

HOUSING FACILITIES (EXCERPT)
Act 18 of 1933 (Ex. Sess.)

125.709b Bond proceeds; payment order; execution; delivery.

Sec. 59b.

(1) The bond authorizing ordinance shall provide that the proceeds of the bonds shall be paid in the following order:

(a) To the United States in an amount equal to that portion of the development cost which is financed by the bonds issued thereunder as represented by notes of each cooperating borrower outstanding in the hands of the United States together with interest thereon to the date of payment.

(b) To the paying agent of any outstanding temporary notes of each cooperating borrower of an amount equal to that portion of development cost which is financed by the bonds issued thereunder as represented by the notes, together with interest thereon to the date of maturity, and to the principal of and interest on the notes, if the notes are outstanding and unpaid as of the delivery date of the bonds.

(c) To the fiscal agent for deposit in the debt service fund in trust for the payment of capitalized interest which becomes due on the bonds.

(d) To the fiscal agent representing the premium on the bonds issued thereunder, for deposit in the advance amortization fund.

(e) To each cooperating borrower in an amount equal to that portion of the remainder allocable to each cooperating borrower for deposit in its general fund.

(2) The officer or officers of the agent borrower specified in the bond authorizing ordinance shall execute the bonds and deliver the bonds in accordance with the terms and provisions of the ordinance and in connection therewith shall execute and deliver such instruments and do such acts and things necessary or convenient to effectuate the purpose of the bond authorizing ordinance.

History: Add. 1970, Act 249, Imd. Eff. Dec. 30, 1970 ;-- Am. 1996, Act 338, Imd. Eff. June 27, 1996