

RESOLUTION NO. 06-40

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROSWELL, NEW MEXICO (THE "CITY") RELATING TO THE ISSUANCE OF \$11,990,000 AGGREGATE PRINCIPAL AMOUNT OF THE CITY'S STUDENT HOUSING REVENUE BONDS, SERIES 2006 (CHF-ROSWELL, L.L.C. PROJECT AT EASTERN NEW MEXICO UNIVERSITY) AUTHORIZING PROPOSED FINAL FORMS AND THE EXECUTION AND DELIVERY OF CERTAIN INSTRUMENTS IN CONNECTION THEREWITH.

WHEREAS, the City is authorized by the Industrial Revenue Bond Act, Chapter 3, Article 32, New Mexico Statutes Annotated 1978, as amended, (the "Act") to issue revenue bonds for the purpose of acquiring land and constructing buildings, and improvements thereon which are suitable for the purpose of promoting industry and trade; and

WHEREAS, the Council of the City on July 13, 2006 adopted and approved its Ordinance No. 06-04 authorizing the issuance and sale of the City of Roswell, New Mexico Student Housing Revenue Bonds (CHF-Roswell, L.L.C. Project at Eastern New Mexico University) Series 2006A (the "Series 2006A Bonds") and its City of Roswell, New Mexico Taxable Student Housing Revenue Bonds (CHF-Roswell, L.L.C. Project at Eastern New Mexico University) Series 2006B (the "Series 2006B Bonds" together with the Series 2006A Bonds, the "Series 2006 Bonds") in an aggregate principal amount of \$11,990,000 to finance the acquisition, construction and equipping of a student housing apartment complex and related improvements on the campus of Eastern New Mexico University in the City ; and

WHEREAS, on July 14, 2006, there was published in the Roswell Daily Record, a newspaper of general circulation with the City, a Notice of Adoption of Ordinance No. 06-04; and

WHEREAS, there have been presented to the City at this meeting: (1) the proposed final form of the Lease Agreement dated September 1, 2006 (the "Lease") between the City and CHF-Roswell, L.L.C (the "Company"); (2) the proposed final form of the Indenture of Trust dated September 1, 2006 (the "Indenture") between the City and Regions Bank, as the trustee; and (3) the proposed final form of the Bond Purchase Agreement with respect to the Series 2006 Bonds (the "Bond Purchase Agreement") among the City, the Company and RBC Dain Rauscher Inc. doing business under the trade name RBC Capital Markets (the "Underwriter"); and

WHEREAS, the Underwriter, subject to the terms and conditions of the proposed final form of the Bond Purchase Agreement intends to purchase all, but not less than all, of the Series 2006 Bonds in the amount of \$11,990,000.00 less an underwriter's discount of \$134,887.50 for a net purchase price of \$11,855,112.50, payable in immediately available funds on the date of closing against delivery of the Series 2006 Bonds; and

THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY, I.E., THE CITY COUNCIL, OF THE CITY ROSWELL, NEW MEXICO, AS FOLLOWS:

Section 1. All terms defined in the foregoing recitals hereto shall have the same meanings when used herein.

Section 2. All action heretofore taken (not inconsistent with the provisions of this Resolution), by the City and by the officers of the City directed toward the issuance of the Bonds is hereby ratified, approved and confirmed.

Section 3. The proposed final form of the Lease, as submitted to this meeting and attached hereto as Exhibit A and made a part of this Resolution as set forth in full herein, is hereby approved and the Mayor of the City or in his absence the Mayor pro tem (collectively, the "Mayor") is hereby authorized and directed to execute and deliver the Lease with such changes, insertions and omissions as may be approved by the Mayor, such execution being conclusive evidence of such approval.

Section 4. The proposed final form of the Indenture, as submitted to this meeting and attached hereto as Exhibit B and made a part of this Resolution as set forth in full herein, is hereby approved, and the Mayor is hereby authorized and directed to execute and deliver the Indenture with such changes, insertions and omissions as may be approved by the Mayor, such execution being conclusive evidence of such approval.

Section 5. The proposed final form of the Bond Purchase Agreement, as submitted to this meeting and attached hereto as Exhibit C and made a part of this Resolution as set forth in full herein, is hereby approved and the Mayor is hereby authorized and directed to execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be approved by the Mayor, such execution being conclusive evidence of such approval.

Section 6. The Series 2006 Bonds are to be sold to the Underwriter in the amount of \$11,990,000.00 less an underwriter's discount of \$134,887.50 for a net purchase price of \$11,855,112.50, payable in immediately available funds on the date of closing on the terms and conditions set forth in the Bond Purchase Agreement.

Section 7. If any provisions of this resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

Section 8. No member of the Council or employee of the City has any interest, direct or indirect, in the transactions contemplated by the City as described herein.

Section 9. All resolutions of the City or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency.

Section 10. This resolution shall become effective immediately upon its adoption.

PASSED, ADOPTED, SIGNED AND APPROVED BY THE CITY COUNCIL OF ROSWELL, NEW MEXICO THIS 14TH DAY OF SEPTEMBER, 2006.

  
\_\_\_\_\_  
Mayor

( S E A L )

ATTEST:

  
\_\_\_\_\_  
City Clerk