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# The State of Texas

SECRETARY OF STATE

The undersigned, as Assistant Secretary of State of the State of Texas, **HEREBY CERTIFIES** that the attached is a true and correct copy of the following described instruments on file in this office:

**HIDALGO COUNTY HOUSING FINANCE CORPORATION**

**ARTICLES OF INCORPORATION**

**JULY 3, 1980**

*IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in the City of Austin, on March 28, 1994.*

*Audrey Seiden*

ASSISTANT SECRETARY OF STATE

Secretary of State

DEM



EXHIBIT "A"

ARTICLES OF INCORPORATION  
OF  
HIDALGO COUNTY HOUSING FINANCE CORPORATION

We, the undersigned natural persons, each of whom is at least eighteen (18) years of age, a citizen of the State of Texas, and a resident of Hidalgo County, Texas, acting as incorporators of a corporation under the Texas Housing Finance Corporations Act, Article 12691-7, Vernon's Annotated Civil Statutes, do hereby adopt the following Articles of Incorporation for such Corporation:

ARTICLE I

The name of the Corporation is HIDALGO COUNTY HOUSING FINANCE CORPORATION.

ARTICLE II

The Corporation is a public non-profit corporation.

ARTICLE III

The duration of the Corporation shall be perpetual.

ARTICLE IV

The Corporation is organized solely to carry out the purposes of the Texas Housing Finance Corporations Act and shall have and possess all powers enumerated in such Act including the powers to make or acquire "home mortgages" and to finance the cost of "residential development" (as such terms are defined in such Act) and to exercise all other powers contained therein.

ARTICLE V

The Corporation shall have no members.

ARTICLE VI

All powers of the Corporation shall be vested in a Board of Directors consisting of five ( 5 ) persons, each of whom shall be appointed by written resolution of the governing body of Hidalgo County, Texas, and each of whom shall be a resident of such county. Each initial director shall serve for a term of two ( 2 ) years or until his or her successor is appointed by the governing body of Hidalgo County, Texas; provided, however, that any director may be removed from office at any time, with or without cause, by written resolution of the governing body of Hidalgo County, Texas.

All other matters pertaining to the internal affairs of the Corporation shall be governed by the by-laws of the Corporation, so long as such by-laws are not inconsistent with these Articles of Incorporation, the Texas Housing Finance Corporations Act, or any other law of the State of Texas.

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ARTICLE VII

The street address of the initial registered office of the Corporation is County Courthouse, Edinburg, Texas, and the name of the initial registered agent at such address is R. M. Guerra, County Judge.

ARTICLE VIII

The number of directors constituting the initial Board of Directors of the Corporation is five ( 5 ). The names and addresses of the directors, each of whom resides within Hidalgo County, Texas, are:

<u>NAME:</u>	<u>ADDRESS:</u>
<u>R. M. Guerra</u>	<u>1109 S. 13th, Edinburg, Texas 78539</u>
<u>Ramiro Cavazos</u>	<u>Rte. 1, Box 222, Weslaco, Texas 78596</u>
<u>Charles E. Curtis</u>	<u>Box 154, Pharr, Texas 78577</u>
<u>Felix T. Martinez</u>	<u>307 Ebony Lane, Mission, Texas 78572</u>
<u>J. R. Ponce</u>	<u>Rte. 3, Box 39Z, Edinburg, Texas 78539</u>

ARTICLE IX

The names and street addresses of the incorporators, each of whom resides within Hidalgo County, Texas, are:

<u>Charles E. Curtis</u>	<u>425 E. Jones, Pharr, Texas 78577</u>
<u>J. R. Ponce</u>	<u>5 Miles N. US 281, Edinburg, Texas 785</u>
<u>Ramiro Cavazos</u>	<u>Mile 5 West and Mile 10 North, Weslaco, Texas 78596</u>


ARTICLE X

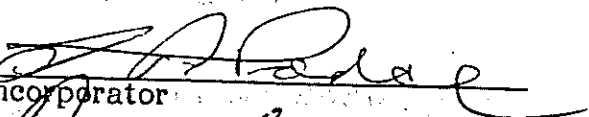
On July 1, 1980, the governing body of Hidalgo County, Texas, duly adopted a resolution approving the form of these Articles of Incorporation and approving the creation of the Corporation.

