

ORDINANCE NO. 99-29

ORDINANCE evidencing the intention of the County of Madison, Kentucky, to issue Single Family Mortgage Revenue Bonds and related matters.

WHEREAS, the County of Madison, Kentucky (the "County") is a political subdivision duly organized and validly existing under the Constitution and the laws of the Commonwealth of Kentucky; and

WHEREAS, pursuant to the Constitution and the laws of the Commonwealth of Kentucky, and particularly Section 67.083 of the *Kentucky Revised Statutes*, as supplemented and amended (the "Act"), the County is authorized to carry out the public purposes specified in the Act, 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 expressly determined and construed herein to include the issuance of revenue bonds to acquire residential mortgages to facilitate such construction and purchase of new and existing housing and to pledge such residential 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, which constitutes a valid public purpose for the issuance of revenue bonds by the County; and

WHEREAS, it is now considered to be necessary and desirable and in the public interest of the residents of the County, for the County to issue its revenue bonds in an amount not to exceed \$100,000,000, for the purpose of financing mortgage loans to low and moderate income persons for one to four family residences in the County; and

WHEREAS, pursuant to the Constitution and the laws of the Commonwealth of Kentucky, and particularly Section 65.210 *et seq.* of the *Kentucky Revised Statutes*, as supplemented and amended (the "Interlocal Cooperation Act"), public agencies may exercise and enjoy with any other public agency in the Commonwealth of Kentucky any power, privilege or authority which may be exercised by such public agency individually, and pursuant to the Interlocal Cooperation Act, one or more counties may join together or cooperate with one another in the exercise, either jointly or otherwise, of any one or more of the powers conferred by the Act or other enabling acts or powers pursuant to a written agreement;

NOW, THEREFORE, Be It Ordained by the Fiscal Court of the County of Madison, Kentucky, as follows:

SECTION I. That, in order to provide decent, safe and sanitary housing that persons of low and moderate income in the County, can afford, with the resulting public benefits expected to flow therefrom, it is deemed necessary and desirable for the County to issue its revenue bonds in an aggregate principal amount not to exceed \$100,000,000 (the "Bonds"), for the purpose of financing mortgage loans to persons of low and moderate income for one to four family residences located in the County.

SECTION 2. That the County will issue the Bonds in an aggregate principal amount not to exceed \$100,000,000 for the aforesaid purposes; that such Bonds shall not constitute an indebtedness, an obligation or a loan of the credit of the County, within the meaning of any constitutional or statutory provision, but will be payable solely from the repayment of the mortgage loans; that neither the faith and credit nor the taxing power of the County will be pledged to the payment of the principal of or interest on the Bonds; that the County will not have the right or authority to levy taxes to pay the principal of or interest on the Bonds; and that the Bonds shall not constitute a moral obligation of the County.

SECTION 3. That, pursuant to the Interlocal Cooperation Act, the County may choose to issue the Bonds jointly with or on behalf of one or more counties if the County so determines, or to have the Bonds issued by another county on behalf of the County if the County so determines, such determinations to be made in the best judgment of the «Ddd» of the County that such a cooperative effort is in the best interests of the County.

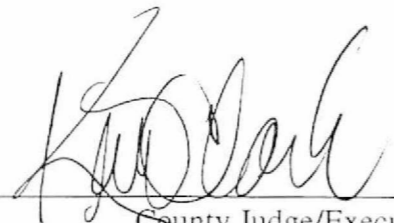
SECTION 4. That the County hereby agrees to work with Gates Capital Corporation to underwrite the Bonds and with Chapman and Cutler, as Bond Counsel, in connection with the issuance of the Bonds during calendar year 2000.

SECTION 5. That the County Judge/Executive, the Fiscal Court Clerk and all other proper officers, officials, agents and employees of the County are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents and certificates as may be necessary to further the purposes and intent of this ordinance, including without limitation to obtain an allocation of unified volume cap.

SECTION 6. That the provisions of this ordinance are hereby declared to be separable, and if any section, phrase or provision of this ordinance shall for any reason be declared to be invalid, such declaration shall not affect the remainder of the sections, phrases and provisions of this ordinance.

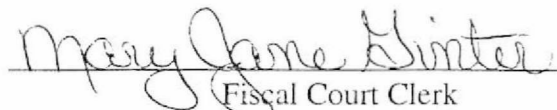
SECTION 7. That all ordinances, resolutions or orders, or parts thereof, in conflict herewith are, to the extent of such conflict, hereby superseded; and that this ordinance shall be in full force and effect upon its adoption and approval.

