

**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, November 21, 2013 at 8:30 a.m. at the Offices of the Corporation, 44 Washington Street, Providence, RI.

Commissioners in attendance were: Chairman Jim DeRentis; Vice Chair Paul Dimeo; Lou DeQuattro designee for Paul McGreevy, Director of Department of Business Regulation; Joseph Pratt designee for General Treasurer Gina Raimondo; Steven Costantino, designee for Richard Licht, Director of Administration; Jose Monteiro and Andrew L. Cortés.

Also in attendance were: Richard H. Godfrey, Jr., Executive Director; Gayle Corrigan, Deputy Director; Kara Lachapelle, Director of Finance and Technology; Carol Ventura, Director of Development; Leslie McKnight, Director of Servicing; Carlos Hernandez, Director of Resident Services, Peter Walsh, Director of Homeownership and Customer Service and Michael Milito, Deputy Assistant Director.

Andrew Prescott, 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 8:30 a.m.

**Approval of Minutes of Board Meeting Held on September 19, 2013**

Upon a motion made by Commissioner Pratt and seconded by Commissioner Cortés the following was adopted:

VOTED: That the Minutes of the Board Meeting held on September 19, 2013 be and hereby are approved.

**Chairman's Report**

Chairman DeRentis greeted everyone and extended his best wishes for a Happy Thanksgiving.

**Committee Reports**

Chairman DeRentis noted that a meeting of the Management and Budget Committee was held on September 19, 2013; however, no action was taken at the meeting as relevant information was not available for the scheduled meeting.

Chairman DeRentis stated that the Audit Committee convened on September 19, 2013 to meet with LGC&D, the auditors for Rhode Island Housing to discuss the results of the current year audit. Commissioner Pratt, Chair of the Audit Committee, provided a brief update on the meeting. Commissioner Pratt announced that once again Rhode Island Housing received an unqualified audit and commended staff on their work. A copy of the minutes of the September 19, 2013 Audit Committee was provided in the November 21, 2013 Board package.

Chairman DeRentis also congratulated Mr. Godfrey and staff on the results of the 2013 year end audit.

Commissioner DeQuattro arrived at this point of the meeting at approximately 8:33 a.m.

### **Executive Director's Review of Recent Activities and Trends**

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

Mr. Godfrey provided the Commissioners with the dashboard report for the period ending September 30, 2013 showing specific indicators of activity and finances across the agency. While new single family loan production and delinquency performance is improving, Rhode Island remains very much in a recession recovery mode. We are operating within the lowered expense budget following the August restructuring. Similarly, the TBA program has been doing very well and we are significantly ahead of our income projections for the program.

The implementation phase of the TBA program with Titan Lending, Rhode Island Housing's third party provider of post closing services, will be underway during November with implementation during the month of December. Mr. Godfrey stated that initially, Titan will review mortgages generated through the Loan Center. A second phase will commence where Titan will review loans originated for Rhode Island Housing by our lender partners once new contracts are executed and training is completed with each lender. In addition to insuring each file is complete, Titan will also insure Rhode Island Housing generated loans with government agencies such as FHA, VA and USDA.

Commissioner Costantino arrived at this point of the meeting at approximately 8:45 a.m.

Mr. Godfrey informed the Commissioners that Standard and Poor's affirmed Rhode Island Housing's AA- issuer credit rating and AA+ mortgage bond rating. In conjunction with their report, Mr. Godfrey shared the following noteworthy comments. "Rhode Island Housing's strong management team has striven to maintain single family loan performance, in our view, despite adverse economic conditions facing many of its borrowers." "Rhode Island Housing continues to distinguish itself, in our opinion, with a very strong, proactive management team that has repeatedly fulfilled its mission of financing affordable housing for Rhode Island residents."

Mr. Godfrey noted that on November 15, the Housing Resources Commission approved the award of \$11 million in Building Homes Rhode Island funding. Twenty-five developments

located throughout the state will be rehabilitated or newly constructed, providing 366 affordable homes. Eleven developments will provide 69 service enriched apartments for homeless individuals and veterans assisting the state in meeting its goals under the *Opening Doors* plan. Commitment of the \$11 million will leverage an additional \$92 million in other federal resources and private funding.

Mr. Godfrey also commented that staff has begun meeting with the leadership of the House and Senate, the Chairs of the House and Senate Finance Committees and the Governor's budget office to discuss Rhode Island Housing's activities and finances and legislative priorities in the coming year. These presentations have been well received. Staff is currently putting together more detailed information in response to questions raised by the Senate President.

Mr. Godfrey gave an update on anticipated legislative issues. First, he discussed legislation that was proposed during the last legislative session which would have raised the rate at which affordable apartments are taxed from 8% of gross potential rents to 10%. Also introduced was legislation which would have required low and moderate income housing being taxed at the 8% rate to receive annual certification of that tax status. The primary purpose of the legislation appeared to be to raise revenue for municipalities, particularly those with a large affordable housing stock. After an outcry from the housing community, including for profit and nonprofit housing developers, the bills were vetoed by the Governor. We expect that this legislation will be reintroduced this session.

Second, Mr. Godfrey noted that Rhode Island Housing has begun to reach the expiration of the 5-year holding period for tax liens purchased in 2007 and 2008 under the Madeline Walker Act. Discussions are underway to review the approach to homeowners who have not been responsive to outreach, the disposition of properties Rhode Island Housing forecloses its right of redemption on and the reinvestment of any net proceeds that may result from the sale of these properties into helping Madeline Walker clients. An Advisory Committee meeting is scheduled for December 16 to review those deliberations.

### **Firm Approval of Financing for Park Holm**

Mr. Godfrey presented this request.

This Request for Action ("RFA") seeks firm approval of a tax exempt construction loan of up to \$12,000,000 and a permanent loan of up to \$4,750,000 for the preservation of 92 homes and the construction of 19 new homes at Park Holm, a development currently owned and operated by the Housing Authority of Newport ("HACN"). HACN, a public housing authority, is seeking to (i) undertake additional renovations to 51 apartments that were partially rehabilitated in 2010/11 ("Phase I"), and (ii) demolish 41 existing apartments and replace with 60 new apartments ("Phase II"). Collectively, Phase I & II represent 111 homes (the "Development") which are part of a multi-phased effort to rehabilitate Park Holm and create more diverse housing options in the North End of Newport. The Development received preliminary approval of financing in June 2013.