ARTICLE XI

These Articles of Incorporation may be amended at any time and from time to time by the Board of Directors with the approval of the governing body of Hidalgo County, Texas, or by the governing body of Hidalgo County, Texas, in its sole discretion, subject, however, to limitations on the impairment of contracts entered into by the Corporation, all under and in accordance with the Texas Housing Finance Corporations Act.

IN WITNESS WHEREOF, we have hereunto set our hands this 1st day  
of July, 1980.

  
Incorporator

  
Incorporator

  
Incorporator

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_ known to me to be the person whose name is in the foregoing instrument and who, being by me duly sworn, verified the contents of the same for the purposes and reasons expressed and that the statements contained therein are true.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL this \_\_\_\_\_ day of \_\_\_\_\_, 1980.

Notary Public for the State of \_\_\_\_\_

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_ known to me to be the person whose name is in the foregoing instrument and who, being by me duly sworn, verified the contents of the same for the purposes and reasons expressed and that the statements contained therein are true.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL this \_\_\_\_\_ day of \_\_\_\_\_, 1980.

Notary Public for the State of \_\_\_\_\_

THE STATE OF TEXAS §  
§  
COUNTY OF HIDALGO §

BEFORE ME, the undersigned authority, on this day personally appeared Ramiro Charles E. Curtis, J. R. Ponce, known to me to be the person whose name is Cavazos subscribed to the foregoing instrument and who, being by me duly sworn, verified and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and that the statements contained therein are true.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL OF OFFICE this the 1st day of July, 1980.

*Tonia Walker*  
Notary Public, Hidalgo County, Texas

[SEAL]

THE STATE OF TEXAS §  
§  
COUNTY OF HIDALGO §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument and who, being by me duly sworn, verified and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and that the statements contained therein are true.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL OF OFFICE this the \_\_\_\_\_ day of \_\_\_\_\_, 1980.

\_\_\_\_\_  
Notary Public, Hidalgo County, Texas

[SEAL]

THE STATE OF TEXAS §  
§  
COUNTY OF HIDALGO §

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument and who, being by me duly sworn, verified and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and that the statements contained therein are true.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL OF OFFICE this the \_\_\_\_\_ day of \_\_\_\_\_, 1980.

\_\_\_\_\_  
Notary Public, Hidalgo County, Texas

[SEAL]

APPLICATION FOR INCORPORATION  
OF HIDALGO COUNTY HOUSING FINANCE CORPORATION

We, the undersigned citizens of the State of Texas, of the age of 18 years or more and residents of Hidalgo County, Texas, hereby file with the governing body of the County an application in writing seeking the incorporation of a housing finance corporation under the provisions of the "Texas Housing Finance Corporations Act." The form of these articles of incorporation proposed to be used in organizing the corporation are attached hereto as Exhibit "A."

SIGNED this the 1st day of July, 1980.

Vona Walker  
Applicant

Lucie Yoder Guena  
Applicant

The undersigned applicant, on this day personally appeared before me, known to me to be the person whose name is appearing in the instrument, and also, being by me duly sworn, certified to me that he/she executed the same for the purposes and with the intent expressed and that the statements contained therein are true.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL

NOTARY PUBLIC, STATE OF TEXAS

The undersigned applicant, on this day personally appeared before me, known to me to be the person whose name is appearing in the instrument, and also, being by me duly sworn, certified to me that he/she executed the same for the purposes and with the intent expressed and that the statements contained therein are true.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL  
ON this the \_\_\_ day of \_\_\_\_\_, 1980.

NOTARY PUBLIC, STATE OF TEXAS

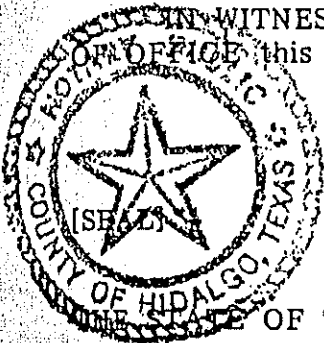
THE STATE OF TEXAS

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COUNTY OF HIDALGO

BEFORE ME, the undersigned authority, on this day personally appeared Lucie Flores Arroyo Travis Hester known to me to be the person whose name is subscribed to the foregoing instrument and who, being by me duly sworn, verified and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and that the statements contained therein are true.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL OF OFFICE this the 1st day of July, 1980.



Delia Zamora  
Notary Public, Hidalgo County, Texas

COUNTY OF HIDALGO

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COUNTY OF HIDALGO

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument and who, being by me duly sworn, verified and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and that the statements contained therein are true.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL OF OFFICE this the \_\_\_\_\_ day of \_\_\_\_\_, 1980.

