MINUTES OF MEETING
OF THE
BOARD OF COMMISSIONERS

A regular meeting of the Rhode Island Housing and Mortgage Finance Corporation Board of Commissioners was held on Thursday, December 15, 2011 at the Offices of the Corporation, 44 Washington Street, Providence, RI.

Commissioners in attendance were: Chairman James DeRentis; Steven Costantino, designee for Richard Licht, Director of Administration; Joshua H. Brumberger, designee for General Treasurer Gina Raimondo; and Jose Monteiro. Vice Chairwoman Denise Barge; Paul McGreevy, Director of Department of Business Regulation and Paul Dimeo were absent.

Also in attendance were: Richard H. Godfrey, Jr., Executive Director; Susan Bodington, Deputy Director; Kara Lachapelle, Director of Finance and Technology; Amy Rainone, Director of Intergovernmental Relations; Carol Ventura, Director of Development; Cathleen Paniccia, Director of Homeownership and Administration; Leslie McKnight, Director of Servicing, and Michael V. Milito, Corporation Counsel.

Edward Pare, Counsel to the Corporation was also present, as were members of the public.

Pursuant to Chapter 46 of Title 42 of the General Laws of Rhode Island, notice of the meeting of the Board of Commissioners was posted in the Offices of the Corporation and at the first floor bulletin board in the State House.

Chairman DeRentis called the meeting to order at approximately 8:36 a.m. Since a quorum was not present at that time, no votes or other formal action was taken until a quorum was present until Commissioner Monteiro arrived at 9:16 am.

Chairman's Report

Chairman DeRentis expressed best wishes to the Board, staff and guests for a happy, healthy holiday session.

Chairman DeRentis asked for the board's indulgence in waiting for Commissioner Montiero to arrive to achieve a quorum. In an effort to effectively utilize the Commissioners time, the Chairman asked all agenda items that did not require formal board action be considered first and that background information on the proposed action items be provided to the Commissioners but that formal action would be held until a quorum was present.

Committee Reports

There were no committee meetings held in November.

Executive Director's Report

Mr. Godfrey referred the Commissioners to his written report which included numerous attachments and briefly commented on several topics of interest.

Mr. Godfrey noted that HUD has approved the transfer of the Housing Assistance Payments contract for 83 apartments to the new sponsor/developer of Phoenix Apartments (formerly Medina Village). With the clearing of this last major hurdle, a closing is expected to proceed in January and with construction beginning soon after that. Staff worked hard on the expediting the process.

Mr. Godfrey updated the Board of the recent allegations of mismanagement of programs at ProCAP. Rhode Island Housing worked with ProCAP in the delivery of the RoadHome Emergency Housing Assistance Program. Following a staff review of program files and operations at ProCAP, it was decided that Rhode Island Housing would take over interim administration of the Program while seeking another community agency to do so going forward.

Mr. Godfrey announced that Rhode Island Housing has entered into three contracts with the State of Rhode Island to administer weatherization and emergency boiler replacement programs that had previously been administered by ProCAP. The total amount of the contracts is about $1.6 million and includes an allowance of about 10% for administration. Rhode Island Housing currently administers a State weatherization program for larger buildings while the new program is for 1 – 4 family dwellings.

On December 14, 2011, the Superior Court appointed an interim receiver to take over operations of ProCAP at the request of its Board. It was also reported that the agency is over $2 million in debt and the City of Providence is making the agency an emergency loan of $250,000. Mr. Godfrey promised to keep the board informed of any other issues that might develop regarding ProCAP.

Mr. Godfrey also informed the Commissioners that the previous week he was in Washington DC with executive directors from most of the other state HFAs. A series of meetings were held with senior officials from various federal agencies including HUD, Agriculture, Treasury, FHA, FHFA and Fannie Mae. The Executive Directors shared productive conversations about expectations and initiatives in 2012 and beyond. While HUD forecasts even greater cuts to housing programs, conversations with FHFA, Treasury and Fannie explored potential HFA roles in a new housing finance system which is expected to be addressed in 2013.

Mr. Godfrey noted that with the proceeds of the 2006 Building Homes RI bonds allocated and federal housing programs severely diminished, there are few funds available to fill the gaps needed after using Rhode Island Housing loans and Housing Credits. With limited earnings, it is not possible to increase the amount of deferred payment loans that Rhode Island Housing traditionally offered. Neil Steinberg of the Rhode Island Foundation and Tony Maione of the United Way are taking the lead in advocating for a new bond issue to be placed before the voters as part of the 2012 General Election. On Sunday, December 11, 2011, the Providence

Journal ran an editorial endorsing the housing and jobs benefits of a new housing bond. The HousingWorksRI coalition is also a strong advocate for the bond issue.

Rhode Island Housing's partnership with the Department of Labor and Training (DLT) to publicize the availability of the Hardest Hit Fund – Rhode Island was strengthened this month by a new and more robust mailing to those who are collecting unemployment insurance. Starting in mid-December DLT will be putting together a special weekly mailing with a letter and one-page flyer on HHFRI to those filing new claims and those receiving claims. The flyer encourages unemployment insurance recipients to call a special number to begin the HHFRI application process immediately. It will be mailed to about 1,200 people per week for the next 6 weeks.

On December 13th, HUD released the results from its 2011 Point in Time (PIT) count of homeless individuals, which took place on a single night last January. The report shows a 12% reduction in the number of Veterans experiencing homelessness across the country. Rhode Island's numbers for the PIT count was contrary to the national trend and showed a significant increase in homeless veterans from 87 to 123. Preliminary numbers on a more reliable measure counted over the course of the year shows a smaller Rhode Island increase of about 14%. That number is expected to decrease in 2012 as more homes with supportive services for veterans and VASH vouchers become available. While eliminating homelessness among Rhode Island veterans is a collaborative goal, with federal cuts to the 202, 811 and HOME programs, this becomes an even greater challenge. Rhode Island Housing's HHFRI program is now also targeting veterans with a special outreach program geared for families that are experiencing difficulties once the veteran returns home from deployment.

Commissioner Costantino suggested that Rhode Island Housing partner with his office to explore options in coordinating efforts of assistance and outreach to those veterans. Mr. Godfrey thanked Commissioner Costantino and promised that appropriate staff would be in touch soon.

A brief conversation followed Mr. Godfrey's report. Commissioner Monteiro arrived at this point of the meeting at approximately 9:16 a.m.

Firm Approval of Financing for Deerfield Apartments

Mr. Godfrey presented this request.

This Request for Action (RFA) is for Firm Commitment of financing for Deerfield Apartments (Deerfield), an existing elderly housing development originally financed by the United States Department of Agriculture (USDA) under its Section 515 Rural Development production program. The prospective owners are requesting new financing under Rhode Island Housing's Preservation Program. The developer is Cathedral Development Group (the "Developer").

