



# MONTANA HOUSING

**Meeting Location:** Zoom only

**Date:** Tuesday, May 25, 2021

**Time:** 8:30 a.m.

**Chairperson:** Shelia Rice

**Remote Attendance:** Join our meetings remotely via Zoom and phone.

To register for Zoom, Click: <https://mt.gov.zoom.us/meeting/register/tJMqduiorDouGdD8gwPPipR0EtK4jJEn9aDZ>

To participate by phone:

Dial 888-556-4567, Meeting ID: 977 1102 1434, Passcode 075751

**Board Offices:** Montana Housing  
301 S Park Ave., Room 240,  
Helena MT 59601  
Phone: 406.841.2840

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## AGENDA ITEMS

- ❖ Meeting Announcements
- ❖ Introductions
  - Introduction of new board members
- ❖ Public Comments - Public comment is welcome on any public matter that is not on the agenda and that is within the jurisdiction of the agency.

## Minutes

- ❖ Approve Prior Board Meeting Minutes

## Multifamily Program (Manager: Nicole Whyte)

- ❖ Housing Credit Invitation to Full Applications
- ❖ Spruce Grove
- ❖ Trinity Bond Resolution
- ❖ RAM ARM Language Clean Up
- ❖ Multifamily Update

### MISSION STATEMENT:

Montana Housing works with community partners across the state, and together we ensure Montana families have access to safe and affordable homes.



MONTANA  
HOUSING

### Finance Program (Manager: Ginger Pfankuch)

- ❖ Financial Update

### Homeownership Program (Manager: Vicki Bauer)

- ❖ 2021B Bond Resolution
- ❖ Program limits review and approval
- ❖ DPA income limit approval
- ❖ Homeownership Update

### Mortgage Servicing (Manager: Mary Palkovich)

- ❖ Servicing Update

### Operations (Manager: Joe DeFilippis)

- ❖ Operations Update

### Executive Director (Cheryl Cohen)

- ❖ Executive Director / Legislative Update

### Miscellaneous

#### Meeting Adjourns

\*All agenda items are subject to Board action after public comment requirements are fulfilled.

\*We make every effort to hold our meetings at fully accessible facilities. Any person needing reasonable accommodation must notify the Housing Division at 406.841.2840 or TDD 406.841.2702 before the scheduled meeting to allow for arrangements.

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# 2021 CALENDAR

January						
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## 2021

### May 2021

17-19 – Annual Housing Conference – Virtual  
 24 – Board Meeting – Webinar  
 25 – Board Meeting – Webinar

\*\*\* All meeting dates are subject to change.

### June 2021

14 – Board Meeting – Webinar

### July 2021

No Meeting

### August 2021

4 – Board Meeting - Webinar

### September 2021

20 – Strategic Planning - Missoula  
 21 – Board Meeting – Missoula  
 25-28 – NCSHA Annual Conference

### October 2021

18 – Board meeting – Helena

### November 2021

No Board Meeting

### December 2021

No Board Meeting



# MONTANA HOUSING

Zoom Only  
May 25, 2021

## **ROLL CALL OF BOARD**

### **MEMBERS:**

Sheila Rice, Chairwoman (Present)  
Adam Hertz (Present)  
Bob Gauthier (Present)  
Bruce Posey (Present)

Cari Yturri (Present)  
Charles Robison (Present)  
Jeanette McKee (Present)

### **STAFF:**

Cheryl Cohen, Executive Director  
Joe DeFilippis, Operations Manager  
Mary Palkovich, Mortgage Servicing Program  
Ginger Pfankuch, Finance Program  
  
Paula Loving, Executive Assistant  
Rena Oliphant, Multifamily Program  
Ryan Collver, Multifamily Program

Vicki Bauer, Homeownership Program  
Nicole Whyte, Multifamily Program  
Bruce Brensdal, Multifamily Program  
Julie Flynn, Community Housing Investment Program  
Charlie Brown, Homeownership Program  
Kellie Guariglia, Multifamily Program

### **COUNSEL:**

Greg Gould, Jackson Murdo & Grant

### **UNDERWRITERS:**

Mina Choo, RBC Capital  
John Wagner, Kutak Rock

Patrick Zhang, RBC Capital

### **FINANCIAL ADVISORS:**

Gene Slater, CSG Advisors

### **OTHERS:**

Alex Burkhalter  
Becky Brockie  
Emily Harris Cheers  
Gerald Fritts  
Heather McMilin  
Jennifer Wheeler

Andrea Davis  
Beki Brandborg  
Eric Basye  
Gene Leuwer  
Jason Boal  
Andrew Chanania

Joseph Walsh  
Larry Phillips  
Maddy Mason  
Logan Anderson  
Sherry Arey  
Stewart Boyd  
John Giuliani

June Beartusk  
Logan Anderson  
Mary Anne Christopher  
Nick Panchuau  
Shawnee Mastronardi  
Tyler Currence  
Tracy Menuetz

*These written minutes, together with the audio recordings of this meeting and the Board Packet, constitute the official minutes of the referenced meeting of the Montana Board of Housing (MBOH). References in these written minutes to tapes (e.g., FILE 1 – 4:34) refer to the location in the audio recordings of the meeting where the discussion occurred, and the page numbers refer to the page in the Board Packet. The audio recordings and Board Packet of the MBOH meeting of this date are hereby incorporated by reference and made a part of these minutes. The referenced audio recordings and Board Packet are available on the MBOH website at [Meetings and Minutes](#).*

### **CALL MEETING TO ORDER**

- 0:00 Chairwoman Sheila Rice called the Montana Board of Housing (MBOH) meeting to order at 8:32 a.m.
- 1:25 Introductions of Board members and attendees were made.
- 6:15 Chairwoman Rice asked for public comment on items not listed on the agenda.

### **APPROVAL OF MINUTES**

#### **March 8, 2021 MBOH Board Meeting Minutes – page 4 of packet**

- 6:30 Motion: Jeanette McKee  
Second: Bob Gauthier  
The March 8, 2021 MBOH Board meeting minutes were approved unanimously.

### **MULTIFAMILY PROGRAM**

#### **2022 Housing Credit Project Selections to Full Application**

- 8:10 Public comment on any project presented during Letter of Intent.
- 8:30 Executive Session began with each Board member providing their top eight (8) projects to move forward to the Full Application. Each Board member provided rationale for selection.
- 48:00 Motion was made for Junegrass Place 9%, Bicentennial Apartments, Baatz Permanent Supportive Apartments, Tapestry Apartments, Carter Commons, Riverview Apartments, Cabinet Affordable Housing, and Hardin Senior Housing to participate in the full application process for the 2022 Housing Credits.  
Motion: Adam Hertz  
Second: Bruce Posey

Roll Call:

Adam Hertz	Yes
Bob Gauthier	Yes
Bruce Posey	Yes
Cari Yturri	Yes
Charles Robison	Yes
Jeanette McKee	Yes
Sheila Rice	Yes

The above-mentioned projects were approved unanimously to participate in the full application process for the 2022 Housing Credits.

**Spruce Grove Loan Structure – page 6 of packet**

52:05 Presenters: Nicole Whyte

Motion: Adam Hertz

Second: Bob Gauthier

The request for the Spruce Grove Loan structure which was original an 18-year term to be amortized over 30 years was approved unanimously.

**Trinity Bond Resolution – page 13 of packet**

55:30 Presenters: Nicole Whyte

Motion: Adam Hertz

Second: Jeanette McKee

The Bond Resolution No 21-0525-MF02 was approved unanimously.

**Reverse Annuity Mortgage (RAM) ARM's Language Cleanup – page 19 of packet**

58:20 Presenters: Nicole Whyte

Motion: Adam Hertz

Second: Cari Yturri

The Reverse Annuity Mortgage ARM's language was approved by the Board unanimously and will follow the required ARM's process of public comment. See Attachment I

**Multifamily Update – page 21 of packet**

1:02:00 Presenters: Nicole Whyte

**FINANCE PROGRAM**

**Finance Update – page 23 of packet**

1:09:10 Presenters: Vicki Bauer

**HOMEOWNERSHIP PROGRAM**

**Bond Resolution 21-0525-SF02\_2021B – page 27 of packet**

1:15:45 Presenters: Vicki Bauer  
Motion: Jeanette McKee  
Second: Bob Gauthier  
Bond Resolution No. 21-525-SF02\_2021B was approved unanimously.

**Program Limits Review and Approval – page 33 of packet**

1:19:00 Presenters: Vicki Bauer  
Motion: Adam Hertz  
Second: Cari Yturri  
The 2021 Income Limits were approved unanimously.

**Down Payment Assistance (DPA) Income Limit Approval – page 36 of packet**

1:24:40 Presenters: Vicki Bauer  
Motion: Adam Hertz  
Second: Cari Yturri  
The income limit for a family of three or more to be set to \$65,000 for the 0% Deferred DPA Program was approved unanimously.

**Homeownership Update – page 37 of packet**

1:28:25 Presenters: Vicki Bauer

**MORTGAGE SERVICING PROGRAM**

**Servicing Update – page 39 of packet**

1:31:50 Presenters: Mary Palkovich

**OPERATIONS**

**Operations Update – page 40 of packet**

1:40:00 Presenters: Joe DeFilippis

**EXECUTIVE DIRECTOR**

**Executive Director Update – page 41 of packet**

1:50:10 Presenters: Cheryl Cohen

**MEETING ADJOURNMENT**

2:00:25 Meeting was adjourned at 10:32 a.m.

DocuSigned by:



Adam Hertz, Secretary

8/4/2021

Date

**Original Language:**

**8.111.409 CASH ADVANCES**

(1) As part of the loan amount, the board may advance at closing either to the borrower or to third parties as directed by the borrower, an amount not to exceed \$30,000 to allow the borrower to satisfy any liens on the property or make repairs to the property, and in addition, a maximum amount not to exceed the actual closing costs for items such as, but not limited to, appraisals, title policies, recording of documents, and other closing costs. The board may also advance at closing either to the borrower or to third parties as directed by the borrower, an amount in excess of the above advance of \$30,000 as approved by the board on a case-by-case basis. Such amounts so advanced shall be added to the initial loan balance. To receive a cash advance, the borrower must submit a request in writing on forms supplied by the board.

History: [90-6-104](#), [90-6-106](#), [90-6-507](#), MCA; [IMP](#), [90-6-104](#), [90-6-106](#), [90-6-502](#), [90-6-505](#), MCA; [NEW](#), 1990 MAR p. 1783, Eff. 9/14/90; [AMD](#), 1993 MAR p. 1207, Eff. 6/11/93; [AMD](#), 1998 MAR p. 644, Eff. 3/13/98; [AMD](#), 2004 MAR p. 1612, Eff. 7/23/04; [AMD](#), 2006 MAR p. 1732, Eff. 7/7/06.

**Final:**

**8.111.409 CASH ADVANCES**

(1) The board may disburse a portion of the loan amount as a cash advance at closing for any one or more of the following purposes:

- (a) satisfaction of any liens on the property;
- (b) necessary repairs to the property;
- (c) actual loan closing costs, including but not limited to appraisals, title policies, recording of documents, and other closing costs; and
- (d) other items to assist the borrower to continue residing in the property, including but not limited to, medical expenses, transportation expenses (including automobile purchase and loan payoff), payoff of credit card debt, and supportive and specialized care services.

(2) To receive a cash advance at closing, the borrower must submit a request in writing on forms supplied by the board.

(3) A cash advance for any of the purposes specified in (1) may be approved:

- (a) in an amount not to exceed \$30,000 by board staff along with other loan approvals; and
- (b) in an amount exceeding \$30,000 by the board in a duly noticed meeting on a case-by-case basis.

(4) A cash advance may be disbursed either to the borrower or to third parties as directed by the borrower and approved by the board. All cash advances disbursed at closing shall be added to the initial loan balance.