Park Holm is an existing family public housing development comprised of 262 apartments in the North End of Newport. It fronts Hillside Avenue, sits across from Miantinomi Park, and is adjacent to Newport Heights, which was revitalized under a HOPE VI grant. The Phase I homes include 14 one-bedroom, 35 two-bedroom and 2 four-bedroom apartments. Phase II will include 56 three-bedroom and 4 four-bedroom apartments.

The 51 apartments in Phase I were substantially rehabilitated in 2010 and 2011 with Weatherization and Public Housing Capital Funds made available through the American Recovery and Reinvestment Act of 2009 (“ARRA”). The exteriors were transformed with new roofs, windows and siding. Significant attention was paid to energy efficiency. Interior repairs included new kitchens, baths and mechanical systems. As part of this financing, the apartments will undergo additional rehabilitation of approximately \$7,000 per unit. The primary focus will be the installation of underground utilities and related landscaping.

HACN has a Master Plan to moderately renovate a large portion of the 262 units within the original Park Holm site and demolish the buildings in the poorest condition over several phases. The proposed Development seeks to address the most severely distressed buildings at the Park Holm site. The buildings targeted for demolition and replacement were identified by the architects as distressed and obsolete. The cost to rehabilitate the buildings was estimated to be near the cost of new construction; however, without modifying the footprint, the rehabilitation would not address concerns about obsolescence. Phase II plans call for the demolition of 41 apartments in 20 buildings and the construction of 60 new apartments in 10 buildings. The density will increase at this site from 9 to 11 units per acre but fewer buildings will provide for a greater amount of open space that will include landscaping, parking, walking paths and recreational space. The new homes will be mostly townhouse style buildings with separate entrances for each apartment. The apartments will have efficient layouts that conform to Rhode Island Housing design requirements and replace existing, obsolete homes. The buildings will meet or exceed all Energy Star requirements reducing utility costs. In addition, the developer has selected cementitious siding and other products that will reduce overall operating and maintenance expenses. Finally, based on revised arsenic regulations from RIDEM, the entire site will be covered with 6” of new loam and then newly landscaped.

HACN competitively bid the Development. Four general contractors, each of whom have worked on previous Rhode Island Housing funded developments, submitted bids. Each of the bids was less than the initial cost projections included in the preliminary approval. The development team met with the two low bidders to review their proposals. The current construction budget reflects the competitive pricing as well as some additional value engineering to ensure that the scope of work for the Phase 1 units is as comprehensive as possible. Rhode Island Housing Design and Construction staff has been meeting with the development team and their architect to review the plans, specifications and scope of work.

All of the existing homes are currently deeply subsidized public housing units that serve residents with incomes up to 80% of Area Median Income (“AMI”). The subsidy for these public housing units is provided by HUD through an Annual Contributions Contract (“ACC”). Residents pay 30% of their incomes towards rent. The new homes will be developed utilizing, in part, 4% Low Income Housing Tax Credits (“HTC”). Admission to the apartments will be

restricted to households with incomes up to 60% of AMI. The new homes will be a mix of ACC apartments, HTC apartments with a Project Based Section 8 Voucher (“PBV”) from HACN and 18 apartments that will be HTC units without any rental or operating subsidy. There are six current residents with incomes above 60% AMI that will be offered permanent relocation in other HACN units.

HACN has submitted a Relocation Plan that outlines a program to relocate all existing residents as efficiently as possible with a minimum amount of disruption. All income eligible existing residents in good standing will have a priority right of return to the new development. HACN has committed to one-for-one replacement of all existing units over the course of the entire Park Holm redevelopment. At the completion of this Development, there will be a net gain of 11 apartments at the Park Holm site.

HACN is the sponsor and primary developer of the Park Holm redevelopment. HACN was incorporated as a public housing authority under the laws of the State of Rhode Island and owns and operates over 800 units of public housing. It administers approximately 500 Housing Choice Vouchers. HACN, in partnership with a private developer, successfully completed the revitalization of the former Tonomy Hill development, now known as Newport Heights.

HACN and its consultant sought proposals from several potential syndicators and investors to ensure the highest market value for the credits. Boston Financial Investment Management (“Boston Financial”) was selected as the syndicator with final pricing of \$1.04 per credit. The pricing is predicated on the transaction closing by December 31, 2013. The preliminary approval of the Development contemplated that HACN would solicit a development partner who would provide financial guarantees to the syndicator. Boston Financial has agreed to allow HACN to utilize the majority of the HACN paid developer fee to seed an account that will provide the necessary guarantee funds. Therefore, HACN will be the sole shareholder of the general partner ownership entity.

One of the conditions of Boston Financial’s commitment is that their investor, Citizens Bank, provide the construction loan. In order to meet this requirement, as well as the need to issue tax exempt bonds to generate the tax credits, both Rhode Island Housing and Citizens will provide construction loans. It is anticipated that Citizens Bank will issue the initial construction loan and will finance the first 11-12 months of construction. Rhode Island Housing will issue its bonds at the end of 2014 and will use the proceeds of those bonds to retire the Citizens loan and fund the balance of the construction costs. There will be an Intercreditor Agreement outlining the timing of each of the construction loans. The Rhode Island Housing construction loan will be retired at construction completion.

A limited partnership will own all of the buildings in the Development and will lease the land from the HACN under a long-term ground lease. The existing buildings containing the 51 units will be purchased by the partnership with the partnership giving a soft note to HACN for the purchase price.

In conjunction with BankNewport, HACN received a subsidy and grant award (the “Subsidized Advance”) from the Federal Home Loan Bank of Boston (“FHLBB”). The Subsidized Advance

allows BankNewport to lower its interest rate and maximize the amount of the permanent first mortgage. Because of the HTCs and public subsidy dollars invested in the Development, Rhode Island Housing prefers to be in the Senior Loan position in order to ensure compliance with the various program requirements. As we have done with BankNewport and other lenders, the Subsidized Advance will pass through BankNewport, which is an FHLBB member bank, to Rhode Island Housing, which will in turn fund the first mortgage loan to the development. The loan from BankNewport to Rhode Island Housing will be non-recourse, and will be secured by a pledge of the loan documents from the new limited partnership in favor of Rhode Island Housing.