Deerfield is an 80-unit elderly development located in North Smithfield, RI. The development was constructed in three phases in the early 1990s using housing tax credits and USDA financing. The initial compliance periods for the housing tax credits expired in 2007 and 2009. All of the units are one-bedroom, four of which are handicapped accessible and all currently receive rental subsidies from the USDA. In addition to the residential units, Deerfield contains a

community room and laundry room. The property contains associated parking for 86 vehicles. The two-story structure was built without elevators. The current scope of rehabilitation includes the addition of two elevators to better serve the development's elderly population.

The original developer was Anthony Pacheco who was the General Partner (GP) of the original owner, Deerfield Commons Associates, LP. First Sterling was the initial tax credit investor Limited Partner (LP). In 1996, an entity controlled by Robert Gaudreau purchased the GP interest. Another Gaudreau related entity, Property Advisory Group (PAG), has managed the property since 1996. In 2010, a Gaudreau related entity, Presidential Properties Group, LP purchased all of the LP interests.

Deerfield Acquisition, LP, a newly-formed limited partnership, will acquire the property from the current owner. The new general partner will be Deerfield GP, LLC, a single asset entity whose managing member, Cathedral Development Group (CDG), Inc., is also a Gaudreau related entity. PAG will continue to manage the property after the closing of this transaction. Michel Associates, Ltd. (Michel) or an affiliated entity will be the new limited partner. Michel has agreed to purchase the 4% housing tax credits that are generated by the tax-exempt bond financing. A Letter of Intent has been executed by Michel and the developer.

Preliminary Approval was given to this transaction in April, 2011. Since then, the Developer has completed a Capital Needs Assessment which was used to determine the final scope of rehabilitation work ensuring the long term viability of the buildings.

Based on this report, and following acquisition of the property, the new ownership entity will complete approximately $1.4 million in improvements. The improvements will include installation of two elevators, unit upgrades including new kitchen cabinets, unit doors and ADA upgrades. Additional upgrades will be made to the fire protection and mechanical systems to ensure compliance with current codes. Exterior improvements include new windows, a new roof, replacement of original vinyl siding with Hardie Board fiber-cement siding and parking lot resurfacing. In addition, the new owner will establish a reserve to cover the costs of necessary upgrades and improvements forecasted in future years.

The Developer has requested an increase in the current USDA Section 515 rent subsidy for the site. They have submitted an application to the USDA for a subsidy increase to the projected market rent level, assuming completion of the anticipated rehabilitation of the property. The Developer is relying on an appraisal commissioned by the USDA for the projected market rent. The USDA has completed its review of that appraisal as well as the proposed scope of work and has indicated its preliminary approval for the proposed rehabilitation project as well as the rental subsidy increase and restructuring/subordination of the existing USDA debt discussed below. Upon completion of the federal environmental review process, the USDA will issue final approval of the proposed transaction within the next several months. It is anticipated that closing will occur shortly thereafter.

The existing USDA debt on the property is approximately $3.8 million. In order to encourage the preservation of older properties, the USDA will allow their existing debt to be subordinated to the new first mortgage. The USDA loans will be rewritten for a new 30-year term with a 50-year amortization schedule. The current interest rate of 1% will be retained. Per USDA

requirements, the combined debt service coverage of the Rhode Island Housing first and the USDA second must be no less than 1.15 to ensure repayment. Therefore the effective debt service coverage for the Rhode Island Housing first mortgage is well above the required 1.2 and the loan to value is well below Rhode Island Housing's 90% guideline.

The primary source of financing for the transaction will be a 30-year tax-exempt first mortgage from Rhode Island Housing based on the lower of USDA approved rents at the time of closing or current market rents. This new loan will be insured with the US Department of HUD under the Risk Share Program. Other sources include syndication equity from 4% tax credits, existing project reserves and the assumption and subordination of the existing USDA debt of approximately $3.8 million.

Upon a motion made by Commissioner Costantino and seconded by Commissioner Monteiro the following resolution was unanimously approved:

Resolution of the Board of Commissioners
of Rhode Island Housing and Mortgage Finance Corporation

Whereas, Rhode Island Housing and Mortgage Finance Corporation ("Rhode Island Housing") is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of Rhode Island Housing have promise supplying well-planned, well-designed apartment units which will provide housing for low- and moderate-income persons or families, or the elderly, or others in locations where there is a need for such housing;

Whereas, Rhode Island Housing intends to issue tax-exempt bonds for the purpose of financing qualified housing developments throughout the state;

Whereas, Said bonds shall have a term not to exceed thirty (30) years and shall be in the approximate amount sufficient to finance the mortgage, pay the costs of issuance, fund a capital reserve fund and to provide the capitalized interest if determined to be necessary;

Whereas, The applicant ("Applicant") listed below has presented an application to Rhode Island Housing requesting mortgage financing to acquire and rehabilitate the building as set forth below:

Development	Applicant	Amount
Deerfield Apartments	**Cathedral Development Group, Inc.**	**$4,400,000.00**

Whereas, Rhode Island Housing staff has reviewed the submission and determined that this development may qualify for financing under Rhode Island Housing's enabling legislation, regulations, guidelines and policies; and

NOW, THEREFORE, IT IS HEREBY:

Resolved, That, subject to the special conditions listed below, Rhode Island Housing hereby declares Firm Commitment for tax exempt mortgage financing in an amount not to exceed $4,400,000 for rental housing known as Deerfield Apartments located at 190 St. Paul Street, North Smithfield, Rhode Island.

Resolved, That Rhode Island Housing hereby declares that the Firm Commitment of financing for the Borrower constitutes the affirmative official act of Rhode Island Housing of its intention to issue bonds to finance up to $4,400,000 in permanent mortgage funds, plus the required bond reserve funds, and the related costs of issuance for the bond issue for the above-referenced develop pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder. This resolution shall take effect immediately upon adoption.

Resolved, That the foregoing resolutions are subject to the following conditions:

- Approval by the USDA of proposed rents at the market levels provided by an independent appraiser as well as restructuring and subordination of existing USDA debt.
- Syndication equity from the sale of housing tax credits in an amount sufficient to achieve project feasibility.
- Acceptable final appraisal and market study by an independent appraiser demonstrating that the loans do not exceed 90% of the as-stabilized value of the property and that sufficient demand exists for the proposed units.
- Final approval of the new operating budget.
- Approval by Rhode Island Housing of construction plans, specifications, and supporting construction documentation.
- FHA Risk-Sharing Approval for a minimum of 50% of the permanent first mortgage.
- Approval by bond underwriter and bond counsel that the tax exempt loan will satisfy all required bond provisions for the bond issue.
- Completion of all items required for firm commitment and closing in accordance with normal underwriting and processing requirements.

