

**GENERAL CERTIFICATE  
OF  
LOCAL GOVERNMENTAL UNIT**

I have executed this Certificate for the benefit of all persons interested in the validity of the proceedings of The Southeast Texas Housing Finance Corporation (the "Issuer") related to the issuance by the Issuer of its Single Family Mortgage Revenue Bonds, Series 2004B in an amount not exceeding \$25,000,000 (the "Bonds") for the purpose of providing a means of financing, through the origination of home mortgage loans, the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices they can afford. Capitalized terms used herein and not otherwise defined shall have the same meanings ascribed to such terms in the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended (the "Act"). I hereby certify as follows:

1. I am the duly elected and incumbent official of the City of Shoreacres, Texas (the "Local Governmental Unit") holding the office indicated below.

2. The Issuer has been authorized to act on behalf of the Local Governmental Unit by action of the governing body of the Local Governmental Unit.

3. The Restated Articles of Incorporation of the Issuer, dated March 28, 1983 and filed with the Secretary of State of the State of Texas on March 29, 1983, have been approved by the governing body of the Local Governmental Unit. The minutes of the governing body of the Local Governmental Unit do not reflect any amendment to the Restated Articles of Incorporation of the Issuer.

4. The minutes of the governing body of the Local Governmental Unit do not reflect any action for the purpose of (i) changing the structure, organization, programs or activities of the Issuer, (ii) terminating the Issuer, (iii) withdrawing from the Issuer or (iv) limiting the effectiveness of the resolution of the Issuer's board of directors authorizing the issuance of the Bonds or otherwise affecting the Bond transaction.

5. Except for the Issuer, the Local Governmental Unit has not created or authorized to act on its behalf any housing finance corporation (including any joint housing finance corporation), except a housing finance corporation that has no power to make home mortgages or to make loans to lending institutions, the proceeds of which are to be used to make home mortgages.

6. The Local Governmental Unit has appointed the individual named below to act as a member of the board of directors of the Issuer for a term ending as indicated below or until such time as a replacement representative has been appointed by the Local Governmental Unit. That individual is a resident of a Local Governmental Unit which is a member of the Issuer. The minutes of the governing body of the Local Governmental Unit do not reflect that such individual has been removed or replaced as a member of the Issuer's board of directors.

7. No litigation is pending or, to my knowledge, threatened against the Local Governmental Unit relating to the Issuer, the Bonds, the proceeding regarding the issuance of Bonds, the bonds being refunded with the Bonds, the representation on the Issuer's board of directors of the Local Governmental Unit, or the participation of the Local Governmental Unit in the Issuer or the Program.

8. The Attorney General of the State of Texas, any Assistant Attorney General or any of their respective delegates or assigns, is authorized to complete the date of this Certificate on behalf of the undersigned Local Governmental Unit and to rely upon such information unless notified otherwise.

Signature: Nancy R. Edmonson

Printed Name: Nancy R. Edmonson

**OFFICE:**

Mayor

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Mayor Pro Tem

☐

City Secretary

☐

**LOCAL GOVERNMENTAL UNIT:**

City of Shoreacres, Texas

Name of Member of  
Issuer's Board of Directors: N/A

Expiration of  
Director's Term: \_\_\_\_\_

**[DO NOT DATE THIS PAGE]**

Date of this  
Certificate: \_\_\_\_\_



SOUTHEAST TEXAS HOUSING FINANCE CORPORATION

**Memo**

Date: May 25, 2004

To: Robin Eldridge  
City of Shoreacres

From: Nell Turk  
Office Manager, Southeast Texas Housing Finance Corporation

Re: General Certificates and Highest Elected Officials documentation

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Robin,

Attached are 4 originals of the following bond documents: 2004B, 2004C, and 2004D. Please have Mayor Edmonson execute all originals and return in the enclosed self-addressed stamped envelope.

If you have any questions or concerns, please do not hesitate to contact me.

minutes of the governing body of the Local Governmental Unit do not reflect that such individual has been removed or replaced as a member of the Issuer's board of directors.