In addition to the construction loan which will be repaid at construction completion, the primary sources of financing are (i) a first mortgage from Rhode Island Housing via a pass-thru structure with BankNewport; (ii) Capital Funds, Replacement Housing Factor Funds and Relocation Funds from HACN; (iii) equity from the sale of Housing Tax Credits; (iii) Building Homes Rhode Island funds from the Rhode Island Housing Resource Commission; (iv) an award of Affordable Housing Program (“AHP”) grant funds from the Federal Home Loan Bank of Boston (sponsored by BankNewport); (v) Community Development Block Grant funding; (vi) a seller held loan; and (vii) a deferred developer fee.

Park Holm residents will be offered employment and job training through various programs offered through the Park Holm “Rode to Success Program”. HACN has hired a full time case management specialist to work with families in Park Holm to create Individual Training and Service Plans. HACN also has several service provider partners such as East Bay Community Action Program which provides ESL GED, Family Literacy, childcare, and health services for residents of Park Holm.

Mr. Godfrey introduced Jim Reed, Executive Director of Newport Housing Authority who provided additional insight into the development and thanked the Commissioners and Rhode Island Housing staff for their partnership and support.

Commissioners Pratt and Cortés commended Mr. Reed on the inclusionary vision of incorporating mixed income levels, diversity and utilizing local talent for the project. Commissioner Cortés also noted that this project demonstrates that Section 3 does works.

Upon a motion made by Commissioner Pratt and seconded by Commissioner Dimeo the following resolution was unanimously adopted:

**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 sponsors for such developments as, in the judgment of Rhode Island Housing, promise to supply well-planned, well-designed apartment units, which will provide housing affordable to low and moderate-income persons or families;

**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 three (3) years and shall be in the approximate amount sufficient to finance the mortgage contemplated herein, to pay the costs of issuance, to fund a capital reserve fund, and to provide the capitalized interest if determined to be necessary;

**Whereas,** The Applicant listed below has presented an application to Rhode Island Housing requesting tax-exempt financing for the acquisition and rehabilitation of a residential housing development as follows:

Development	Applicant	Tax Exempt Loan	Permanent Mortgage
Park Holm	Housing Authority of the City of Newport	\$12,000,000	\$4,750,000

**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, subject to the special conditions listed below, Rhode Island Housing hereby approves a construction loan to be financed by tax-exempt bonds in amount up to \$12,000,000 to Housing Authority of the City of Newport or an affiliated partnership thereof (the “Borrower”) for rental housing located in Newport, Rhode Island.

**Resolved,** Rhode Island Housing hereby declares that the firm approval of financing for the Borrower constitutes the affirmative official act of Rhode Island Housing towards the issuance of bonds to finance up to a \$12,000,000 in mortgage funds, the required reserve funds, the related costs of issuance for the Bond issue for the above-named development 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, subject to the special conditions listed below, the Rhode Island Housing hereby gives firm approval of financing for a first mortgage loan Borrower in an amount not to exceed \$4,750,000 (the “Loan”) for family housing located in Newport, Rhode Island.

**Resolved,** That, in order to fund the Loan to Park Holm, Rhode Island Housing may enter into a \$4,750,000 loan arrangement with BankNewport (the “BankNewport Loan”) substantially in accordance with the terms outlined in the Request for Action to which this Resolution is attached; and

**Resolved,** That Rhode Island Housing may secure the BankNewport Loan by granting to BankNewport security or other interests in certain of Rhode Island Housing’s assets, including, without limitation, an assignment of Rhode Island Housing’s loan documents with Park Holm.; and

**Resolved,** That the Executive Director, any Deputy Executive Director or the Director of Development (each, an “Authorized Officer”), acting singly, be and each hereby is authorized to enter into such documents with BankNewport as it may require to evidence the BankNewport Loan, including, without limitation, a loan agreement, special obligation note, and pledge and security agreement, each containing such terms and conditions as the Authorized Officer shall approve, each such determination to be conclusively evidenced by his/her execution thereof and each such determination is hereby fully and completely approved and adopted as the valid action of and by Rhode Island Housing, approved in all respects by the Commissioners of Rhode Island Housing;

**Resolved,** That the Authorized Officers be, and each of them hereby is, authorized, empowered and directed to take any and all action necessary to effectuate the purpose and intent of the foregoing resolutions, including, without limitation, (i) the execution and delivery on behalf of Rhode Island Housing of all such other agreements, documents and instruments and the performance by Rhode Island Housing thereunder, as each of them shall determine, in his/her exclusive and reasonable judgment, to be necessary, appropriate or advisable, and (ii) the consummation of the transactions contemplated hereby and the performance by Rhode Island Housing as required hereunder, as each of them shall determine, in his/her exclusive and reasonable judgment, to be necessary, appropriate or advisable, each such determination pursuant to the immediately preceding clauses (i) and (ii) to be conclusively evidenced by the taking of any such action by any Authorized Officer and each such determination is hereby fully and completely approved and adopted as the valid action of and by Rhode Island Housing, approved in all respects by the Board of Commissioners; and

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

- HUD approval of the mixed financing proposal, including demolition and construction of new Tax Credit units within the existing Park Holm neighborhood.
- Execution of an Agreement to Enter into a HAP Assistance Contract (“AHP”) with rents that support the proposed first mortgage.

- A Regulatory and Operating (“R&O”) Agreement, acceptable to Rhode Island Housing, between the HACN and the Borrower regarding the public housing assisted units.
- Acceptable final appraisal by independent appraiser that supports the acquisition price and demonstrates that the new loan does not exceed 90% of the as-stabilized value of the property.
- Provision of an acceptable letter of commitment from an equity provider for the transaction demonstrating syndication proceeds from 4% Housing Tax Credits in an amount sufficient to assure development feasibility.
- Approval of BHRI bond funds and HACN Funds sufficient to make the project feasible, or the availability of alternative equity satisfactory to Rhode Island Housing.
- Approval of additional Affordable Housing Program interest subsidy advance to make the project feasible or the availability of alternative equity satisfactory to Rhode Island Housing
- Final Approval by Rhode Island Housing of all members of the development team including Management Company.
- Approval of the new operating budget.
- Affirmation from the City Newport on the real estate tax assessment.
- Execution of an Intercreditor Agreement with the Construction Lender
- Approval by Rhode Island Housing of management documents and all management related issues including marketing and lease-up plans.
- Approval by Rhode Island Housing of construction plans and specifications and construction documentation.
- Approval by bond underwriter and bond counsel that the 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, or the Director of Development each acting singly, shall take any and all actions they deem necessary to carry out the forgoing Resolutions.

