Tax Counsel, Financial Advisor, Trustee, Administrator, and any and all other necessary arrangements for other professional services, and whose compensation will be payable out of the Cost of Issuance Fund.

(c) REVENUE FUND.

There shall be deposited in the Revenue Fund all income, revenues, proceeds, and other amounts received from or in connection with the Program, and from or in connection with the Mortgage Loans, exclusive of the Program Participation Fee, but including all scheduled payments of principal and interest on the Mortgage Loans, all principal prepayments on Mortgage Loans, all earnings from the investment of moneys held in any of the Funds and Accounts (subject to Permissible Limitations), and any other amounts received by the Trustee which are and which shall be subject to the lien and pledge of the Indenture. Moneys on deposit in the Revenue Fund shall be applied by the Trustee to pay principal of and interest on the Bonds, expenses payable from the Expense Fund, amounts necessary to increase or restore amounts in the Mortgage Reserve Fund, and to transfer balances to the Redemption Accounts of the Bond Funds.

(d) SERIES A BOND FUND.

The Trustee shall deposit into the respective Accounts of the Series A Bond Fund the amounts necessary to meet the principal, interest, and redemption premium requirements of the Series A Bonds as specified in the Indenture.

(e) MORTGAGE RESERVE FUND.

The amounts on deposit in the Mortgage Reserve Fund shall be applied to assure the payment of principal of and interest on the Series A Bonds if and to the extent that no other funds are available for same, until all of the Series A Bonds shall have been paid or provided for, as to both principal and interest, and thereafter shall be applied, to the extent of amounts on deposit in said Fund, to assure the payment of principal of and interest on the Series B Bonds and the Series C Bonds.

(f) EXPENSE FUND.

Amounts on deposit in the Expense Fund shall be applied to pay the premiums for the Special Hazard Insurance Policy and the fees of the Trustee, to the extent that such fees shall not have been paid from the Cost of Issuance Fund.

(g) SERIES B BOND FUND AND SERIES C BOND FUND.

The Trustee shall deposit into the respective accounts of the Series B Bond Fund and the Series C Bond Fund the amounts necessary to meet the respective principal, interest, and redemption premium requirements of the Series B Bonds and the Series C Bonds, as specified in the Indenture.

(h) EXCESS EARNINGS FUND.

Appropriate provision shall be made for payment into the Excess Earnings Fund of excess arbitrage profits on the earnings from the investment of the various Funds. Such earnings shall be deposited in the Excess Earnings

Fund to the extent required by Section 103A of the Internal Revenue Code of 1954, as amended.

(i) APPROPRIATE CHANGES MAY BE MADE.

Appropriate adjustments in any of the foregoing shall be made, within the discretion of the Authorized County, consistent with the requirements or requests of rating agencies, the condition of the bond market, and other circumstances, provided such changes shall have been recommended by Bond Counsel, Special Tax Counsel, Program Coordinator, or Financial Advisor, and shall have been approved by the Authorized County, based upon a determination of such Authorized County that such changes are consistent with the guidelines and intentions of all of the Counties, as expressed in this Cooperation Agreement.

ARTICLE 5

AUTHORIZATION OF AUTHORIZED COUNTY

The Authorized County is specifically authorized to proceed on behalf of all of the Issuer Counties in the giving of first and second readings to and enactment of a Bond Ordinance and in separately authorizing on behalf of those Counties the publication of a Notice of Bond Sale, the distribution of Official Terms and Conditions of Sale of Bonds, and the approval of an Official Statement with regard to the sale of the Bonds.

ARTICLE 6

ADDRESSES AND PLACES OF BUSINESS

The principal offices and places of business of the Counties which are parties to this Cooperation Agreement shall be those set out in the respective signature blocks of the Counties at the end of this Cooperation Agreement.

ARTICLE 7

DURATION

This Cooperation Agreement shall be effective from and after (a) its execution by all of the Counties who are parties to this Cooperation Agreement, (b) the issuance of a formal Letter of Approval of this Cooperation Agreement by the Attorney General of Kentucky as required by KRS 65.260(2), (c) the filing of a certified copy of same with the County Clerk of each of the Counties and with the Secretary of State of Kentucky, pursuant to KRS 65.290; and the duration of this Cooperation Agreement from and after said effective date shall be until the date of final payment and retirement (or the completion of satisfactory arrangements for the payment and retirement) of all Bonds issued by the Counties pursuant to this Cooperation Agreement and the satisfaction by all the Counties of any obligations and commitments of said Counties pertaining to the Bonds, either directly or through the Trustee in the Indenture.