Resolved, That the Executive Director, Deputy Director, and the Director of Development, each acting singly, shall take any and all actions they deem necessary to carry out the foregoing Resolutions.

<u>Firm Approval of Financing for Riverstone Apartments</u>

Mr. Godfrey gave an overview of this request.

This Request for Action is for Firm Approval of Financing for Blackstone Valley Apartments ("Blackstone") and Riverview Terrace ("Riverview"), two existing Section 202 developments located at in Pawtucket and currently owned by affiliates of The Arc of Blackstone Valley

("BVArc"). Upon refinancing, the sites will operate as one development consisting of 103 apartments to be known as Riverstone (the "Development"). The Development originally received preliminary approval in June 2008.

Both Blackstone and Riverview were built under the HUD Section 202 program. Blackstone, built in the early 1990s consists of 5 buildings with 22 apartments. Riverview is a high rise building consisting of 81 apartments built in the early 1980s. Both developments were built to house elderly and disabled individuals with incomes at or below 50% of the area median income ("AMI"). As part of the original financing, the developments received 20-year Housing Assistance Payment contracts (the "HAP Contracts").

HUD has issued regulations that allow existing Section 202 developments to prepay their existing loans and refinance if the owner can show that the new transaction results in cost savings or improvements that benefit the residents. These developments are eligible for refinancing under the HUD regulations. The owners will be required to sign a HUD 202-Use Restriction that maintains the benefit for very low-income residents through the original maturity date of the Section 202 Direct Loan. In addition, Rhode Island Housing will require a 40-year Regulatory Agreement to ensure long term affordability. The transaction is subject to HUD approval.

Blackstone Apartments has been in BVArc's portfolio since its initial development. BVArc took control of Riverview through a HUD TPA in 2008. This was accomplished through the consolidation of the Independent Living Authority, another non-profit organization, into BVArc. The transfer was not an acquisition so the site is eligible for low income housing tax credits. BVArc assumed ownership of this project along with two additional HUD financed properties in order to expand their portfolio to provide more housing options for their clients. BVArc is set up to provide supportive services to residents of both facilities

In June 2008, this Board gave Preliminary Approval of a financing plan primarily comprised of tax exempt financing and the syndication of 4% HTCs. However, due to subsequent turmoil in the housing tax credit market, the development was unable to attract a tax credit syndicator and the transaction could not proceed. The sponsor has now received a Letter of Intent from Michel Associates, LTD who will be the syndicator.

Both sites are in need of exterior and interior upgrades including a new roof and windows, drainage and parking lot improvements as well as unit upgrades relating to kitchens and bathrooms. System upgrades will include replacement and/or upgrades of the boilers as well as life safety system upgrades to meet fire code regulations. Plans and specifications are complete and a contractor has been selected. The owner will establish a reserve account to cover the costs of necessary upgrades and improvements forecasted in future years.

The primary sources of funding are a first mortgage from Rhode Island Housing and syndication equity from 4% low income housing tax credits ("HTCs") Other sources in the transaction include resale proceeds in the form of a loan to the new owner, existing reserves, a deferred developer fee and a loan from the Affordable Housing Trust.

Under certain conditions Section 202 developments are exempt from HUD regulations limiting Section 8 rents to current market levels. Rhode Island Housing commissioned an appraisal which determined current HAP Contract Rents exceed market rents. Rhode Island Housing applied for and received a waiver from HUD to underwrite at the higher of the market or Section 8 rents. The loan will be insured through FHA's Risk Share Program.

Upon a motion made by Commissioner Brumberger and seconded by Commissioner Costantino the following resolution was unanimously approved:

Resolution of the Board of Commissioners
of Rhode Island Housing and Mortgage Finance Corporation

Whereas: Rhode Island Housing and Mortgage Finance Corporation ("Rhode Island Housing") is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of Rhode Island Housing have promise of supplying well-planned, well-designed apartment units which will provide housing for low and moderate-income persons or families, or the elderly, or others in locations where there is a need for such housing;

Whereas: Rhode Island Housing intends to issue tax-exempt bonds for the purpose of financing qualified housing developments throughout the state;

Whereas: said bonds shall have a term not to exceed thirty (30) years and shall be in the approximate amount sufficient to finance the mortgage, pay the costs of issuance, fund a capital reserve fund and to provide the capitalized interest if determined to be necessary;

Whereas: Rhode Island Housing is authorized to issue bridge financing at an economically acceptable rate to promote the acquisition, rehabilitation or preservation of affordable housing;

Whereas: The applicants ("Applicants") listed below have presented an application to Rhode Island Housing requesting a mortgage financing to acquire and rehabilitate the development as set forth below (the "Development"):

Development	Applicant	Tax Exempt Mortgage
Riverstone Apartments	**The Arc of Blackstone Valley**	**$7,800,000**

Whereas: Staff has reviewed the submission and determined that the Development may qualify for financing under Rhode Island Housing's enabling legislation, regulations, guidelines and policies.

NOW, THEREFORE, IT IS HEREBY:

Resolved: That, subject to the special conditions listed below, Rhode Island Housing hereby declares firm commitment approval for tax-exempt mortgage financing to a limited partnership to be formed by The Arc of Blackstone Valley, in an amount not to exceed $7,800,000 for rental housing currently known as Blackstone Apartments and Riverview Terrace but upon refinancing to be known as Riverstone Apartments located in Pawtucket, Rhode Island to be financed, in part, by tax-exempt bonds;

Resolved: That Rhode Island Housing hereby declares that the preliminary commitment approval of financing for the Borrower constitutes the affirmative official act of Rhode Island Housing of its intention to issue bonds to finance up to a $7,800,000 loan plus the required bond reserve funds and the related costs of issuance for the bond issue for the above-referenced Development pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder;

Resolved: That the foregoing resolutions are subject to the following conditions:

- HUD approval of prepayment of the existing first mortgages and refinancing.
- HUD approval of the assignment of the current HAP Contracts.
- Evidence of the availability of a twenty year HAP Contract for Blackstone Apartments at rent levels, in the judgment of Rhode Island Housing, sufficient to ensure project feasibility.
- Acceptable final appraisal by an independent appraiser demonstrating that the new first mortgage does not exceed 90% of the as-stabilized value of the property.
- Approval by Rhode Island Housing of all members of the development team.
- Syndication equity from the sale of low income housing tax credits in an amount sufficient to insure development feasibility.
- Approval by Rhode Island Housing of construction plans and specifications and construction documentation including an acceptable reserve analysis for the rehabilitation items not immediately undertaken following acquisition.
- Approval of a new operating budget.
- FHA Risk-Sharing approval for 50% of the First Mortgage.
- Approval by bond underwriter and bond counsel that the loans will satisfy all required bond provisions for the bond issue.
- Completion of all items required for closing in accordance with normal underwriting and processing requirements.