**Certificate Of Completion**

Envelope Id: 717999586340439C8C4E369FAAC14329	Status: Completed
Subject: Please sign the May 25, 2021 Board meeting Minutes	
Source Envelope:	
Document Pages: 5	Signatures: 1
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Paula Loving
Time Zone: (UTC-07:00) Mountain Time (US & Canada)	PO Box 200501
	301 S. Park Ave
	Helena, MT 596200501
	ploving@esign.mt.gov
	IP Address: 161.7.39.7

**Record Tracking**

Status: Original	Holder: Paula Loving	Location: DocuSign
8/4/2021 11:19:50 AM	ploving@esign.mt.gov	

**Signer Events**

Adam Hertz  
adamhertz@eralambros.com  
Security Level: Email, Account Authentication (None)

**Signature**

DocuSigned by:  
  
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**Timestamp**

Sent: 8/4/2021 11:26:53 AM  
Viewed: 8/4/2021 11:49:18 AM  
Signed: 8/4/2021 11:49:28 AM

Signature Adoption: Pre-selected Style  
Using IP Address: 69.145.153.166

**Electronic Record and Signature Disclosure:**  
Accepted: 8/4/2021 11:49:18 AM  
ID: 234cc6cb-d5da-490e-a334-352f71d90238

**In Person Signer Events**

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**Editor Delivery Events**

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**Agent Delivery Events**

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**Intermediary Delivery Events**

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**Certified Delivery Events**

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**Carbon Copy Events**

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**Timestamp**

Paula Loving  
ploving@mt.gov  
Security Level: Email, Account Authentication (None)

**COPIED**

Sent: 8/4/2021 11:26:53 AM

**Electronic Record and Signature Disclosure:**  
Accepted: 3/29/2021 11:20:27 AM  
ID: 2094bb86-0225-405b-a26e-d1cec557c5bd

**Witness Events**

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**Envelope Summary Events**

**Status**

**Timestamps**

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Completed	Security Checked	8/4/2021 11:49:28 AM

**Payment Events**

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**Electronic Record and Signature Disclosure**

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Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures

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**How to contact MT Dept of Commerce:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

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- ii. send us an e-mail to [docontracts@mt.gov](mailto:docontracts@mt.gov) and in the body of such request you must state your e-mail, full name, US Postal Address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

**Required hardware and software**

Operating Systems:	Windows® 2000, Windows® XP, Windows Vista®; Mac OS® X
Browsers:	Final release versions of Internet Explorer® 6.0 or above (Windows only); Mozilla Firefox 2.0 or above (Windows and Mac); Safari™ 3.0 or above (Mac only)
PDF Reader:	Acrobat® or similar software may be required to view and print PDF files
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	Allow per session cookies

\*\* These minimum requirements are subject to change. If these requirements change, you will be asked to re-accept the disclosure. Pre-release (e.g. beta) versions of operating systems and browsers are not supported.

**Acknowledging your access and consent to receive materials electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify MT Dept of Commerce as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by MT Dept of Commerce during the course of my relationship with you.



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**Date:** Tuesday, May 25, 2021

**Time:** 8:30 a.m.

**Chairperson:** Shelia Rice

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August						
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1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

September						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

October						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

November						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

## 2021

### May 2021

17-19 – Annual Housing Conference – Virtual  
 24 – Board Meeting – Webinar  
 25 – Board Meeting – Webinar

\*\*\* All meeting dates are subject to change.

### June 2021

14 – Board Meeting – Webinar

### July 2021

No Meeting

### August 2021

4 – Board Meeting - Webinar

### September 2021

20 – Strategic Planning - Missoula  
 21 – Board Meeting – Missoula  
 25-28 – NCSHA Annual Conference

### October 2021

18 – Board meeting – Helena

### November 2021

No Board Meeting

### December 2021

No Board Meeting



Via Zoom Only  
March 8, 2021

## **ROLL CALL OF BOARD**

### **MEMBERS:**

Sheila Rice, Chair (Present)	Adam Hertz (Present)
Bob Gauthier (Present)	Bruce Posey (Excused)
Cari Yturri (Present)	Charles Robison (Present)
Jeanette McKee (Present)	

### **STAFF:**

Cheryl Cohen, Executive Director	Vicki Bauer, Homeownership Program
Ginger Pfankuch, Finance Program	Nicole Whyte, Multifamily Program
Mary Palkovich, Mortgage Servicing Program	Bruce Brensdal, Multifamily Program
Paula Loving, Executive Assistant	

### **COUNSEL:**

Greg Gould, Jackson Murdo & Grant

### **UNDERWRITERS:**

Drew Page, Kutak Rock	Mina Choo, RBC Capital
Patrick Zhang, RBC Capital	John Wagner, Kutak Rock

### **FINANCIAL ADVISORS:**

### **OTHERS:**

Tyler Currence

*\*All persons listed present by telephone/webinar only  
These written minutes, together with the audio recordings of this meeting and the Board Packet, constitute the official minutes of the referenced meeting of the Montana Board of Housing (MBOH). References in these written minutes to tapes (e.g., FILE 1 – 4:34) refer to the location in the audio recordings of the meeting where the discussion occurred, and the page numbers refer to the page in the Board Packet. The audio recordings and Board Packet of the MBOH meeting of this date are hereby incorporated by reference and made a part of these minutes. The referenced audio recordings and Board Packet are available on the MBOH website at [Meetings and Minutes](#).*

### **CALL MEETING TO ORDER**

0:10	Chair Sheila Rice called the Montana Board of Housing (MBOH) meeting to order at 8:31 a.m.
0:20	Cheryl Cohen reviewed Board meeting process.
1:30	Introductions of Board members and attendees were made.

5:30 Chairwoman Rice asked for any public matter that is not on the agenda and that is within the jurisdiction of this agency.

### **APPROVAL OF MINUTES**

#### **February 8, 2021 MBOH Board Meeting Minutes – page 4 of packet**

5:50 Motion: Bob Gauthier

Second: Adam Hertz

The February 8, 2021 MBOH Board meeting minutes were approved unanimously.

### **HOMEOWNERSHIP PROGRAM**

#### **Homeownership Update – page 8 of packet**

12:00 Presenters: Vicki Bauer

### **MORTGAGE SERVICING PROGRAM**

#### **Servicing Update – page 10 of packet**

7:40 Presenters: Mary Palkovich

### **MULTIFAMILY PROGRAM**

#### **Villagio Bond Resolution – Missoula – page 11 of packet**

20:15 Presenters: Nicole Whyte

Motion: Jeanette McKee

Second: Cari Yturri

Bond Resolution No 21-0308-MF01 for Villagio Apartments in Missoula was approved unanimously.

### **OPERATIONS**

#### **Operations Update – page 17 of packet**

31:05 Presenters: Cheryl Cohen

### **EXECUTIVE DIRECTOR**

#### **Executive Director Update – page 18 of packet**

43:30 Presenters: Cheryl Cohen

53:35 Sheila Rice thanked the retiring Board members; Pat Melby, Eric Schindler, Amber Parrish, and Johnny McClusky, for their service.

### **MEETING ADJOURNMENT**

58:05 Meeting was adjourned at 9:29 a.m.

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Adam Hertz, Secretary

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Date

# BOARD AGENDA ITEM

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## PROGRAM

Multifamily Program

## AGENDA ITEM

Spruce Grove Loan Structure

## BACKGROUND

There was a request to change this loan from a 30 year to a 40 year to fulfill a request from RD. However the ARM's do not allow us to have a term exceeding 30 years. See below applicable ARM's.

### 8.111.806 CTMH LOAN TERMS AND CONDITIONS

(1) A CTMH loan shall:

(a) provide for complete amortization at maturity through substantially equal monthly payments of principal and interest;

**(b) have a term not to exceed 30 years;**

(c) bear interest at an annual rate of at least 0.5% less than the interest rate charged for a loan funded by the Housing Montana Fund as outlined in ARM 8.111.506;

(d) be subject to a late charge of 4% of the monthly payment due for each monthly payment that is not made within 15 days of its due date;

(e) be secured by a lien (perfected either by a mortgage or a trust indenture) against the real property benefited by the loan; and

(f) be in first lien position, will not exceed 95% of total development cost, and may be a loan participation or pari passu loan as long as it minimizes the risk of the CTMH program.

(2) The board and the CTMH loan recipient must each pay half of the loan servicing fees as determined by the board.

History: Ch. 460, Sec. 1, L. 2019; IMP, Ch. 460, Sec. 1, L. 2019; NEW, 2019 MAR p. 1631, Eff. 9/21/19

Board Meeting: May 24, 2021

# BOARD AGENDA ITEM

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## PROPOSAL

Approve changes to the original 18 year term amortized over 30 years. This change would allow the project a 30 year amortization and 30 year term, with the first 24 months of Coal Trust Fund Dollars being a construction draw down, interest only payment requirement.

May 3, 2021

Sheila Rice, Chair  
Montana Board of Housing  
PO Box 200528  
Helena, MT 59620-0528

Re: Spruce Grove Apartments Rehabilitation Project – Coal Loan Terms Adjustment

Board Chair Rice,

We write to you to request the Board's continued assistance in support of our efforts to acquire and rehabilitate 62 senior apartments in Laurel and Joliet, MT. Over the past year, despite a global pandemic, a national reorganization of USDA Rural Development, a significant shift in housing credit markets and various other hurdles, we have made significant progress toward acquiring and beginning this much needed rehabilitation project. We are making significant progress through the USDA RD 515 Transfer and Assumption process and we have begun to hold regular calls with all parties in preparation for the issuance of the bond which will support the use of 4% LIHTC. We anticipate the equity closing and construction will commence in mid-July of this year.

It has become clear certain modifications to the project's financing package are necessary in order to complete this project. Some of these modifications are a result of changes to USDA RD requirements and some are a result of project's finances (*i.e. its ability to make debt payments and fund construction*) due to the underlying mechanisms of this 4% cash-backed bond structure. The Uniform Application, as required by MBOH programs, reflecting this adjustment is included with this request. However, due to the complexity of the Spruce Grove project, we have also included our own internal underwriting model because, due to the Uniform Application's structural limitations, it cannot adequately reflect this project's financial reality.

As initially proposed and approved, the MBOH Multifamily Coal Trust Homes Program loan (Coal Loan) would have had an 18-year term amortized over 30 years. Although this term is customary with tax credit deals and has been done with USDA RD projects the recent past, USDA RD now indicates it will not approve the 515 loan transfer with balloon-payment senior loans that come due during the USDA RD loan term. In further conversations with RD, LIHTC Investors, Bond Counsel and MBOH Staff a new structure for the Coal Loan has been developed. Modifying the terms and amortization as well as the nature of interest only vs principal payments in the first 24 months allows the project a successful path forward. We would now ask for approval of a 30-year amortization and 30-year term with the first 24 month of the Coal Trust Fund dollars being a construction draw down, interest only payment requirement.

After the first 24-month period the Coal Trust Fund will then function essentially like a 28-year amortizing 28-year term loan as no principal of the note will have been paid in the first 24 months. As such our attached internal underwriting shows the loan through the two "phases". The 15-year pro forma shows the 28-year period that the Coal Trust Fund will function as a standard permanent loan after the 24-month construction schedule. The construction loan page shows on a month by month basis the draws and

payments to the Coal Trust Fund and all other financing sources during the first 24-month construction period. We are happy to explain all of this in more detail if you should have any questions.

As demonstrated in the enclosed draw schedule, the Coal Loan will be draw and put into escrow with US Bank, whereupon bond proceeds will be released to fund construction. The NeighborWorks loan will then be drawn and more bond proceeds released in the same fashion, while the USDA RD loan will be assumed and put in place as a standard loan at closing. This mechanism allows for the 4% LIHTC equity to fund a significant portion of the project's costs by meeting the 50% bond expenditure test. Making draw down interest only payments on the Coal Loan during the 24-month construction period is necessary for the project to make good on its debt obligations and complete this rehabilitation effort.

In summary, we respectfully request the Montana Board of Housing approve an adjustment to the terms of Spruce Grove's Coal Loan such that it will have a 30 year term with a 30 year amortization schedule, with a 24 month draw down, interest only period included in the 30 year term during construction.

Sincerely,

A handwritten signature in black ink, appearing to read "Gene Leuwer", with a long horizontal flourish extending to the right.

Gene Leuwer  
Spruce Grove, LLLP

**County****Carbon & Yellowstone****Project Name****Spruce Grove****Developer / General Ptnr****GL Development**

GP Organizational Type

For profit

Set-aside

General

HC Requested

\$3,617,500

Project Type

Elderly

Construction Type

Acq / Rehab

Projected Construction Start

Jul-21

Projected Completion

Jul-23

**Unit Numbers****Target**

1-bdrm	30%	31
1-bdrm	50%	13
1-bdrm	80%	4
2-bdrm	50%	6
2-bdrm	80%	8
other	mgr	-
Total Units		<u>62</u>
Average Income Targeting		45.81%

**Square Footage**

Income Restricted Units	41,124
Managers Unit(s)	-
Common Space	4,788
Market/Commercial	-
Total	<u>45,912</u>

**Unit Rents**

1-bdrm	30%	900
1-bdrm	50%	900
1-bdrm	80%	900
2-bdrm	50%	1,000
2-bdrm	80%	1,000
other	mgr	-
Total Monthly Rents		<u>\$ 57,200</u>
vacancy factor		5.00%
Adjusted Rent		<u>\$ 54,340</u>
other/commercial income		\$0
total rent		<u>\$ 54,340</u>
x 12 months		12
Total Annual Income		<u>\$ 652,080</u>

**Expenses**

Administration	9,200
Management	49,848
Maintenance	50,890
Operating	143,732
Taxes	25,246
Replacement Reserve	18,600
Total Expenses	<u>\$ 297,516</u>

Net Income Before Debt Service \$ 354,564

**County****Carbon & Yellowstone****Project Name****Spruce Grove****Developer / General Ptrn****GL Development****Financing Sources**

Hard Loan	RD	1,354,621
Hard Loan	Coal Trust	5,173,486
Soft Loan	NWMT	500,000
	Other	121,344
	Deferred Dev Fee	497,082
	HC Equity Non-Competative	3,110,741
	Total Sources:	<u>\$ 10,757,274</u>
	% of Project Financed by HC:	28.92%