\_\_\_\_\_  
Notary Public, Hidalgo County, Texas

[SEAL]

THE STATE OF TEXAS

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COUNTY OF HIDALGO

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument and who, being by me duly sworn, verified and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and that the statements contained therein are true.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND SEAL OF OFFICE this the \_\_\_\_\_ day of \_\_\_\_\_, 1980.

\_\_\_\_\_  
Notary Public, Hidalgo County, Texas

[SEAL]



# TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

JOHN SHARP • COMPTROLLER • AUSTIN, TEXAS 78774

## CERTIFICATION OF ACCOUNT STATUS

THE STATE OF TEXAS

COUNTY OF TRAVIS

I, John Sharp, Comptroller of Public Accounts of the State of Texas, DO HEREBY CERTIFY that according to the records of this office

Hidalgo County Housing Finance Corp.

is, as of this date, in good standing with this office having no franchise tax reports or payments due at this time.

This certificate is valid through 05-16-94, when the next franchise tax report is due.

This certificate is not valid for the purpose of dissolution, merger or withdrawal.

GIVEN UNDER MY HAND AND

SEAL OF OFFICE in the City of

Austin, this 15th day of

March, 19 94 A.D.

JOHN SHARP  
Comptroller of Public Accounts

BYLAWS

OF

HIDALGO COUNTY HOUSING FINANCE CORPORATION

ARTICLE I

POWERS AND PURPOSES

Section 1. Status and Purposes. The corporation is organized as a public instrumentality of Hidalgo County, Texas (the "County"), subject to the control and supervision of the Commissioners Court of the County ("Court"), under and pursuant to, and to effect and carry out, the purposes and powers set forth in the Texas Housing Finance Corporations Act (the "Act").

Section 2. Powers, Programs and Activities. The powers, programs and activities of the Corporation shall be as set forth in the Act and the Corporation's Articles of Incorporation, and shall be subject to the governance and alteration thereof, as set forth in the Act and in the Articles of Incorporation, by the Court.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Powers, Selection, Number and Term of Office. The property, programs and activities of the corporation shall be managed and controlled by the Board of Directors and, subject to the restrictions imposed by law, including the Act, the Court, the Articles of Incorporation and these Bylaws, the Board of Directors shall exercise all powers of the corporation.

The Board of Directors shall consist of not less than three (3) directors, each of whom shall be at least 18 years of age and a resident of the County. A director may be a member of the Court, or an officer or employee of the County. Each member of the initial Board of Directors named in the Articles of Incorporation, approved by the Court, shall hold office for terms as set forth in the Articles of Incorporation, or until his or her successor has been appointed by the Court. Subsequent directors shall be appointed by a majority vote of the Court. Any director may be removed from office, with or without cause, by a majority vote of the Court. No director shall be appointed, or shall serve, for a term in excess of six (6) years.

Section 2. Meetings of Directors. The directors may hold their meetings at such place or places in the State of Texas, or outside the State of Texas, as the Board of Directors may from time to time determine; provided, however, in the absence of any such determination by the Board of Directors, the meetings shall be held at the registered office of the corporation in the State of Texas.

Section 3. Regular meetings. Regular Meetings of the Board of Directors shall be held at such times and places as shall be designated, from time to time, by resolution of the Board of Directors.

Section 4. Special Meetings. Special Meetings of the Board of Directors shall be held whenever called by the president, by the secretary, by a majority of the directors at the time being in office, or upon request of the Court.

The secretary shall give notice to each director of each Special Meeting in person, or by mail, telephone or telegraph, at least two (2) days before the meeting. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the corporation may be considered and acted upon at a Special Meeting. At any meeting at which every director shall be present, even though without any notice, any matter pertaining to the purposes of the corporation may be considered and acted upon.

Section 5. Quorum. A majority of the directors fixed by these Bylaws shall constitute a quorum for the consideration of matters pertaining to the purposes of the corporation, but if at any meeting of the Board of Directors there be less than a quorum present, a majority of those present may adjourn the meeting from time to time. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, unless the act of a greater number is required by law, by the Articles of Incorporation, or by these Bylaws.

Section 6. Conduct of Business. At the meetings of the Board of Directors matters pertaining to the purposes of the corporation shall be considered in such order as from time to time the Board of Directors may determine.