Resolved: That the Executive Director, Deputy Director, and the Director of Development, each acting singly, shall take any and all action they deem necessary to carry out the foregoing resolutions.

Preliminary Commitment of Financing for 1115 Douglas Avenue Veteran's Housing

Mr. Godfrey presented this request.

This Request for Action ("RFA") is for a preliminary commitment of tax exempt financing and a Deferred Payment loan for Veterans for Tomorrow ("the Development"), a twenty (20) unit adaptive reuse rental development in Providence. The developer is The Arc of Blackstone Valley ("BVArc").

Veterans for Tomorrow will be located at 1115 Douglas Avenue in Providence. The Development involves the adaptive reuse of a 14,125 square foot, three-story historic mill, with the resulting twenty (20) rental units comprised of one (1) efficiency and nineteen (19) one bedroom apartments. The Development will provide homes for male and female veterans who recently were homeless, or who are at risk of homelessness. The building will include employment training classroom space. BVArc has been providing training to young adults interested in working in the human services field, and will use the training space to extend this programming to veterans.

The mill is listed on the Federal Register of Historic Places and is eligible for federal historic tax credits. The sponsor has indicated that a Phase I environmental review has been completed for the property, with no issues being found.

The proposal is for total rehabilitation of the structure, resulting in all new mechanical systems, new finishes, windows, roof, and outdoor patio area, resident lounge areas, a laundry room, parking, and the employment training classroom. Each apartment will have a kitchen and a bathroom ensuring that each resident has their own home.

The Development has recently been awarded twenty (20) Veterans Affairs Supportive Housing ("VASH") vouchers from the US Department of Housing and Urban Development and the Veterans Administration ("VA"). The Providence Housing Authority will be the contract administrator. The VASH vouchers provide rent subsidies allowing BVArc to provide housing to persons at or below 50% of the Area Median Income. Additionally, the VASH vouchers ensure that a full range of support services will be available to residents via the VA Hospital.

The Development also received an award of Thresholds Funds from Rhode Island Housing at the November 2011 Board Meeting. Commitments for HOME funds from Rhode Island Housing and the City of Providence have been secured.

The BVArc seeks a tax-exempt construction loan of $1,800,000. Upon completion of construction and receipt of the Part II award from the National Park Service for the historic credits, a portion of the tax-exempt first mortgage will be paid with syndication proceeds.

The primary sources of funding are a first mortgage in the amount of $1,800,000 of which $552,000 will remain as a permanent first mortgage, syndication equity from 4% low income housing tax credits ("HTCs"), and federal historic tax credits. Other sources in the transaction include a Deferred Payment loan from Rhode Island Housing, City of Providence and Rhode

Island Housing HOME funds, a Thresholds grant and a deferred developer fee. The permanent mortgage will be insured through FHA's Risk Share Program.

Upon a motion made by Commissioner Monteiro and seconded by Commissioner Brumberger the following resolution was unanimously approved:

Resolution of the Board of Commissioners
of Rhode Island Housing and Mortgage Finance Corporation

Whereas: Rhode Island Housing and Mortgage Finance Corporation ("Rhode Island Housing") is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of Rhode Island Housing have promise of supplying well-planned, well-designed apartment units which will provide housing for low and moderate-income persons or families, or the elderly, or others in locations where there is a need for such housing;

Whereas: Rhode Island Housing intends to issue tax-exempt bonds for the purpose of financing qualified housing developments throughout the state;

Whereas: said bonds shall have a term not to exceed thirty (30) years and shall be in the approximate amount sufficient to finance the mortgage, pay the costs of issuance, fund a capital reserve fund and to provide the capitalized interest if determined to be necessary;

Whereas: Rhode Island Housing is authorized to issue bridge financing at an economically acceptable rate to promote the acquisition, rehabilitation or preservation of affordable housing;

Whereas: The applicant ("Applicant") listed below has presented an application to Rhode Island Housing requesting a mortgage financing to acquire and rehabilitate the development as set forth below (the "Development"):

Development	Applicant	Tax Exempt Mortgage	Deferred Payment Loan
Veterans of Tomorrow	**The Arc of Blackstone Valley**	**$1,800,000**	**$256,000**

Whereas: Staff has reviewed the submission and determined that the Development may qualify for financing under Rhode Island Housing's enabling legislation, regulations, guidelines and policies.

NOW, THEREFORE, IT IS HEREBY:

Resolved: That, subject to the special conditions listed below, Rhode Island Housing hereby declares preliminary approval for tax-exempt mortgage financing to a limited partnership to be formed by The Arc of Blackstone Valley, in an amount not to

exceed $1,800,000 for rental housing known as Veterans of Tomorrow located in Providence, Rhode Island to be financed, in part, by tax-exempt bonds;

Resolved: That Rhode Island Housing hereby declares that the preliminary commitment approval of financing for the Borrower constitutes the affirmative official act of Rhode Island Housing of its intention to issue bonds to finance up to a $1,800,000 loan plus the required bond reserve funds and the related costs of issuance for the bond issue for the above-referenced Development pursuant to the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder;

Resolved: That the Rhode Island Housing hereby preliminarily approves up to $256,000 of Deferred Payment Loan Funds for the Borrower.

Resolved: That the foregoing resolutions are subject to the following conditions:

- Acceptable final appraisal by an independent appraiser demonstrating that the new first mortgage does not exceed 90% of the as-stabilized value of the property.
- Approval by Rhode Island Housing of all members of the development team.
- Final approval of HOME and Thresholds funds in amounts sufficient to achieve project feasibility or the availability of alternative equity satisfactory to Rhode Island Housing.
- Syndication equity from the sale of Housing Tax Credits and Federal Historic Tax Credits in amounts sufficient to insure development feasibility.
- Approval by Rhode Island Housing of construction plans and specifications and construction documentation including an acceptable reserve analysis for the rehabilitation items not immediately undertaken following acquisition.
- Approval of the operating budget.
- Approval of a supportive service plan.
- FHA Risk-Sharing approval for 50% of the permanent First Mortgage.
- Approval by bond underwriter and bond counsel that the loans will satisfy all required bond provisions for the bond issue.
- Satisfactory and timely performance in accordance with the schedule established by Rhode Island Housing staff and sponsor.

Resolved: That the Executive Director, Deputy Director, and the Director of Development, each acting singly, shall take any and all action they deem necessary to carry out the foregoing resolutions.

Reservation of 2012/2013 Tax Credits and Preliminary Commitment for:

Susan Bodington, Deputy Director, gave an overview of this item. Ms. Bodington noted that in accordance with an Advisory Opinion from the Ethics Commission, Mr. Godfrey did not participate in the review and recommendation of the Tax Credit proposals since Mr. Godfrey's

wife is the Executive Director of SWAP, one of the applicants for funding. Chairman DeRentis represented the Board during the review of the proposals.