**Return on Sale of HTC**

HTC Requested	\$	3,617,500
HTC Equity	\$	3,110,741
HTC Return on Sale	\$	0.860

**Ratios**

Rent (Income)	\$	652,080
Operating Expenses	\$	278,916
Replacement Reserves	\$	18,600
Net Income Available for DS	\$	354,564
Total Debt Service	\$	312,524
Debt Coverage Ratio (DCR)		1.13
Total Expense Ratio		1.07

**Project Costs**

Land	445,800
Building/Acquisition	1,048,821
Site Work	331,295
Construction / Rehab	5,930,001
Soft Costs	1,436,461
Developer Fees	1,109,059
Reserves	455,837
Total Project Costs	<u>\$ 10,757,274</u>

**Costs versus Sources**

Total Project Costs	\$	10,757,274
Total Financing Sources	\$	10,757,274
Difference	\$	<u>0</u>

**Project Cost Limitations**

	<b><u>Limits</u></b>	
General Requirements	6.00%	4.58%
Contractor Overhead	2.00%	1.53%
Contractor Profit	6.00%	4.58%
Developer Fees	15.00%	12.68%
Soft Cost	32 or 37%	32.82%

**County**

**Carbon & Yellowstone**

**Project Name**

**Spruce Grove**

**Developer / General Ptrnr**

**GL Development**

**Per Unit Comparison**

	<b><u>Limits</u></b>		
Cost per unit	\$235,000	\$	173,504
Credits per unit	n/a	\$	58,347
Operating Cost per unit	\$3,000 min	\$	4,499
Replacement Reseves	\$300 min	\$	300

**Per Square Foot Comparison**

Construction / Rehab per sq ft		\$	129.16
Total Project Cost per sq ft		\$	234.30
Credits per sq ft		\$	78.79
Credits per sq ft (residential only)		\$	87.97

**Utilities Paid by (Tenant / Owner)**

Owner

# BOARD AGENDA ITEM

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## PROGRAM

Multifamily Program

## AGENDA ITEM

Trinity Bond Resolution

## BACKGROUND

The Trinity Apartments project is a 202 unit scattered site program in Missoula. Missoula Housing Authority and Homeword have partnered on this project, with the housing authority committing to 30 units at 30% AMI of project-based vouchers. This project has permanent supportive housing, permanent on-site services, and a community service facility.

The City of Missoula was the planned issuer of the bonds, with MBOH only assisting with 4% tax credits. However, due to unknow statutory requirements of that bond we are now the requested issuer.

## PROPOSAL

We propose approval of this bond resolution.

## RESOLUTION NO. 21-0525-MF02

A RESOLUTION OF THE MONTANA BOARD OF HOUSING MAKING FINDINGS WITH RESPECT TO HOUSING NEEDS WITHIN MONTANA; APPROVING A BORROWING, AND REPAYMENT THEREOF, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$44,000,000; APPROVING A FUNDING LOAN AGREEMENT, BORROWER LOAN AGREEMENT AND OTHER RELATED DOCUMENTS; AUTHORIZING THE EXECUTION OF SUCH DOCUMENTS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

WHEREAS, the Montana Board of Housing (the “Board”) is authorized pursuant to the Montana Housing Act of 1975, Montana Code Annotated, Sections 90-6-101 through 90-6-127, as amended (the “Act”), to borrow and issue evidences of indebtedness concerning repayment thereof and to make loans and purchase mortgage loans in order to finance housing which will provide decent, safe and sanitary housing for persons and families of lower income in the State of Montana; and

WHEREAS, the Board intends to borrow on a non-recourse limited obligation basis from Glacier Bank (or such other financial institution as is approved by the Chair, Vice Chair or Executive Director and Treasurer) (the “Funding Lender”) an aggregate principal amount not to exceed \$44,000,000, the proceeds of which will be used to finance a mortgage loan for the acquisition, construction and equipping of Trinity Apartments, a 202-unit new construction scattered-site affordable housing development located in Missoula, Montana (the “Project”); and

WHEREAS, the borrowing by the Board will be pursuant to a Funding Loan Agreement, among the Board, the Funding Lender and a fiscal agent to be determined by the Board (the “Fiscal Agent”) (the “Funding Loan Agreement”), and the agreement to repay such borrowing shall be reflected in a non-recourse revenue debt obligation (the “Obligation”) to be issued to the Funding Lender pursuant thereto, which Funding Loan Agreement and Obligation will be in substantially the form approved by the Board with respect to the Perennial Park Apartments financing in 2020 (the “Perennial Park Financing”), subject to the terms, conditions and limitations established herein and in the Funding Loan Agreement; and

WHEREAS, the proceeds of the borrowing will be used to finance a loan (the “Mortgage Loan”) to Trinity Apartments, LLLP, a Montana registered limited liability limited partnership, or a similar affiliate of Homeword, Inc., BlueLine Development, Inc., or the Missoula Housing Authority (collectively, the “Borrower”), pursuant to a Borrower Loan Agreement, by and among the Board, the Borrower and the Funding Lender (the “Borrower Loan Agreement”), which will be in substantially the form used in the Perennial Park Financing; and

WHEREAS, the interest on the Obligation is intended to qualify for a federal tax exemption under Section 142 of the Internal Revenue Code of 1986 (the “Code”), and to ensure

that the Obligation maintains its tax exempt status, the Borrower will enter into a Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), which will be in substantially the same form as such agreement approved by the Board with respect to the Perennial Park Financing.

NOW, THEREFORE, BE IT RESOLVED BY THE MONTANA BOARD OF HOUSING AS FOLLOWS:

**Section 1. Public Hearing and Findings.**

(a) The Board hereby finds and determines that the Project financed through the above described borrowing and issuance of the Obligation constitutes a “housing development” within the meaning of Section 90-6-103(8) of the Act; and

(b) In accordance with Section 90-6-109 of the Act, following a public hearing, the Board finds:

(i) that there exists a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of lower income can afford within the general housing market area to be served;

(ii) that private enterprise has not provided an adequate supply of decent, safe and sanitary housing in the housing market area at rentals or prices which persons or families of lower income can afford or provided sufficient mortgage financing for homes for occupancy by persons or families of lower income;

(iii) that the conditions, restrictions and limitations contained in the Funding Loan Agreement and contained in the program documents relating to the mortgage loan financed thereby and to be financed are sufficient to ensure that the Project will be well planned and well designed so as to constitute decent, safe and sanitary housing and that the “housing sponsors” (as defined in Section 90-6-103(10) of the Act) are financially responsible;

(iv) that the Project to be financed which is referred to in paragraph (a) above will be of public use and will provide a public benefit, taking into account the existence of local government comprehensive plans, housing and land use plans and regulations, area-wide plans and other public desires;

(v) that the Project to be financed with the proceeds of the Obligation does not involve the construction of “second homes,” which are defined in the Act to mean homes which would not qualify as the primary residence of the taxpayer for federal income tax purposes relating to capital gains on the sale or exchange of residential property; and

(vi) that if the Mortgage Loan constitutes a direct loan, in accordance with Section 90-6-109(1)(f), by virtue of the Board effectuating the loan of the Obligation proceeds to the Borrower pursuant to the Borrower Loan Agreement,

the Project qualifies for federal funds through its receipt of 4% federal low-income housing tax credits.

**Section 2. Approval of Funding Loan Agreement.** The Funding Loan Agreement is hereby approved in the form hereinabove described, and the Chair, the Vice Chair or the Executive Director and Treasurer of the Board is hereby authorized and directed to select a Fiscal Agent and to execute and deliver the Funding Loan Agreement, with such changes, insertions or omissions therein as may be approved by such signatory, such approval to be evidenced conclusively by such execution of the Funding Loan Agreement.

**Section 3. Authorization and Execution of the Obligation.** The execution and delivery of the Board's Obligation to the Funding Lender is hereby authorized and approved. The final amount and terms of the Obligation shall be determined by the Chair, Vice Chair or Executive Director and Treasurer of the Board, consistent with the terms of the Funding Loan Agreement and subject to the following conditions. The Obligation shall not be a general obligation of the Board but shall be a limited non-recourse obligation payable solely and only from Mortgage Loan payments and any other moneys pledged under the Funding Loan Agreement by the Borrower as required by the Borrower Loan Agreement. The Obligation shall mature no later than 40 years from its date of issuance, bear interest at a fixed or floating rate no greater than the net rate paid on the Mortgage Loan (i.e., net of fees due the Board and any other parties), be in a principal amount not to exceed \$44,000,000, be subject to prepayment and have the other terms and provisions as described to the Board, and definitively set forth in the Funding Loan Agreement upon execution and delivery as aforesaid in Section 2 hereof. The Obligation shall be executed and delivered substantially in the form set forth in the Funding Loan Agreement, with such additions, omissions and changes as are required or permitted by the Funding Loan Agreement and approved by the signatories thereto. The Obligation shall be executed in the name of the Board by the Chair or the Vice Chair of the Board, and attested to by the Secretary or the Treasurer, each of whom is hereby appointed as an Authorized Governmental Lender Representative (as such term is defined in the Funding Loan Agreement) for purposes of executing and attesting the Obligation, and their execution shall evidence their approval of the final terms thereof. Such signatures may be by facsimile; provided, however, that such Obligation shall not be valid or obligatory for any purpose unless the attestation by the authorized officer of the Board shall be a manual signature or the Obligation is authenticated by the manual signature of an authorized officer of the Fiscal Agent.

**Section 4. Approval of Borrower Loan Agreement.** The Borrower Loan Agreement is hereby approved in the form hereinabove described, and the Chair, the Vice Chair or the Executive Director and Treasurer of the Board is hereby authorized to execute and deliver the Borrower Loan Agreement, with such changes, insertions or omissions therein as may be approved by such person, such approval to be evidenced conclusively by such execution of the Borrower Loan Agreement.

**Section 5. Approval of Regulatory Agreement.** The Regulatory Agreement is hereby approved in the form hereinabove described, and the Chair, the Vice Chair or the Executive Director and Treasurer of the Board is authorized and directed to execute and deliver the same, with such changes, insertions or omissions therein as may be approved by such person, such approval to be evidenced conclusively by such execution of the Regulatory Agreement.

**Section 6. Ratification of Prior Actions.** All action previously taken by the officers, members or staff of the Board within the authority granted herein, with respect to the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement and the Obligation is hereby approved, confirmed and ratified.

**Section 7. Execution of Documents.** In the event of the absence or disability of the Chair, the Vice Chair or the Executive Director and Treasurer of the Board, or if for any other reason any of them are unable to execute the documents referred to in this Resolution, such documents may be executed by another member of the Board or by the Multifamily Program Manager or the Accounting and Finance Manager, with the same effect as if done by the Chair, the Vice Chair or the Executive Director and Treasurer of the Board and without the further authorization of the Board. The execution of such documents by such member shall be conclusive evidence of his or her authority to so act.

**Section 8. Execution of No-Arbitrage Certificate.** The Chair, the Vice Chair or the Executive Director and Treasurer of the Board is hereby authorized to issue certifications as to the Board's reasonable expectations regarding the amount and use of the proceeds of the Obligation as described in Section 148 of the Internal Revenue Code of 1986, as amended.

**Section 9. Additional Actions Authorized.** The Chair, the Vice Chair, the Secretary or any other member of the Board, and the Executive Director and Treasurer, the Multifamily Program Manager and the Accounting and Finance Manager, acting alone or acting with others, are hereby authorized and directed to execute and deliver any or all other documents which may be required under the terms of the Funding Loan Agreement and the Borrower Loan Agreement, and to take such other action as may be required or appropriate for the performance of the duties imposed thereby or to carry out the purposes thereof, and the members and officers named above are hereby designated as Authorized Governmental Lender Representatives for such purposes.

**Section 10. Effective Date.** This Resolution shall become effective immediately.

[Remainder of Page Intentionally Left Blank]

ADOPTED by the Montana Board of Housing this 25th day of May, 2021.

MONTANA BOARD OF HOUSING

Attest:

By \_\_\_\_\_  
Sheila Rice, Chair

By \_\_\_\_\_  
Cheryl Cohen, Executive Director

# BOARD AGENDA ITEM

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## PROGRAM

Multifamily Program

## AGENDA ITEM

RAM ARM's Language Clean Up for Cash Advances

## BACKGROUND

### 8.111.409 CASH ADVANCES

(1) As part of the loan amount, the board may advance at closing either to the borrower or to third parties as directed by the borrower, an amount not to exceed \$30,000 to allow the borrower to satisfy any liens on the property or make repairs to the property, and in addition, a maximum amount not to exceed the actual closing costs for items such as, but not limited to, appraisals, title policies, recording of documents, and other closing costs. The board may also advance at closing either to the borrower or to third parties as directed by the borrower, an amount in excess of the above advance of \$30,000 as approved by the board on a case-by-case basis. Such amounts so advanced shall be added to the initial loan balance. To receive a cash advance, the borrower must submit a request in writing on forms supplied by the board.