At all meetings of the Board of Directors, the president shall preside, in the absence of the president, the vice president shall preside, and in the absence of both the president and the vice president, a chairman shall be chosen by the Board of Directors from among the directors present.

The secretary of the corporation shall act as secretary of all meetings of the Board of Directors, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 7. Executive Committee. The Board of Directors, by resolution passed by a majority of the directors in office, may designate two or more directors to constitute an executive committee, which committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the corporation, except where action of the Board of Directors is specified by law. The executive committee shall act in the manner provided in such resolution. The executive committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the office of the Corporation, and shall report the same to the Board of Directors from time to time.

Section 8. Compensation of Directors. Directors as such shall not receive any salary or compensation for their services.

### ARTICLE III

#### OFFICERS

Section 1. Titles and Term of Office. The officers of the corporation shall be a president, one or more vice presidents, a secretary and a treasurer, and such other officers as the Board of Directors may from time to time elect or appoint. One person may hold more than one office, except that the president shall not hold the office of secretary.

All officers shall be subject to removal, with or without cause, at any time by a vote of a majority of the whole Board of Directors.

A vacancy in the office of any officer shall be filled by a vote of a majority of the directors.

Section 2. Powers and Duties of the President. The president shall be the chief executive officer of the corporation and, subject to the Board of Directors, he shall be in general charge of the properties and affairs of the corporation; he shall preside at all meetings of the Board of Directors; in furtherance of the purposes of this corporation, he may sign and execute all bonds, deeds, conveyances, franchises, assignments, mortgages, notes, contracts and other obligations in the name of the corporation.

Section 3. Vice Presidents. Each vice president shall have such powers and duties as may be assigned to him by the Board of Directors and shall exercise the powers of the president during that officer's absence or inability to act. Any action taken by a vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability to act as the president at the time such action was taken.

Section 4. Treasurer. The treasurer shall have custody of all the funds and securities of the corporation which come into his hands. When necessary or proper, he may endorse on behalf of the corporation, for collection, checks, notes and other obligations and shall deposit the same to the credit of the corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board of Directors; he may sign all receipts and vouchers for payments made to the corporation, either alone or jointly with such other officer as is designated by the Board of Directors; whenever required by the Board of Directors, he shall render a statement of his cash account; he shall enter or cause to be entered regularly in the books of the corporation to be kept by him for that purpose full and accurate accounts of all monies received and paid out on account of the corporation; he shall perform all acts incident to the position of treasurer subject to the control of the Board of Directors; he shall, if required by the Board of Directors, give such bond for the faithful discharge of his duties in such form as the Board of Directors may require.

Section 5. Assistant Treasurer. Each assistant treasurer shall have the usual powers and duties pertaining to his office, together with such other powers and duties as may be assigned to him by the Board of Directors.

The assistant treasurers shall exercise the powers of the treasurer during that officer's absence or inability to act.

Section 6. Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose; he shall attend to the giving and serving of all notices; in furtherance of the purposes of this corporation, he may sign in the name of the corporation and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the corporation; he shall have charge of the corporate books, records, documents and instruments, except the books of account and financial records and securities of which the treasurer shall have custody and charge, and such other books and papers as the

Board of Directors may direct, all of which shall at all reasonable times be open to the inspection upon application at the office of the corporation during business hours, and he shall in general perform all duties incident to the office of secretary subject to the control of the Board of Directors.

Section 7. Assistant Secretaries. Each assistant secretary shall have the usual powers and duties pertaining to his office, together with such other powers and duties as may be assigned to him by the Board of Directors or the secretary. The assistant secretaries shall exercise the powers of the secretary during that officer's absence or inability to act.

Section 8. Compensation. Officers as such shall not receive any salary or compensation for their services.

#### ARTICLE IV

#### PROVISIONS REGARDING ARTICLES OF INCORPORATION

#### AND BYLAWS

Section 1. Effective Date. These Bylaws shall become effective upon their adoption by the Board of Directors of the corporation.

