

CERTIFICATE AS TO RESOLUTION

I, the undersigned, being the duly qualified and acting recording officer of the City of Billings, Montana (the "City"), hereby certify that the attached resolution is a true copy of a Resolution entitled: "RESOLUTION RELATING TO A PROJECT ON BEHALF OF HW BILLINGS/WESTERN VIEW LIMITED PARTNERSHIP AND THE ISSUANCE OF REVENUE BONDS OR NOTES TO FINANCE THE COSTS THEREOF UNDER MONTANA CODE ANNOTATED, TITLE 90, CHAPTER 5, PART 1, AS AMENDED; APPROVING THE PROJECT AND AUTHORIZING THE ISSUANCE OF BONDS THEREFOR" (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Council of the City at a meeting on January 12, 2004, and that the meeting was duly held by the City Council and was attended throughout by a quorum, pursuant to call and notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.

I further certify that, upon vote being taken on the Resolution at said meeting, the following Council Members voted in favor thereof: unanimous _____; voted against the same: none _____; abstained from voting thereon: none _____; or were absent: none _____.

WITNESS my hand officially this 12th day of January, 2004.

(SEAL)



Susan Sherkler
City Clerk

Deputy City Clerk

RESOLUTION RELATING TO A PROJECT ON BEHALF OF HW BILLINGS/WESTERN VIEW LIMITED PARTNERSHIP AND THE ISSUANCE OF REVENUE BONDS OR NOTES TO FINANCE THE COSTS THEREOF UNDER MONTANA CODE ANNOTATED, TITLE 90, CHAPTER 5, PART 1, AS AMENDED; APPROVING THE PROJECT AND AUTHORIZING THE ISSUANCE OF BONDS THEREFOR

BE IT RESOLVED by the City Council (the "Council") of the City of Billings, Montana (the "City"), as follows:

Section 1. Recitals. This Council by Resolution No. 03-18047 duly adopted on December 8, 2003, called a public hearing on a proposed project consisting of the issuance of one or more series of revenue bonds or notes at one time or from time to time under Title 90, Chapter 5, Part 1, Montana Code Annotated (the "Act"), to finance a portion of the costs of the acquisition, remodeling, equipping and rehabilitation of an 84 unit multifamily rental housing complex and related improvements and to pay costs associated with the issuance of the Bonds (the "Project"), which will be owned by HW Billings/Western View Limited Partnership, a Montana limited partnership (the "Borrower"). The Project will be located at 2601 Phyllis Lane in Billings, Montana. The revenue bond or bonds or note or notes shall be issued in the maximum aggregate face amount of up to \$3,900,000 (the "Bonds") as authorized by the Act to defray the costs of the Project and to pay for the costs and expenses incident to the issuance, sale, and security of the Bonds.

Section 2. Public Hearing. At the public hearing duly called, noticed and held as required by the Act all persons who appeared were afforded an opportunity to express their views with respect to the proposal to undertake and finance the Project. Based on the public hearing, any written comments filed with the City Clerk and such other facts and circumstances as this Council deems relevant, this Council hereby finds, determines and declares, as follows:

(a) The Project, as proposed, will be suitable for use as a commercial enterprise and multifamily housing project eligible for financing under the Act.

(b) The City is authorized by the Act to issue its revenue bonds or notes to defray the costs of making a loan to the Borrower, the proceeds of which will be used to finance part of the costs of acquiring, remodeling, equipping and rehabilitating the Project and the costs and expenses incident to the issuance and sale of the Bonds, and to enter into, among other documents and agreements, an agreement (the "Loan Agreement") with the Borrower requiring loan repayments from the Borrower in amounts and at times sufficient to pay the principal of and interest on the Bonds when due and requiring the Borrower to pay all costs of maintaining and insuring the Project, including paying taxes thereon or making payments in lieu thereof pursuant to an agreement to be negotiated between representatives of the Borrower and the City.

(c) In preliminarily authorizing the acquisition, remodeling, equipping, and rehabilitation of the Project and the issuance of the Bonds, the City's purpose is and the Council believes the effect thereof will be to promote the public welfare of the City and its residents by providing additional housing facilities for residents of the City, including particularly persons of low to very low income, providing additional employment during construction of the Project, promoting and stimulating economic activity within the City, maintaining housing and sustaining a population and tax base within the City, and otherwise furthering the purposes and policies of the Act.

(d) The undertaking of the Project and the issuance of the Bonds to finance all or a portion of the costs thereof are in the public interest.

Section 3. Approval of Project. This Council hereby approves the Project and the issuance of the Bonds in the approximate aggregate principal amount of up to \$3,900,000 to finance a portion of the costs of the Project. The Bonds shall mature over a term not to exceed 40 years and shall bear interest at a rate or rates allowable by law and contain such other terms and provisions as shall be agreed upon by the Council, the Borrower and the purchaser of the Bonds. The Borrower shall, pursuant to the Loan Agreement and related documents, agree to acquire and improve the Project; to operate and maintain the Project and keep it properly insured; to pay all assessments, if any, on or against the Project; and to make loan payments sufficient to pay the principal of, premium, if any, and interest on the Bonds, all costs and expenses of the City and any trustee in connection with the Project. There shall be a pledge and assignment of certain of the City's interests in the Loan Agreement under an instrument such as an indenture of trust (an "Indenture") or an assignment (an "Assignment").

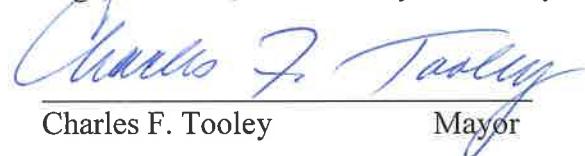
Section 4. Preparation of Documents. Dorsey & Whitney LLP, as bond counsel, is authorized upon direction and in cooperation with the City Attorney, the Borrower, the underwriter of the Bonds, and a

Bonds and any other documents, such as, without limitation, a trust indenture and other security documents, necessary or appropriate to provide for financing of the Project for review and approval of the final terms and conditions thereof by this Council.

Section 5. Costs. The Borrower will pay, or upon demand reimburse the City for payment of, any and all costs incurred by the City in connection with the Project, whether or not the Project is carried to completion, including the City's issuance fee or administration fee, whether or not the Bonds are issued.

Section 6. Commitment Conditional. The adoption of this resolution does not constitute a guarantee or a firm commitment that the City will issue the Bonds as requested by the Borrower. The City retains the right, in its sole discretion, to withdraw from participation and accordingly not issue the Bonds should the Council, at any time prior to the issuance thereof, determine that it is in the best interests of the City not to issue the Bonds or should the parties to the transaction be unable to reach agreement as to the terms and conditions of any of the documents for the transaction, including without limitation, a suitable agreement to make payments in lieu of taxes.

Passed by the City Council of the City of Billings, Montana, this 12th day of January, 2004.



Charles F. Tooley Mayor

Attest: 
Marita Herold, CMC City Clerk
Deputy City Clerk