History: 90-6-104, 90-6-106, 90-6-507, MCA; IMP, 90-6-104, 90-6-106, 90-6-502, 90-6-505, MCA; NEW, 1990 MAR p. 1783, Eff. 9/14/90; AMD, 1993 MAR p. 1207, Eff. 6/11/93; AMD, 1998 MAR p. 644, Eff. 3/13/98; AMD, 2004 MAR p. 1612, Eff. 7/23/04; AMD, 2006 MAR p. 1732, Eff. 7/7/06.

## PROPOSAL

The current ARM language does not match the current process for cash advances given to RAM loan recipients. We are cleaning up the language to better reflect the process, while tightening up the language to decrease liability on cash advances.

Board Meeting: May 24, 2021

**Original Language:**

**8.111.409 CASH ADVANCES**

(1) As part of the loan amount, the board may advance at closing either to the borrower or to third parties as directed by the borrower, an amount not to exceed \$30,000 to allow the borrower to satisfy any liens on the property or make repairs to the property, and in addition, a maximum amount not to exceed the actual closing costs for items such as, but not limited to, appraisals, title policies, recording of documents, and other closing costs. The board may also advance at closing either to the borrower or to third parties as directed by the borrower, an amount in excess of the above advance of \$30,000 as approved by the board on a case-by-case basis. Such amounts so advanced shall be added to the initial loan balance. To receive a cash advance, the borrower must submit a request in writing on forms supplied by the board.

History: [90-6-104](#), [90-6-106](#), [90-6-507](#), MCA; [IMP](#), [90-6-104](#), [90-6-106](#), [90-6-502](#), [90-6-505](#), MCA; [NEW](#), 1990 MAR p. 1783, Eff. 9/14/90; [AMD](#), 1993 MAR p. 1207, Eff. 6/11/93; [AMD](#), 1998 MAR p. 644, Eff. 3/13/98; [AMD](#), 2004 MAR p. 1612, Eff. 7/23/04; [AMD](#), 2006 MAR p. 1732, Eff. 7/7/06.

**Final:**

**8.111.409 CASH ADVANCES**

(1) The board may disburse a portion of the loan amount as a cash advance at closing for any one or more of the following purposes:

- (a) satisfaction of any liens on the property;
- (b) necessary repairs to the property;
- (c) actual loan closing costs, including but not limited to appraisals, title policies, recording of documents, and other closing costs; and
- (d) other items to assist the borrower to continue residing in the property, including but not limited to, medical expenses, transportation expenses (including automobile purchase and loan payoff), payoff of credit card debt, and supportive and specialized care services.

(2) To receive a cash advance at closing, the borrower must submit a request in writing on forms supplied by the board.

(3) A cash advance for any of the purposes specified in (1) may be approved:

- (a) in an amount not to exceed \$30,000 by board staff along with other loan approvals; and
- (b) in an amount exceeding \$30,000 by the board in a duly noticed meeting on a case-by-case basis.

(4) A cash advance may be disbursed either to the borrower or to third parties as directed by the borrower and approved by the board. All cash advances disbursed at closing shall be added to the initial loan balance.

## 9% Tax Credits

<u>Project</u>	<u>City</u>	<u>HC Year</u>	<u>Developer</u>	<u>Status</u>
Blue Bunch Flats	Livingston	2018	Homeword	Under Construction
Oakwood	Havre	2019	Affiliated Developers	Under Construction
Meadowlark Vista	Ronan	2019	Ronan Housing RCAC St Johns Luth/C.R.	Under Construction
Chapel Court	Billings	2019	Builders	Leasing Up
Red Alder 9	Helena	2019	GL/RMDC	Grand Opening coming soon
Alpenglow	Whitefish	2019	Whitefish HA Homeword Syringa Housing	Leasing up
Homestead Lodge	Absarokee	2020	Corporation Wishcamper	Under Construction
Fire Tower Apts	Helena	2020	Development	Under Construction
Burnt Fork Place	Stevensville	2020	HRC/Housing Solutions	Under Construction
Pioneer Meadows	Dillon	2020	The Housing Company	Leasing Up
Skyview	Missoula	2020	Housing Solutions	Under Construction
Timber Ridge Apts	Bozeman	2020	Summit Housing Group GL/North Fork	Under Construction Waiting on Res Agreements & LURA's back
Laurel Depot	Laurel	2021	Development	Waiting on LURA to be returned Waiting on Res Agreements & LURA's back
MRM Unified Campus	Billings	2021	MT Rescue Mission	Waiting on LURA to be returned Waiting on Res Agreements & LURA's back
Jackson Court	Billings	2021	GL Development Absalooke Nation	Waiting on Res Agreements & LURA's back
AHNA LIHTC 1	Crow Agency	2021	Housing Authority	Waiting on LURA to be returned Waiting on Res Agreements & LURA's back
Creekside Commons	Kalispell	2021	Housing Solutions	Waiting on LURA to be returned Waiting on Res Agreements & LURA's back
Crowley Flats	Lewistown	2021	Homeword	Waiting on LURA to be returned Waiting on Res Agreements & LURA's back

## Private Activity Bonds/ 4% Tax Credits

<u>Project</u>	<u>City</u>	<u>Amount</u>	<u>Developer</u>	<u>Status</u>
<b>2021</b>				
Comstock I, II & III	Bozeman	\$ 15,000,000.00	Devco Preservation	Waiting for Full App
GMD/Homeword TBD F	Kalispell	\$ 26,000,000.00	GMD	Waiting for Full App
Highland Manor	Havre	\$ 3,000,000.00	Echo Enterprise	Waiting for Full App
Bridger Peaks	Bozeman	\$ 8,500,000.00	Devco Preservation	Waiting for Full App
Castlebar	Bozeman	\$ 15,000,000.00	Devco Preservation	Waiting for Full App
Spruce Grove	Laurel / Bridger	\$ 7,000,000.00	GL Development Blueline, Missoula	Closing Mid Summer
Villagio	Missoula	\$ 39,300,000.00	Housing Auth	Closing May
Bitterroot Valley Apartm	Hamilton	\$ 6,000,000.00	Summit Housing Group Blueline, Homeword, Missoula Housing	Closing May
Trinity (issuer city of Mis	Missoula	na	Authority HRDC/Good Housing	Closing TBD
Boulevard	Bozeman	\$ 7,000,000.00	Partners	Closed in March

Darlington Miles Sherwood <b>2020</b>	Bozeman	\$ 30,500,000.00	HRDC/Good Housing Partners	Closed in March
Arrowleaf	Bozeman	\$ 19,000,000.00	GMD Development 2 LLC & HRDC	Under Construction
Perennial Park	Bozeman	\$ 26,000,000.00	GMD Development 2 LLC & HRDC	Under Construction
Silver Bow (Butte Affordable Owner II) Rosalie Manor, Leggat, Elm Street (Butte Affordable Owner I)	Butte	\$ 29,300,000.00	Good Housing Partnership/Butte Affordable Housing	Waiting for Quarterly Reports
Ponderosa Acres	Billings	\$ 20,915,000.00	Good Housing Partnership/Butte Affordable Housing	Waiting for Quarterly Reports
Emporda	Corvallis	\$ 3,600,000.00	Hampstead Developer Pa Thomas Development	Leased Up Covid Delays w construction rehab almost done

### Multi-Family Loan Programs

4/30 Balances

#### Coal Trust Loans

Available Balance	\$ 535,942.00
Loans in Process:	
Spruce Grove	\$5,173,486
Highland Manor	\$520,509
Oakwood Village	\$3,600,000

#### Housing Montana Fund

Available Balance	\$ 120,031.00
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#### TANF

Available Balance	\$ 436,638.00
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#### RAM

Active Loans	55
Outstanding Balance	\$2,741,670
Available Balance	\$ 308,050.00
	<u>\$ 1,001,689.00</u>
	\$ 1,309,739.00

# BOARD AGENDA ITEM

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## PROGRAM

Accounting and Finance Program

## AGENDA ITEM

Program Update

## BACKGROUND

Due to the lack of improvement in market during the first part of 2021 and the upcoming debt service payments on June 1, much of the Board's portfolio is still in money market. After the June 1 debt service, we will have the opportunity to purchase investments that will improve the yield on the portfolio.

The weighted average yield has gone down drastically since March of last year with the onset of the pandemic. We did have some leveling in our portfolio during the end of last year and the beginning of this year with the steadying of the money market. Now that money market has dropped, so has our weighted average yield. That is why it will be important to try and invest in some higher yielding securities if they become available.

The portfolio maturity section shows that we have not been able to obtain and new long-term investments for some time and consequently the majority of our investments are currently liquid or will mature within 15 years.

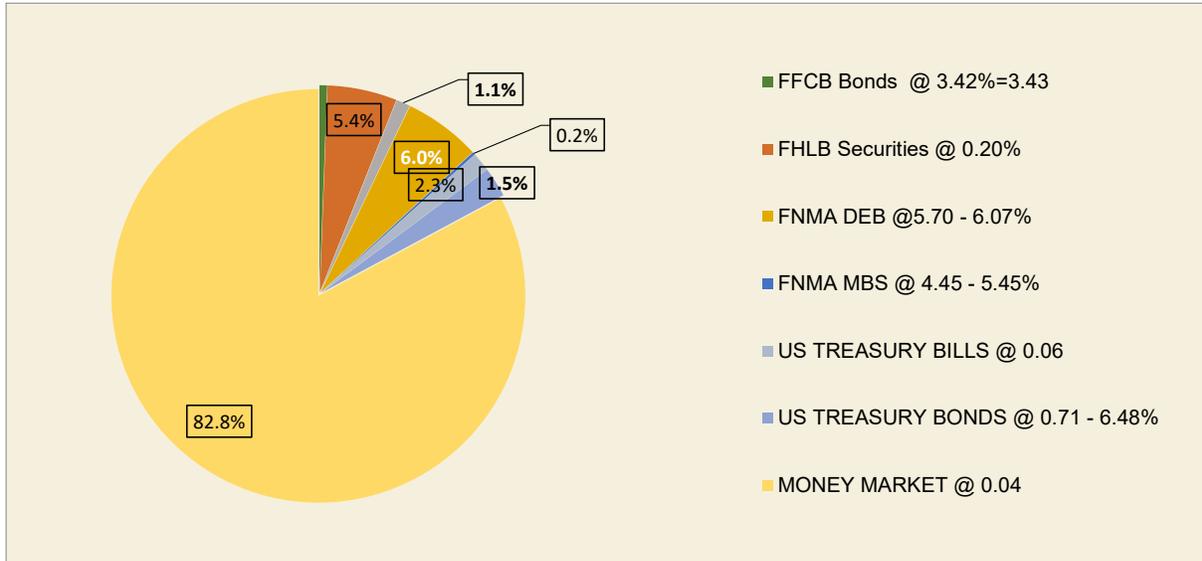
The investment maturity schedule shows all of the Board's current investments at par value and their maturity dates.

The final page in the packet for Accounting is the quarterly update. This shows that, as of March 31, total assets have increased from the June 30, 2020 balance, by \$49.3 thousand. Liabilities have also increased by \$45.9 thousand. We are currently showing an income of \$2,748. These are unaudited figures. The audited financial statements can be found at <https://leg.mt.gov/content/Publications/Audit/Report/19-07B.pdf>.