**Firm Approval of Extension of Financing for Olneyville Housing Corporation Master Construction Loan**

Mr. Godfrey gave this presentation.

This Request for Action is for authorization to extend the revolving construction loan for Olneyville Housing Corporation (“OHC”) for an additional two-year term to support the development of new homes and the rehabilitation of existing structures in the Olneyville neighborhood of Providence.

In October, 2001, the Board of Commissioners authorized the creation of the Home Development and Homeownership Loan Program (the “Program”). Over the past ten years, this Program and its predecessor, the Demonstration Home Development and Homeownership Loan Program, has allowed several non-profit organizations to finance the construction and permanent financing of over 100 homes in Providence that have been sold to first time homebuyers.

OHC has been working to revitalize the Olneyville neighborhood for over twenty years, and has developed approximately 115 rental units and 30 homeownership units. In April 2009, Rhode Island Housing entered into a Loan Agreement (the “Agreement”) with OHC under the Program. The Agreement was extended in 2011 for two years. The current Agreement has expired and Rhode Island Housing and OHC’s desire to extend the Agreement a second time to permit OHC to continue their efforts to stabilize the neighborhood, which is particularly important as a result of the foreclosure crisis.

This revolving loan will be used for construction costs relative to the development of new homes or rehabilitation of existing homes in the Olneyville neighborhood. OHC intends to use City of Providence HOME funds, Community Development Block Grant funding and City of Providence Lead funds to make up the balance of the financing needed for each of the individual projects. The Rhode Island Housing construction loan will be repaid from the proceeds realized from the sale of each property.

Given OHC’s past success, the Development Division is recommending that the revolving loan be extended for two additional years at the current maximum outstanding loan amount of \$500,000 and under the same terms and conditions as in the current loan, except as set forth below, to fund OHC’s continuing homeownership development activities. Under the agreement, OHC will be able to develop up to three homes at any time, but no more than two rehabilitations at one time. At least two of the three homes must be pre-sold to qualified buyers prior to Rhode Island Housing making a construction loan, minimizing the risk of increased carrying costs due to the inability to sell the homes and the new HOME Program regulations requiring conversion to rental housing if a property is not sold within 12 months of completion. The loan amount will be the lower of the appraised value (based on a Rhode Island Housing commissioned appraisal) or the sales price of the homes. OHC’s authority to borrow under this agreement will expire in 24 months.

OHC will build at least one of the units in collaboration with BuildingFutures, a program of the Providence Plan that provides hands-on training and skills-building instruction in the building trades for men and women. Building Futures was formed in 2007 through the Providence Plan with the primary goals being to (i) assist disadvantaged residents in urban communities who work in the construction industry, (ii) assist the construction industry meet future workforce needs with a unique recruiting model and, (iii) assist policy making in the construction industry to increase the number of urban residents entering the industry as apprentices. Olneyville Housing Corporation and BuildingFutures will collaborate on the rehabilitation of foreclosed homes and the new construction of homes on abandoned vacant lots in the Olneyville section of Providence.

OHC has responded to the foreclosure crisis which hit Olneyville particularly hard. This foreclosure activity, and the abandoned buildings, property value deflation, and uncertainty left in its wake, is a direct threat to the neighborhood stability and sense of community that OHC and its partner organizations have worked so hard to achieve since its inception. Olneyville Housing Corporation undertook a Foreclosure Intervention Initiative to arrest this negative momentum in the interests of the neighborhood constituency.

As with previous loans under this loan program, the Homeownership Division will pre-qualify applicants with purchase and sales commitments to purchase homes. The homes will be sold to low and moderate-income homebuyers at or below 80% of median income. A provision will be made to allow for the sale of homes to buyers with incomes at or below 115% of median if no HOME funds are used and an appraisal supports the higher loan and sales price.

The interest rate for each mortgage under the Master Loan will be set at the one-month LIBOR plus 3.5%, with a rate floor of 4.50% and cap of 7.50%. The rate for each individual mortgage will be set at closing.

Mr. Godfrey recognized Frank Shea of Olneyville Housing Corporation who applauded Jim Reed's efforts in Newport and expressed his appreciation for the Board's consideration of his development.

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

**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 sponsors for such developments as in the judgment of Rhode Island Housing have promise of supplying well planned, well designed single family and two family homes which will provide housing for low and moderate income persons or families or others in locations where there is a need for such housing; and

**Whereas,** Rhode Island Housing is authorized to provide permanent financing with assistance, as applicable, to homebuyers; and

**Whereas,** Olneyville Housing Corporation (OHC) has entered into a loan agreement with Rhode Island Housing under the Home Development and Homeownership Loan Program (the "Program") for a revolving line of credit to construct residential housing in the Olneyville neighborhood of Providence; and

**Whereas,** the current Loan Agreement has matured and OHC has requested that Rhode Island Housing extend the Loan Agreement for an additional 24 months as set forth in this Request for Action; and

**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 Rhode Island Housing be and hereby is authorized to extend the current Loan Agreement for 24 months, structured generally in accordance with the description contained herein, with such changes as the Executive Director, Deputy Director or the Director of Development may, in their sole discretion determine to be necessary or advisable.

**Resolved,** That the Executive Director, Deputy Director or the Directors of Development and Homeownership, each acting singly, be and hereby is authorized, empowered and directed to take any and all action to execute, file and deliver any contract, agreement or other instrument as each in his/her sole discretion shall deem necessary or advisable in connection with this loan.