Section 2. Amendments to Articles of Incorporation and Bylaws. The Articles of Incorporation may at any time and from time to time be amended so as to make any changes therein and to add any provisions thereto which might have been included in the Articles of Incorporation in the first instance pursuant to the provisions of the Act. Any such amendments shall be effected in either of the following manners: (i) the members of the Board of Directors shall file with the Court an application in writing seeking permission to amend the Articles of Incorporation, specifying in such application the amendment proposed to be made; the Court shall consider such application and if it shall by appropriate resolution duly find and determine that it is wise, expedient, necessary or advisable that the proposed amendment be made shall authorize the same to be made, and shall approve the form of the proposed amendment; then the Board of Directors may amend the Articles of Incorporation by adopting such amendment at a meeting of the Board of Directors and delivering the same to the Secretary of the State of Texas, or (ii) the Court may, at its sole discretion, and at any time, alter or change the structure, organization, programs or activities of the corporation,

and may terminate the corporation, by the impairment of contracts entered into by the corporation, by adopting an amendment to the Articles of Incorporation at a meeting of the Court and delivering the same to the Secretary of the State of Texas. These Bylaws may be altered or amended by affirmative vote of a majority of the directors present at any regular meeting, or at any special meeting if notice of the proposed amendment or alteration is contained in the notice of said special meeting.

Section 3. Interpretation of Bylaws. These Bylaws and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or circumstances shall not be affected thereby.

#### ARTICLE V

#### GENERAL PROVISIONS

Section 1. Principal Office. The principal office of the corporation shall be located in the County of           .

The corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent, whose office is identical with such registered office, as required by the Act. The registered office may be, but need not be, identical with the principal office in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

Section 2. Fiscal Year. The fiscal year of the corporation shall be as determined by resolution of the Board of Directors.

Section 3. Seal. The seal of the corporation shall be as determined by resolution of the Board of Directors.

Section 4. Notice and Waiver of Notice. Whenever any notice whatsoever is required to be given under the provisions of the Act, the Articles of Incorporation, or these Bylaws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to

the person entitled thereto at his post office address, as it appears on the books of the corporation, and such notice shall be deemed to have been given on the day of such mailing. A waiver of notice, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 5. Resignations. Any director or officer may resign at any time. Such resignations shall be made in writing directed to the Board of Directors and the Court, and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the president or secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 6. Action Without a Meeting of Directors or Committees. Any action which may be taken at a meeting of the Board of Directors or of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the directors, or all of the members of the committee, as the case may be.

Section 7. Approval or Other Action of Court. To the extent that these Bylaws refer to any approval by the Court or other action by the Court, such approval or other action shall be evidenced by a certified copy of a resolution or motion duly adopted by the Court.

Section 8. Books and Records. The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and committees having any of the authority of the Board of Directors. All books and records of the corporation may be inspected by any director, or his agent or attorney for any proper purpose at any reasonable time, and may also be inspected by the Court or any designee thereof.

GENERAL CERTIFICATE OF GOVERNING UNIT

I, the undersigned, County Judge of Hidalgo County, Texas (the "Governing Unit"), make this certification for the benefit of all persons interested in the issuance of the Hidalgo County Housing Finance Corporation Single Family Mortgage Revenue Bonds (GNMA and FNMA Collateralized), Series 1994A (the "Bonds"). I hereby certify as follows:

1. The Hidalgo County Housing Finance Corporation (the "Issuer") was created and authorized to act on behalf of the Governing Unit, and the Articles of Incorporation and Bylaws of the Issuer were approved by the Commissioner's Court of the Governing Unit. The Bonds have been approved by the County Judge (the "Approval"), a copy of the Approval being attached hereto as Exhibit A. The Approval has not been amended, annulled, rescinded or revoked, and it remains in full force and effect on the date hereof.

2. On December 23, 1993, and at all times since such date, the following persons were the duly appointed members and officers of the Board of Directors of the Issuer (the "Board"):

J. Edgar Ruiz	President
Abelardo Arcaute	Secretary
Leonardo Camarillo	Vice President
Samuel Sanchez	
Juan Rosel	

3. On March 30, 1994, and at all times since such date, the following person has been duly appointed, qualified and acting officer of the Issuer for the office set forth opposite their name:

Samuel Sanchez	Treasurer
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4. No litigation is pending against the Government Unit or, to the best of my knowledge, threatened against the Governing Unit;

(i) to restrain or enjoin the issuance or delivery of the Bonds; or

(ii) in any way contesting (a) the right and power of the Governing Unit in connection with any action taken by it towards the creation of the Issuer or the issuance of the Bonds, or (b) the titles of the current officials of the Governing Unit or the current directors or officers of the Issuer to their respective offices.

7. Except for the Issuer, the Governing Unit has not created or authorized to act on its behalf any housing finance corporation (including any joint housing finance corporation) with the power to make home mortgages or to make loans to lending institutions, the proceeds of which are to be used to make home mortgages or to make loans on residential developments.

