

CERTIFICATE AS TO RESOLUTION AND ADOPTING VOTE

I, the undersigned, being the duly qualified and acting recording officer of the City of Great Falls, Montana (the "City"), hereby certify that the attached resolution is a true copy of Resolution No. ____ entitled: "RESOLUTION RELATING TO \$5,500,000 MULTIFAMILY HOUSING REVENUE BONDS (AUTUMN RUN APARTMENTS PROJECT), SERIES 1998; APPROVING A FIRST SUPPLEMENT TO THE INDENTURE OF TRUST (the "Resolution"), on file in the original records of the City in my legal custody; that the Resolution was duly adopted by the City Commission of the City at a meeting on December 18, 2007, and that the meeting was duly held by the City Commission 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notice of such meeting given as required by law; and that the Resolution has not as of the date hereof been amended or repealed.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 Commission Members voted in favor thereof: _____

voted against the same: _____;
abstained from voting thereon: _____; or
were absent: _____.

WITNESS my hand and seal officially this ____ day of December, 2007.

(SEAL)

City Clerk

RESOLUTION NO. _____

RESOLUTION RELATING TO \$5,500,000 MULTIFAMILY HOUSING REVENUE BONDS (AUTUMN RUN APARTMENTS PROJECT), SERIES 1998; APPROVING A FIRST SUPPLEMENT TO THE INDENTURE OF TRUST

BE IT RESOLVED by the City Commission (the "Commission ") of the City of Great Falls, Montana (the "City"), as follows:

Section 1. Recitals; Authorizations; Requests.

1.01. The City previously issued its Multifamily Housing Revenue Bonds, Series 1998 (Autumn Run Apartments Project) in the original aggregate principal amount of \$5,500,000 (the "Series 1998 Bonds") pursuant to an Indenture of Trust dated as of April 1, 1998 (the "Indenture") between the City as Issuer (the "City") and U.S. Bank National Association as Trustee (the "Trustee"). Terms used with initial capital letters but not defined herein have the meanings given them in the Indenture.

1.02. Article VI of the Indenture establishes the provisions for redemption of the Series 1998 Bonds and Section 602 establishes a Mandatory Sinking Fund Redemption Schedule (the "Redemption Schedule") for the Series 1998 Bonds.

1.03. Autumn Run Apartments Limited Partnership, the borrower of the proceeds of the Series 1998 Bonds (the "Borrower") under a Loan Agreement dated as of April 1, 1998 between the City and the Borrower (the "Loan Agreement") has requested a modification of the Redemption Schedule and that the Indenture be amended to remove the Redemption Schedule from the Indenture and place it in the Reimbursement Agreement dated as of April 1, 1998 (the "Reimbursement Agreement") between the Borrower and U.S. Bank National Association (the "Bank") as the issuer of an Irrevocable Letter of Credit in the amount of \$5,692,500 dated as of April 9, 1998 and terminating on April 9, 2008 (the "Letter of Credit"). A First Amendment to Reimbursement Agreement will be entered into and dated as of January 2, 2008, between the Borrower and the Bank.

1.04. A copy of the proposed modified Redemption Schedule, which is attached hereto as Schedule I, does not, according to the calculations shown thereon, increase the weighted average maturity of the Series 1998 Bonds.

1.05. Citigroup Global Markets Inc. ("Citi") is the successor Remarketing Agent under the Remarketing Agreement dated as of April 1, 1998, between the Borrower, the Trustee and the Remarketing Agent (the "Remarketing Agreement").

1.06. Citi and Borrower will enter into a new Remarketing Agreement to be dated as of January 2, 2008, which will supersede the previous agreement, and will become the Remarketing Agreement upon its execution and delivery (the "New Remarketing Agreement"). The City will not be a party to or have any obligations or duties to any party or person under the New Remarketing Agreement.

1.07. The Remarketing Agent, with the approval of the Borrower, has requested an amendment to Section 402(b) of the Indenture.