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

1. Execution of an amendment to the Master Loan Agreement by Olneyville Housing Corporation satisfactory to Rhode Island Housing.
2. Submission of all construction contracts, plans and specifications, marketing plans, construction budgets, schedule of payments, lien releases, gap HOME funds, home buyers applications and other documentation necessary for loan funding and construction loan and end loan approval.
3. Rhode Island Housing Homeownership Division approval of all end loans for homebuyers.

**Approval of Bond Authorization for Multi-Family Development Bonds Series 2013**

Mr. Godfrey presented this request.

This Request for Action seeks approval of authority to issue up to \$125,000,000 in bonds under the Multi-Family Development Bond General Resolution.

As it does with its single family loans, Rhode Island Housing finances its multi-family loans by issuing bonds identified for that purpose. Rhode Island Housing has approximately \$78 million of multifamily loans in process or closed that may require bond financing during the next year. Staff has found various ways to temporarily fund the loans already made; but at this time, it would be appropriate to issue bonds to more permanently finance them, as well as to provide anticipatory funding for upcoming loan production. Sizing of the issuance would also include required debt service reserves. In addition, due to the current low interest rate environment, Rhode Island Housing may have the opportunity to refund approximately \$47 million of previously issued multifamily bonds at lower rates by October 1, 2014.

This authorization will permit Rhode Island Housing to fund the loans in process plus refund the previously issued multifamily bonds. The proceeds from the sale of these bonds will fund approximately 1,500 rental units.

Upon a motion made by Commissioner Pratt and seconded by Commissioner Costantino the resolution was unanimously adopted in the form presented to the meeting, which Resolution is attached as part of the November 21, 2013 board package.

### **Authorization to Issue Private Placement Bonds for Grace Church Apartments**

Mr. Godfrey gave this presentation.

As part of the process of financing the acquisition and rehabilitation of Grace Church Apartments in Providence, staff is requesting the Board of Commissioners to approve the issuance by the Corporation of \$8,000,000 in tax-exempt bonds. Grace Church Apartments will provide 101 units of housing of which 99%, will be affordable to households whose incomes are at or below 60% of median income.

The developer, Preservation of Affordable Housing, Inc (“POAH”), will be loaned approximately \$8,000,000 from an independent lender. The developer will form a limited partnership, which will be the owner of the project and the recipient of the loan. Rhode Island Housing will issue short term tax exempt bonds which will be purchased by an investor who qualifies as a private purchaser under SEC definitions of a Sophisticated Investor. The bonds will be secured by a first security interest in a restricted deposit account established by the borrower. At all times the deposit account will be of an amount equal to 100% of disbursed bond proceeds.

Rhode Island Housing will receive an upfront fee of 1% and a servicing fee of .25 % per annum. POAH will pay all costs associated with issuance and administration of the bonds.

Upon a motion made by Commissioner Dimeo and seconded by Commissioner DeQuattro the resolution was unanimously adopted in the form presented to the meeting, which Authorizing Resolution and Trust Indenture are attached as part of the November 21, 2013 board package.

### **Approval of Mortgage Credit Certificate Program (MCC)**

Mr. Godfrey provided information on this proposal.

This Request for Action (“RFA”) is for authorization to create a Mortgage Credit Certificate (“MCC”) Program under Section 25 of the Internal Revenue Code (the “Code”) and to allocate up to \$75,000,000 in unused private activity bond authority to be issued as MCCs.

Under state and federal law, Rhode Island Housing has authority to issue tax exempt mortgage revenue bonds (“MRBs”) to be used for the purchase of primary residences by borrowers who meet the applicable IRS requirements. Each state receives an allocation of private activity bond authority from the US Department of the Treasury. In turn, the state allocates this bond

authority to state entities that are authorized to issue tax exempt bonds, such as the Economic Development Corporation, the Student Loan Authority, the Airport Corporation and Rhode Island Housing. Because Rhode Island Housing is the only issuer permitted to carry forward bond authority to successive years, we are assigned any unused state authority each year.

In past years, Rhode Island Housing primarily funded its mortgage lending activity with proceeds from the sale of tax exempt private activity bonds since the rate that was achievable was less than rates available in the private mortgage market. However, due to the upheaval in the capital markets in recent years, the interest rates achievable through the sale of tax exempt bonds are no better than the rates available through more conventional mortgage products. Consequently, Rhode Island Housing has responded to this changed environment and now funds most of its loans through new financing platforms, including Fannie Mae and Ginnie Mae. As a result of this funding shift, Rhode Island Housing has unused tax-exempt volume cap including \$75,000,000 that will expire at the end of 2013.

This unused tax-exempt authority presents an opportunity for Rhode Island Housing to take advantage of an IRS program that will provide tangible benefits to low- and moderate-income first-time homebuyers in a way that will complement our current lending platforms. Under the Code, Rhode Island Housing can convert a portion of its authority to issue tax-exempt bonds into MCCs, which would then be issued to qualified homebuyers. The MCC provides housing assistance to the homebuyer in the form of a federal tax credit, the value of which is equal to a portion of the mortgage interest (between 10% and 50%, in accordance with the program guidelines) paid by a homeowner on certain qualifying loans. This tax credit is used on a dollar-for-dollar basis to offset all or a portion of the homeowner's tax obligation on ordinary income and is available every year for the life of the loan. To claim the credit, the homeowner completes and submits an IRS form along with their federal tax return. To the extent that the mortgage interest paid is higher than the credit available under the MCC program that excess amount can be taken as an itemized deduction, further reducing the homeowner's federal tax liability.

The following example illustrates how the MCC works. Assume that an eligible borrower paid \$10,000 in mortgage interest in a given year and was the holder of a 20% MCC. Twenty percent of the \$10,000 paid in mortgage interest, or \$2,000, can be used to offset the borrower's income tax liability. The \$8000 balance of mortgage interest paid can be used as an itemized deduction. A borrower in the 28% tax bracket would save an additional \$2,240 in taxes through this deduction. The total benefit to this borrower, using the MCC, is \$4,240. In contrast, a similarly situated borrower in the same tax bracket, without an MCC, would only realize a benefit of \$2,800 (\$10,000 interest deduction x 28% tax rate). This is a \$1420 benefit to the borrower with an MCC.

Because there is no other viable use of the expiring bond authority, we can provide this benefit to borrowers at no cost.