ARTICLE 8

NO SEPARATE GOVERNING BODY; AUTHORIZED COUNTY;
EXECUTION OF BONDS; ADMINISTRATOR

(a) There shall be no separate governing body of this Cooperation Agreement. The Cooperation Agreement is undertaken jointly by all of the Counties who are parties to this Cooperation Agreement, and all actions pursuant to this Cooperation Agreement shall be undertaken jointly and based upon the cooperative efforts and undertakings of the Counties, with all proceedings and documents being signed by authorized representative(s) of the Authorized County, and the Bonds may be executed with the imprinted facsimile signature of the County Judge/Executive of the Authorized County, with the reproduced facsimile of the Corporate Seal of the Authorized County duly

imprinted thereon, and attested with the reproduced facsimile signature of the County Clerk and/or of an authorized Deputy County Clerk or other authorized Officer of the Authorized County, and signed manually by any one of such officials; or such Bonds shall be executed in such other manner as the Authorized County may or shall specify.

(b) As provided in KRS 65.250(2)(a), it is hereby determined that the Authorized County shall designate an Administrator, which shall be an institution having experience in programs similar to the Program of the Counties, to administer the Program in such manner as may be specified in the proceedings authorizing the Bonds, including the aforesaid Trust Indenture, or as may be otherwise specified by the Authorized County.

ARTICLE 9

PURPOSE; OBJECTS; POWERS

The purpose of this Cooperation Agreement, its objects, and the powers of the Authorized County hereunder shall be as follows:

(a) To adopt jointly a Single Family Mortgage Purchase Program, as set out in the Recitals (ARTICLE 2) hereof, and to take such steps as may be deemed to be reasonably necessary for the promotion of the public health, safety, and general welfare of the citizens and inhabitants of the Counties in connection therewith.

(b) To finance the Program through the issuance of revenue bonds by the Counties.

(c) To cooperate with each other and with any other governmental agency in accomplishing any of the stated purposes of this Cooperation Agreement.

(d) To do all of the foregoing and generally to take any and all action necessary and incident to general purposes of this Cooperation Agreement and as may be necessary or desirable to carry out the purposes of the Program.

(e) In accordance with the requirement of KRS 65.250(d), it is hereby stated and agreed that no provision is made in this Cooperation Agreement for any pertinent pension plan or plans; provided, however, that it is acknowledged that each County agrees to make its own arrangements, if any, as to any pension plan.

(f) No County shall have any power to issue certificates or shares or declare dividends, and this Cooperation Agreement is not formed for and shall not be operated for profit of any private individual, partnership, corporation, or other entity, but is created solely to carry out the purposes and to exercise the powers set out above.

ARTICLE 10

GENERAL PROVISIONS

The parties further agree to the following general provisions:

(a) Prohibition of Discrimination

No person engaged in activities or transactions contemplated in this Cooperation Agreement, shall, in connection with the origination, underwriting, or servicing of mortgage loans, discriminate against any person on the basis of race, color, religion, sex, creed, ancestry, national origin, or physical or mental handicap in connection with any such activities or transactions.

(b) Prohibition of Arbitrage

The Counties shall agree that sums derived from the proceeds of the bonds and from the revenues, bonds, and assets pledged to the Bonds shall not be invested in investments which will produce a net adjusted yield which would cause such bonds to be treated as "Arbitrage Bonds" within the meaning of Section 103(c) of the Internal Revenue Code.

(c) Limitation on Use of Proceeds of Bonds and Revenues Derived From Mortgage Loans Financed by Bonds.

All of the proceeds of the Bonds and of the revenues derived from Mortgage Loans shall be used exclusively for the purposes herein set out,

including payment of expenses incidental thereto; no part of the proceeds of the Bonds, the investment income derived therefrom, or the revenues securing the Bonds shall inure to the benefit of any representative of any of the Counties, and, except for the payment of approved expenses relating to the issuance of the Bonds and the implementation of the Program, shall not inure to the benefit of any individual other than the mortgagors whose mortgage loans shall be financed by the Program; and no substantial part of the activities of the Counties under the Program shall be for political purposes, intervening in a political campaign, the carrying on of propaganda, or otherwise attempting to influence legislation.