INTRODUCED, SECONDED, READ AND ADOPTED AT A DULY CONVENED MEETING OF THE FISCAL COURT OF THE COUNTY OF MADISON, KENTUCKY, held on the 28th day of December, 1999, on the same occasion signed in open session by the County Judge/Executive as evidence of his or her approval, attested under seal by the Fiscal Court Clerk, ordered to be filed and recorded as required by law, and declared to be in full force and effect according to law.



County Judge/Executive

[SEAL]

Attest:


Fiscal Court Clerk

Approved as to Form and Legality:


County of Madison Attorney

FIRST READING DATE: Dec. 14, 1999

ADOPTION DATE: Dec 28, 1999

Magistrate Combs yes
Magistrate Parks yes
Magistrate Hughes yes
Magistrate Tudor yes
Judge Kent Clark yes

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Magistrate Parks yes
Magistrate Hughes yes
Magistrate Tudor yes
Judge Kent Clark yes

Assist — Home buyer Assistance

Affordable home ownership for families

Program Outline

An innovative program sponsored by counties throughout the state that offers families the opportunity to buy their own home. The home buyer assistance feature of the *Assist* program provides families with funds to pay all or most of their closing costs and down payment, enabling families with good credit but little extra capital to buy their first home.



Overview

- Counties join together and issue tax-exempt single family bonds
- Each home rule county requests bonding authority from the State
- The bonding authority is pooled and allocated among the counties
- No financial contribution or commitment required from any county
- Any Kentucky county can participate

Description of Bond Issue

- Tax-exempt bonds are issued using the combined bonding authority of the counties
- The bonds are sold at a premium, a price greater than their face amount
- Proceeds of the bonds are used to make the home loans and the assistance
- The bond premium supplies the extra funds to provide home buyer assistance
- The bonds are not a debt of the county or paid from any county funds
- One (or more) county acts as issuer on behalf of all the counties
- The bonds are secured by loans on homes purchased with **Assist**

Loan Description

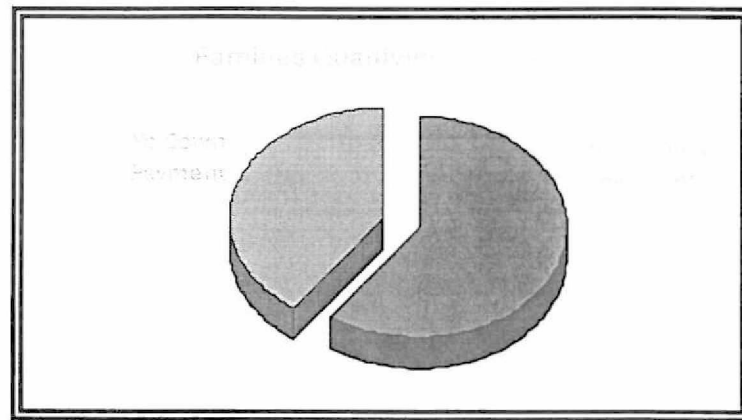
- 30 year fixed rate loans
- FHA, VA and conventional loans available
- **Assist** pays 4.75% cash assistance to qualifying homebuyers
 - 1.00% to lender as origination fee
 - 0.25% to lender as discount fee
 - 3.00% net to home buyer for closing
- Loans are funded with proceeds of the bonds
- Loan interest rate determined at bond closing
- Loan interest rate below conventional loan rates as of bond closing

Qualifying Home buyers

- First time home buyers (not owned residence in three years)
- Will occupy the home as their residence
- Meet income guidelines
- Meet purchase price guidelines

Advantages

- Provides additional home ownership opportunities in each county
- Home ownership provides added stability in a community
- Serves the 40% of potential home buyers who qualify for loans but lack funds
- Strategic alliance with lenders in the state
- Customized marketing in each county
- No out-of-pocket expense to any county to participate



Program Details

Total Home Buyer Assistance:	4.75%
Closing Costs and Down Payment:	3.00%
Origination Fee and Lender Reimbursement:	1.75%

Mortgage rate: Expected rate of 7.00% at today's rates

Lending Period: March 1, 2000 through Feb. 28, 2002

Expected Closing date: March 1, 2000

Bond Counsel: Chapman & Cutler



KENT CLARK - MADISON COUNTY JUDGE/EXECUTIVE
 COURTHOUSE - 101 WEST MAIN STREET
 RICHMOND, KENTUCKY 40475

*Pro. overnight
 (Sat) (sect 8)
 820 East
 Bypass
 620 Mail Box*

Fax

To: David Raush From: Kent Clark
 Fax: _____ Pages: 4
 Phone: _____ Date: _____
 Re: _____ CC: _____

Urgent For Review Please Comment Please Reply Please Recycle

• Comments:

*Please call & let us know more
 information about Richmond locations that
 can apply & how home buyers can
 Recieve more information*



**Cumberland Valley National Bank
& Trust Company**

Berea 985-1221	Corbin 528-3120	London 878-7010	Richmond 623-2243	Williamsburg 549-5054
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Gates Capt. Corp
220 West Huron St.
Suite 500E.
Chicago, 60610

Ill.