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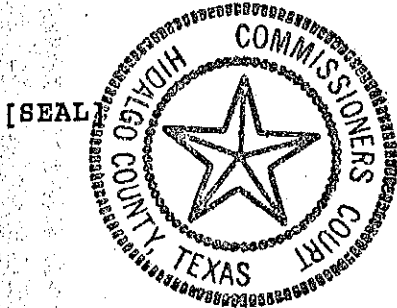
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8. No action has been taken pursuant to the Local Government Code, § 394.016(c) or otherwise to limit the effectiveness of the bond resolution or affect the bond transaction.

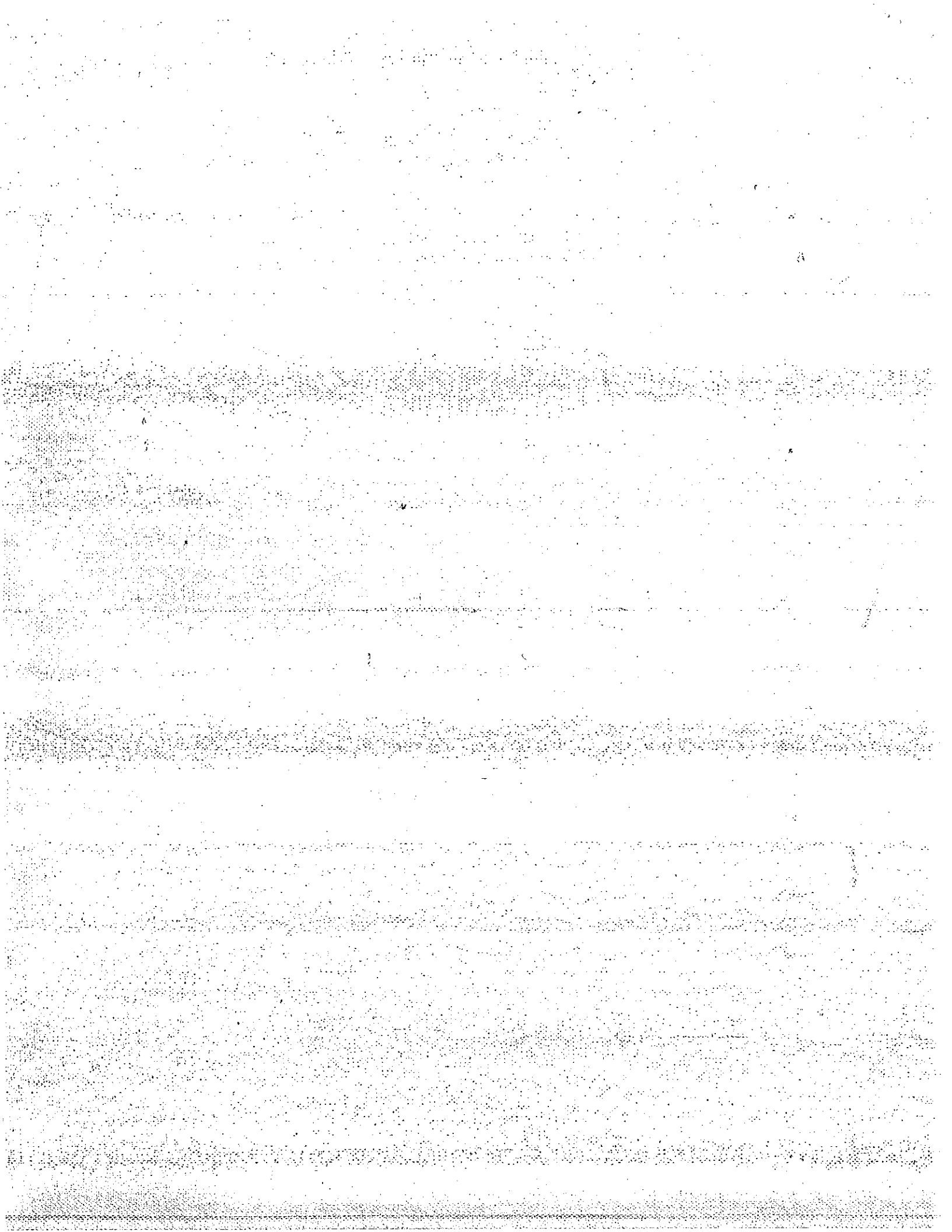
9. The Attorney General of Texas is hereby authorized and directed to date this Certificate concurrently with the date of the approval of the Bonds, and can rely on the absence of any litigation or contest pertaining to the Bonds or any other matters covered by this Certificate, and on the veracity and currency of this Certificate at the time of approval of the Bonds, unless otherwise notified.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE COUNTY this 19<sup>th</sup>  
day of April, 1994.