ARTICLE 11

TERMINATION OF COOPERATION AGREEMENT; DISPOSITION OR ALLOCATION OF ASSETS; WITHDRAWAL OF COUNTY

(a) Any County may withdraw from this Cooperation Agreement and may withdraw from the proposed Program at any time prior to a date which is not less than ten (10) days before the scheduled date of public sale of the Bonds, upon written notice to the County Judge/Executive of the Authorized County. Any County other than Floyd, Johnson, and Pike, which, as of a date which is either (i) ten (10) days prior to the scheduled date of the public sale of the Bonds, or (ii) such earlier deadline date, if any, as shall have been established in the Program Documents, shall not have had a single financial institution with its principal office located in such County request an allocation of the proceeds of the Bonds for the purpose of originating mortgages, shall be deemed to have withdrawn from this Cooperation Agreement and from the Program. In addition, any County may withdraw upon the aforesaid written notice upon the following conditions:

(1) Such County is not at that time in default of any of its obligations under any agreement with the Other Counties;

(2) Such termination at that time shall not, in the opinion of recognized Bond Counsel, constitute an act of default in connection with any outstanding bonds, or any obligation(s) of such terminating County under any agreement with the Other Counties.

(3) Provisions as to the written satisfaction of the rights of bondholders and the Other Counties, shall have been made for the protection of bondholders, the Administrator, the Program Coordinator, and the Trustee, as evidenced by a written opinion of the firm of Bond Counsel employed by the Authorized County or by the Financial Advisor of the Counties, or by a different firm of Bond Counsel acceptable to the Trustee.

(b) Pursuant to KRS 63.230(1), it is agreed that in the event of termination of the Cooperation Agreement, all of the then remaining assets of the Program to the extent that such assets are not then pledged to payment of any of the Bonds, shall be distributed and/or transferred as required or contemplated by any provision of Federal or State law, and, if and to the extent not so required or contemplated, shall be distributed and/or transferred solely and only to the respective Counties who participated in the Program, in the same proportion as the proceeds of the Bonds shall have been applied to the origination of Mortgage Loans in such Counties; provided that if at the time any of such Counties shall have merged into a different governmental unit, then the amount to which such County would have been entitled shall be paid or transferred to such successor governmental unit.

ARTICLE 12

ARBITRATION CLAUSE

(a) In the event of a dispute between the Counties, the parties shall attempt to resolve such dispute by negotiation, as follows:

(b) In the event of failure to agree upon such matter in dispute at any time, then upon written notice of one party to the others, of the desire for arbitration, such party shall select one arbitrator. Upon the failure of

any party to select an arbitrator within ten days after the furnishing of written notice to do so, then upon the written request of the any of the parties, such arbitrator shall be designated by the then Governor of Kentucky, and if the number of arbitrators is then an uneven one, such Governor shall designate an additional arbitrator; whereupon such arbitrators shall proceed to resolve such conflict by their decision, based upon such exhibits, testimony, and procedure as shall be determined by such arbitrators to be appropriate. Any such decision of such arbitrators shall be final and unappealable. The fees and expenses of the arbitrators in connection therewith shall be borne by the parties to the dispute in proportions substantially equivalent to the ratios of their allocations referred to in Article 11(b) hereof, as may be determined by the arbitrators.

ARTICLE 13

BONDS SHALL NOT CONSTITUTE GENERAL OBLIGATION INDEBTEDNESS OF COUNTIES, AND NO COUNTY OFFICIAL SHALL HAVE ANY PERSONAL LIABILITY FOR BONDS OR ANY INDEBTEDNESS IN CONNECTION THEREWITH

(a) Bonds issued pursuant to this Cooperation Agreement shall be revenue obligations of the respective Counties, in such proportion as shall be agreed upon by such Counties, payable solely from and secured by a pledge of the proceeds of the Bonds until disbursed, the investment of such proceeds (including mortgage loans purchased with such proceeds), and all revenues, funds, proceeds of insurance, and other assets pledged under the Trust Indenture authorizing and securing the Bonds, which amount shall be pledged to be set aside as a special fund or funds for that purpose, and such Bonds shall not constitute an indebtedness of any of the Counties, or be payable out of any tax revenues of any of the Counties, within the meaning of any constitutional provision or limitation.