1.08. Article X of the Indenture sets forth the terms and conditions for amending the provisions of the Indenture. In order to effectuate the amendment requested by the Borrower, Section 1001 of the Indenture requires the consent of the Owners of all Bonds then Outstanding and the consent of the Bank. In order to effectuate the amendment requested by City, the Indenture requires the approval of the Borrower.

1.09. Section 1007 of the Indenture also provides that the Issuer and the Trustee shall not enter into or consent to any amendment, changes or modification to the Indenture unless the City has received an opinion of Bond Counsel to the effect that such amendment will comply with Article X and not impair the exemption of the interest on the Series 1998 Bonds from federal income taxation.

1.10. The Series 1998 Bonds may be converted from an Extended Rate mode to a Variable Rate mode on the expiration of the Initial Extended Rate Period which date is January 2, 2008. The Series 1998 Bonds are subject to mandatory tender at the expiration of the Initial Extended Rate Period. The Borrower has notified the Trustee and the Bank of its intention to convert the Bonds from the Extended Rate to a Variable Rate on January 2, 2008. As a result of the mandatory tender of the Series 1998 Bonds that is required under the 202A(i) of the Indenture, Citigroup Global Markets Inc. ("Citi") will be the Owner of all Series 1998 Bonds then Outstanding.

1.11. To effectuate the requested modifications described in Sections 1.03 and 1.07, this Commission has been requested by the Borrower to enter into a First Supplement to Indenture of Trust (the "First Supplement"), between the City and the Trustee, a copy of which has been presented to this Commission and attached hereto as Exhibit A.

Section 2. Approvals.

2.01. This Commission hereby approves the adoption of the First Supplement in substantially the form attached hereto as Exhibit A and authorizes the Mayor, City Manager and the City Clerk to execute the First Supplement on behalf of the City in substantially the form attached hereto as Exhibit A, with such changes as may be deemed necessary by Dorsey & Whitney LLP, on the following conditions: (i) the execution and delivery to the City and the Trustee of the Borrower Certificate, the Bondholder Certificate and the Bank Certificate in substantially the forms attached hereto as Exhibits B, C and D; (ii) the execution and delivery of the opinion of Dorsey & Whitney LLP that the amendments to the Indenture are authorized by the Indenture and do not adversely impair the exemption of interest on the Series 1998 Bonds from federal income taxation; and (iii) subject to the public hearing provided for in 2.02, if required.

2.02. The Commission hereby authorizes the City Fiscal Operations Supervisor to conduct a public hearing at 9:00 am in the City Commission meeting room on January 2, 2008, if required by Section 147(b) of the Internal Revenue Code.

2.03. The Commission authorizes Dorsey & Whitney LLP at the sole expense of the Borrower to prepare and deliver such opinions and documents as may be necessary to effectuate this Resolution and the First Supplement.

Section 3. Effective Date. The Resolution shall become effective on approval by the Commission.

PASSED AND APPROVED by the City Commission of the City of Great Falls, Montana, this ___ day of December, 2007.

Mayor

Attest:

City Clerk

(SEAL)

SCHEDULE I

REDEMPTION SCHEDULE

	<u>Revised WAM</u>	<u>Target WAM (original)</u>
WAM (Years)	20.86	20.88
WAM (Date)	2/8/2019	2/8/2019

<u>Payment Date</u>	<u>Scheduled Principal Redemption</u>
12/1/2008	--
1/1/2009	45,000.00
1/1/2010	50,000.00
1/1/2011	55,000.00
1/1/2012	60,000.00
1/1/2013	65,000.00
1/1/2014	70,000.00
1/1/2015	75,000.00
1/1/2016	80,000.00
1/1/2017	85,000.00
1/1/2018	90,000.00
1/1/2019	95,000.00
1/1/2020	100,000.00
1/1/2021	110,000.00
1/1/2022	110,000.00
12/1/2022	3,635,000.00
Total	4,725,000.00

EXHIBIT A

FIRST SUPPLEMENT TO INDENTURE OF TRUST

THIS FIRST SUPPLEMENT TO TRUST INDENTURE (the “First Supplement”) is made and entered into as of January 2, 2008 between CITY OF GREAT FALLS, MONTANA, a municipal corporation and political subdivision of the State of Montana (the “Issuer”), and U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America, as trustee (the “Trustee”).