Carol Ventura, Director of Development, made these presentations and introduced the representatives of the applicants that were present to answer questions from the Board.

Kingstown Crossings II

This Request for Action is for a reservation of up to $993,547 in 2012 or 2013 9% Housing Tax Credits (HTC) and Preliminary Commitment of up to $600,000 of first mortgage financing and up to $476,940 of Deferred Payment Loan for Kingstown Crossings II (the "Development") in North Kingstown. The developer is Crossroads Rhode Island ("Crossroads").

Commissioner Brumberger noted that he would recuse from discussing or voting on this item since the General Treasurer, for whom he serves as designee, is a member of the Board of Crossroads Rhode Island, the developer of Kingstown Crossings.

Kingstown Crossings Project II is the second phase of the Kingstown Crossings Master Plan by Crossroads, which redevelops Crossroads' existing Navy Drive development in North Kingstown. The former Navy Drive development consisted of 58 units of obsolete military housing retrofitted for civilian use. The Navy Drive development has been operated by Crossroads since the 1980s. This master planned project is replacing these buildings with a more vibrant village neighborhood environment.

Crossroads took control of the entire Navy Drive parcel from the United States Air Force in 2010 and has completed the Master Plan Comprehensive Permit process for its proposed three phase development which will also include a future new daycare facility and community room (Project III). Crossroads has finalized the plans and is compiling all financial sources for this third component.

Project II proposes the new construction of 46 additional family rental units in 7 buildings, consisting of 12 one-bedroom units, 22 two-bedroom units, 10 three-bedroom units and 2 four-bedroom units. All of the units will serve households earning up to 60% of AMI. However, 8 units will be reserved for households up to 40% of AMI and rents for the balance of the units are currently scheduled between 50-60% of AMI. A new management office will also be included in this phase. Finally, eleven original buildings that are now vacant as a result of the relocation of residents into the recently completed Project I units, will be demolished.

Project I, which will be completed by the end of this year, replaced the original 58 obsolete rental units on the site. All of the units in Project I have Section 8 certificates. When Project I closed in 2010, the tax credit syndication market was still negatively affected by the economic downtown and there was no investor interest in this transaction. To fill the gap left by the lack of investor equity, Kingstown Crossing I received an allocation of Tax Credit Assistance Program ("TCAP") funds under the American Recovery and Reinvestment Act of 2009 ("ARRA") program along with additional funds from Rhode Island Housing. Subsequent to that closing, Stratford Capital Group of Companies ("Stratford Capital") has agreed to purchase the housing tax credits available to Project I, bringing in approximately $3 million in equity

which will provide funds to repay some of the original Project I funding sources. Stratford Capital has now provided a Letter of Intent to serve as the HTC syndicator for Project II.

With Kingstown Crossings II, Crossroads will move closer to completing its vision for a comprehensive redesign and redevelopment of the former Navy Drive housing site. The Kingstown Crossings site is well located for family housing. Residents have access to schools, parks, public transportation, shopping facilities and other services within a 5 mile radius. Within walking distance are three churches, public library, schools, and public transportation connections to Wakefield, Narragansett, Newport and points north. Also nearby is Quonset Business Park, a major industrial center affording employment opportunities to residents.

The seven new buildings are designed as 3-story gabled forms with simple residential detailing similar to triple-deckers in configuration (flats). One-bedroom units will range from 496-558 sq. ft., two-bedrooms from 847-960 sq. ft., three-bedrooms from 1,031-1,152 sq. ft., and four-bedrooms from 1,285-1,359 sq. ft.

The buildings will be constructed of slab-on-grade, wood frame, pre-fabricated truss roofs and exterior balconies. The buildings will be fully sprinkled. Durable and low maintenance materials will be used to ensure long life including fiber-cement siding and engineered fiber trim. The project architects have indicated that all buildings will be constructed utilizing the latest, energy saving technology and will be eligible for Energy Star credits. Environmentally-friendly materials will be incorporated into the buildings whenever possible. With the construction of Project I, Crossroads earned "gold" LEED certification, a noteworthy achievement.

The proposed site design incorporates sufficient parking areas for the newly proposed buildings and allows for easier access onto Devils Foot Road. The design also eliminates a dangerous existing condition of vehicular traffic speeding through the site. A walking path will promote non vehicular movement through the site. Buildings are constructed at right angles which creates defensible spaces. Front and rear yards will encourage conversation and interaction between occupants.

The development meets many of the Keep Space elements including providing good healthy homes in an area with the potential for economic growth and existing infrastructure. On site daycare is expected to be upgraded as part of a future development phase. The existing day care that is located in one of the older structures scheduled for demolition, will be relocated to an off-site location. Kingstown Crossings has good access to public transportation with community amenities within walking distance.
Rhode Island Housing has the authority to designate projects as difficult to develop in order to increase a project's eligible basis by up to 30%. Rhode Island Housing has designated the buildings in the Development as requiring the increase in basis described in Section 42(d)(5)(B) of the Internal Revenue Code of 1986, as amended (the "Code") in order to be financially feasible as part of a qualified low-income housing project. As such, the buildings in the Development will be treated as located in a difficult development area designated pursuant to said Section 42(d)(5) of the Code.

The total development cost for the project is approximately $11,330,000. Proposed sources of funding include: (i) a Rhode Island Housing first mortgage; (ii) a new Rhode Island Housing

Deferred Payment loan and deferral of an existing Rhode Island Housing Deferred Payment Loan; (iii) syndication equity from the sale of Housing Tax Credits; (iv) HOME Funds; (v) Federal Home Loan Bank Affordable Housing Program interest rate subsidy and grant funds; (vi) Community Development Block Grant ("CDBG") funds; and (vii) energy efficiency rebates from the utility provider.

As in Kingstown Crossings I, the proposed new permanent first mortgage for this project will involve a pass through arrangement with a Federal Home Loan Bank of Boston ("FHLBB") member bank. Crossroads has applied for a subsidy and grant award (the "Subsidized Advance") from the FHLBB for Kingstown Crossing II. The Subsidized Advance will pass through BankRI, a FHLBB member bank, to Rhode Island Housing, which will in turn fund the first mortgage loan to the development. The cost of the Subsidized Advance is less than Rhode Island Housing's usual cost of capital and allows for a mortgage at a reduced interest rate. The loan from BankRI to Rhode Island Housing is non-recourse, and is secured by a pledge of the loan documents from Rhode Island Housing to the new Limited Partnership.