(b) None of the officials of the Counties, or of any of the members of the legislative bodies of the Counties, shall be subject to or in any way liable for any debt, contract, obligation, or expense, created pursuant to this Cooperation Agreement.

ARTICLE 14

THIS COOPERATION AGREEMENT MAY BE EXECUTED IN COUNTERPARTS

This Cooperation Agreement may be executed in any number of counterparts, each of which shall be an original; provided that it is not required that all Counties sign the same copy or copies of this Cooperation Agreement as shall have been signed by all other Counties; however, all such counterparts executed by any of the Counties shall together constitute one and the same instrument.

IN TESTIMONY WHEREOF, witness the signatures of the Counties, duly authorized by proceedings of their respective governing bodies as of the date first above written, and actually adopted on the dates hereinafter indicated. Those Counties who elect to become parties to this Cooperation Agreement and who sign below are the Counties as defined herein; any Counties listed below who do not so elect and who do not sign below are not parties to this Cooperation Agreement, and their listing below shall be disregarded. For convenience in execution, the officials of each County have signed or shall sign on the same page as the page on which their signatures are acknowledged, and the signatures and acknowledgement of each County appear or shall appear on a separate page.

COUNTY OF BELL, KENTUCKY

The address, principal office, and place
of business of such County is:

County of Bell
Courthouse
Pineville, Kentucky 40977

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF BELL)

The foregoing instrument was acknowledged before me this _____ day
of _____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Bell County, Kentucky, on behalf
of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF CARTER, KENTUCKY

The address, principal office and place
of business of such County is:

County of Carter
Courthouse
Grayson, Kentucky 41143

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF CARTER)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Carter County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF CASEY, KENTUCKY

The address, principal office, and place
of business of such County is:

County of Casey
Courthouse
Liberty, Kentucky 42539

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF CASEY)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Casey County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF CLARK, KENTUCKY

The address, principal office and place
of business of such County is:

County of Clark
Courthouse
Winchester, Kentucky 40391

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF CLARK)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Clark County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires:_____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF CLAY, KENTUCKY

The address, principal office, and place
of business of such County is:

County of Clay
Courthouse
Manchester, Kentucky 40962

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF CLAY)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Clay County, Kentucky, on behalf
of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF FLOYD, KENTUCKY

The address, principal office and place
of business of such County is:

County of Floyd
Courthouse
Prestonsburg, Kentucky 41653

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF FLOYD)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Floyd County, Kentucky, on behalf
of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF HARLAN, KENTUCKY

The address, principal office, and place of business of such County is:

County of Harlan
Courthouse
Harlan, Kentucky 40831

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF HARLAN)

The foregoing instrument was acknowledged before me this ____ day of _____, 1983, by _____ and _____, who are the County Judge/Executive and Clerk, of Harlan County, Kentucky, on behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires:_____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF JOHNSON, KENTUCKY

The address, principal office and place
of business of such County is:

County of Johnson
Courthouse
Paintsville, Kentucky 41204

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF JOHNSON)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Johnson County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF LAUREL, KENTUCKY

The address, principal office and place
of business of such County is:

County of Laurel
Courthouse
London, Kentucky 40741

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF LAUREL)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Laurel County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires:_____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF LAWRENCE, KENTUCKY

The address, principal office, and place
of business of such County is:

County of Lawrence
Courthouse
Louisa, Kentucky 41230

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF LAWRENCE)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Lawrence County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF LEE, KENTUCKY

The address, principal office and place
of business of such County is:

County of Lee
Courthouse
Beattyville, Kentucky 41311

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF LEE)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Lee County, Kentucky, on behalf
of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF LESLIE, KENTUCKY

The address, principal office, and place of business of such County is:

County of Leslie
Courthouse
Hyden, Kentucky 41749

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF LESLIE)

The foregoing instrument was acknowledged before me this ____ day of _____, 1983, by _____ and _____, who are the County Judge/Executive and Clerk, of Leslie County, Kentucky, on behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and State

COUNTY OF LEWIS, KENTUCKY

The address, principal office and place
of business of such County is:

County of Lewis
Courthouse
Vanceburg, Kentucky 41179

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF LEWIS)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Lewis County, Kentucky, on behalf
of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF MADISON, KENTUCKY

The address, principal office, and place
of business of such County is:

County of Madison
Courthouse
Richmond, Kentucky 40475

By Harold R. Botner
County Judge Executive
Authorized by action of the Fiscal Court
of the County on 1 aug, 1983.