Upon a motion made by Commissioner Dimeo and seconded by Commissioner DeQuattro the following resolution was unanimously adopted:

**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 a duly organized and existing body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions under the constitution and laws of the State of Rhode Island (the “State”); and

WHEREAS, Rhode Island Housing is authorized by Chapter 55 of Title 42 of the Rhode Island General Laws, as amended (the “Act”), to issue and sell its revenue bonds and to use the proceeds thereof for the purpose of financing mortgage loans to low and moderate income persons in the State, to purchase or, under certain circumstances, to improve and rehabilitate owner-occupied residences and to secure payment of such revenue bonds as therein provided, all in accordance with the provisions of the Act; and

WHEREAS, Rhode Island Housing is an authorized issuer of “qualified mortgage bonds” described in Section 143 of the Internal Revenue Code of 1986, as amended (the “Code”) and receives volume cap under Section 146 of the Code to issue such qualified mortgage bonds and other private activity bonds; and

WHEREAS, Section 25 of the Code and the regulations promulgated thereunder permit Rhode Island Housing to exchange its authority to issue qualified mortgage bonds and other private activity bonds for which it has volume cap in order to issue mortgage credits certificates (“MCCs”) under a qualified mortgage credit certificate program; and

WHEREAS, an MCC provides housing assistance in the form of a nonrefundable, federal tax credit, the value of which is equal to a portion of the mortgage interest paid by a homeowner on certain qualifying loans; and

WHEREAS, the holder of an MCC may apply this tax credit against on his or her federal income taxes in each year the MCC is effective; and

WHEREAS, Rhode Island Housing desires to provide the widest range of alternatives to low and moderate income borrowers to enable them to finance the acquisition, construction, improvement and/or rehabilitation of single-family residences within the State; and

WHEREAS, Rhode Island Housing currently administers a mortgage loan program funded in part through the issuance of qualified mortgage bonds (the “Bond Program”) and in part through other financing vehicles,(collectively with the Bond Program the “Loan Program”); to provide lower interest rate loans to low and moderate income persons who qualify for such program and

WHEREAS, to complement the Loan Program, Rhode Island Housing also wishes to implement an MCC program and issue MCCs under such program; and

WHEREAS, in connection with such MCC program Rhode Island Housing desires to elect not to issue up to \$75,000,000 of private activity bonds which it could otherwise issue (including from any unused carryforward from prior calendar years); and

WHEREAS, pursuant to Section 146 of the Code, Rhode Island Housing has previously directed its Executive Director to file with the Internal Revenue Service (the "IRS") Form 8328 or such other applicable form to carry forward unused private activity bond volume cap allocated to Rhode Island Housing for the calendar year 2010; and

WHEREAS, Rhode Island Housing previously directed that the carryforward volume cap be used to issue qualified mortgage bonds in connection with its Bond Program, and now desires to use a portion of such carryforward volume cap in connection with its MCC program and the issuance of MCCs; and

NOW, THEREFORE, BE IT RESOLVED BY RHODE ISLAND HOUSING, AS FOLLOWS:

**Section 1.** Rhode Island Housing finds and determines that it is necessary to exchange its authority to issue up to \$75,000,000 of private activity bonds for the authority to issue MCCs. Rhode Island Housing directs the Executive Director to make one or more elections, pursuant to Section 25 of the Code, not to issue up to an aggregate of \$75,000,000 of private activity bonds (the "nonissued bond amount") that Rhode Island Housing is authorized and has volume cap available to issue (including any unused carryforward). The nonissued bond amount shall be allocated to an MCC program to be established by the Executive Director under this Resolution. To effectuate the foregoing, the Executive Director is directed to file notice of such election or elections with the Internal Revenue Service, as required by the Code and the regulations.

**Section 2.** Rhode Island Housing approves and authorizes a program (the "MCC Program") of issuing MCCs, pursuant to one or more elections, to qualified homebuyers who incur mortgage loans for eligible purposes. The parameters and purposes of this MCC Program are attached hereto as Exhibit A. Such parameters are hereby approved in substance, with such changes and modifications as the Executive Director, the staff and counsel to Rhode Island Housing deem necessary and advisable, and are incorporated by reference as part of this Resolution.

**Section 3.** With respect to the MCC Program, the Executive Director may establish one or more credit rates for the mortgage loans described therein, determine the program expiration date, select the types of mortgage loans for which MCCs may be issued, approve the terms and conditions on which participating lenders make loans that are eligible for MCC financing, and make other determinations as appropriate, all in accordance with the terms and provisions of Section 25 of the Code and the regulations thereunder and this Resolution. The Executive Director and the staff are hereby directed to further define the MCC Program parameters as

necessary to maximize the availability of lower cost financing to low and moderate-income persons under the MCC Program.

**Section 4.** The Executive Director shall develop forms of the MCC Program Guide and related items as he determines are necessary, appropriate and advisable to carry out the MCC Program.

**Section 5.** The Executive Director shall give notice to the public of establishment of each MCC Program as required by Section 25 of the Code and the regulations thereunder prior to the issuance of any MCCs under the MCC Program.

**Section 6.** Rhode Island Housing ratifies and approves the use of any unused private activity bond volume cap allocated to Rhode Island Housing and previously carried forward for the calendar year 2010 in connection with the issuance of MCCs.

**Section 7.** The Executive Director be and hereby is authorized to take any actions he determines are necessary, appropriate and advisable to carry out this Resolution.

**Section 8.** This Resolution shall be in full force and effect immediately upon its passage and approval.

#### **Authorization to Participate in the Ginnie Mae Single-Family Mortgage-Backed Securities Program**

Mr. Godfrey gave this presentation.

This Request for Action (“RFA”) is for authorization of certain designated officers and employees to execute and deliver to the Government National Mortgage Association (Ginnie Mae) on behalf of Rhode Island Housing any instruments as may be necessary for Rhode Island Housing to participate in the Ginnie Mae MBS Programs.

Rhode Island Housing has been an approved Ginnie Mae single-family MBS issuer/servicer since April 2009. Under the MBS Program, Ginnie Mae guarantees securities issued by Rhode Island Housing, which are backed by pools of our mortgages. The Ginnie Mae guaranty carries the full faith and credit of the US and ensures that security holders receive timely payments of principal and interest as provided in the transaction documents.