With an experienced development team having recently completed Kingstown Crossings I, the sponsor is projecting a spring 2012 closing and construction start date for Project II. Construction completion is projected for June of 2013. Plans and specifications for Kingstown Crossings II are complete and if the Project I general contractor is utilized; mobilization efforts are anticipated to be minimal. In addition, having closed a similar transaction with BankRI as the FHLBB participating member bank, Crossroads is confident in its ability to maintain this aggressive schedule.

Upon a motion made by Commissioner Monteiro and seconded by Commissioner Costantino the following resolution was approved with 3 votes in favor, none opposed, and one recusal by Commissioner Brumberger. Commissioner Brumberger did not participate in the discussion, consideration or vote on this resolution.

Resolution of the Board of Commissioners of
Rhode Island Housing and Mortgage Finance Corporation

Whereas, the Housing Tax Credit Program (the "Program") was created as part of the Tax Reform Act of 1986 (the "Act"); and

Whereas, Rhode Island Housing and Mortgage Finance Corporation ("Rhode Island Housing") has been designated the Administrator of the Program in the State of Rhode Island; and

Whereas, Rhode Island Housing staff has determined that the applicant ("Applicant") listed below is eligible for the Program under the laws of the State of Rhode Island and the Federal Tax Code; and

Whereas, The Applicant has submitted an application to Rhode Island Housing for the reservation of tax credits from the tax credit authority available in the calendar year 2012 and 2013 ("the Tax Credits") and for mortgage financing as follows:

Applicant	Development	9%Tax Credits	1st Mortgage	Deferred Payment Loan
Crossroads Rhode Island	Kingstown Crossings II	$993,547	$600,000	$476,940

Whereas, Rhode Island Housing staff has reviewed the submission, inspected the site, and determined that this development may qualify for financing under Rhode Island Housing's enabling legislation, regulations, guidelines and policies;

NOW, THEREFORE, IT IS HEREBY:

Resolved, That $993,547 of allocated 2012 or 2013 tax credits be reserved for the Applicant pursuant to Section 3 of the Rules and Regulations of the Corporation applicable to the Allocation of Low-Income Housing Tax Credits (the "Rules and Regulations of the Corporation"), and that the Executive Director, Deputy Director and the Director of Development each acting singly be, and hereby is, authorized and empowered in the name of and on behalf of Rhode Island Housing to take any and all action necessary to cause such reservation to be effective; and further, that a final allocation shall be made at such time as the applicant complies with the requirements of the Act and the Rules and Regulations.

Resolved, That, subject to the special conditions listed below, Rhode Island Housing hereby preliminarily approves financing for a taxable first mortgage loan to Crossroads Rhode Island or an affiliated partnership (the "Borrower") in an amount not to exceed $600,000 (the "Loan") for family housing located in North Kingstown, Rhode Island presuming the completion of a pass-thru arrangement with BankRI.

Resolved: That Rhode Island Housing hereby preliminarily approves up to $476,940 of Deferred Payment Loan Funds for the Borrower.

Resolved, That, the foregoing resolutions are subject to the following conditions:

- FHLBB award of the Subsidized Advance, or evidence of the availability of alternative financing no later than January 31, 2012
- Agreement between BankRI, Crossroads and Rhode Island Housing as to a mortgage pass-thru structure no later than January 31, 2012 that will allow Rhode Island Housing to be the first mortgage lender of record;
- Approval by the Town of North Kingstown of the projected real estate taxes at 8% of the gross potential rents;
- Rhode Island Housing approval of all development team members;
- Rhode Island Housing approval of the plans and specifications, construction budget, scope of work, and construction contractor;

- Value engineering by the development team to reduce the amount of necessary Rhode Island Housing Deferred Payment Loan funds to the extent possible;
- Rhode Island Housing approval of the operating budget for the Development;
- The award of HOME, CDBG and National Grid energy rebates in amounts proposed or the availability of alternative sources of equity satisfactory to Rhode Island Housing;
- Syndication equity from the sale of HTCs in amounts sufficient to achieve project feasibility;
- Acceptable final appraisal and market study by independent appraiser demonstrating that the loans do not exceed 90% of the as-stabilized value of the property and that sufficient demand exists for the proposed units;
- Approval by Rhode Island Housing of all management related issues including the Marketing and Tenant Selection Plans;
- Firm approval by the April, 2012 Board of Commissioners meeting.
- Satisfactory and timely performance in accordance with the schedule established by Rhode Island Housing staff and sponsor including a schedule that will assure all units are placed in service by December 31, 2013.

Resolved: That the Executive Director, Deputy Director, or the Director of Development each acting singly, shall take any and all actions they deem necessary to carry out the forgoing Resolutions.

Maplewoods Apartments

This Request for Action ("RFA") is for reservation of $931,771 of 2012 and/or 2013 Housing Tax Credits (HTCs), preliminary commitment of a First Mortgage of $200,000, and a Deferred Payment loan of $636,537 for Maplewoods in the City ("the Development"), a forty unit new construction family rental development in Providence, RI. The developer is SWAP, Inc. (the "Developer").

Maplewoods in the City is located on a vacant parcel of land located at 66 Huber Avenue in the north end of Providence. The parcel was purchased for $900,000 by SWAP in 2007 from a developer that originally intended to build and sell condominiums in a multi-unit building on the property. Rhode Island Housing provided a bridge loan to SWAP in the amount of $725,000 for the acquisition, with the seller providing secondary financing for the balance of $175,000.

The parcel is located in the Fruit Hill neighborhood, abutting both North Providence and Johnston. It exhibits many of the features of a KeepSpace neighborhood, being situated in a primarily residential area comprised of single-and multi-family homes, and being a short walk to public transportation, a shopping center with grocery and bank, other neighborhood services and retail. Given the perceived market for new rental housing in this area, there may be an opportunity to create several levels of affordability within the Development. While the current rents are targeted primarily at the 50% AMI level, it is likely that the final proforma will include some units closer to 60% AMI creating more of a mixed-income community.

SWAP's original intent was to complete the development as affordable condominiums, but the economic recession and increased foreclosure activity, which particularly impacted condominiums, rendered those plans infeasible. SWAP subsequently submitted a proposal to Rhode Island Housing as a part of the 2010 Tax Credit application round to re-use the foundation already put in place by the previous owner to construct a multi-unit rental building with structured parking below. The project did not receive funding at that time.

The Developer has used the intervening time to redesign the site plan resulting in a compact but more open design, with efficient unit layouts and simplified surface parking. While a new foundation will need to be built, the existing storm water management system constructed using previously awarded Building Homes Rhode Island ("BHRI") funds will be used in the new plan.

This new design proposal includes a mix of two- and three-bedroom townhouses over flats contained in six buildings. All of the units have individual entrances, and the buildings are joined by covered walkways, creating a courtyard between. Features and amenities in the Development are to include a community building with a small on-site management office, laundry room, tenant storage and a bicycle/stroller storage room, as well as outside play areas for children and a small walking/riding path on site. While the original submission was intended to be built using modular units, the current design will be built on-site, creating local jobs.