(Seal of County)

Attest:

C. S. Wagers
County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF MADISON)

The foregoing instrument was acknowledged before me this 2nd day of
August, 1983, by Harold R. Botner and C. S. Wagers,
who are the County Judge/Executive and Clerk, of Madison County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this August 2, 1983.

My commission expires: July 2, 1986.

(Seal of Notary)

Law S. Perry
Notary Public in and for said County and
State

COUNTY OF MARTIN, KENTUCKY

The address, principal office and place
of business of such County is:

County of Martin
Courthouse
Inez, Kentucky 41224

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF MARTIN)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Martin County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF MONTGOMERY, KENTUCKY

The address, principal office, and place
of business of such County is:

County of Montgomery
Courthouse
Mt. Sterling, Kentucky 40353

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF MONTGOMERY)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Montgomery County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF MORGAN, KENTUCKY

The address, principal office and place
of business of such County is:

County of Morgan
Courthouse
West Liberty, Kentucky 41472

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF MORGAN)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Morgan County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires:_____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF PERRY, KENTUCKY

The address, principal office, and place
of business of such County is:

County of Perry
Courthouse
Hazard, Kentucky 41701

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF PERRY)

The foregoing instrument was acknowledged before me this _____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Perry County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF PIKE, KENTUCKY

The address, principal office and place
of business of such County is:

County of Pike
Courthouse
Pikeville, Kentucky 41501

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

(Seal of County)

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF PIKE)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Pike County, Kentucky, on behalf
of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires:_____.

Notary Public in and for said County and
State

(Seal of Notary)

COUNTY OF POWELL, KENTUCKY

The address, principal office, and place
of business of such County is:

County of Powell
Courthouse
Stanton, Kentucky 40380

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF POWELL)

The foregoing instrument was acknowledged before me this ____ day of _____, 1983, by _____ and _____, who are the County Judge/Executive and Clerk, of Powell County, Kentucky, on behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires: _____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF ROCKCASTLE, KENTUCKY

The address, principal office and place
of business of such County is:

County of Rockcastle
Courthouse
Mount Vernon, Kentucky 40456

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF ROCKCASTLE)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Rockcastle County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires:_____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF ROWAN, KENTUCKY

The address, principal office, and place of business of such County is:

County of Rowan
Courthouse
Morehead, Kentucky 40351

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF ROWAN)

The foregoing instrument was acknowledged before me this ____ day of _____, 1983, by _____ and _____, who are the County Judge/Executive and Clerk, of Rowan County, Kentucky, on behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires:_____.

(Seal of Notary)

Notary Public in and for said County and
State

COUNTY OF RUSSELL, KENTUCKY

The address, principal office and place
of business of such County is:

County of Russell
Courthouse
Jamestown, Kentucky 42629

(Seal of County)

By _____
County Judge Executive
Authorized by action of the Fiscal Court
of the County on _____, 1983.

Attest:

County Clerk or Fiscal Court Clerk
(as the case may be)

STATE OF KENTUCKY)
) SS
COUNTY OF RUSSELL)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1983, by _____ and _____,
who are the County Judge/Executive and Clerk, of Russell County, Kentucky, on
behalf of said County.

WITNESS my signature and notarial seal this _____, 1983.

My commission expires:_____.

(Seal of Notary)

Notary Public in and for said County and
State

THIS INSTRUMENT WAS PREPARED BY:

RUBIN & HAYS, Suite 300, 209 South
Fifth Street, Louisville, Kentucky
40202 — (502) 585-2153.

By _____
Joseph R. Rubin

APPROVED BY THE ATTORNEY GENERAL OF
THE COMMONWEALTH OF KENTUCKY ON
_____, 1983.

By _____
Signature

Title

CERTIFICATES OF VARIOUS COUNTY CLERKS AS TO
RECORDING OF COPIES OF THE FOREGOING COOPERA-
TION AGREEMENT IN THEIR RESPECTIVE OFFICES.

