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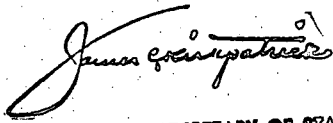
DEC 30 1981

EXECUTIVE ORDER

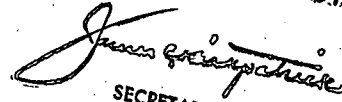
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DEC 30 1981



SECRETARY OF STATE



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ALLOCATING THE STATE CEILING FOR QUALIFIED
MORTGAGE SUBSIDY BONDS

WHEREAS, the "Mortgage Subsidy Bond Tax Act of 1980" (26 USC 103A) was enacted by the 96th Congress of the United States of America; and

WHEREAS, said Act establishes statewide ceilings with respect to the amount of qualified mortgage bonds that can be issued each year; and

WHEREAS, said Act establishes a complex formula for allocating the ceiling within a state, but allows for interim override of such provisions by the governor of any state; and

WHEREAS, the provisions of the allocation formula under said Act are unworkable for the State of Missouri; and

WHEREAS, the Governor of each state is given authority under said Act to establish a different allocation formula,

NOW, THEREFORE, pursuant to the authority vested in me as Governor of the State of Missouri, I hereby establish the following process for allocating the state ceiling of qualified mortgage bonds among the governmental units of the State of Missouri:

A. Allocation for Calendar Year 1981

The following provisions shall apply to qualified mortgage subsidy bonds issued before January 1, 1982.

(1) Formula

The calendar year 1981 ceiling for any city or county of the State of Missouri (hereinafter referred to as the "State") authorized to issue housing bonds pursuant to the provisions of RSMo. Section 108.450 et seq., as amended, shall be determined by the Director of the Department of Consumer Affairs, Regulation and Licensing pursuant to an application process described in (2). The aggregate principal amount of qualified mortgage subsidy bonds which may be issued by cities and counties of the State in calendar year 1981 shall not in the aggregate exceed one-half of the State ceiling for calendar year 1981. The remaining one-half of the State ceiling for calendar year 1981 shall be allocated to the Missouri Housing Development Commission.

(2) Application to Department of Consumer Affairs, Regulation and Licensing

The governing body of any city or county of the State authorized to issue housing bonds pursuant to RSMo. Section 108.450 et seq., as amended, shall (1) adopt a preliminary resolution evidencing its intent to issue qualified mortgage subsidy bonds and specifying the aggregate principal amount of such bonds it proposes to issue in calendar year 1981, and (2) submit a certified copy of such resolution to the Director of the Department of Consumer Affairs, Regulation and Licensing (hereinafter referred to as the "Director"), who shall within five (5) business days of the receipt of such resolution either (i) approve the proposed aggregate principal amount of such issue in its entirety, (ii) approve a reduced aggregate principal amount of such issue, or (iii) disapprove the proposed aggregate principal amount of such issue in its entirety. The Director shall approve the entire proposed aggregate principal amount specified in such a preliminary resolution, on a first-come, first-served basis, if such amounts when added to other city and county allocations approved prior to the date of receipt of such resolution, will not cause the total aggregate principal amount of qualified mortgage subsidy bonds to exceed one-half of the State ceiling for calendar year 1981. The Director shall consider all such resolutions in order of receipt and shall approve a reduced allocation in its entirety only to ensure that the total allocations to all cities and counties authorized to issue housing bonds does not exceed one-half of the State ceiling for calendar year 1981.

B. Allocation for Calendar Years After 1981

The following provisions shall apply to qualified mortgage subsidy bonds issued on or after January 1, 1982.

(1) Formula

The ceiling for any city or county of the State authorized to issue housing bonds pursuant to the provisions of RSMo. Section 108.450 et seq., as amended, for each calendar year after 1981, is an amount to be determined by the Director of the Department of Consumer Affairs, Regulation and Licensing. The aggregate principal amount of qualified mortgage subsidy bonds which may be issued by cities and counties of the State in each calendar year shall not, in the aggregate, exceed one-half of the State ceiling for such calendar year. The remaining one-half of the State ceiling for each calendar year after 1981 shall be allocated to the Missouri Housing Development Commission.

(2) Application to the Department of Consumer Affairs, Regulation and Licensing

The governing body of any county or city of the State authorized to issue housing bonds pursuant to RSMo. Section 108.450 et seq., as amended, shall (1) adopt a preliminary resolution evidencing its intent to issue qualified mortgage subsidy bonds and specifying the aggregate principal amount of such bonds it proposes to issue in the then current calendar year, and (2) submit a certified copy of such resolution to the Director. Within a reasonable period of time, the Director shall either (i) approve the proposed aggregate principal amount of such issue in its entirety, (ii) approve a reduced aggregate principal amount of such issue, or (iii) disapprove the proposed aggregate principal amount of such issue in its entirety.

The Director shall consider the following factors in making an allocation of qualified mortgage subsidy bonds among cities and counties which submit such resolutions:

- (a) The extent to which the proposed bond issue will promote the housing and economic development objectives of the State;
- (b) The probability, based on market conditions, financial commitment to the proposed bond issue by a city or county, and other factors that substantially all of the proposed bonds will be issued within 60 days from the date of receipt of the preliminary resolution; the Director shall base such probability in market condition analysis on documentation provided by the eligible city or county's underwriter or financial advisor;

(3) Reallocation

If qualified mortgage subsidy bonds are not issued within sixty (60) days of the date upon which the Director approves an allocation to a city or county, such allocation shall be deemed to have expired and the Director may reallocate such bonds to another city or county; provided, that, prior to such expiration, the Director may extend the period within which bonds must be issued beyond sixty (60) days if good cause exists for such extension. If as of September 30 of any calendar year after 1981 a portion of the State's share of the State's ceiling amount or a portion of the Missouri Housing Development Commission's share of the State's ceiling amount remains unallocated and unissued, then the Director of the Department of Consumer Affairs, Regulation and Licensing may accept applications from eligible cities and counties for subsequent issues. The applications will be considered as prescribed under B.(2).

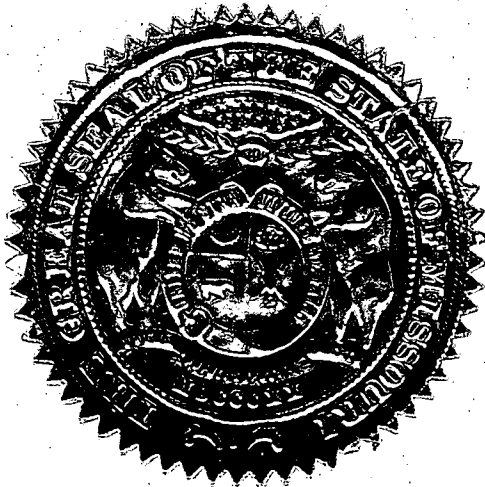
C. Cooperation

If two or more cities and/or counties of the State authorized to issue housing bonds pursuant to RSMo. Section 108.450 et seq., as amended, which have received approval for the issuance of qualified mortgage subsidy bonds pursuant to this Executive Order, desire to jointly issue such bonds to RSMo. Section 108.450, as amended, the proceeds of such issue shall be used as determined by written agreement between or among such cities and/or counties.

This Executive Order shall continue in full force and effect until the General Assembly enacts legislation with respect to the subject matter hereof.

IN WITNESS WHEREOF:

I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson on the 30th of December, 1981.



Christopher S. Bond
Governor

ATTEST:

James C. Kirkpatrick
Secretary of State