

EXHIBIT 7

City Attorney Legal Opinion and Certification of Project Owner

OPINION OF PROJECT OWNER COUNSEL

June ____, 2017

U.S. Department of Housing
and Urban Development
451 Seventh Street SW
Washington, D.C. 20410

Re: Housing Authority of the City of Yuma Scattered Sites, AZ035000001

Ladies and Gentlemen:

I represent the City of Yuma, an Arizona municipal corporation ("Project Owner"), in connection with the conversion of assistance pursuant to the Rental Assistance Demonstration ("RAD") and provision of rental assistance to the project located at Yuma, Arizona and commonly known as Housing Authority of the City of Yuma Scattered Sites (the "Covered Project").

I have been requested by the Project Owner to deliver this opinion in accordance with and pursuant to the RAD requirements by the United States Department of Housing and Urban Development ("HUD") and the associated RAD Conversion Commitment entered into by and between HUD, the Project Owner and the Housing Authority of the City of Yuma (said document is hereafter referred to as the "RCC").

Instruments and Loan Documents Examined

In preparing this opinion, I have prepared or reviewed executed originals or true and complete copies of the instruments and documents, all of which are dated the date hereof (unless otherwise indicated), as set forth in Schedule 1 attached hereto and incorporated herein by this reference. Items under Heading A of Schedule 1 are collectively referred to as the "Project Owner Documents" and all of the items listed on Schedule 1 are collectively referred to as the "Documents." The Documents represent all of the material, legally binding agreements entered into by the Project Owner in association with the RAD conversion of public housing units approved by HUD pursuant to its execution of the RCC.

Assumptions

The Opinions expressed herein are subject to the following assumptions, in addition to the assumptions and qualifications set forth elsewhere herein:

1. All Documents submitted to me as originals are authentic, and all copies of the Documents, and all records and letters examined by me are accurate, true, complete, and correct copies of the originals thereof and all factual warranties, representations, and statements made by the parties in the Documents are accurate, true, and correct.
2. Each of the individuals executing the Project Owner Documents has the requisite legal capacity and all the signatures, other than those of the Project Owner on Project Owner Documents, are genuine.
3. The Project Owner Documents have been duly authorized, executed, and delivered by all parties other than the Project Owner and constitute legal, valid, and binding obligations of each such other party enforceable in accordance with their terms.
4. Each party to any of the Project Owner Documents, other than the Project Owner, is a duly organized corporation, general partnership, limited partnership, limited liability company, national banking association, authority, agent, public body, branch of the government of the United States of America, or other duly organized entity, as the case may be, under and pursuant to the laws of each such party's organizational jurisdiction and, to the extent necessary for the delivery of the opinions set forth herein, is in good standing under the laws of, and authorized to transact business in, the state or commonwealth in which the Covered Project is located ("State").
5. Each party to any of the Project Owner Documents, other than the Project Owner, has all requisite certifications of authority, licenses, permits, consents, qualifications, and documentation, and all requisite organizational power and authority, to execute such of the Project Owner Documents to which it is a party, to perform its obligations under such of the Project Owner Documents to which it is a party, and to enforce such of the Project Owner Documents to which it is a party.
6. There are no oral or written modifications or amendments to the Documents and there has been no waiver of any of the provisions of the Documents by actions or conduct of the parties or otherwise.

I have made no investigation of the facts of law underlying the foregoing assumptions but nothing has come to my attention that would provide me with knowledge that I am not justified in making such assumptions. I have made no investigation regarding the accuracy or completeness of any documents, records, instruments, letters, or other writings examined by me, or the accuracy of any warranties, representations, and statements of fact contained therein, and I express no opinion regarding the same. No opinion is expressed regarding the existence or nonexistence of, or the effect of, any form of fraud, misrepresentation, mistake duress, or criminal activity upon the legality, validity, binding effect, or enforceability of any of the Project Owner Documents, and I have made no investigation of the facts or law pertaining to such conduct, but nothing has come to my attention which would provide me with actual knowledge of the existence of any such conduct.

Opinions

Based upon, and subject to, the assumptions set forth above and subject to the assumptions, qualifications, exceptions, and limitations set forth in this opinion, I am of the opinion that:

1. **The Project Owner is an Arizona municipal corporation and duly organized, validly existing and in good standing and authorized to transact business in the State. The Project Owner has the requisite power and authority to execute and deliver the Project Owner Documents to which it is a party and to perform its obligations thereunder.**
2. **The Project Owner Documents have been duly executed and delivered by the Project Owner. In addition, those parties executing the Project Owner Documents on behalf of the Project Owner, and the consummation by the Project Owner of the transactions contemplated thereby, have been duly authorized by all necessary partnership, company, corporate or other actions, as applicable.**
3. **Based upon the certification of Project Owner attached hereto as Exhibit A, there is no litigation or other claim pending or threatened against the Project Owner or the Covered Project other than as disclosed to and consented to by HUD. The resolution of any litigation or other claim disclosed to HUD would not have a materially adverse effect on Project Owner's ability to comply with the RAD requirements, including those set forth in the RCC.**
4. **[RESERVED]**
5. **The Project Owner Documents constitute valid and legally enforceable agreements and/or contracts of the Project Owner, enforceable in accordance with their respective terms under the laws of the State and local law, subject to the qualifications that the enforceability of any Project Owner Document may be limited or affected by customary principles governing equitable relief generally and by bankruptcy, insolvency, reorganization, rearrangement, moratorium, liquidation, fraudulent conveyance, receivership, conservatorship, and other laws affecting the rights of creditors or the collection of debtors' obligations generally and a court may refuse to grant an order for specific performance or any other principles of equity which may limit the availability of certain equitable remedies.**
6. **Based on the foregoing and subject to the assumptions and qualifications set forth in this letter, it is my opinion that each of the Project Owner Documents conforms to the legal requirements of the RCC and that there is nothing in any of such Project Owner Documents that conflicts with, or is inconsistent with, the legal requirements of the RCC or exhibits thereto.**