Each County Clerk, by signing at the designated place and filling in the date indicated, certifies that a copy of this Cooperation Agreement was duly recorded in his office on the date indicated, pursuant to KRS 65.290, and is of record in his office in the Book indicated near his signature.

<u>NAME OF COUNTY</u>	<u>DATE OF RECORDING</u>	<u>BOOK AND PAGE NUMBER WHERE RECORDED</u>	<u>SIGNATURE OF COUNTY CLERK</u>
BELL COUNTY	_____	_____	_____
CARTER COUNTY	_____	_____	_____
CASEY COUNTY	_____	_____	_____
CLARK COUNTY	_____	_____	_____
CLAY COUNTY	_____	_____	_____
FLOYD COUNTY	_____	_____	_____
HARLAN COUNTY	_____	_____	_____
JOHNSON COUNTY	_____	_____	_____
LAUREL COUNTY	_____	_____	_____
LAWRENCE COUNTY	_____	_____	_____
LEE COUNTY	_____	_____	_____

<u>NAME OF COUNTY</u>	<u>DATE OF RECORDING</u>	<u>BOOK AND PAGE NUMBER WHERE RECORDED</u>	<u>SIGNATURE OF COUNTY CLERK</u>
LESLIE COUNTY	_____	_____	_____
LEWIS COUNTY	_____	_____	_____
MADISON COUNTY	_____	_____	_____
MARTIN COUNTY	_____	_____	_____
MONTGOMERY COUNTY	_____	_____	_____
MORGAN COUNTY	_____	_____	_____
PERRY COUNTY	_____	_____	_____
PIKE COUNTY	_____	_____	_____
POWELL COUNTY	_____	_____	_____
ROCKCASTLE COUNTY	_____	_____	_____
ROWAN COUNTY	_____	_____	_____
RUSSELL COUNTY	_____	_____	_____

CERTIFICATE AS TO RECORDING WITH SECRETARY OF STATE

The undersigned, Secretary of State of Kentucky, hereby certifies that the foregoing Cooperation Agreement has been duly filed with the Secretary of State of Kentucky, pursuant to KRS 65.290.

Dated this _____, 1983.

Frances Jones Mills, Secretary of
State of Kentucky

NOTICE AS TO PASSAGE
AND
SUMMARY OF ORDINANCE 83-10

Notice is hereby given that the Fiscal Court of Madison County, Kentucky, at a meeting held at 7:00 P M., local time, on August 1, 1983, at the regular meeting place of the Fiscal Court at the Courthouse in Richmond, Kentucky, gave second reading to and passed and enacted (following first reading at an earlier date) an Ordinance relating to the approval by the County of the execution of an (Inter-Local) Cooperation Agreement between said County and approximately 22 other Counties (the number of which Counties may be supplemented or reduced), providing for the joint issuance by said Counties of Bonds entitled "Combined Counties of Kentucky Residential Mortgage Revenue Bonds", in 1983; agreeing that the County of Clark shall serve as the "Authorized County" to act on behalf of all of the Counties constituting the "Combined Counties of Kentucky", in the issuance of said Bonds; and authorizing and approving the plan of financing whereby Clark County will, pursuant to said Inter-Local Cooperation Act, authorize, advertise for sale, accept the successful bid, issue, sell, and deliver such Bonds, provided the interest rate, price, and certain other provisions comply with the parameters specified in said Inter-Local Cooperation Agreement.

Said Ordinance specifically approves the proposed Cooperation Agreement among all of the Counties, approves the establishment of a Single Family Mortgage Purchase Program, ordained in said Ordinance, and declares that such Program is reasonably necessary to carry out a proper governmental function, viz., the facilitation of the construction and purchase of new housing and the purchase of existing housing, through the issuance of the proposed revenue bonds to finance residential mortgage loans. A copy of the Cooperation Agreement is attached to said Ordinance.

The full text of the Ordinance (and the aforementioned Cooperation Agreement, together with certain related exhibits) is and will be on file from and after the date of publication of this Notice in the office of the undersigned Clerk, in said County Courthouse where same is and will be available for public inspection. (Signed) _____, County Clerk.

NOTE: Please change the words "County Clerk" to "Fiscal Court Clerk", if the County has appointed a Fiscal Court Clerk.