Periodically, Ginnie Mae requests that Rhode Island Housing update its designation of employees or officers authorized to execute and deliver to Ginnie Mae instruments necessary to participate in Ginnie Mae programs and services. Ginnie Mae requires that the Board authorize specifically identified employees to act on behalf of Rhode Island Housing regarding MBS Programs, rather than designating authorized officers by position, which is the usual commercial practice. From time to time, staff will seek authorization of other specifically identified employees due to staff turnover or reorganization of functions.

Upon a motion made by Commissioner Pratt and seconded by Commissioner DeQuattro the resolution attached as Exhibit A to these minutes was unanimously approved.

There being no further business to discuss, a motion was duly made by Commissioner Costantino and seconded by Commissioner Dimeo to adjourn the open meeting at approximately at 9:22 a.m.

Respectfully submitted,

Richard Godfrey  
Secretary and Executive Director

**Attachment A**

**Resolution of Board of Directors  
and Certificate of Authorized  
Signatures**

**U.S. Department of Housing  
and Urban Development**  
Government National Mortgage Association

OMB Approval No. 2503-0033 (Exp. 03/31/2015)

(Please type all entries)

Public reporting burden for this collection of information is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a current OMB control number.

Ginnie Mae is authorized to collect the information on this form as required by Section 306(g) of the National Housing Act and/or the Ginnie Mae Handbook, 5500.3, Rev. 1. Ginnie Mae maintains this information to ensure that the persons identified below perform in accordance with acceptable business standards. The information collected will not be disclosed outside the Department except as required by law.

Name of Issuer <b>Rhode Island Housing and Mortgage Finance Corporation</b>	Issuer ID Number <b>4063</b>
---	------------------------------

**Resolved First, that**

**Kara Lachapelle, Director Finance**

Name and Title of Officer

*Kara Lachapelle*  
Signature

**Nicole Turner, Controller**

Name and Title of Officer

*Nicole Turner*  
Signature

**Richard Hartley, Treasurer**

Name and Title of Officer

*Richard Hartley*  
Signature

**Rav Davila, Risk Analyst**

Name and Title of Officer

*Rav Davila*  
Signature

**Peter Walsh, Director Homeownership**

Name and Title of Officer

*Peter Walsh*  
Signature

**Karen Henault, Assistant Director Homeownership**

Name and Title of Officer

*Karen Henault*  
Signature

**Matthew Tanner, Underwriter**

Name and Title of Officer

*Matthew Tanner*  
Signature

**Leslie McKnight, Director Loan Servicing**

Name and Title of Officer

*Leslie McKnight*  
Signature

of this corporation, or any one or more of them, be and each of them is hereby authorized and empowered in the name of and on behalf of this corporation and under its corporate seal, from time to time while these resolutions are in effect, to execute and deliver to the Government National Mortgage Association, in the form prescribed by said Association, with respect to the issue(s) by this corporation, under Section 306(g) of the National Housing Act and the Regulations pertaining thereto, of mortgage-backed securities to be guaranteed by the Association, any documents required to: (a) make applications to Ginnie Mae in the name of and on behalf of this corporation for approval to become an issuer and for Ginnie Mae commitments to guarantee such mortgage-backed securities issued by this corporation; (b) enter into contracts with Ginnie Mae for the latter's guaranty of mortgage-backed securities issued in accordance with the terms and conditions of commitments to guarantee, issued by the Association to this corporation; (c) merge mortgage notes, deeds of trust and bonds now owned or hereafter acquired by this corporation into pools or loan packages, against which this corporation may issue mortgage-backed securities; (d) enter into any agreements, execute any documents or papers, and furnish any information required or deemed necessary or proper by the Association in connection with any of the foregoing; and (e) abide by all the terms and conditions set forth in the Ginnie Mae Mortgage-Backed Securities Guide.

**Resolved Second**, that the above named officers, be and they are hereby authorized and empowered in their discretion and as occasion may arise to receive and endorse the name of this corporation on any checks or drafts representing the proceeds from collections made by servicers of mortgages pertaining to pools or loan packages, and to issue and sign any checks or drafts issued to pay to the security holders their pro rata shares in these proceeds, and to do and perform any and all acts and to execute any and all additional instruments or agreements, from time to time, in the name of and on behalf of this corporation under its corporate seal or otherwise, deemed necessary or proper by the Association in connection with the formation of mortgage pools or loan packages, the issuance of mortgage-backed securities, the guaranty of mortgage-backed securities by the Association and the discharge of the duties and obligations of this corporation, as issuer, until the proceeds of the last maturing mortgage in any pool or loan package is remitted to registered security holders.

**Resolved Third**, that any contracts or agreements heretofore made with said Association on behalf of this corporation, and all acts of officers or agents of this corporation in connection with any contracts to be entered into for the guaranty by the Association of mortgage-backed securities to be issued by this corporation are hereby ratified and confirmed.

**Resolved Fourth**, that Ginnie Mae is authorized to rely upon the aforesaid resolution until receipt by it of written notice thirty days in advance of any proposed change therein.

Previous editions are obsolete.

**Resolution of Board of Directors  
and Certificate of Authorized  
Signatures**

U.S. Department of Housing  
and Urban Development  
Government National Mortgage Association

OMB Approval No. 2503-0033 (Exp. 03/31/2015)

**Page 2 - Continued**

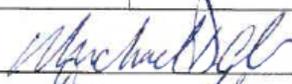
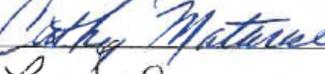
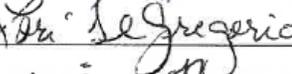
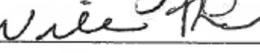
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Ginnie Mae is authorized to collect the information on this form as required by Section 306(g) of the National Housing Act and/or the Ginnie Mae Handbook, 5500.3, Rev. 1. Ginnie Mae maintains this information to ensure that the persons identified below perform in accordance with acceptable business standards. The information collected will not be disclosed outside the Department except as required by law.