The Providence Department of Public Works has approved and signed off on the existing storm water management system. The previous property owner received Zoning Board of Review approval for variances on the site, and SWAP has obtained confirmation from the City of Providence that those variances remain valid and in effect for the proposed development. In addition, the City Councilman for the area has expressed his support for the Development.

National Equity Fund has provided a Letter of Interest to SWAP to purchase the Housing Tax Credits for Maplewoods in the City. It is anticipated that the Developer and its consultant will engage in discussions with other syndicators and investors as well to ensure the highest market value for the credits. A one cent increase in the syndication garners approximately $95,000 in equity. In addition, increasing the rents may allow for a higher first mortgage. Either or both of these changes will allow for a reduction in the requested Deferred Payment Loan.

Rhode Island Housing has the authority to designate projects as difficult to develop in order to increase a project's eligible basis by up to 30%. Rhode Island Housing has designated the buildings in the Development as requiring the increase in basis described in Section 42(d)(5)(B) of the Internal Revenue Code of 1986, as amended (the "Code") in order to be financially feasible as part of a qualified low-income housing project, and, as such, the buildings in the Development will be treated as located in a difficult development area designated pursuant to said Section 42(d)(5) of the Code.

The primary sources of financing for the transaction will be a taxable mortgage, a Deferred Payment Loan from Rhode Island Housing, equity from the sale of 9% tax credits, HOME and BHRI funds. Under BHRI rules in order to maintain BHRI as a source, SWAP will need to seek Housing Resources Commission ("HRC") approval to change the development to rental,

or alternately, will need to seek out other sources to reimburse for the BHRI funds expended in the project's earlier iteration as a homeownership development.

Upon a motion made by Commissioner Brumberger and seconded by Commissioner Monteiro the following resolution was unanimously approved:

Resolution of the Board of Commissioners of
Rhode Island Housing and Mortgage Finance Corporation

Whereas, Rhode Island Housing and Mortgage Finance Corporation ("Rhode Island Housing") is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of Rhode Island Housing have promise of supplying well-planned, well-designed apartment units which will provide housing for low and moderate-income persons or families, or the elderly, or others in locations where there is a need for such housing; and

Whereas, the Housing Tax Credit Program (the "Program") was created as part of the Tax Reform Act of 1986 (the "Act"); and

Whereas, Rhode Island Housing and Mortgage Finance Corporation (the "Corporation") has been designated the Administrator of the Program in the State of Rhode Island; and

Whereas, Staff for Rhode Island Housing has determined that the Applicant ("Applicant") listed below is eligible for the Program under the laws of the State of Rhode Island and the Federal Tax Code; and

Whereas, The Applicant has submitted an application to Rhode Island Housing for the reservation of tax credits from the tax credit authority available in the calendar years 2012 and 2013 ("the Tax Credit") and for permanent financing as follows:

Applicant	Development	First Mortgage	Deferred Payment Loan	9% HTC
SWAP, Inc.	Maplewoods in the City	$200,000	$636,537	$931,771

Whereas, Rhode Island Housing staff has reviewed the submission, inspected the site, and determined that this development may qualify for financing under Rhode Island Housing's enabling legislation, regulations, guidelines and policies;

NOW, THEREFORE, IT IS HEREBY:

Resolved, That $931,771 of allocated 2012 and/or 2013 housing tax credits be reserved for the Applicant pursuant to Section 3 of the Rules and Regulations of Rhode Island Housing applicable to the Allocation of Housing Tax Credits (the "Rules and Regulations of the Corporation"), and that the Deputy Director and the Director of Housing Development each acting singly be, and hereby is, authorized and

empowered in the name of and on behalf of Rhode Island Housing to take any and all action necessary to cause such reservation to be effective; and further, that a final allocation shall be made at such time as the applicant complies with the requirements of the Act and the Rules and Regulations.

Resolved, That, subject to the special conditions listed below, the Corporation hereby preliminarily approves financing for a taxable first mortgage loan to SWAP, Inc., or an affiliated partnership (the "Borrower") in an amount not to exceed $200,000 (the "Loan") for family housing located in Providence, Rhode Island.

Resolved, That Rhode Island Housing hereby preliminarily approves up to $636,537 of Deferred Payment Loan Funds for the Borrower.

Resolved, That, the foregoing resolutions are subject to the following conditions:

- Approval by Rhode Island Housing of all members of the development team.
- Acceptable final appraisal by an independent appraiser commissioned by Rhode Island Housing demonstrating that the Maplewoods in the City first mortgage does not exceed 90% of the as-stabilized value of the property.
- Commitment of non-state or federal sources sufficient to pay for any acquisition costs higher than the as-is appraised value as determined by a final appraisal by an independent appraiser commissioned by Rhode Island Housing.
- Syndication equity from the sale of Housing Tax Credits in amounts sufficient to achieve project feasibility.
- HRC approval for a change in use of the BHRI funds, or evidence of the availability of alternative funding.
- Approval of construction financing.
- Approval by Rhode Island Housing of all management related issues.
- Approval by Rhode Island Housing of construction plans and specifications and construction documentation.
- Approval of the proposed operating budget for the development.
- Approval of HOME funds in an amount sufficient to achieve project feasibility or the availability of alternative equity satisfactory to Rhode Island Housing.
- Firm approval by the April 2012 Board Meeting.
- Satisfactory and timely performance in accordance with the schedule established by Rhode Island Housing staff and sponsor including a schedule that will assure all units are placed in service by December 31, 2013.

Resolved, That the Deputy Director or the Director of Development each acting singly, shall take any and all actions they deem necessary to carry out the forgoing Resolutions.

North Cove Apartments

This Request for Action ("RFA") is for reservation of $1,011,296 of 2012 and/or 2013 Housing Tax Credits (HTCs), preliminary commitment of a First Mortgage of $216,000, and a Deferred Payment loan of $60,000 for North Cove Landing ("the Development"), a thirty-eight unit new construction family rental development in North Kingstown, RI. The developer is North Dartmouth Properties, Inc. (the "Developer").

North Cove Landing is located on a vacant parcel of land at the end of Intrepid Road, close to the Wickford Village section of town. The project was initially submitted to Rhode Island Housing as a part of the 2008 Tax Credit application round, but did not receive funding at that time. The Developer used the following year to redesign the site plan following Rhode Island Housing's recommendations, resulting in a more compact, traditional design, with clustering of units, an increase in the unit count and project density, and a reduction in impermeable surface area. The Development subsequently received a reservation of Housing Tax Credits in the 2009 round, but due to timing difficulties in securing approvals from the Rhode Island Department of Environmental Management ("RIDEM") and the Coastal Resources Management Commission ("CRMC"), the award was rescinded. The project earlier received preliminary master plan approval under the Comprehensive Permit process, and has now received approval from RIDEM and the necessary assent from CRMC. Final master plan approval, which is administrative, is in process and is anticipated imminently.