- 7. To the extent that I have relied upon the certifications of other persons in preparing this opinion, or the written statements or opinions of other counsel, I have attached to this opinion a copy of each such certification, statement, or opinion.**

Qualifications

The Foregoing opinion is subject to the following qualifications:

1. I express no opinion as to the truth or accuracy of any warranties, representations, or statements of fact contained in any documents examined by me, including, but not limited to, the Project Owner Documents listed in Heading A of Schedule 1.
2. I express no opinion as to:
 - (a) the effect of bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent transfer, conveyance, and other similar laws affecting the rights and remedies of creditors generally; or
 - (b) the effect of general principles of equity, whether applied by a court of law or equity.
3. I express no opinion as to the enforceability of any provisions in any of the Documents purporting to:
 - (a) preclude the modification thereof through conduct, custom or course of performance, action, or dealing;
 - (b) waive equitable, statutory, or constitutional rights or remedies;
 - (c) require the payment or reimbursement of fees, costs, expenses or other amount which are unreasonable in nature or amount;
 - (d) limit the liability of the recipient of this opinion, or require indemnification of recipient of this opinion, for its own action or inaction; or
 - (e) specify the forum or venue where disputes shall be settled.
4. No opinion is given herein as to any laws regulating the business of any of the parties other than the Project Owner, including without limitation: (a) the types of investments that can be made by any of the parties other than the Project Owner; or (b) the legal lending limit of any of the parties other than the Project Owner.
5. Whenever my opinion herein is qualified by the phrases “to my knowledge,” “known to me,” “my attention,” or words of similar import, it is intended to indicate that the current actual knowledge of the attorneys within this firm engaged in the representations of the Project Owner (and not to the knowledge of the firm generally) is not inconsistent with that portion of the opinion which such phrases qualify. I have made no independent investigation with respect to such matters.

6. The opinions set forth are based solely upon the laws and regulations of the State and federal law, and the state of facts in effect on the date hereof. Nothing herein shall be construed to be an opinion as to the applicability or effect of the laws of any other jurisdiction.
7. This opinion speaks only as of the date of its delivery. I have no obligation to advise the recipients of this opinion, or anyone else, of any matter of fact or law thereafter occurring, whether or not brought to our attention, even though that matter affects any analysis or conclusion of this opinion.
8. The opinion is limited to the matters expressly set forth herein, and no opinion is to be inferred or may be implied beyond the matters expressly so stated.

This opinion letter has been provided solely for the benefit of the addressee, at its request, and no other person or entity shall be entitled to rely hereon without the express written consent of the City of Yuma City Attorney's Office. This opinion letter shall not be quoted in whole or in part, used, published, or otherwise referred to or relied upon in any manner, including, without limitation, in any financial statement or other document.

Sincerely,

By: _____
Richard W. Files, Esq.
City Attorney
City of Yuma, City Attorney's Office

Schedule 1

A. Project Owner Documents:

1. RAD Conversion Commitment
2. RAD Use Agreement
3. HAP Contract
4. RAD Rider to PBV HAP Contract

B. Other Documents

1. Release or Partial Release of Declaration of Trust
2. Pro Forma Title Insurance Policy
3. Certifications and Assurances
4. Certification of Project Owner, attached as Exhibit A

Exhibit A

CERTIFICATION OF PROJECT OWNER

This Certification of Project Owner (“Certification”) is made the ____ day of June, 2017, by Project Owner for reliance upon by the City of Yuma City Attorney (“Counsel”) in connection with the issuance of an opinion letter dated of even date herewith as a condition for conversion of assistance pursuant to the Rental Assistance Demonstration by the Department of Housing and Urban Development (“HUD”). In connection with the opinion letter, Project Owner hereby certifies to the best of its knowledge to Counsel for its reliance, the truth, accuracy and completeness of the following matter:

- There is no litigation or other claim pending or threatened against Project Owner or the Covered Project, except for:

[To Be Inserted Prior to Closing]

- The resolution of any such pending or threatened litigation or claims will not have a materially adverse effect on the ability of Project Owner to comply with the RAD requirements, including those set forth in the RCC.

The Project Owner and its authorized representative who executes this Certification, each certifies that the statements and representations contained in this Certification and all supporting documentation hereto are true, accurate, and complete. This Certification has been made, presented, and delivered for the purpose of influencing an official action of HUD, and may be relied upon by HUD and Counsel as a true statement of the facts contained therein.

By: _____
Gregory K. Wilkinson
City Administrator