# Accounting & Finance Dashboard

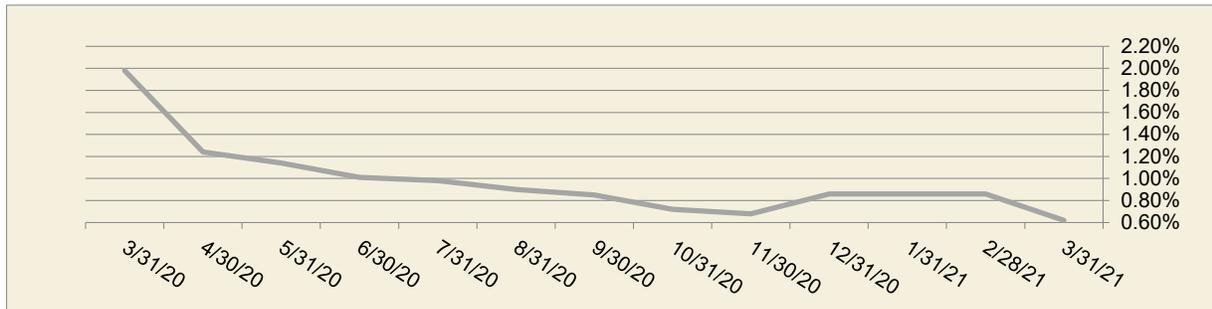
## Data as of March 31, 2021

### INVESTMENT DIVERSIFICATION



FNMA = Federal National Mortgage Association  
 FHLB = Federal Home Loan Bank  
 FHLMC = Federal Home Loan Mortgage Corporation  
 FFCB = Federal Farm Credit Bank

### WEIGHTED AVERAGE YIELD TREND



### PORTFOLIO MATURITY

For March 31, 2021

Available Now	< 1 year	1 to 5 years	6 to 10 years	11 to 15 years	16 to 20 years	21 to 25 years	Grand Total
\$ 169,686,772	\$ 17,857,000	\$ 12,904,000	\$ 7,705,000	\$ 2,493,889	\$ 157,619	\$ -	\$ 210,804,280

**Montana Board of Housing  
Accounting and Finance  
Investment Maturity Schedule  
March 31, 2021**

<b>Maturity Date</b>	<b>Trustee Bank</b>	<b>Investment Type</b>	<b>Par Value</b>
05/24/2021	Wilmington Trust	FFCB	2,460,000.00
11/29/2021	Wilmington Trust	FHLB	22,240,000.00
01/27/2022	Wilmington Trust	T-BILLS	5,507,000.00
08/15/2025	Wilmington Trust	T-NOTES & BONDS	9,592,000.00
04/30/2026	Wilmington Trust	FNMA DEB	9,226,000.00
09/27/2027	Wilmington Trust	FNMA DEB	8,140,000.00
11/26/2027	Wilmington Trust	FNMA DEB	7,270,000.00
07/15/2032	Wilmington Trust	FHLMC BOND	4,450,000.00
02/01/2036	Wilmington Trust	FNMA MBS	97,714.60
05/01/2036	Wilmington Trust	FNMA MBS	53,445.58
07/01/2036	Wilmington Trust	FNMA MBS	134,631.31
03/01/2037	Wilmington Trust	FNMA MBS	258,973.51
08/01/2037	Wilmington Trust	FNMA MBS	73,404.06
08/01/2038	Wilmington Trust	FNMA MBS	118,251.44
12/01/2038	Wilmington Trust	FNMA MBS	127,060.86
Matured	Wilmington Trust	WT GOLDMAN SACH	103,725,142.83
Matured	US Bank Corporate Tr	US BANK MONEY M	9,422,327.51
<b>Total</b>			<b>182,895,951.70</b>

FNMA = Federal National Mortgage Association

Fannie Mae

FHLB = Federal Home Loan Bank

FHLMC = Federal Home Loan Mortgage Corporation

Freddie Mac

FFCB = Federal Farm Credit Bank

**Montana Board of Housing**  
**Unaudited Financial Data for month ending March 31, 2021**

<i>(Dollars in Thousands)</i>	2nd Qtr 2021*	FYE 2020	Change
<b>Assets:</b>			
Cash and Cash Equivalents	192,577	117,318	75,259
Investments	48,854	39,858	8,996
Mortgage Loans Receivable, Net	507,001	543,036	(36,034)
Corporate Advance	590	214	375
Interest Receivable	4,361	3,996	365
Prepaid Expenses	163	150	13
Acquisition Costs	2,083	1,719	364
Capital Assets, Net	13	17	(5)
<b>Total Assets</b>	<b>755,641</b>	<b>706,308</b>	<b>49,332</b>
<b>Deferred Outflow of Resources</b>	<b>516</b>	<b>555</b>	<b>(39)</b>
<b>Liabilities:</b>			
Accounts Payable	222	2,237	(2,015)
Funds Held for Others	12,208	8,052	4,156
Accrued Interest - Bond Payable	5,635	1,584	4,051
Bonds Payable, Net	571,107	531,283	39,825
Arbitrage Rebate Payable	1,121	1,121	0
Accrued Compensated Absences	362	362	0
Net Pension Liability	1,871	1,871	0
OPEB Liability	15	64	(50)
Leases Payable		15	
<b>Total Liabilities</b>	<b>592,539</b>	<b>546,587</b>	<b>45,967</b>
<b>Deferred Outflow of Resources</b>	<b>362</b>	<b>362</b>	<b>(0)</b>
Revenues	19,220	26,893	(7,673)
Expenses	16,473	24,455	(7,983)
<b>Income (Loss)</b>	<b>2,748</b>	<b>2,438</b>	<b>310</b>

**NOTE: Information supplied above is unaudited and does not conform to GASB requirements**

**\*2nd Quarter figures have not been finalized**

# BOARD AGENDA ITEM

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## PROGRAM

Homeownership Program

## AGENDA ITEM

Approval of Bond Resolution 21-0525-SF02\_2021B

## BACKGROUND

The attached Resolution approves the issuance of fixed or variable rate Mortgage Revenue Bonds in an aggregate principal amount not to exceed \$75,000,000 to finance loans or refund previously issued bonds or for both.

The resolution is written to give us the flexibility to issue bonds under any of the three indentures and to refund bonds from any of the three indentures.

Kutak prepared this resolution in the same form as the one approved for the 2021A issue. Even though this resolution allows for a Floating Rate Note as a variable rate option, we intend to issue fixed interest rate bonds under the SFI Indenture to purchase new money mortgage loans.

As of May 13, 2021, we had approximately \$3.1million left to reserve from the proceeds of the 2021 A issue that closed on March 31. We have begun working with the finance team to structure our next issue. This resolution will allow us to move forward with the 2021B bond issue that will carry us into our busier summer months.

Our current lending rates are 2.50% for first mortgages with no DPA, 2.75% for first mortgages with DPA and the set-aside rate is set at 2.25%.

## PROPOSAL

Staff requests that the Board approve the attached resolution.

RESOLUTION NO. 21-0525-SF02\_2021B

A RESOLUTION OF THE MONTANA BOARD OF HOUSING MAKING FINDINGS WITH RESPECT TO HOUSING NEEDS WITHIN MONTANA; APPROVING THE ISSUANCE AND DELIVERY OF, AND AUTHORIZING THE DETERMINATION OF CERTAIN TERMS OF, ONE OR MORE NEW ISSUES OF SINGLE FAMILY BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$75,000,000, WITH FIXED OR VARIABLE RATES, TO FINANCE LOANS, REFUND OUTSTANDING BONDS OR BOTH; APPROVING THE SALE OF SAID BONDS PURSUANT TO A PURCHASE CONTRACT; APPROVING THE SUPPLEMENTAL TRUST INDENTURE, PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT IF THE BONDS ARE SOLD TO THE PUBLIC, CONTINUING DISCLOSURE AGREEMENT AND OTHER DOCUMENTS RELATED THERETO; AUTHORIZING THE EXECUTION OF SUCH DOCUMENTS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

WHEREAS, the Montana Board of Housing (the “Board”) is authorized pursuant to the Montana Housing Act of 1975, Montana Code Annotated, Sections 90-6-101 through 90-6-127, as amended (the “Act”), to issue and refund its bonds and to purchase mortgage loans or mortgage-backed securities in order to finance single family housing which will provide decent, safe and sanitary housing for persons and families of lower income in the State of Montana (the “State”); and

WHEREAS, the Board has previously implemented mortgage purchase programs in order to finance single family dwellings in the State for families and persons of lower income; and

WHEREAS, the Board intends to issue its Single Family Mortgage Bonds, Single Family Program Bonds or Single Family Homeownership Bonds, in one or more series or subseries in an aggregate principal amount not to exceed \$75,000,000 with fixed or variable rates (the “New Series Bonds”), under the provisions of either the Trust Indenture dated March 7, 1977, as restated and amended, the Trust Indenture dated August 16, 1979, as amended, or the Trust Indenture dated as of December 1, 2009 (each, the “General Indenture”), each between the Board and Wilmington Trust, National Association (as successor trustee), as trustee, which New Series Bonds will be used to finance mortgage loans to provide additional moneys to finance single family dwellings in the State pursuant to the Mortgage Purchase and Servicing Guide and the forms of the Invitation to Participate and Notice of Acceptance previously approved by the Board, and to fund certain reserve funds, if necessary, or to refund bonds previously issued for such purpose; and

WHEREAS, a Supplemental Trust Indenture (the “Supplemental Indenture”) (together with the General Indenture under which the New Series Bonds are to be issued, which it supplements, the “Trust Indenture”), between the Board and Wilmington Trust, National Association (as successor trustee), as Trustee, will be prepared in substantially the form of such document previously approved by the Board and used in connection with the issuance of the Single Family Mortgage Bonds, 2021 Series A (the “2021 Series A Bonds”) with appropriate changes as hereinafter described, whereby the Board would issue the New Series Bonds subject to the terms, conditions and limitations established in the Trust Indenture; and

WHEREAS, if the New Series Bonds are to be sold to the public, a Preliminary Official Statement (the “Preliminary Official Statement”) will be prepared in substantially the form of such document previously approved by the Board and used in connection with the marketing of the 2021 Series A Bonds, containing certain information relating to the Board, the Trust Indenture and the New Series Bonds, and which will be distributed to the prospective purchasers of such New Series Bonds and others by a group of investment dealers and brokers represented by RBC Capital Markets, LLC (the “Underwriters”); and

WHEREAS, a Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) will be prepared in substantially the form of such document previously approved by the Board and used in connection with the sale of the 2021 Series A Bonds containing the agreement of the Board to annually update certain financial and operating information in the final Official Statement (as hereinafter described) and to timely provide notice of the occurrence of certain specified events; and

WHEREAS, a purchase contract (the “Purchase Contract”), to be dated the date of sale of the New Series Bonds, between the Board and the Underwriters (or if the New Series Bonds are sold to a single institutional investor, such investor) will be prepared in substantially the form of such document previously approved by the Board and used in connection with the sale of the 2021 Series A Bonds, pursuant to which the Board would agree to sell and the New Series Bonds purchaser would agree to purchase the New Series Bonds, at the prices and upon the terms and conditions therein set forth;

NOW, THEREFORE, BE IT RESOLVED BY THE MONTANA BOARD OF HOUSING as follows:

**Section 1. Findings.**

(a) The Board hereby finds and determines:

(i) that the homes to be financed through the issuance of New Series Bonds, and the purchase by the Board from proceeds thereof of mortgage loans or mortgage-backed securities as contemplated by the Trust Indenture, constitute “housing developments” within the meaning of Section 90-6-103(8) of the Act; and

(ii) that the housing market area to be served by homes to be financed as aforesaid consists of the entire State of Montana.

(b) In accordance with Section 90-6-109 of the Act, the Board previously found and hereby confirms:

(i) that there exists a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of lower income can afford within the general housing market area to be served;

(ii) that private enterprise has not provided an adequate supply of decent, safe and sanitary housing in the housing market area at rentals or prices which persons or families of lower income can afford, or provided sufficient mortgage financing for homes for occupancy by persons or families of lower income;

(iii) that the conditions, restrictions and limitations contained in the Trust Indenture and contained in the program documents relating to the mortgage loans financed thereby and to be financed are sufficient to ensure that the homes will be well planned and well designed so as to constitute decent, safe and sanitary housing and that the “housing sponsors” (as defined in Section 90-6-103(10) of the Act) are financially responsible;

(iv) that the homes financed and to be financed which are referred to in paragraph (a) above will be of public use and will provide a public benefit, taking into account the existence of local government comprehensive plans, housing and land use plans and regulations, area-wide plans and other public desires;

(v) that the homes financed and to be financed with the proceeds of the New Series Bonds do not involve the construction of “second homes,” which are defined in the Act to mean homes which would not qualify as the primary residence of the taxpayer for federal income tax purposes relating to capital gains on the sale or exchange of residential property; and

(vi) that the findings required by Section 90-6-109(1)(f) of the Act are inapplicable because the homes financed by the New Series Bonds do not involve direct loans.

**Section 2. Approval of Supplemental Indenture.** A Supplemental Indenture for each series of New Series Bonds is hereby approved in the form described above (and reflecting the provisions of the New Series Bonds consistent with the parameters set forth in the following Section) and the Chair or the Vice Chair of the Board is hereby authorized and directed to execute and deliver the Supplemental Indenture with such changes, insertions or omissions therein as may be approved by such Chair or Vice Chair, such approval to be evidenced conclusively by such execution of the Supplemental Indenture, and the Secretary or any other member of the Board or the Treasurer is hereby authorized and directed to attest thereto.

**Section 3. Authorization of Bonds.** The issuance, sale and delivery of the Board’s New Series Bonds, in one or more series or subseries, is hereby authorized and approved, subject to the following provisions. The New Series Bonds shall be issued in an aggregate principal amount (not to exceed \$75,000,000), mature on the date or dates (but no more than 40 years from the date of issuance), bear interest at the rate or rates (which may be fixed or variable rate, initially not exceeding 6.0% per annum and in no case to exceed 14%), be sold to the bond purchaser(s) for an amount (but not less than 98.5% of the principal amount of the Bonds), be subject to optional, special optional, mandatory and sinking fund redemption, be subject to mandatory or optional tenders and convertible into fixed or variable rate bonds, be issued under the related General Indenture, and have such other terms and provisions, all as are determined by the Chair and Executive Director (with the advice of such members of the Board as are available upon the pricing of such New Series Bonds) and definitively set forth in the related Supplemental Indenture or Purchase Contract upon execution and delivery as authorized in Sections 2 and 5 hereof. The New Series Bonds shall be executed and delivered substantially in the form set forth in the Trust Indenture, with such additions, omissions and changes as are required or permitted by the Trust Indenture. The New Series Bonds shall be executed in the name of the Board by the Chair or the Vice Chair of the Board, and attested to by the Secretary or the Treasurer, each of whom is hereby appointed as an Authorized Officer (as such term is defined in the Trust Indenture) for purposes of executing and attesting the New Series Bonds. Such signatures may be in facsimile, provided, however, that such New Series Bonds shall not be valid or obligatory for any purpose until authenticated by the manual signature of an authorized officer of the Trustee.