\_\_\_\_\_  
County Judge

\_\_\_\_\_  
County Clerk



GENERAL CERTIFICATE  
OF  
HIDALGO COUNTY HOUSING FINANCE CORPORATION

We, the undersigned, the duly appointed, qualified and acting President and Secretary of the Hidalgo County Housing Finance Corporation (the "Issuer"), do hereby make and execute this certificate for the benefit of the Attorney General of Texas, the Trustee named in the Indenture of Trust dated April 1, 1994 from the Issuer to Texas Commerce Bank National Association and the prospective owners of the Issuer's Single Family Mortgage Revenue Bonds (GNMA and FNMA Collateralized), Series 1994A (the "Bonds"). We hereby certify that:

1. The Issuer is a public, nonprofit corporation and an instrumentality of the County of Hidalgo, Texas (the "Local Governmental Unit"), duly created, organized and in good standing under the Constitution and laws of the State of Texas, particularly the Texas Housing Finance Corporations Act, as amended, Texas Local Government Code, Chapter 394, and an approving resolution of the governing body of the Local Governmental Unit. No articles of dissolution of the Issuer have been authorized, executed, verified or filed, no certificate of dissolution of the Issuer has been issued, and no proceedings to dissolve the Issuer have been commenced.

2. The Issuer's articles of incorporation, attached hereto as part of Exhibit A, were duly filed with the Secretary of State of the State of Texas. The Issuer continues to be in existence and in good standing, as evidenced by the certificates of the Secretary of State and Comptroller of Public Accounts attached hereto as Exhibit B. The articles of incorporation remain in full force and effect as of this date and have not been amended.

3. The Issuer's bylaws, attached hereto as Exhibit C, were duly adopted by the Board of Directors of the Issuer at its meeting of March 19, 1982. The Issuer's bylaws have not been amended since such meeting, and remain in full force and effect as of this date.

4. At all times since December 21, 1993, the following persons have been the members and officers of the Board of Directors (the "Board") of the Issuer each of whom is resident of the Local Governmental Unit:

J. Edgar Ruiz  
Leonardo Camarillo  
Abelardo Arcaute  
Samuel Sanchez  
Juan Rosel

President  
Vice President  
Secretary



5. On March 30, 1994, and at all times since such date, the following person has been duly appointed, qualified and acting officer of the Issuer for the office set forth opposite their name:

Samuel Sanchez

Treasurer

6. The Issuer has duly executed and delivered the Trust Indenture (the "Indenture"), dated as of April 1, 1994, between the Issuer and Texas Commerce Bank National Association (the "Trustee"); the Origination, Servicing and Administration Agreement (the "Origination Agreement"), dated as of April 1, 1994, among the Issuer, the Trustee, and Valley Mortgage Company, Inc.; and the Bond Purchase Agreement (the "Bond Purchase Agreement") dated March 30, 1994, between the Issuer and George K. Baum & Company. The Indenture, the Origination Agreement and the Bond Purchase Agreement (collectively, the "Bond Documents") are in substantially the form approved by the Issuer's Board of Directors at the meeting thereof referred to in paragraph 14 hereof. The issuance of the Bonds, the execution and delivery by the Issuer of the Bond Documents and the performance by the Issuer of its obligations thereunder do not and will not conflict with or constitute a breach of or a default under the Issuer's articles of incorporation or bylaws or the terms and provisions of any agreement, commitment instrument or restriction to which the Issuer is a party or by which the Issuer is bound.

7. None of the proceedings heretofore taken by the Issuer in connection with the Bonds have been amended, repealed, revoked or rescinded and the due performance of the documents referred to in the preceding paragraph have been duly authorized.

8. The Issuer is not in default with respect to any of its single family mortgage revenue bond issues.

9. The issuance of the Bonds by the Issuer is in compliance with the Texas Housing Finance Corporations Act, as amended, Texas Local Government Code, Chapter 394, and, in particular, Section 394.005 thereof.

10. The Issuer does not operate in more than one State Planning Region.

11. The Issuer's articles of incorporation, most recent annual report, and all other filings have been delivered to the Texas Department on Aging.