7. No litigation is pending or, to my knowledge, threatened against the Local Governmental Unit relating to the Issuer, the Bonds, the proceeding regarding the issuance of Bonds, the bonds being refunded with the Bonds, the representation on the Issuer's board of directors of the Local Governmental Unit, or the participation of the Local Governmental Unit in the Issuer or the Program.

8. The Attorney General of the State of Texas, any Assistant Attorney General or any of their respective delegates or assigns, is authorized to complete the date of this Certificate on behalf of the undersigned Local Governmental Unit and to rely upon such information unless notified otherwise.

Signature: Nancy R. Edmonson  
Printed Name: Nancy R. Edmonson

**OFFICE:**

Mayor ☐

Mayor Pro Tem ☐

City Secretary ☐

**LOCAL GOVERNMENTAL UNIT:**

City of Shoreacres, Texas

Name of Member of  
Issuer's Board of Directors: N/A

Expiration of  
Director's Term: \_\_\_\_\_

**[DO NOT DATE THIS PAGE]**

Date of this  
Certificate: \_\_\_\_\_

**Galveston County Housing Finance Corporation**  
**Single Family Mortgage Revenue Bonds**  
**Series 2004B**

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***Minutes of Public Hearing***  
***Monday, April 26, 2004***  
***11:00 a.m.***

The public hearing was called to order on Monday, April 26, 2004 at 11:00 a.m. at Hitchcock City Hall, Council Chambers, which are located at 7423 Highway 6, Hitchcock, Texas 77563. Ron Williams, Administrator, presided.

Mr. Williams announced the purpose of the public hearing to be conducted. Mr. Williams noted that the Notice of Public Hearing was published on Sunday, April 11, 2004 in The Houston Chronicle and The Galveston Daily News, which are newspapers of general circulation covering the jurisdiction of Galveston County Housing Finance Corporation.

Mr. Williams announced that an Affidavit of Publication of the Notice of the Public Hearing, executed by a representative of The Houston Chronicle and The Galveston Daily News evidencing that the Notice of Public Hearing was so published, had been received.

Mr. Williams requested that a copy of the Affidavit of Publication be placed in the program file. Mr. Williams also noted that the Notice of Public Hearing solicited written comments, and announced that no written comments had been received.

Mr. Williams announced that he would receive questions and comments from the audience and any statements from persons desiring to make statements in connections with the proposed issuance of bonds.

There was no response from anyone in the audience.

Mr. Williams noted that the Report of the Public Hearing would state that no one appeared to ask questions or give statements or comments.

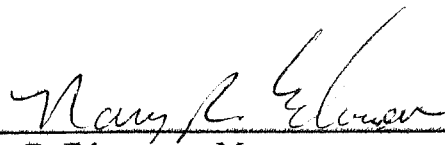
CERTIFIED TO BE A TRUE AND CORRECT COPY

By: \_\_\_\_\_

Ron Williams,  
Administrator

Date: April 26, 2004

**WITNESS** my signature as of the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_.

A handwritten signature in cursive script, appearing to read "Nancy R. Edmonson", written over a horizontal line.

Nancy R. Edmonson, Mayor  
City of Shoreacres, Texas

**GENERAL CERTIFICATE  
OF  
LOCAL GOVERNMENTAL UNIT**

I have executed this Certificate for the benefit of all persons interested in the validity of the proceedings of The Southeast Texas Housing Finance Corporation (the "Issuer") related to the issuance by the Issuer of its Single Family Mortgage Revenue Bonds (Mortgage-Backed Securities Program) Series 2004C, in an amount not exceeding \$35,000,000 (the "Bonds") for the purpose of refunding the Issuer's Single Family Mortgage Revenue Bonds, Series 2004B, in order to provide a means of financing, through the origination of home mortgage loans, the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices they can afford. Capitalized terms used herein and not otherwise defined shall have the same meanings ascribed to such terms in the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended (the "Act"). I hereby certify as follows:

1. I am the duly elected and incumbent official of the City of Shoreacres, Texas (the "Local Governmental Unit") holding the office indicated below.
2. The Issuer has been authorized to act on behalf of the Local Governmental Unit by action of the governing body of the Local Governmental Unit.
3. The Restated Articles of Incorporation of the Issuer, dated March 28, 1983 and filed with the Secretary of State of the State of Texas on March 29, 1983, have been approved by the governing body of the Local Governmental Unit. The minutes of the governing body of the Local Governmental Unit do not reflect any amendment to the Restated Articles of Incorporation of the Issuer.
4. The minutes of the governing body of the Local Governmental Unit do not reflect any action for the purpose of (i) changing the structure, organization, programs or activities of the Issuer, (ii) terminating the Issuer, (iii) withdrawing from the Issuer or (iv) limiting the effectiveness of the resolution of the Issuer's board of directors authorizing the issuance of the Bonds or otherwise affecting the Bond transaction.
5. Except for the Issuer, the Local Governmental Unit has not created or authorized to act on its behalf any housing finance corporation (including any joint housing finance corporation), except a housing finance corporation that has no power to make home mortgages or to make loans to lending institutions, the proceeds of which are to be used to make home mortgages.
6. The Local Governmental Unit has appointed the individual named below to act as a member of the board of directors of the Issuer for a term ending as indicated below or until such time as a replacement representative has been appointed by the Local Governmental Unit. That individual is a resident of a Local Governmental Unit which is a member of the Issuer. The

minutes of the governing body of the Local Governmental Unit do not reflect that such individual has been removed or replaced as a member of the Issuer's board of directors.

7. No litigation is pending or, to my knowledge, threatened against the Local Governmental Unit relating to the Issuer, the Bonds, the proceeding regarding the issuance of Bonds, the bonds being refunded with the Bonds, the representation on the Issuer's board of directors of the Local Governmental Unit, or the participation of the Local Governmental Unit in the Issuer or the Program.

8. The Attorney General of the State of Texas, any Assistant Attorney General or any of their respective delegates or assigns, is authorized to complete the date of this Certificate on behalf of the undersigned Local Governmental Unit and to rely upon such information unless notified otherwise.

Signature: Nancy R. Edmonson

Printed Name: Nancy R. Edmonson

**OFFICE:**

Mayor

☒

Mayor Pro Tem

☐

City Secretary

☐

**LOCAL GOVERNMENTAL UNIT:**

City of Shoreacres, Texas

Name of Member of  
Issuer's Board of Directors: N/A

Expiration of  
Director's Term: \_\_\_\_\_

**[DO NOT DATE THIS PAGE]**

Date of this  
Certificate: \_\_\_\_\_



**GENERAL CERTIFICATE  
OF  
LOCAL GOVERNMENTAL UNIT**

I have executed this Certificate for the benefit of all persons interested in the validity of the proceedings of The Southeast Texas Housing Finance Corporation (the "Issuer") related to the issuance by the Issuer of its Taxable Residual Revenue Capital Appreciation Bonds, Series 2004D, in an amount not exceeding \$1,500,000 (the "Bonds") for the purposes of providing down payment assistance to homebuyers, matching funds for cities applying for HOME funds for owner-occupied rehabilitation for seniors, funding pre-development and development costs for projects to be owned by Issuer or related affiliates and other means assisting in the payment of the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices they can afford. Capitalized terms used herein and not otherwise defined shall have the same meanings ascribed to such terms in the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, as amended (the "Act"). I hereby certify as follows:

1. I am the duly elected and incumbent official of the City of Shoreacres, Texas (the "Local Governmental Unit") holding the office indicated below.

2. The Issuer has been authorized to act on behalf of the Local Governmental Unit by action of the governing body of the Local Governmental Unit.

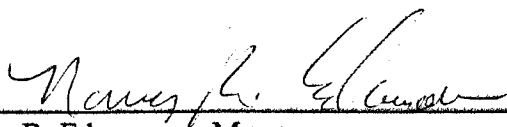
3. The Restated Articles of Incorporation of the Issuer, dated March 28, 1983 and filed with the Secretary of State of the State of Texas on March 29, 1983, have been approved by the governing body of the Local Governmental Unit. The minutes of the governing body of the Local Governmental Unit do not reflect any amendment to the Restated Articles of Incorporation of the Issuer.