**Section 4. Approval of Preliminary Official Statement and Official Statement.** If the New Series Bonds are to be sold to the public through the Underwriters, a Preliminary Official Statement for a series of New Series Bonds is hereby approved in the form described above, with such changes, insertions or omissions therein as may be approved by the Executive Director, and the Chair or the Vice Chair of the Board is hereby authorized to execute and deliver a final official statement (the “final Official Statement”) substantially in the form of the Preliminary Official Statement with such changes, insertions or omissions therein as may be approved by the Chair or Vice Chair, such approval to be evidenced conclusively by such execution of the final Official Statement.

**Section 5. Approval of Purchase Contract and Sale of the Bonds.** A Purchase Contract for a series of New Series Bonds is hereby approved in the form described above and the execution of the Purchase Contract by the Chair, the Vice Chair or Executive Director of the Board is hereby authorized and

directed in order to effectuate the sale of the related New Series Bonds with such changes, insertions or omissions therein as may be approved by such person, such approval to be evidenced conclusively by such execution of the Purchase Contract.

**Section 6. Authorization of Standby Bond Purchase Agreement, Continuing Covenant Agreement and/or Remarketing Agreement.** If any New Series Bonds are subject to optional or mandatory tender, the Chair or Vice Chair of the Board or the Executive Director are authorized to negotiate, execute and deliver one or more (1) standby bond purchase or similar agreements with a financial institution, with a rating of no less than “A1” or the equivalent by Moody’s Investors Service, Inc., whereby such institution agrees to purchase (or provide the Board with funds to purchase) tendered bonds, (2) continuing covenant agreements with the purchaser of such New Series Bonds which agreements may set forth additional covenants with respect to such New Series Bonds, and/or (3) remarketing agreements with any Board approved underwriter with respect to the remarketing of any tendered bonds; such agreements to have such terms and conditions, and provide for the payment by the Board of such fees, as are determined by the Chair and Executive Director to be in the best interests of the Board, such determinations to be evidenced conclusively by the execution thereof.

**Section 7. Approval of Continuing Disclosure Agreement.** A Continuing Disclosure Agreement for a series of New Series Bonds is hereby approved in the form described above, and the Chair or Vice Chair of the Board or the Executive Director is authorized and directed to execute and deliver the same with such changes, insertions or omissions therein as may be approved by such person, such approval to be evidenced conclusively by such execution of the Continuing Disclosure Agreement.

**Section 8. Approval of Program Documents.** The Executive Director and Single Family Program Manager are hereby authorized to continue to use the form of the Mortgage Purchase and Servicing Guide, Invitation to Participate and Notice of Acceptance presently in use, and to the extent they deem necessary and appropriate, the Executive Director and Single Family Program Manager are authorized to execute and deliver the same, with such changes, insertions or omissions therein as may be approved by such person, to continue the Single Family Program.

**Section 9. Ratification of Prior Actions.** All action previously taken by the officers, members or staff of the Board with respect to the Trust Indenture, a Preliminary Official Statement, a Purchase Contract and the New Series Bonds is hereby approved, confirmed and ratified.

**Section 10. Execution of Documents.** In the event of the absence or disability of the Chair, the Vice Chair or the Treasurer of the Board, or if for any other reason any of them are unable to execute the documents referred to in this Resolution, such documents may be executed by another member of the Board or by the Single Family Program Manager or the Accounting and Finance Manager, with the same effect as if done by the Chair, the Vice Chair or the Treasurer of the Board and without the further authorization of the Board. The execution of such documents by such member shall be conclusive evidence of his or her authority to so act.

**Section 11. Execution of Tax Certificate and Declaration of Intent.** The Chair, the Vice Chair or the Executive Director of the Board is hereby authorized to issue certifications as to the Board’s reasonable expectations regarding the amount and use of the proceeds of the New Series Bonds as described in Section 148 of the Internal Revenue Code of 1986, as amended. The Board also hereby declares its intention, within the meaning of Section 1.150-2 of the Internal Revenue Code regulations, to facilitate continuous funding of its Single Family Program (as described above) by, from time to time, financing mortgage loans and then issuing bonds in an amount to be determined by the Board in one or more series within 18 months thereof to reimburse itself for such financing, which reimbursement amount is presently expected to not exceed \$75,000,000 (or such greater reimbursement amount as may from time to time be

determined by written declaration of the Executive Director), provided that this declaration does not obligate the Board to issue any such bonds.

**Section 12. Additional Actions Authorized.** The Chair, the Vice Chair, the Secretary or any other member of the Board, and the Executive Director and Treasurer, the Single Family Program Manager and the Accounting and Finance Manager, acting alone or acting with others, are hereby authorized and directed to execute and deliver any or all other documents which may be required under the terms of the Trust Indenture and a Purchase Contract, to take such other action (including, without limitation, making any bond designations) as may be required or appropriate for the performance of the duties imposed thereby or to carry out the purposes thereof, and to modify any other agreement or obligation of the Board (including, without limitation, notes or bonds) to substitute a comparable interest rate index for the London Inter Bank Offered Rate (“LIBOR”) if LIBOR is discontinued, and the members and officers named above are hereby designated as Authorized Officers for such purposes.

**Section 13. Effective Date.** This Resolution shall become effective immediately.

ADOPTED by the Montana Board of Housing this 25<sup>th</sup> day of May, 2021.

MONTANA BOARD OF HOUSING

By \_\_\_\_\_  
Chair

Attest:

By \_\_\_\_\_  
Treasurer/Executive Director

# BOARD AGENDA ITEM

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## PROGRAM

Homeownership Program

## AGENDA ITEM

Purchase Price Limit Review and Income Limit Approval

## BACKGROUND

On March 30, 2021, the Internal Revenue Service released the corrected Revenue Procedure 2021-17 containing safe harbor numbers to be used in establishing purchase price limits for mortgage loans financed with tax-exempt bonds.

The purchase price limits for our program are determined by multiplying the safe harbor limits by .9 for non-targeted areas or 1.1 for targeted areas. The new purchase limits are attached for your review.

The Board's Administrative Rules require that each June or at other times as necessary, the Board is to review, establish and revise income limits for lower income persons and families in need of housing assistance under the Board programs.

On March 25, 2021 the IRS released Revenue Procedure 2021-19 which confirmed the use of either the 2020 or 2021 HUD income numbers to calculate income limits for the MRB and MCC programs. We can:

1. Apply the limits using 2020 income data to all counties across the board, or
2. Apply the limits using 2021 income data to all counties across the board, or
3. Apply the limits using 2020 income data for some counties and using 2021 income data for other counties.

Staff has reviewed the calculations. For most counties, the HUD median incomes went down in 2021, so it was determined that using a combination of the 2020 and 2021 numbers allows us to set higher income limits, there by assisting more borrowers.

## PROPOSAL

The Board has the option of setting program income limits at or below the safe harbor limits. Staff requests that the Board approve the attached income limits based on a combination of the 2020 and 2021 HUD median income numbers.

Board Meeting: May 25, 2021

County / area	2020 Purchase Price Limit	2021 Purchase Price Limit	amount of change	percent of change
Beaverhead	\$294,600	\$311,979.00	\$17,379	6%
Big Horn	\$294,600	\$311,979.00	\$17,379	6%
* Blaine	\$360,067	\$381,308.00	\$21,241	6%
Broadwater	\$294,600	\$311,979.00	\$17,379	6%
Carbon	\$294,600	\$311,979.00	\$17,379	6%
Carter	\$294,600	\$311,979.00	\$17,379	6%
Cascade	\$294,600	\$311,979.00	\$17,379	6%
* City of Great Falls	\$360,067	\$381,308.00	\$21,241	6%
Chouteau	\$294,600	\$311,979.00	\$17,379	6%
Custer	\$294,600	\$311,979.00	\$17,379	6%
Daniels	\$294,600	\$311,979.00	\$17,379	6%
Dawson	\$294,600	\$311,979.00	\$17,379	6%
* Deer Lodge	\$360,067	\$381,308.00	\$21,241	6%
Fallon	\$294,600	\$311,979.00	\$17,379	6%
Fergus	\$294,600	\$311,979.00	\$17,379	6%
* Flathead	\$373,189	\$404,835.00	\$31,646	8%
Gallatin	\$389,074	\$418,818.00	\$29,744	8%
Gallatin Census Tracts 6 and * 11.01	\$475,535	\$511,889.00	\$36,354	8%
Garfield	\$294,600	\$311,979.00	\$17,379	6%
Glacier	\$294,600	\$311,979.00	\$17,379	6%
Golden Valley	\$294,600	\$311,979.00	\$17,379	6%
Granite	\$294,600	\$311,979.00	\$17,379	6%
* Hill	\$360,067	\$381,308.00	\$21,241	6%
Jefferson	\$294,600	\$311,979.00	\$17,379	6%
Judith Basin	\$294,600	\$311,979.00	\$17,379	6%
Lake	\$294,600	\$311,979.00	\$17,379	6%
Lewis & Clark	\$294,600	\$311,979.00	\$17,379	6%
Liberty	\$294,600	\$311,979.00	\$17,379	6%
Lincoln	\$294,600	\$311,979.00	\$17,379	6%
* Lincoln Census Tr 2	\$360,067	\$381,308.00	\$21,241	6%
Madison	\$294,600	\$311,979.00	\$17,379	6%
McCone	\$294,600	\$311,979.00	\$17,379	6%
Meagher	\$294,600	\$311,979.00	\$17,379	6%
* Mineral	\$360,067	\$381,308.00	\$21,241	6%
* Missoula	\$380,678	\$415,910.00	\$35,232	9%
Musselshell	\$294,600	\$311,979.00	\$17,379	6%
Park	\$299,209	\$330,221.00	\$31,012	10%
Petroleum	\$294,600	\$311,979.00	\$17,379	6%
Phillips	\$294,600	\$311,979.00	\$17,379	6%
Pondera	\$294,600	\$311,979.00	\$17,379	6%
Powder River	\$294,600	\$311,979.00	\$17,379	6%
Powell	\$294,600	\$311,979.00	\$17,379	6%
Prairie	\$294,600	\$311,979.00	\$17,379	6%
Ravalli	\$294,600	\$311,979.00	\$17,379	6%
Richland	\$294,600	\$312,100.00	\$17,500	6%
Roosevelt	\$294,600	\$311,979.00	\$17,379	6%
Rosebud	\$294,600	\$311,979.00	\$17,379	6%
* Sanders	\$360,067	\$381,308.00	\$21,241	6%
Sheridan	\$294,600	\$311,979.00	\$17,379	6%
* Silver Bow	\$360,067	\$381,308.00	\$21,241	6%
Stillwater	\$294,600	\$311,979.00	\$17,379	6%
Sweet Grass	\$294,600	\$311,979.00	\$17,379	6%
Teton	\$294,600	\$311,979.00	\$17,379	6%
Toole	\$294,600	\$311,979.00	\$17,379	6%
Treasure	\$294,600	\$311,979.00	\$17,379	6%
Valley	\$294,600	\$311,979.00	\$17,379	6%
Wheatland	\$294,600	\$311,979.00	\$17,379	6%
Wibaux	\$294,600	\$311,979.00	\$17,379	6%
Yellowstone	\$294,600	\$311,979.00	\$17,379	6%