North Cove Landing contains many of the elements inherent in a KeepSpace community. It has access to walking trails, a boat launch, a bike path, and is within walking distance of Wilson Park, Narraganset Bay, and the town center. Quonset Point Commercial Complex, Wickford Village town center and the Post Road Commercial corridor of North Kingstown provide a good mix of potential job opportunities. All three are located within close proximity of the site which makes it an ideal location for a family housing development. There is also public transportation within walking distance and RIPTA currently services the adjacent Wickford Village site.

The North Cove site was subdivided from the Wickford Village Apartments property in the spring of 2009. Rhode Island Housing provided a bridge loan for the acquisition. The site is a very attractive parcel bordered by Wilson Park and Narragansett Bay; however, the property is impacted by a number of site constraints. There is a flood plain on the easterly portion of the site, which the engineer has worked to address through grading, passive drainage and rain gardens. In addition the site does not have sewer service. The developer has received RIDEM approval for a community septic system to service the proposed development. All other utilities will be provided by connection to existing service via the adjacent Wickford Village Apartments, a 129 unit Section 8 elderly and family rental housing development that was recently refinanced by Rhode Island Housing and that has undergone significant renovations.

Rhode Island Housing has the authority to designate projects as difficult to develop in order to increase a project's eligible basis by up to 30%. Rhode Island Housing has designated the buildings in the Development as requiring the increase in basis described in Section 42(d)(5)(B) of the Internal Revenue Code of 1986, as amended (the "Code") in order to be financially feasible as part of a qualified low-income housing project, and, as such, the buildings in the

Development will be treated as located in a difficult development area designated pursuant to said Section 42(d)(5) of the Code

The primary sources of financing for the transaction will be a taxable mortgage, a Deferred Payment Loan from Rhode Island Housing, equity from the sale of 9% tax credits, a construction loan and a Community Development Block Grant from the Town of North Kingstown.

The Developer will need a construction loan of approximately $9 million to bridge the syndication equity for this Development. The Developer and Rhode Island Housing have been in discussion with two local banks about potential participation on that loan. Those discussions will begin in earnest now that the Development has received preliminary approval. We expect that the firm commitment RFA will include a request for construction financing.

Upon a motion made by Commissioner Monteiro and seconded by Commissioner Brumberger the following resolution was unanimously approved:

Resolution of the Board of Commissioners of
Rhode Island Housing and Mortgage Finance Corporation

Whereas, Rhode Island Housing and Mortgage Finance Corporation ("Rhode Island Housing") is authorized to make loans to mortgagors or sponsors for such developments as in the judgment of Rhode Island Housing have promise of supplying well-planned, well-designed apartment units which will provide housing for low and moderate-income persons or families, or the elderly, or others in locations where there is a need for such housing; and

Whereas, the Housing Tax Credit Program (the "Program") was created as part of the Tax Reform Act of 1986 (the "Act"); and

Whereas, Rhode Island Housing and Mortgage Finance Corporation (the "Corporation") has been designated the Administrator of the Program in the State of Rhode Island; and

Whereas, Staff for Rhode Island Housing has determined that the Applicant ("Applicant") listed below is eligible for the Program under the laws of the State of Rhode Island and the Federal Tax Code; and

Whereas, The Applicant has submitted an application to Rhode Island Housing for the reservation of tax credits from the tax credit authority available in the calendar years 2012 and/or 2013 ("the Tax Credit") and for permanent financing as follows:

Applicant	Development	First Mortgage	Deferred Payment Loan	9% HTC
North Dartmouth Properties	North Cove Landing	$216,000	$60,000	$1,011,296

Whereas, Rhode Island Housing staff has reviewed the submission, inspected the site, and determined that this development may qualify for financing under Rhode Island Housing's enabling legislation, regulations, guidelines and policies;

NOW, THEREFORE, IT IS HEREBY:

Resolved, That $1,011,296 of allocated 2012 and/or 2013 housing tax credits be reserved for the Applicant pursuant to Section 3 of the Rules and Regulations of Rhode Island Housing applicable to the Allocation of Housing Tax Credits (the "Rules and Regulations of the Corporation"), and that the Executive Director, either Deputy Director and the Director of Housing Development each acting singly be, and hereby is, authorized and empowered in the name of and on behalf of Rhode Island Housing to take any and all action necessary to cause such reservation to be effective; and further, that a final allocation shall be made at such time as the applicant complies with the requirements of the Act and the Rules and Regulations.

Resolved, That, subject to the special conditions listed below, the Corporation hereby preliminarily approves financing for a taxable first mortgage loan to North Cove Landing LLC, or an affiliated partnership (the "Borrower") in an amount not to exceed $216,000 (the "Loan") for family housing located in North Kingstown, Rhode Island.

Resolved, That the Rhode Island Housing hereby preliminarily approves up to $60,000 of Deferred Payment Loan Funds for the Borrower.

Resolved, That, the foregoing resolutions are subject to the following conditions:

- Approval by Rhode Island Housing of all members of the development team.
- Acceptable final appraisal by an independent appraiser demonstrating that the North Cove first mortgage does not exceed 90% of the as-stabilized value of the property.
- Syndication equity from the sale of Housing Tax Credits in amounts sufficient to achieve project feasibility.
- Approval of construction financing
- Approval by Rhode Island Housing of all management related issues
- Approval by Rhode Island Housing of construction plans and specifications and construction documentation.
- Approval of the proposed operating budget for the development.
- Final approval of HOME funds in an amount sufficient to achieve project feasibility or the availability of alternative equity satisfactory to Rhode Island Housing.
- Firm approval by the April 2012 Board Meeting.

- Satisfactory and timely performance in accordance with the schedule established by Rhode Island Housing staff and sponsor including a schedule that will assure all units are placed in service by December 31, 2013.

Resolved, That the Executive Director, Deputy Director, or the Director of Development each acting singly, shall take any and all actions they deem necessary to carry out the forgoing Resolutions.

Approval of Minutes of Board Meeting Held on November 17, 2011

Upon a motion made by Commissioner Brumberger and seconded by Commissioner Costantino the following was unanimously adopted:

VOTED: That the Minutes of the Board Meeting held on November 17, 2011 are hereby approved.

There being no further business to discuss, a motion was duly made by Commissioner Monteiro and seconded by Commissioner Costantino to adjourn the open meeting at approximately at 9:44 a.m.

Respectfully submitted,

Richard Godfrey
Secretary and Executive Director