Ft. Dearborn Ill. Branch

312-654-3895

312-983-8400

7-14 days

1 From Please print and press hard.
 Date 01-06-00 Sender's FedEx Account Number 1893-89736

4a Express Package Service
 FedEx Priority Overnight Next business morning
 FedEx Standard Overnight Next business afternoon
 FedEx First Overnight Earliest next business morning delivery to select locations

Sender's Name Mad. Co Fiscal Court Phone 606 6244700

FedEx 2Day* Second business day
 FedEx Express Saver*
 * FedEx Letter Rate not available Minimum charge: One-pound rate

Company Mad Co. Government

Address 101 W

City Richmond

Handwritten notes on yellow paper:
 2nd Ex # 1893-89736 Sat. delivery
 David Rasch
 2456 North Surrey Ct. Jeff Co
 Chicago, IL 60614
 phone - (773) 665-5325
 * check the box - see the package
 1st time homeowner's ordinance that was passed needs an original to take to Frankfort.

2 Your Internal Billing Reference
 First 24 characters will appear on Invoice

3 To
 Recipient's Name David I

Company Gates Co

Address 246

City Chicago

Packages up to 150 lbs.
 Delivery commitment may be later in some areas.
 FedEx First Overnight Earliest next business morning delivery to select locations

Packages over 150 lbs.
 Delivery commitment may be later in some areas.
 FedEx 3Day Freight Third business day

* Declared value limit \$300
 Other Pkg. Includes FedEx Box, FedEx Tube, and customer pkg.

HOLD Weekday at FedEx Location Not available with FedEx First Overnight
 HOLD Saturday at FedEx Location Available for FedEx Priority Overnight and FedEx 2Day to select locations

Dry Ice Dry Ice, S, UN 1845 x kg
 Cargo Aircraft Only

Payment Method:
 Credit Card Cash/Check

Exp. Date

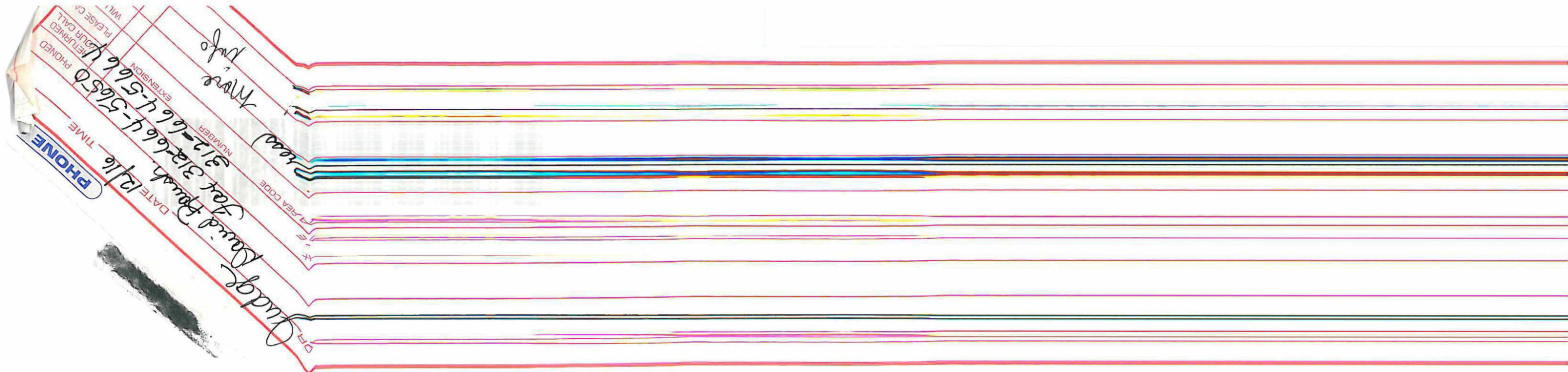
Declared Value*
 \$ LTR .00
 FedEx Use Only

8 Release Signature Sign to authorize delivery without obtaining signature.
Francette Durlin
 By signing you authorize us to deliver this shipment without obtaining a signature and agree to indemnify and hold us harmless from any resulting claims.

360

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