\* Targeted Areas

	2020 Income		NEW HUD 2021 Income		Diff Small	Diff Large		
	Small Household	Large Household	Small Household	Large Household				
Beaverhead	73300	84295	73300	84295	0%	0	0	0%
Big Horn	73300	84295	73300	84295	0%	0	0	0%
Blaine	87960	102620	87960	102620	0%	0	0	0%
Broadwater	73300	84295	73300	84295	0%	0	0	0%
Carbon	78300	90045	80000	92000	2%	1,700	1,955	2%
Carter	73300	84295	73300	84295	0%	0	0	0%
Cascade	73300	84295	73300	84295	0%	0	0	0%
City of Great Falls	87960	102620	87960	102620	0%	0	0	0%
Chouteau	73300	84295	73300	84295	0%	0	0	0%
Custer	76500	87975	78300	90045	2%	1,800	2,070	2%
Daniels	75800	87170	75800	87170	0%	0	0	0%
Dawson	73300	84295	76200	87630	4%	2,900	3,335	4%
Deer Lodge	87960	102620	87960	102620	0%	0	0	0%
Fallon	77100	88665	80900	93035	5%	3,800	4,370	5%
Fergus	73300	84295	73300	84295	0%	0	0	0%
Flathead	88560	103320	88560	103320	0%	0	0	0%
Gallatin	90400	103960	94247	108384	4%	3,847	4,424	4%
Gallatin Census Tracts 6 and 11.01	108480	126560	106680	124460	-2%	(1,800)	(2,100)	-2%
Garfield	73300	84295	73300	84295	0%	0	0	0%
Glacier	73300	84295	73300	84295	0%	0	0	0%
Golden Valley	76500	87975	76500	87975	0%	0	0	0%
Granite	73300	84295	73300	84295	0%	0	0	0%
Hill	87960	102620	87960	102620	0%	0	0	0%
Jefferson	82800	95220	84200	96830	2%	1,400	1,610	2%
Judith Basin	73300	84295	73300	84295	0%	0	0	0%
Lake	73300	84295	73300	84295	0%	0	0	0%
Lewis & Clark	83800	96370	87900	101085	5%	4,100	4,715	5%
Liberty	73300	84295	73300	84295	0%	0	0	0%
Lincoln	73300	84295	73300	84295	0%	0	0	0%
Lincoln Census Tr 2	87960	102620	87960	102620	0%	0	0	0%
McCone	73300	84295	73300	84295	0%	0	0	0%
Madison	73300	84295	73300	84295	0%	0	0	0%
Meagher	73300	84295	73300	84295	0%	0	0	0%
Mineral	87960	102620	87960	102620	0%	0	0	0%
Missoula	94920	110740	94920	110740	0%	0	0	0%
Musselshell	73300	84295	73300	84295	0%	0	0	0%
Park	73300	84295	74700	85905	2%	1,400	1,610	2%
Petroleum	73300	84295	73300	84295	0%	0	0	0%
Phillips	73300	84295	73300	84295	0%	0	0	0%
Pondera	73300	84295	73300	84295	0%	0	0	0%
Powder River	73300	84295	73300	84295	0%	0	0	0%
Powell	73300	84295	73300	84295	0%	0	0	0%
Prairie	73300	84295	73300	84295	0%	0	0	0%
Ravalli	73300	84295	73300	84295	0%	0	0	0%
Richland	83000	95450	83600	96140	1%	600	690	1%
Roosevelt	73300	84295	73300	84295	0%	0	0	0%
Rosebud	75000	86250	75000	86250	0%	0	0	0%
Sanders	87960	102620	87960	102620	0%	0	0	0%
Sheridan	79800	91770	77500	89125	-3%	(2,300)	(2,645)	-3%
Silver Bow	87960	102620	87960	102620	0%	0	0	0%
Stillwater	82500	94875	83000	95450	1%	500	575	1%
Sweet Grass	73300	84295	73300	84295	0%	0	0	0%
Teton	73300	84295	73300	84295	0%	0	0	0%
Toole	73300	84295	73300	84295	0%	0	0	0%
Treasure	73300	84295	73300	84295	0%	0	0	0%
Valley	73300	84295	73300	84295	0%	0	0	0%
Wheatland	73300	84295	73300	84295	0%	0	0	0%
Wibaux	73300	84295	73300	84295	0%	0	0	0%
Yellowstone	78300	90045	80000	92000	2%	1,700	1,955	2%
	73300	84295	73300	84295	0%	0	0	0%

Targeted Areas

# BOARD AGENDA ITEM

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## PROGRAM

Homeownership Program

## AGENDA ITEM

Income Limit Approval for 0% DPA Program

## BACKGROUND

Currently the Board of Housing offers two down payment assistance programs. The first is a 15-year amortizing loan that is funded with bond proceeds and the other is a 0% deferred loan due at time of payoff, that is funded with special reserve funds.

Since special reserve funds are a more limited source of funds than regular bond funds, we restrict the use of the deferred program with an income limit currently set at \$55,000, regardless of the household size.

Having only one income limit for this program makes it difficult for families who make a bit more to support a family, to qualify to use it. We would like to establish a slightly higher limit for families of 3 or more.

Staff looked at the 80% of area median income limit that is used in HOME funded DPA programs offered by partner organizations. The \$55,000 limit for smaller households gives the Board the opportunity to assist borrowers who do not qualify for those programs, but who don't make quite enough to afford the additional payment on the amortizing DPA.

For larger households, the \$55,000 limit is less than 80% area median income in many counties. Setting a limit of \$65,000 would still allow the Board to restrict the use of the program, while assisting families that do not qualify for those other programs.

DPA split in CY2020 (200 borrowers)  
37 0% DPA  
163 Bond Adv DPA

There are potentially 22 families who might have qualified for 0% under the new limit. With a \$6,500 loan limit this would equate to an additional \$143,000 in loans. We do have adequate funds available in Special Reserve account to support this change.

## PROPOSAL

Staff requests the Board's approval to set the income limit for a family of 3 or more to \$65,000 for the 0% Deferred DPA Program.

Board Meeting: May 25, 2021

# Homeownership Program Dashboard

May 12, 2021

## RATES

	<u>CURRENT</u>	<u>LAST MONTH</u>	<u>LAST YEAR</u>
MBOH*	2.50	2.50	3.75
Market	2.83	2.95	2.29
10 yr treasury	1.69	1.69	0.69
30 yr Fannie Mae	2.42	2.50	2.38

\*Current Setaside 2.25, DPA 2.75

## LOAN PROGRAMS

	<u>April RESERVATIONS</u>	<u>AMOUNT</u>	<u>TOTAL NUMBER</u>	<u>AMOUNT</u>	<u>ORIGINAL AMOUNT</u>	<u>BALANCE</u>
<b>REGULAR PROGRAM</b>						
Series 2021A(12.30.20)	45	10,183,008	122	25,519,871	29,960,000	4,440,129
Series 2021A DPA (12.30.20)	30	263,305	65	565,735	750,000	184,265
80% Combined (20+)			5	699,520	<b>Since July 2020</b>	reg bond funds
<b>SET-ASIDE PROGRAMS</b>						
MBOH Plus	4	26,000	34	203,961	<b>Since July 2020</b>	729,868
Set-aside Pool	4	482,515	40	6,239,657	<b>Since July 2020</b>	reg bond funds
<i>NeighborWorks</i>	1	147,334	8	950,774		
<i>CAP NWMT CLT</i>						
<i>Missoula HRDC XI</i>						
<i>Bozeman HRDC IX</i>			7	1,554,707		
<i>Home\$tart</i>	2	260,141	10	1,392,016		
<i>HUD 184</i>						
<i>Dream Makers</i>			2	323,956		
<i>Sparrow Group</i>						
<i>City of Billings</i>	1	75,040	13	2,018,205		
Foreclosure Prevent			0	0	50,000	50,000
Disabled Accessible			227	16,497,050	Ongoing	862,950
Lot Refi			12	1,273,560	2,000,000	726,440
FY21 Habitat	1	130,000	8	1,150,913	2,954,750	1,803,837
<b>OTHER PROGRAMS</b>						
Veterans (Orig)	4	943,548	385	74,006,473	Revolving	1,141,351
911 Mrtg Cr Cert (MCC)	6	1,683,199	111	28,042,356	75,000,000	46,957,644

## MARCH CHANGES

	<u># loans</u>	<u>Princ Bal</u>	<u># loans</u>	<u>Princ Bal</u>	
<b>Feb Balance</b>	<b>5,534</b>	<b>499,961,064.96</b>	<b>5,564</b>	<b>504,221,182.71</b>	Dec-20
Mar Purchases (1st)	24	4,873,541.07	80	16,114,963.83	
Mar Purchases (2nd)	16	134,764.00	53	445,343.82	
Mar Amortization		(1,456,798.25)		(3,938,458.66)	
Mar Payoffs	(115)	(11,866,015.81)	(237)	(25,101,168.73)	
Mar Foreclosures	(3)	(296,712.25)	(4)	(392,019.25)	
<b>Mar Balance</b>	<b>5,456</b>	<b>491,349,843.72</b>	<b>5,456</b>	<b>491,349,843.72</b>	Mar-21

## DELINQUENCY AND FORECLOSURE RATES

### MONTANA BOARD OF HOUSING

### MORTGAGE BANKERS ASSOC. 12/2020

(most recent available)

	<u>Mar-21</u>	<u>Feb-21</u>	<u>Mar-20</u>	<u>Montana</u>	<u>Region</u>	<u>Nation</u>
30 Days	1.10	1.57	1.57	1.26	1.62	1.87
60 Days	0.59	0.85	0.45	0.57	0.77	0.85
90 Days	<u>4.36</u>	<u>4.65</u>	<u>0.94</u>	<u>2.67</u>	<u>3.8</u>	<u>4.47</u>
Total Delinquencies	6.05	7.07	2.96	4.50	6.19	7.19
In Foreclosure	0.16	0.16	0.46	0.28	0.25	0.56

## LOAN PURCHASES BY LENDER

	Mar-21	DPA	2021 YTD		2020	
	<u>1st</u>		<u>1st</u>	DPA	<u>1st</u>	DPA
FIRST SECURITY BOZEMAN 061					14	8
1ST COMMUNITY BK GLASGOW 095			1	1	8	6
1ST SECURITY BK MISSOULA 133					5	2
VALLEY BANK RONAN 159					3	
YELLOWSTONE BANK BILLINGS 161					4	4
BIG SKY WESTERN BANK 165						
FIRST MONTANA BANK, BUTTE 172					1	1
AMERICAN BANK CENTER 186	1	1	2	2		
STOCKMAN BANK OF MT MILES 524			5	4	46	18
FIRST INTERSTATE BANK-WY 601	2	1	4	3	23	6
U.S. BANK N.A. 617						
OPPORTUNITY BANK 700	7	4	23	10	94	34
FIRST FEDERAL BANK & TRUST 731			1		2	2
GLACIER BANK KALISPELL 735	1		1		15	1
WESTERN SECURITY BANK 785	2	1	3	2	17	7
MANN MORTGAGE 835	3	1	15	10	53	35
GUILD MORTGAGE COMPANY 842	1	1	4	4	9	7
UNIVERSAL 843	1	1	3	3	24	17
FAIRWAY INDEPENDENT MRTG 847	5	5	8	8	23	17
CORNERSTONE HOME LENDING 850			1	1	6	5
BAY EQUITY LLC 853	1	1	4	4	10	10
LENDUS LLC 854			5	1	27	13
PARAMOUNT RES MTG GRP 855					3	3
CHERRY CREEK MORTGAGE 856					1	1
OPEN MORTGAGE 857					3	2
MAJOR MORTGAGE AMCAP 858					1	1
PACIFIC RESIDENTIAL 859					1	
MISSOULA FEDERAL C U 901						
Grand Count	24	16	80	53	393	200

## MBOH MARCH PORTFOLIO

	# of loans	\$ of loans	% of #	% of \$	
<b>FHA</b>	2,864	302,754,446	52%	62%	
<b>RD</b>	1,088	112,594,356	20%	23%	
<b>VA</b>	349	44,390,941	6%	9%	
<b>HUD184</b>	47	3,441,356	1%	1%	
<b>PMI</b>	46	3,633,962	1%	1%	
<b>Uninsured 1st</b>	204	19,185,660	4%	4%	
<b>Uninsured 2nd</b>	858	5,349,122	16%	1%	
	5,456	\$ 491,349,844			
<b>March 2020 Balance</b>	5,724	\$ 519,362,417	-4.68%	-5.39%	percent of Incr/Decr
<b>Serviced by MBOH</b>	4,744	\$ 426,476,050	87%	87%	

### Weighted Average Interest Rate 3.962%

	# of loans	\$ of loans
0 - 2.99%	583	\$ 24,290,387
3 - 3.99%	1976	\$252,653,301
4 - 4.99%	1185	\$133,291,286
5 - 5.99%	1153	\$ 61,498,104
6 - 6.99%	493	\$ 17,954,077
7 - 7.99%	65	\$ 1,661,446
8 - 8.99%	1	\$ 1,243

## Mortgage Servicing Program Dashboard Effective 04/30/21

	Last Year	Last Month	This Month
MONTH	APR 2020	MAR 2021	APR 2021
PORTFOLIO TOTAL LOANS	5323	5,100	5,060
MBOH	4983	4762	4726
BOI	326	322	318
MULTI FAMILY	14	16	16
PRINCIPAL (all loans)	\$ 510,904,489.54	\$489,556,134.29	\$484,439,612.57
ESCROW (all loans)	\$ 8,337,122.09	\$6,704,618.28	\$6,797,176.02
LOSS DRAFT (all loans)	\$ 1,633,244.66	\$995,911.28	\$968,897.80
LOANS DELINQUENT (60+ days)	166	282	273
ACTUAL FORECLOSURE SALES IN MONTH	1	1	1
FORECLOSURES TOTAL CALENDAR YEAR	5	2	3
DELINQUENT CONTACTS TO MAKE	709	572	510
LATE FEES - NUMBER OF LOANS	0	538	460
LATE FEES - TOTAL AMOUNT	\$ -	\$15,341.10	\$13,028.82
PAYOFFS	47	102	79
NEW LOANS/TRANSFERS	54	29	40

## 2021 Monthly Servicing Report

LOSS MITIGATION	APR 2021	<b>HUD's National Servicing Center TRSII SFDMS Reporting FY 2021 Effective 12/30/20 Score 92.25% Tier 1 - Grade A</b>
ACTIVE FINANCIALPACKETS	1	
REPAYMENT/SPECIAL FORBEARANCE	2	
COVID19 FORMAL FORBEARANCE	257	
HAMPS, PARTIAL CLAIMS & MODS PNDG	10	
CHAPTER 13 BANKRUPTCIES	17	
PRESERVATION PROPERTIES	4	
REAL ESTATE OWNED PROPERTIES	0	
SHORT SALE	2	
DEED IN LIEU	0	

# Operations & Executive Director Update

May 2021

## Board Meetings

The next scheduled meeting is June 14, 2021 and will be held in virtual/webinar format.