Name of Issuer <b>Rhode Island Housing and Mortgage Finance Corporation</b>	Issuer ID Number <b>4063</b>
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**Resolved First, that**

<b>Michael DiChiaro, Asst Director Loan Servicing</b>	
Name and Title of Officer	Signature
<b>Diana Strickett, Supervisor</b>	
Name and Title of Officer	Signature
<b>Cathy Matarese, Director IT (Security Officer)</b>	
Name and Title of Officer	Signature
<b>Lori DeGregorio, Quality Control Manager</b>	
Name and Title of Officer	Signature
<b>William Ryan, Security Officer</b>	
Name and Title of Officer	Signature

Name and Title of Officer	Signature
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Name and Title of Officer	Signature
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Name and Title of Officer	Signature
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of this corporation, or any one or more of them, be and each of them is hereby authorized and empowered in the name of and on behalf of this corporation and under its corporate seal, from time to time while these resolutions are in effect, to execute and deliver to the Government National Mortgage Association, in the form prescribed by said Association, with respect to the issue(s) by this corporation, under Section 306(g) of the National Housing Act and the Regulations pertaining thereto, of mortgage-backed securities to be guaranteed by the Association, any documents required to: (a) make applications to Ginnie Mae in the name of and on behalf of this corporation for approval to become an issuer and for Ginnie Mae commitments to guarantee such mortgage-backed securities issued by this corporation; (b) enter into contracts with Ginnie Mae for the latter's guaranty of mortgage-backed securities issued in accordance with the terms and conditions of commitments to guarantee, issued by the Association to this corporation; (c) merge mortgage notes, deeds of trust and bonds now owned or hereafter acquired by this corporation into pools or loan packages, against which this corporation may issue mortgage-backed securities; (d) enter into any agreements, execute any documents or papers, and furnish any information required or deemed necessary or proper by the Association in connection with any of the foregoing; and (e) abide by all the terms and conditions set forth in the Ginnie Mae Mortgage-Backed Securities Guide.

**Resolved Second**, that the above named officers, be and they are hereby authorized and empowered in their discretion and as occasion may arise to receive and endorse the name of this corporation on any checks or drafts representing the proceeds from collections made by servicers of mortgages pertaining to pools or loan packages, and to issue and sign any checks or drafts issued to pay to the security holders their pro rata shares in these proceeds, and to do and perform any and all acts and to execute any and all additional instruments or agreements, from time to time, in the name of and on behalf of this corporation under its corporate seal or otherwise, deemed necessary or proper by the Association in connection with the formation of mortgage pools or loan packages, the issuance of mortgage-backed securities, the guaranty of mortgage-backed securities by the Association and the discharge of the duties and obligations of this corporation, as issuer, until the proceeds of the last maturing mortgage in any pool or loan package is remitted to registered security holders.

**Resolved Third**, that any contracts or agreements heretofore made with said Association on behalf of this corporation, and all acts of officers or agents of this corporation in connection with any contracts to be entered into for the guaranty by the Association of mortgage-backed securities to be issued by this corporation are hereby ratified and confirmed.

**Resolved Fourth**, that Ginnie Mae is authorized to rely upon the aforesaid resolution until receipt by it of written notice thirty days in advance of any proposed change therein.

Certification.

I Hereby Certify that the foregoing is a true and correct copy of a resolution presented to and adopted by the Board of Directors of

Rhode Island Housing and Mortgage Finance Corporation

at a meeting duly called and held at 44 Washington Street, Providence, RI 02903

on the 13th day of November, 2013, at which a quorum was present and voted, and that such resolution is duly recorded in the minute book of this corporation; that the officers named in said resolution have been duly elected or appointed to, and are the present incumbents of, the respective offices set after their respective names. I also certify that the signatures set opposite the officers' names are true and genuine specimens of the officers' respective signatures.

In Witness Whereof, I have hereunto signed my name and affixed the seal of this corporation.

Richard Godfrey  
Secretary

(Seal)

I, Michael V. Milito Deputy Assistant Director

Name of officer Title of officer

of Rhode Island Housing and Mortgage Finance Corporation, located

Name of institution

in Providence, RI 02903 hereby certify that

Location of institution

Richard Godfrey is the duly qualified and acting secretary

Name of secretary

of Rhode Island Housing and Mortgage Finance Corporation

Name of institution

and that the signature appearing above is his/her genuine signature.

In Witness Whereof, I have hereunto signed my name

11/14/2013

Date

Officer Signature

**ENROLLMENT ADMINISTRATOR AND GINNIE<sup>NET</sup> AUTHORIZED SIGNATORIES**

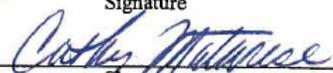
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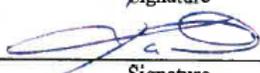
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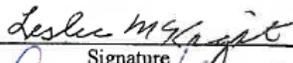
The signatures below represent the personnel designated by the issuer to sign on behalf of the issuer in the capacity of Enrollment Administrator and/or as a Ginnie<sup>NET</sup> Authorized Signer.

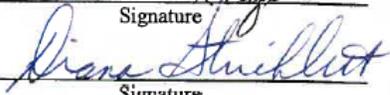
Please Note: The Enrollment Administrator (EA) and/or the Ginnie<sup>NET</sup> Authorized Signer must be on the issuer's Resolution of Board of Directors and Certificate of Authorized Signatures.

Peter Walsh  
Name of Enrollment Administrator  Signature

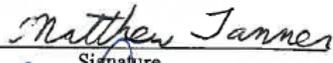
Cathy Matarese  
Name of Enrollment Administrator  Signature

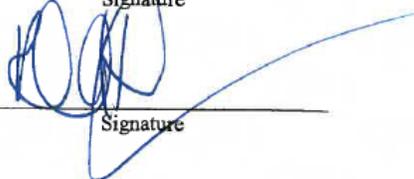
Karen Henzult  
Name of Ginnie<sup>NET</sup> Authorized Signer  Signature

Leslie McKnight  
Name of Ginnie<sup>NET</sup> Authorized Signer  Signature

Diana Stricklett  
Name of Ginnie<sup>NET</sup> Authorized Signer  Signature

Richard Hartley  
Name of Ginnie<sup>NET</sup> Authorized Signer  Signature

Matthew Tanner  
Name of Ginnie<sup>NET</sup> Authorized Signer  Signature

Authorized By: Richard Godfrey  
Name and Title of Officer **Executive Director**  Signature