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JAMES MATTHEWS
EXECUTIVE SECRETARY

SECURITIES DIVISION
(602) 542-4242
(602) 255-2600
FAX: (602) 255-2617

January 13, 1992

Terry Goddard, Esq.
Bryan, Cave, McPheeters & McRoberts
Twenty-First Floor
2800 N. Central Avenue
Phoenix, Arizona 85004-1019

RE: Industrial Development Authority of the City of Glendale,
Arizona Series of 1992
A.R.S. § 44-1843.01(A)(1)

Dear Mr. Goddard:

On the basis of the facts set forth in your letter of January 10, 1992, and in reliance upon your opinion as counsel, the Securities Division will not recommend enforcement action for violation of the Securities Act of Arizona should the transaction take place as set forth in your letter.

As this position is premised upon the facts set forth in your letter, it should not be relied on for any other set of facts or by any other person. Please also note that this position applies only to the registration requirements of the Act; the anti-fraud provisions of the Act continue to be applicable.

We have attached a photocopy of your letter. By doing this we are able to avoid having to recite or summarize the facts set forth therein.

Very truly yours,

DEE RIDDELL HARRIS
Director of Securities

DRH:MGB:wjw

Attachment

BRYAN, CAVE, McPHEETERS & McROBERTS

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

500 NORTH BROADWAY
ST. LOUIS, MISSOURI 63102-2186
(314) 231-8600

700 THIRTEENTH STREET, N.W.
WASHINGTON, D.C. 20005-3960
(202) 508-6000

333 SOUTH GRAND AVENUE
LOS ANGELES, CALIFORNIA 90071-3171
(213) 628-8000

245 PARK AVENUE
NEW YORK, NEW YORK 10167-0034
(212) 692-1800

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KANSAS CITY, MISSOURI 64141-6914
(816) 374-3200

TWENTY-FIRST FLOOR
2800 NORTH CENTRAL AVENUE

PHOENIX, ARIZONA 85004-1019

(602) 230-7000

FACSIMILE: (602) 266-5938

18881 VON KARMAN
IRVINE, CALIFORNIA 92715-1500
(714) 757-8100

120 BROADWAY
SANTA MONICA, CALIFORNIA 90401-2305
(213) 576-2100

29 QUEEN ANNE'S GATE
LONDON SW1H 9BU
(44) (71) 222-0511

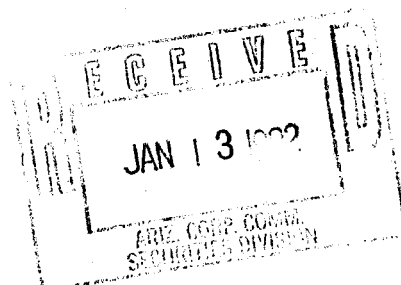
POST OFFICE BOX 20883
RIYADH 11465 SAUDI ARABIA
(966) (1) 465-1371

STRESEMANNALLEE 33
D-6000 FRANKFURT AM MAIN 70
(49) (69) 6315024

January 10, 1992

ORIGINAL HAND-DELIVERED/COPY FAXED

Dee R. Harris
Director, Securities Division
Arizona Corporation Commission
1200 West Washington Street, Suite 201
Phoenix, Arizona 85007



Re: \$4,125,000 Industrial Development Authority
of the City of Glendale, Arizona (Community
Spirit Economic Development Corporation's
Apartments Project) Series of 1992

Dear Mr. Harris:

This firm is acting as bond counsel in connection with the proposed issuance and sale of the above-captioned bonds (the "Bonds"). Request is hereby made for a No-Action Letter under the Securities Act of Arizona ("the Act") regarding the availability of an exemption from registration pursuant to Section 44-1843.01(A)(1). Enclosed for review and reference is a draft of the Preliminary Official Statement relating to the above bonds and our firm's check in the amount of \$200 to cover the fee for the No-Action Letter.

We believe that the Bonds, if issued, are exempt from registration pursuant to Section 44-1843.01(A)(1) of the Act. We wish to obtain your confirmation of that view.

It is intended that the Glendale IDA, a political subdivision of the State of Arizona, will issue the Bonds and loan the proceeds to the Community Spirit Economic Development Company, a California non-profit corporation, registered to do business in

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Arizona ("the Company"). The proceeds of the Bonds will be used to purchase and rehabilitate the Ranchtree Apartments in Glendale, Arizona.

The Bonds are payable from revenues to be derived by the Company from the Ranchtree Apartments. Such revenues will be pledged to the Trustee by the Company pursuant to the Indenture of Trust. The Bonds will be underwritten by Chilton & O'Connor, Inc. of Los Angeles, California.

Section 44-1843.01(A)(1) of the Act provides that the following type of security is exempt from registration:

" . . . where substantially all of the proceeds are to be used to provide residential real property for family units,"

We believe that the Bonds fall within the provisions of the above-exception. The Bonds will be used exclusively for the purchase and rehabilitation of the Ranchtree Apartments for limited costs of issuance and for a construction fund and a debt service reserve fund. The apartments are currently occupied by renters as they have been for approximately 18 years. It is the Company's intention to continue to own and operate these apartments as rental units for low and moderate income families. As stated in the Preliminary Official Statement, one half of the units are two bedroom with only 49 out of 329 classified as studios.

In our opinion, the term "family units" in the Statute should be interpreted broadly to include non-traditional living arrangements such as single parent households and occasional single persons. The Company will target its marketing to family units, not to students or senior citizens.

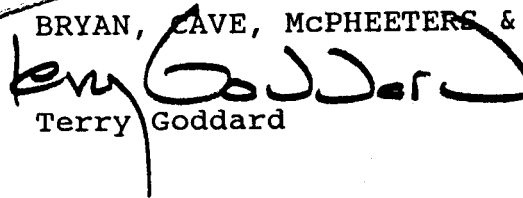
If you are in agreement with our view that the Bonds are exempt from registration under the Act, please so indicate in a No-Action Letter. We recognize that such a statement would be based solely upon the facts described in this letter and the draft of the Preliminary Official Statement. We will, of course, welcome any comments you may have concerning this letter and this issuance.

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If you have any questions or require additional information in connection with the bond issue, please call me at (602) 280-9331.

Sincerely,

BRYAN, CAVE, MCPHEETERS & McROBERTS



Terry Goddard

TG:lmb
Enclosures

cc: Sara Ziskin (via fax and hand-delivery)