## Board Training

The next scheduled board training and strategic planning sessions are scheduled for September 20 – 21, 2021. These are currently scheduled in Missoula and via ZOOM. State employees, including board members, are still operating under COVID guidelines, which prohibit in-state and out-of-state travel unless deemed a business necessity. We may cancel the Missoula on-site option, depending on whether any changes in state travel policy are made in the near future.

The [2021 Annual Conference & Showplace — NCSHA](#) is currently scheduled in-person from September 25 – 28 in Detroit. Again, we are currently restricted from out-of-state travel, but will inform board members of any changes in state travel policy. Please inform Paula Loving if you would be interested in this conference opportunity. This conference has historically included sessions on board governance, specifically for board members.

The NCSHA conference is typically held in October, so with the dates shifting to September, we may need to reassess the timing of these two opportunities. Board members are encouraged to provide feedback on their availability and interest to Cheryl Cohen and Paula Loving.

## Contracts / Procurement

- GSE Consultant contract with Acorn Mortgage Consulting was extended for another year.
- First Interstate Bank contract was extended for another year.
- In process of extending financial statement review contact with Wipfli for another year.
- In process of extending legal counsel contracts for another year (Kutak Rock, Jackson Murdo).

## GSE Seller/Service Approval Work Plan

- Organization Change updates were submitted to Freddie Mac on April 7, 2021 (Mary Bair's retirement, Nicole Whyte Multifamily Program manager).
- GSE work plan team members completed a series of Freddie Mac trainings and workflow discussions from January to April this year. Each team member was asked to complete and submit a Freddie Mac Readiness Assessment (see template) to the Executive Director on May 10, 2021.
- Cheryl Cohen, Vicki Bauer and our GSE consultant, Lu Slettedahl, met on May 13 to discuss how assessments will be evaluated and potential next steps.
- There are a few program models to consider when doing business with the GSEs, for example Selling whole loans through the cash window, having an MBS program within the bond program structure, having an MBS program outside of the bond program structure in the TBA market, deciding whether to utilize a Master Servicer.
- We had a preliminary conversation with Idaho Housing and Finance Association (IHFA) to learn about the role they play with other HFAs who have launched GSE programs and are working to build their own in-house capacity. IHFA provided us with a Summary of Services, including their alternative service fee-sharing model.

## Personnel Update

- Administration - Cindy Maxwell is retiring at the end of May (thank you Cindy for the awesome years of hard work and dedication you've put in). We are currently hiring her replacement, along with another vacant position in Admin which will wrap up at the end of May.

## Emergency Rental Assistance Program

As of May 17, 2021:

- 2,640 total applications
- 1,201 draft applications in process but not yet submitted

# Operations & Executive Director Update

## May 2021

- 1,120 applications submitted and under various stages of review
- 69 ineligible applications
- 283 approved applications
- \$1,847,328 grants awarded, for average of \$6,527 per household

## Executive Director Update

### Commerce re-alignment update

- Realigning business structure to provide a collaborative customer service while adding career growth
- Some changes in reporting structure
- Commerce offices, our work and funding are not changing
- Consolidating all Commerce housing programs within Montana Housing
  - HOME Investment Partnership Program (including HOME-ARP)
  - Housing Trust Fund
  - Community Development Block Grant – Housing
- Housing staff from Community Development Division joining Montana Housing include: Julie Flynn, Sharon Lofftus, Theresa Wadsworth, Nicole Newman, Janelle Egli and Dan Kaiserski – Welcome!
- Board of Housing will continue to make funding decisions on Housing Credits and Multifamily Coal Trust Homes Program
- Commerce Director will continue to make funding decisions for HOME, HTF and CDBG-Housing Programs
- All housing program managers will report to Housing Division Administrator: Multifamily, Community Housing, Homeownership, Mortgage Servicing, Rental Assistance and Operations
  - Accounting / Finance and IT services consolidated within Commerce Director's Office
- Website updates to reflect re-alignment are underway and will be released as part of website conversion change later this summer

## Legislative Session Wrap-Up

Some key pieces of housing-related legislation passed and signed into law (does not include landlord tenant law bills):

- **HB 3** - \$17 Million Federal Special Revenue for Emergency Rental Assistance from CAA, 2021.
- **HB 259** – Revise property and zoning laws. Prohibits local government and zoning regulations from requiring housing fees or the dedication of real property for the purposes of providing housing for specified income levels/sales prices. Amended: 7-2-4203, 76-2-203, and 76-2-302 MCA.
- **HB 304** – Revise definition of community land trust. 70-23-102. Definitions. 6) "Community land trust" means a nonprofit organization under section 501(c) (3) of the international revenue code that holds title to land beneath individually owned units (housing was taken out), including but not limited to single-family homes, townhomes, condominiums, and multi-unit rental properties ... 7) "Condominium" means the ownership of single units with common elements ...The term does not include a townhome or a townhouse.
- **HB 432** - Revise property tax exemption for affordable housing. 15-6-221. Exemption for rental housing providing affordable housing to lower-income tenants. (1) That portion of residential rental property that is dedicated to providing affordable housing for lower-income persons is exempt from property taxation in any year that: (b) the property is owned and operated by a nonprofit corporation exempt from taxation under 26 U.S.C. 501(c)(3) and was constructed using a home investment partnerships program grant.
- **HB 630** – Appropriate CARES II funds. Includes remaining \$183m Federal Special Revenue for Emergency Rental Assistance from CAA, 2021. Includes direction for Commerce to collaborate with DPHHS on administration of the program.
- **HB 632** - Implement receipt of and appropriate federal stimulus and COVID recovery funds. Includes \$152m ERA 2, \$50m Homeowner Assistance Fund, and \$11m HOME Supplemental Funds.
- **SB 161** – Allow certain subdivisions to qualify for an expedited review.

# Operations & Executive Director Update

## May 2021

- **SB 269** – Allow mobile homeowners the option to purchase a mobile home park.
  
- **HJ 6** – Provide for study of natural resources trust fund. Purpose: requesting an interim study of MT coal severance tax trust fund to: 1) review uses and utilization of fund; 2) determine, projected infrastructure costs and how fund can be used to pay for those costs, market and export opportunities, long-term interest rates and future investment strategies; 3) review forecasts for coal extraction in MT and what that means for the fund; 4) analyze energy resources and review potential severance/ production taxes to assist in protecting the fund, and; 5) assess whether the Legislature should revisit the current allocations and uses of funds. Due prior to Sept. 15, 2022.

Did not pass legislature or vetoed by Governor:

- **HB 21** – Authorize funding for the multifamily coal trust home loan program.
- **HB 134** – Allow zoning for duplex, triplex, and fourplex housing in certain municipalities.
- **HB 397** - Establish workforce housing tax credits.
- **SB 117** – Generally revise laws governing the Housing Montana Fund.
- **SB 268** – Allow for the condemnation and reacquisition of a mobile home park.
- **SB 362** – Generally revise the Residential Mobile Home Lot Rental Act.

# Section 8 Program Dashboard

April 30, 2021

## HCV, HUD-VASH, MOD REHAB, PBS8, 811 PRA DEMO PROGRAMS:

CURRENT PERIOD: April 2021

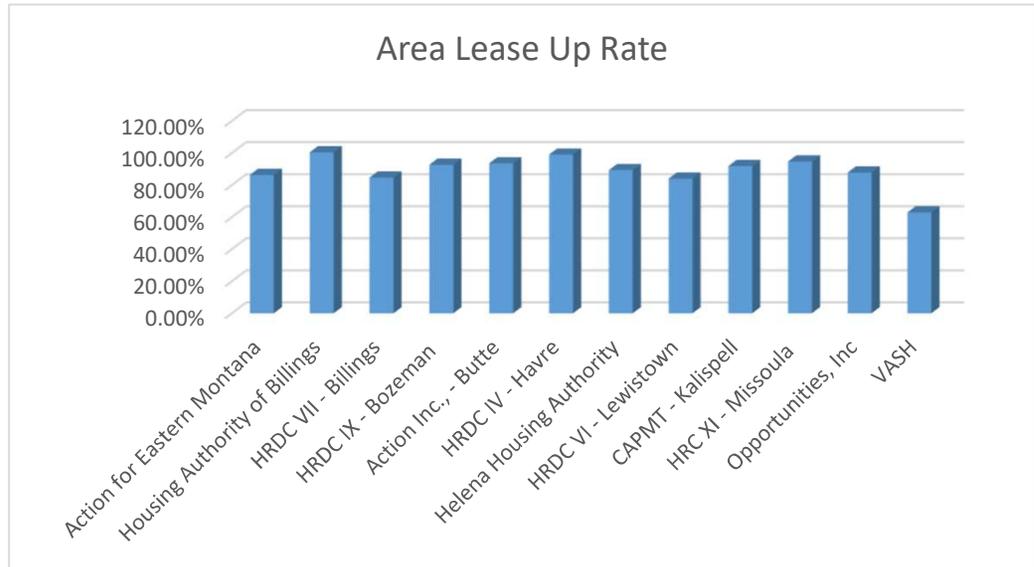
SECTION 8 PROGRAMS	<u>Month</u>	<u>Month</u>	<u>Change</u>	<u>Year</u>	<u>HUD</u>	<u>Date</u>	
	<u>Mar-2021</u>	<u>Apr-2021</u>		<u>HAP</u>	<u>Budget</u>	<u>Fees</u>	<u>Term</u>
<b>Housing Choice Voucher (HCV)</b>					15,426,099	123,026	CY 2020
PBS8 Opt-Out Conversion Funding							
Paid Units (3625 Agency contracts)	3,184	3,154	-30				
Current Month Payment Amount	1,612,393	1,598,583	-13,810	6,463,825		497,079	
<b>Veterans Affairs Supportive Housing (VASH)</b>							CY2020
Number Units Paid (321 Authorized)	235	228	-7			8,918	
Payment Amount	115,867	114,617	-1,250	453,907		34,803	
<b>Moderate Rehabilitation (ModRehab)</b>					2,012,728		CY2020
Number Contracts	18	18	0				
Paid Units (297 Authorized)	251	215	-36			8,069	
Payment Amount	115,972	115,092	-880	518,294		36,218	
<b>Project Based VASH</b>							
Number Units Paid	41	44	3			1,554	
Payment Amount	25,602	28,882	3,280	102,919		5,552	
<b>Project-Based (PBS8)</b>							<b>Admin Earnings</b>
Contracts	87	87	0			83,569	
Units Paid (4132 Authorized with 8bb)	3,544	3,543	-1				Contract Extension
Payment Amount	2,111,674	2,047,678	-63,996				
Calendar Year Admin Earnings							334,334
<b>811 Project Rental Assistance Demo (FY)</b>					1,900,000	157,000	Five Year
Rental Assistance Contracts (RAC)	4	4	0	Disbursed:	538,342	Balance:	1,361,658
Units (grant requires 82)	19	20	1				8 Units Kalispell
Payment Amount	10,495	11,124	629				40 Units Missoula
							5 Units Ronan
							21 Units Bozeman/Belgrade
							74

## TOTALS

	<u>Previous</u>	<u>Current</u>	<u>Change</u>
	<u>Month</u>	<u>Month</u>	
Paid Units:	7,274	7,204	-70
Budgeted Units:		8,317	
All Section 8 HAPs	3,992,003	3,915,976	-76,027

## Housing Choice Voucher Program Waiting List as of May 15, 2021

Agency	Contract	5/15/2021	Lease up %
Action for Eastern Montana	190	164	86.32%
Housing Authority of Billings	460	462	100.43%
HRDC VII - Billings	150	127	84.67%
HRDC IX - Bozeman	425	394	92.71%
Action Inc., - Butte	280	262	93.57%
HRDC IV - Havre	200	198	99.00%
Helena Housing Authority	225	201	89.33%
HRDC VI - Lewistown	125	105	84.00%
CAPMT - Kalispell	355	326	91.83%
HRC XI - Missoula	415	393	94.70%
Opportunities, Inc	550	483	87.82%
VASH	367	231	62.94%



Waiting List No. as of May 15, 2021	
Action for Eastern Montana	181
Housing Authority of Billings	306
HRDC VII - Billings	110
HRDC IX - Bozeman	249
Action Inc. - Butte	204
HRDC IV - Havre	86
Helena Housing Authority	361
CAPMT - Kalispell	463
HRDC VI - Lewistown	11
HRC XI - Missoula	778
Opportunities, Inc	70
<b>Total State Waiting List</b>	<b>2819</b>