RECITALS:

WHEREAS, the Issuer previously issued its Multifamily Housing Revenue Bonds, Series 1998 (Autumn Run Apartments Project) in the original aggregate principal amount of \$5,500,000 (the “Series 1998 Bonds”) pursuant to an Indenture of Trust dated as of April 1, 1998 between the Issuer and the Trustee (the “Indenture”). Capitalized terms not otherwise defined herein have the meanings set forth in the Indenture; and

WHEREAS, pursuant to Article X of the Indenture, the Indenture may be amended with respect to certain provisions of the Series 1998 Bonds pursuant to a Supplemental Indenture, with the written approval and the unanimous consent of the Owners of all Bonds then Outstanding, the Bank, and an opinion of Bond Counsel to the effect that such Supplemental Indenture is authorized or permitted by the Act and the Indenture and will, upon its execution and delivery, be valid and binding upon the Issuer in accordance with its terms and that such amendment will comply with Article X and not adversely impair the exemption of interest on the Series 1998 Bonds for federal income tax purposes; and

WHEREAS, all things necessary to make this First Supplement a valid agreement of the Issuer and the Trustee in accordance with its terms have been done, and the execution and delivery hereof have been in all respects duly authorized by the Issuer and the Trustee;

NOW, THEREFORE, in consideration of the foregoing and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Issuer and the Trustee hereby amend the Indenture as follows:

Section 1. Amendments to Indenture.

Section 1.01. Section 402(b) shall be amended as follows:

“(b) The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Indenture by giving at least 30 days’ written notice to the City, the Borrower, the Bank and the Trustee.”

Section 1.02. Section 602(b) of the Indenture is hereby amended by deleting such Section in its entirety and replacing it with the following:

“(b) Redemption Schedule for the Bonds. The Bonds shall be subject to redemption in accordance with a payment schedule to be set forth in the Reimbursement Agreement (the “Payment Schedule”). It is acknowledged that the Payment Schedule may be modified without the consent of the Bondholders, upon agreement of the Borrower and the Bank, but only upon delivery to the Issuer and the Trustee of an opinion of Bond Counsel that such modification will not impair the exemption of the interest on the Bonds from federal income taxation.”

Section 1.03. Except as otherwise specifically amended herein, the Indenture shall remain unchanged and in full force and effect.

Section 2. Execution, Delivery and Effective Date.

Section 2.01. This First Supplement is authorized, executed and delivered pursuant to the provisions of Section 1001 of the Indenture, all requirements for the execution and delivery of this First Supplement set forth in Sections 1001 and 1007 have been satisfied.

Section 2.02. This First Supplement shall be effective from and after the date hereof.

Section 2.03. This First Supplement may be executed by the parties hereto in any number of counterparts, each of which, when so executed and delivered, shall for all purposes be deemed an original, and all such counterparts shall together constitute but one and the same document.

Section 2.04. The Reimbursement Agreement will be amended simultaneously with the execution of this First Supplement to incorporate the Redemption Schedule.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this First Supplement to be duly executed as of the day and year first above written.

[SEAL]

CITY OF GREAT FALLS MONTANA

By: _____
Name: _____
Title: _____

Attest:

By: _____

U.S. Bank National Association, as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT B

**THE CITY OF GREAT FALLS \$5,500,000 MULTIFAMILY HOUSING
REVENUE BONDS (AUTUMN RUN APARTMENTS PROJECT), SERIES 1998**

CERTIFICATE OF AUTUMN RUN LIMITED PARTNERSHIP

I, the _____ of Autumn Run LLC, a Washington limited liability company, as General Partner of Autumn Run Apartments Limited Partnership, a Washington limited partnership ("Autumn Run"), hereby certify as follows:

- (i) as of the date hereof, Autumn Run is the Borrower of the proceeds of \$5,500,000 MULTIFAMILY HOUSING REVENUE BONDS (AUTUMN RUN APARTMENTS PROJECT), SERIES 1998 (the "Bonds"), issued under an Indenture of Trust between the City of Great Falls, Montana and U.S. Bank National Association, as Trustee;
- (ii) the Borrower has requested a modification of the Mandatory Redemption Schedule of the payment of the Bonds as set forth in the Indenture to the Redemption Schedule attached as Schedule I to the City of Great Falls Resolution adopted December 18, 2007 and the removal of the Redemption Schedule from the Indenture; and
- (iii) the Borrower hereby consents to the Amendment of the Indenture as set forth in the First Supplement to the Indenture of Trust, dated as of January 2, 2008, a copy of which we have reviewed.

Dated: _____, _____

**AUTUMN RUN APARTMENTS LIMITED
PARTNERSHIP**

By: AUTUMN RUN LLC, a Washington
limited liability company, its General
Partner

By: _____
Its: _____

By: _____
Its: _____

EXHIBIT C

**THE CITY OF GREAT FALLS \$5,500,000 MULTIFAMILY HOUSING
REVENUE BONDS (AUTUMN RUN APARTMENTS PROJECT), SERIES 1998**

CERTIFICATE OF CITIGROUP GLOBAL MARKETS INC.

I, the _____ of Citigroup Global Markets Inc. (“Citi”), hereby certify as follows:

- (i) as of the date hereof, Citi is the Owner of the \$5,500,000 MULTIFAMILY HOUSING REVENUE BONDS (AUTUMN RUN APARTMENTS PROJECT), SERIES 1998 (the “Bonds”), Outstanding under the Indenture of Trust, between the City of Great Falls Montana and US Bank National Association, as Trustee, in the principal amount of \$4,725,000;
- (ii) as Owner of the Bonds and pursuant to Section 1001 of the Indenture, we hereby consent to the modification of the Mandatory Redemption Schedule of the payment of the Bonds as set forth in the Indenture to the Redemption Schedule attached as Schedule I to the City of Great Falls Resolution adopted December 18, 2007 and the removal of the Redemption Schedule from the Indenture; and
- (iii) as Owner of the Bonds and pursuant to Section 1001 of the Indenture, hereby consent to the Amendment of the Indenture as set forth in the First Supplement to the Indenture of Trust, dated as of January 2, 2008, a copy of which we have reviewed.

Dated: _____, _____

Citigroup Global Markets Inc.
as Owner of all Bonds Outstanding

Mark W. Dean, Managing Director

EXHIBIT D

**THE CITY OF GREAT FALLS \$5,500,000 MULTIFAMILY HOUSING
REVENUE BONDS (AUTUMN RUN APARTMENTS PROJECT), SERIES 1998**

CERTIFICATE OF U.S. BANK NATIONAL ASSOCIATION

I, the _____ of U.S. Bank National Association (the “Bank”), as the issuer of an Irrevocable Letter of Credit in the amount of \$5,692,500 dated as of April 9, 1998 and expiring April 9, 2008 (the “Letter of Credit”) under the Indenture of Trust, between the City of Great Falls, Montana (the “City”) and U.S. Bank National Association, as Trustee (the “Indenture”) and pursuant to Section 1001 of the Indenture, hereby certify as follows:

- (i) the Bank hereby consents to the modification of the Mandatory Redemption Schedule of the payment of the Bonds as set forth in the Indenture to the Redemption Schedule attached as Schedule I to the City of Great Falls Resolution adopted December 18, 2007 and the removal of the Redemption Schedule from the Indenture; and
- (ii) the Bank hereby consents to the Amendment of the Indenture as set forth in the First Supplement to the Indenture of Trust, dated as of January 2, 2008, a copy of which we have reviewed.

Dated: _____, _____

U.S. Bank National Association
as Issuer of the Letter of Credit

_____, Vice President