

FLORIDA HOUSING FINANCE CORPORATION
Board Meeting
December 15, 2006
Information Items



FISCAL
Information

I. FISCAL

A. Operating Budget Analysis for October 2006

- a) The Financial Analysis for October 31, 2006, is attached as [Exhibit A](#).
- b) The Operating Budget for the period ending October 31, 2006, is attached as [Exhibit B](#).

GUARANTEE PROGRAM

Information

II. GUARANTEE PROGRAM

A. Guarantee Program Capacity ([Exhibit A](#))

SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Information

III. SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

A. 2006 Series 6 Single Family Mortgage Revenue Bond Program

1. Background/Present Situation

- a) Lendable proceeds totaling \$126,752,895 were made available on November 20, 2006. The pool sizes and rates are as follows:
 - (1) Lendable proceeds totaling \$60,752,894.74 for the Low Rate Spot pool were made available and offered at an interest rate of 5.69%.
 - (2) Lendable proceeds totaling \$30,000,000 for the Assisted Spot pool were made available and offered at an interest rate of 6.20%.
 - (3) Lendable proceeds totaling \$30,000,000 for the Community Spot pool were made available and offered at an interest rate of 5.25%.
 - (4) Additionally, \$6,000,000 were set-aside for special targeting for purchases in Urban Infill, Targeted Areas, HOPE VI and Front Porch Communities; the USDA Rural Development (RD) Section 523 Mutual Self-Help Housing Program; and for individuals with Disabilities at an interest rate of 5.10%.
- b) Recent changes to the Program:
 - (1) Due to the record high level of use of the down payment program in earlier bond issues, the amount of funds available for assistance is limited. As a result, it was necessary to reduce the amounts of down payment offered through the HOME and HAP Down Payment Assistance programs. The HOME Down Payment Assistance program was reduced in high cost areas from \$25,000 to \$14,999 and in all other counties from \$14,999 level to \$10,000. The amount of assistance available through the HAP program has been reduced to \$7,500. Staff is in the process of reviewing how long down payment assistance can be maintained at these new levels.
 - (2) As part of the review process of the down payment assistance programs the interest rate on the HAMI loans now coincides with the interest rate on the first mortgage loan. This increase in the rate will have minimal impact on the borrowers.
 - (3) In discussion with the participating lenders regarding the down payment assistance program, it was recommended that the amount available through the Cash Assistance program be increased in light of the reductions to the other assistance programs. The amount of assistance has been increased from 3% to 4%. Since this assistance is funded through the interest rate on the first mortgage, the change is expected to greatly assist borrowers while having a minimal impact on the program.

SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Information

(4) In addition to the changes in the down payment assistance program, several other changes have been implemented to speed up the delivery of loans and to track lender participation in the program. Timeframes for loan delivery are being tracked much more closely and loans will be cancelled from the program much more promptly than in previous bond issues. As a result of these changes and to reward the loyal lenders that have made the program so successful, lender compensation has been increased to 1.50%.

c) As of November 20, 2006, the following activity was reported:

Allocated Pool	Current \$ Amount Allocated	Purchased/Reserved \$ Amount	Number	\$ Amount Available	% Used
Low Rate Spot Pool	\$60,752,895	\$13,135,307	101	\$47,617,588	21.62
Assisted Spot Pool	\$30,000,000	\$0	0	\$30,000,000	0.00
Community Rate	\$30,000,000	\$0	0	\$30,000,000	0.00
Subsidized Rate Pool	\$6,000,000	\$0	0	\$6,000,000	0.00

SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Information

B. 2006 Series 4-5 Single Family Mortgage Revenue Bond Program

1. Background/Present Situation

- a) Lendable proceeds totaling \$176,853,125 were made available on July 18, 2006. The origination period began on July 18, 2006. The last date for participating lenders to reserve loans in the program is March 1, 2007.
- b) Freddie Mac purchased \$30 million of the 2006 4-5 bond issue at a below-market rate which created a low rate spot pool specifically for homebuyers in the Wilma GO Zone.
- c) The pool sizes and rates are as follows:
 - (1) Lendable proceeds totaling \$91,753,125 for the Low Rate Spot pool were made available and offered at an interest rate of 5.97%. The rate was increased to 6.10% on September 5, 2006.
 - (2) Lendable proceeds totaling \$14,500,000 for the Assisted Spot pool were made available and offered at an interest rate of 6.67%.
 - (3) Lendable proceeds totaling \$33,350,000 for the Community Spot pool were made available and offered at an interest rate of 5.72%.
 - (4) Lendable proceeds totaling \$24,000,000 for the Wilma GO Zone pool were made available and offered at an interest rate of 5.72%.
 - (5) Lendable proceeds totaling \$6,000,000 for the Wilma Cash Assisted pool were made available and offered at an interest rate of 6.42%.
 - (6) Additionally, \$7,250,000 were set-aside for special targeting for purchases in Urban Infill, Targeted Areas, HOPE VI and Front Porch Communities; the USDA Rural Development (RD) Section 523 Mutual Self-Help Housing Program; and for individuals with Disabilities at an interest rate of 5.10%.
- d) As of November 20, 2006, the following activity was reported:

Allocated Pool	Current \$ Amount Allocated	Purchased/Reserved \$ Amount	Number	\$ Amount Available	% Used
Low Rate Spot Pool	\$91,753,125	\$91,894,146	791	(\$141,021)	100.00
Assisted Spot Pool	\$14,500,000	\$14,500,000	95	\$0	100.00
Community Rate	\$33,350,000	\$33,260,669	253	\$89,331	99.73
Subsidized Rate Pool	\$7,250,000	\$7,209,525	72	\$40,475	99.44
GO Zone Pool	\$24,000,000	\$23,306,992	167	\$693,008	97.11
Wilma Cash Assisted	\$6,000,000	\$5,862,384	30	\$137,616	97.71

SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Information

- e) As of November 20, 2006, the following activity was reported for the down payment and closing costs assistance programs:

Allocated Pool	Current \$ Amount Allocated	Purchased/Reserved \$ Amount	Number	\$ Amount Available	% Used
HAMI Loans	\$295,000	\$290,000	58	\$5,000	98.31
HAP D/P	\$3,884,288	\$3,804,288	382	\$80,000	97.94
HOME Loans (high cost counties)	\$14,793,758	\$14,658,758	591	\$135,000	99.09
HOME Loans	\$2,486,465	\$2,481,466	167	\$4,999	99.80

SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Information

C. 2006 Series 2-3 Single Family Mortgage Revenue Bond Program

1. Background/Present Situation

- a) Lendable proceeds totaling \$102,325,971 were made available on May 9, 2006. The origination period began on May 9, 2006. The last date for participating lenders to reserve loans in the program is March 1, 2007.
- b) Freddie Mac purchased \$25 million of the 2006 2-3 bond issue at a below-market rate which created a low rate spot pool specifically for homebuyers in the Wilma GO Zone.
- c) The pool sizes and rates are as follows:
 - (1) Lendable proceeds totaling \$47,325,971 for the Low Rate Spot pool were made available and offered at an interest rate of 5.75%.
 - (2) Lendable proceeds totaling \$10,000,000 for the Assisted Spot pool were made available and offered at an interest rate of 6.45%.
 - (3) Lendable proceeds totaling \$15,000,000 for the Community Spot pool were made available and offered at an interest rate of 5.50%.
 - (4) Lendable proceeds totaling \$25,000,000 for the Wilma GO Zone pool were made available and offered at an interest rate of 5.50%. On May 16, 2006, \$5,000,000 from the initial Wilma GO Zone pool was used to create a Wilma Cash Assisted pool. The \$5,000,000 were made available and offered at an interest rate of 6.20%.
 - (5) Additionally, \$5,000,000 were set-aside for special targeting for purchases in Urban Infill, Targeted Areas, HOPE VI and Front Porch Communities; the USDA Rural Development (RD) Section 523 Mutual Self-Help Housing Program; and for individuals with Disabilities at an interest rate of 4.99%.
- d) As of November 20, 2006, the following activity was reported:

Allocated Pool	Current \$ Amount Allocated	Purchased/Reserved \$ Amount	Number	\$ Amount Available	% Used
Low Rate Spot Pool	\$44,325,971	\$44,293,914	386	\$32,057	99.93
Assisted Spot Pool	\$9,000,000	\$8,981,290	57	\$18,710	99.79
Community Rate	\$20,000,000	\$19,994,014	158	\$5,986	99.97
Subsidized Rate Pool	\$4,083,403	\$4,088,658	40	(\$5,255)	100.00
GO Zone Pool	\$20,000,000	\$19,995,985	126	\$4,015	99.98
Wilma Cash Assisted	\$5,000,000	\$4,989,563	26	\$10,437	99.79

SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Information

- e) As of November 20, 2006, the following activity was reported for the down payment and closing costs assistance programs:

Allocated Pool	Current \$ Amount Allocated	Purchased/Reserved \$ Amount	Number	\$ Amount Available	% Used
HAMI Loans	\$362,806	\$357,806	72	\$5,000	98.62
HAP D/P	\$2,276,818	\$2,266,818	229	\$10,000	99.56
HOME Loans (high cost counties)	\$6,109,522	\$6,084,522	246	\$25,000	99.59
HOME Loans	\$1,416,017	\$1,401,018	95	\$14,999	98.94

SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Information

D. 2006 Series 1 Single Family Mortgage Revenue Bond Program

1. Background/Present Situation

- a) On December 9, 2005 the Board authorized issuance of the 2006 Series 1 Bonds. The origination period began on March 23, 2006. The last date for participating lenders to reserve loans in the program is January 1, 2007.
- b) Lendable proceeds totaling \$58,509,838 for the Low Rate Spot pool were made available and offered at an interest rate of 5.59%.
- c) Lendable proceeds totaling \$7,500,000 for the Assisted Spot pool were made available and offered at an interest rate of 6.29%.
- d) Lendable proceeds totaling \$7,500,000 for the Community Spot pool were made available and offered at an interest rate of 5.19%. This amount was completely reserved for eligible homebuyers by March 27, 2006. An additional \$2,723,680 was added on March 28, 2006 and offered at an interest rate of 5.34%, increasing the total amount of lendable proceeds to \$10,223,680. \$2,607,680 of the \$2,723,680 was received from the Low Rate Spot pool. Florida Housing used the remainder of the subsidy generated from the 2005 2-3 issue (\$116,000) to lower the rate by 25 basis points.
- e) Additionally, \$3,500,000 were set-aside for special targeting for purchases in Urban Infill, Targeted Areas, HOPE VI and Front Porch Communities; the USDA Rural Development (RD) Section 523 Mutual Self-Help Housing Program; and for individuals with Disabilities at an interest rate of 4.60%.
- f) As of November 20, 2006, the following activity was reported:

Allocated Pool	Current \$ Amount Allocated	Purchased/Reserved \$ Amount	Number	\$ Amount Available	% Used
Low Rate Spot Pool	\$53,038,552	\$53,062,939	467	(\$24,387)	100.00
Assisted Spot Pool	\$7,159,573	\$6,995,746	44	\$163,827	97.71
Community Rate	\$14,308,464	\$14,270,580	106	\$37,884	99.74
Subsidized Rate Pool	\$2,732,030	\$2,727,726	23	\$4,304	99.84

SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Information

g) As of November 20, 2006, the following activity was reported for the down payment and closing costs assistance programs:

Allocated Pool	Current \$ Amount Allocated	Purchased/Reserved		\$ Amount Available	% Used
		\$ Amount	Number		
HAMI Loans	\$191,600	\$191,600	39	\$0	100.00
HAP D/P	\$2,171,400	\$2,171,400	218	\$0	100.00
HOME Loans (high cost counties)	\$5,041,075	\$5,041,075	203	\$0	100.00
HOME Loans	\$1,263,114	\$1,263,114	85	\$0	100.00

E. Marketing and Outreach

1. Online Wizard

Florida Housing recently unveiled the First Time Homebuyer Wizard (“Wizard”). The wizard is an online tool that potential homebuyers can access from Florida Housing’s website. It will help consumers gain a better understanding of the First Time Homebuyer Program by providing tailored information based on the homebuyer’s county of interest, household income and occupation. To obtain the tailored information about income and sales price limits, current interest rates, and down payment assistance, a homebuyer will answer a series of simple questions. The wizard also provides contact information for participating lenders and interactive tools to help homebuyers calculate an estimated mortgage amount they can afford and an online tool to locate federally designated targeted areas.

2. Outreach to Veterans

David Westcott presented information about Florida Housing’s Single Family programs to members of the Veterans’ Commission and staff of the Department of Veteran’s Affairs. This presentation was part of a larger effort to expand our marketing and communications efforts on the Community Spot Loan and other housing programs for active military and veterans in Florida. Meeting with the Veterans’ Commission and staff of the Department of Veterans’ Affairs provided an opportunity to develop local partnerships with military housing directors and discuss plans for a joint marketing and outreach strategy.

3. Realtor Trainings and Partnerships

a) Florida Housing’s staff is drafting plans to allow Realtors trained by Florida Housing to display Florida Housing’s logo and First Time Homebuyer Program details on their Realtor signs. The use of these signs will help spread the word about Florida Housing’s homeownership programs, increase Realtor interest and participation in our affordable housing training courses and help Realtors better serve first-time homebuyer clients.

SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM

Information

- b) Our 2006 Realtor Continuing Education Course sessions were held in partnership with local Realtor associations in the following cities:
 - (1) Ft. Walton Beach
 - (2) Miami
 - (3) Navarre
 - (4) Orlando
 - (5) Punta Gorda
 - (6) West Palm Beach

- c) Florida Housing and the Florida Association of Realtors (FAR) will be partnering to offer Realtor trainings at their Mid-Winter and Annual conferences starting in January 2007. The first session will be held at their Mid-Winter meeting in Orlando on January 20, 2007. Offering our Affordable Housing Solutions Realtor training course at FARs annual meetings will enable Florida Housing to reach more Realtors.

4. Ongoing Marketing

Florida Housing's staff continues to implement 2006 marketing goals and objectives and have begun to outline 2007 plans as well. Our 2007 plans will be based on research and data collected by the Shimberg Center for Affordable Housing. This report provides analysis on the markets with the most potential for outreach of the First Time Homebuyer Program.

5. Call Center

The implementation of a statewide call center for consumers inquiring about the First Time Homebuyer Program is still planned for early 2007. Consumers will call a toll-free number and calls will be answered by a live operator who will direct them to the appropriate participating lender.

6. Annual Homebuyer Expo

Florida Housing's 2007 Homebuyer Expo will be held in Orlando on Saturday June 16th at the Orange County Convention Center. Florida Housing has begun initial outreach efforts to potential exhibitors, local governments, participating lenders, credit counseling agencies and other groups. The 2007 expo website will be launched in December 2006.