12. Exhibit D attached hereto constitutes a true, accurate and complete copy of a resolution (the "Bond Resolution") adopted by the Board of Directors of the Issuer at a meeting duly called, convened and conducted on March 30, 1994, in accordance with the applicable provisions of the Issuer's amended and restated bylaws. A quorum was present and acting throughout the meeting, and notice of the meeting was duly given to the

members of the Issuer's Board of Directors in accordance with the applicable provisions of the Issuer's amended and restated bylaws. The Bond Resolution has not been amended or rescinded, and remains in full force and effect on and as of the date hereof.

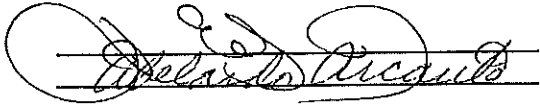
13. The Issuer is not a joint housing finance corporation, as such terms is defined in Section 394.012 of the Act.

14. The proceeds of the Bonds are to be used to obtain funds to implement a plan of financing to enable qualified persons and families to acquire qualified single family residences in Hidalgo County, Texas.

15. We officially executed and signed the Bonds with our manual or facsimile signatures. To the extent that our facsimile signatures were used, we hereby adopt such facsimile signatures as our own and declare that such facsimile signatures constitute our signatures the same as if we had manually signed each of the Bonds.

16. The Bonds are substantially in the form, and have been duly executed and signed in the manner, prescribed in the Indenture and the Bond Resolution.

17. At the time we so executed and signed the Bonds we were duly appointed, qualified and acting officers of the Issuer and were authorized to execute and sign the Bonds. The signatures set forth below opposite our respective names are our genuine signatures:

<u>Name</u>	<u>Official Title</u>	<u>Specimen Signature</u>
J. Edgar Ruiz	President	
Abelardo Arcante	Secretary	

18. The Secretary of the Issuer has caused the official seal of the Issuer or a facsimile thereof to be impressed on each of the Bonds, and such seal, as impressed on this certificate, has been duly adopted as, and is hereby declared to be, the official seal of the Issuer.

19. No litigation or other proceeding is pending or, to the best of our knowledge, threatened in any court or other tribunal of competent jurisdiction, state or federal, in any way: (i) restraining or enjoining the issuance, sale or delivery of the Bonds; or (ii) questioning or affecting the validity of the Resolution, Bond Purchase Agreement, the Bonds, the Indenture, the Origination Agreement, the Investment Agreement, the collection, application and pledge to the Bondholders of any monies or other security provided for the payment of the Bonds under the Indenture or the Agreement, or any other transaction referred to in the Official Statement; or (iii) questioning or affecting the validity of any of the proceedings for the


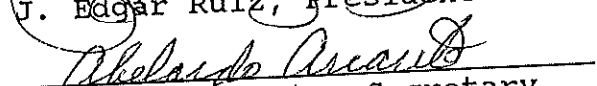
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authorization, sale, execution, issuance or delivery of the Bonds; or (iv) questioning or affecting the organization or existence of the Issuer or the title to office of the officers thereof; or (v) questioning or affecting the power and authority of the Issuer to issue the Bonds or to execute and deliver the Indenture, this Purchase Agreement, or the Agreement; and

20. the Issuer has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing, and the representations of the Issuer as to all substantial material facts contained in the Bond Purchase Agreement and in the Indenture and the Agreement are true, complete and correct as of the Closing Date.

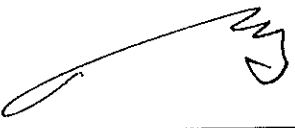
The Attorney General of the State of Texas is hereby authorized to date this certificate on and as of the date of his approval of the Bonds, and this certificate and the matters herein certified shall be deemed for all purposes to be true, accurate and correct on and as of that date and the date of the closing of the transactions contemplated by the Indenture, unless the Issuer, through an authorized officer, shall notify the Attorney General in writing to the contrary prior to either of such dates.

IN WITNESS WHEREOF, we have hereunto set our hands and affixed the official seal of the Issuer on this 19<sup>th</sup> day of April, 1994.

  
\_\_\_\_\_  
J. Edgar Ruiz, President  
  
\_\_\_\_\_  
Abelardo Arcante, Secretary

[OFFICIAL SEAL]

The signatures of the above officers hereby certified are  
enuine.

By:   
Bank Officer Robert Gandy III  
Title: President & CEO  
Name of Bank: First National Bank in Edinburg

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