4. The minutes of the governing body of the Local Governmental Unit do not reflect any action for the purpose of (i) changing the structure, organization, programs or activities of the Issuer, (ii) terminating the Issuer, (iii) withdrawing from the Issuer or (iv) limiting the effectiveness of the resolution of the Issuer's board of directors authorizing the issuance of the Bonds or otherwise affecting the Bond transaction.

5. Except for the Issuer, the Local Governmental Unit has not created or authorized to act on its behalf any housing finance corporation (including any joint housing finance corporation), except a housing finance corporation that has no power to make home mortgages or to make loans to lending institutions, the proceeds of which are to be used to make home mortgages.

6. The Local Governmental Unit has appointed the individual named below to act as a member of the board of directors of the Issuer for a term ending as indicated below or until such time as a replacement representative has been appointed by the Local Governmental Unit. That individual is a resident of a Local Governmental Unit which is a member of the Issuer. The

WITNESS my signature as of the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_.

  
\_\_\_\_\_  
Nancy R. Edmonson, Mayor  
City of Shoreacres, Texas

**CERTIFICATE OF HIGHEST ELECTED OFFICIAL  
EVIDENCING PUBLIC APPROVAL PURSUANT TO  
§ 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED**

**WHEREAS**, The Southeast Texas Housing Finance Corporation (the "Corporation") has, in accordance with the provisions of the Housing Finance Corporations Act, Chapter 394, Local Government Code, as amended, duly authorized the issuance by the Corporation of its Single Family Mortgage Revenue Bonds, Series 2004B in an amount not exceeding \$25,000,000 (the "Bonds") for the purpose of providing mortgage loans to eligible low and moderate income homebuyers to finance the purchase of qualified one- to four-family owner-occupied residences located within the Corporation's jurisdiction (including the City of Shoreacres but excluding Galveston County, other than the cities specifically within the Corporation's jurisdiction) or to refund bonds previously issued for such purpose;

**WHEREAS**, on Monday, April 26, 2004, the Corporation held a public hearing in connection with the issuance of the Bonds after due notice thereof was published in The Houston Chronicle and The Beaumont Enterprise newspapers of general circulation within the jurisdictions of each of the Local Governmental Units which comprise the Corporation and which meets the requirements of § 2051.044, Government Code, at which no objections were raised by anyone present at the hearing;

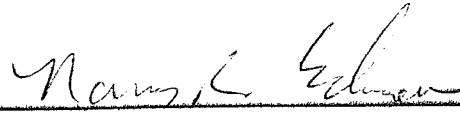
**WHEREAS**, the provisions of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), require that the issuance of certain private activity bonds, such as the Bonds, must be approved by the "applicable elected representative" of the "governmental unit" issuing said bonds or on whose behalf said bonds are being issued;

**WHEREAS**, under Section 147(f)(2)(E)(i)(II) of the Code, the applicable elected representative of the governmental unit is, in this case, the Mayor of the City of Shoreacres (the "City"); and

**WHEREAS**, as the highest elected official of the City, the undersigned desires to approve the issuance of the Bonds in one or more series for the purpose of providing funds for mortgage loans, on behalf of the Corporation, all in accordance with Section 147(f) of the Code.

**NOW, THEREFORE**, I, Nancy R. Edmonson, Mayor, do hereby certify that I am the highest elected official of the City and I do hereby approve the issuance of the Bonds as described above, all in accordance with Section 147(f) of the Code. I do hereby authorize the members of the Corporation and its officers to cause this Certificate to be filed of record in the Transcript of Proceedings for the Bonds and to file a copy thereof with any state or federal agency, board or commission as may be required by any applicable state or federal laws, rules or regulations.

WITNESS my signature as of the \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_.

A handwritten signature in cursive script, appearing to read "Nancy R. Edmonson", written over a horizontal line.

Nancy R. Edmonson, Mayor  
City of Shoreacres, Texas