

**FLORIDA HOUSING FINANCE CORPORATION**  
**Board Meeting**  
May 5, 2017  
**Information Items**



# COMMUNICATIONS

## *Information*

### I. COMMUNICATIONS

#### A. Florida Hardest-Hit Fund (HHF) Programs

##### 1. Background/Present Situation

a) Since the implementation of the statewide launch, Florida Housing has received press on the program in the following media outlets (including print, broadcast and Internet)<sup>1</sup>:

- (1) 4Closure Fraud Blog
- (2) ABC 7 (WWSB)
- (3) ABC 13 (WMBB.com)
- (4) ABC 25
- (5) Alton Daily News
- (6) Active Rain Blog
- (7) American Banker
- (8) Associated Press
- (9) Bay News 9 Tampa
- (10) Before It's News Blog
- (11) Boston Today Newspaper
- (12) Bradenton Herald Newspaper
- (13) CBS 4 in Miami
- (14) CBS 12 News
- (15) Charlotte Sun
- (16) Chicago Sun Times
- (17) CitrusDaily.com Online
- (18) Clay Today Newspaper
- (19) Coconut Grove Times
- (20) Counselor's Corner
- (21) Crestview Bulletin
- (22) The Current
- (23) Daily Record
- (24) Daytona News-Journal
- (25) *DS News*

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<sup>1</sup> ***Bold Italics*** – Media Hit  
**Bold** – New Media Hit

## COMMUNICATIONS

### *Information*

- (26) eCreditDaily
- (27) Elder Affairs Newsletter
- (28) First Coast News.com
- (29) Florida Courier
- (30) Florida Current
- (31) Florida Housing Coalition Update
- (32) Florida.newszap.com
- (33) Florida Times Union Newspaper
- (34) Florida Today Newspaper
- (35) Florida Trend
- (36) Florida Weekly
- (37) Fox News
- (38) Free-Press-Release.com
- (39) Gainesville.com
- (40) GreenvilleOnline.com
- (41) Guardian
- (42) Heartland News
- (43) Herald Tribune Newspaper
- (44) Highlandstoday.com Online
- (45) Hispanic Business
- (46) Housingwire.com
- (47) Huffington Post
- (48) In USA News
- (49) The Island Packet
- (50) Kansas City Star
- (51) **KIOW**
- (52) Lake City Journal
- (53) Lakeland Ledger
- (54) The Laker
- (55) Law Firm Newswire
- (56) Livinglies Garfield Firm
- (57) The Ledger
- (58) Lexology.com
- (59) Loan Modification Key
- (60) Lobby Tools

## COMMUNICATIONS

### *Information*

- (61) Madison County Carrier
- (62) Matt Widner's Foreclosure News
- (63) Mearkle, Trueblood, Adam
- (64) Mtalawyesjacksonville.com
- (65) Media Advisory – US Senate
- (66) Meetup
- (67) ***Miami Herald Newspaper***
- (68) The Monitor Daily
- (69) Mortgageorb.com Online
- (70) MPA (Mortgage Professional America mpamag.com)
- (71) MyPalmBeachPost Blog
- (72) Naples News
- (73) National Mortgage Professional.com
- (74) NCOA
- (75) News 13 Online
- (76) News Channel 5 (online)
- (77) News Chief
- (78) News-Press Newspaper in Fort Myers
- (79) News Service of Florida
- (80) News Vine
- (81) New York Times
- (82) NorthEscambia.com Online
- (83) Ocala.com Online
- (84) Ocala Star Banner Newspaper
- (85) Orlando Sentinel
- (86) Palm Beach Post
- (87) Panama City News Herald
- (88) PBS.org
- (89) ***Pensacola News Journal Newspaper***
- (90) PR Newswire
- (91) Ponte Vedra Recorder
- (92) The Real Deal
- (93) RealEstateRama.com Online
- (94) The Record
- (95) The Republic

## COMMUNICATIONS

### *Information*

- (96) Reuters Newspaper
- (97) Reverse Mortgage Daily
- (98) RiverBender
- (99) **St. Augustine Record Newspaper**
- (100) St. Petersburg Sunburn
- (101) St. Pete Times Newspaper
- (102) San Francisco Chronicle
- (103) South Florida Business Journal
- (104) Stateline.org Online
- (105) Sun-Sentinel Newspaper
- (106) Sunshine State News
- (107) Tallahassee Democrat
- (108) ***Tampa Bay Times***
- (109) ***Tampa Bay Times Editorial***
- (110) Tampa Tribune
- (111) TCPalm.com Online
- (112) The Times ([www.nwtimes.com](http://www.nwtimes.com))
- (113) Tomrollins.com Online
- (114) Townhall
- (115) Treasury Notes
- (116) Tweet - @Framabama
- (117) Tweet – Troy Kinsey @TroyKinsey
- (118) Tweet – Peter Schorsch @SaintPetersblog
- (119) WAND 17
- (120) Washington Times
- (121) Watchdog
- (122) WBBH Channel 2 Charlotte County
- (123) WBZT “The Talk Station”
- (124) WCTV – Action 9
- (125) WDEF News Channel 12 online [wdef.com](http://wdef.com)
- (126) WEAR Channel 3 Pensacola
- (127) Weidner Law Blog
- (128) WESH 2 News Orlando
- (129) Western Orlando News Online
- (130) **WFLA Tampa**

## COMMUNICATIONS

### *Information*

- (131) WFOL Orlando
  - (132) WFSU
  - (133) WFTV News Orlando
  - (134) WGCU
  - (135) WINK Ft. Myers News
  - (136) Winter Haven News Chief
  - (137) WJXT Channel 9 Jacksonville
  - (138) WLRN Miami Herald News
  - (139) WMBB
  - (140) Wn.com
  - (141) WOFL Channel 35 Lake Mary
  - (142) WPEC Palm Beach TV
  - (143) WPTV Channel 5 West Palm Beach
  - (144) WTSP
  - (145) WTVT Channel 13 Fox Tampa
  - (146) WTXL Tallahassee TV
  - (147) WUFT 89 FM Radio Gainesville
  - (148) WZVN ABC Channel 7 Fort Myers
- b) Communications staff is following up with Advisor Agencies that were provided funding for targeted marketing and outreach for the Principal Reduction program. We expect to have some updates regarding the impact of the program in the coming months.
- c) Additionally, Communications staff facilitated the Marketing and Outreach portion of two trainings held for new Advisor Agencies in Orlando and West Palm Beach. It was a good opportunity to refresh veteran advisors, as well, regarding procedures for all the Florida HHF Programs.
- d) Communications staff continues to manage inquiries from applicants and homeowners already participating in the program. Inquiries are funneled through the public website (public inquiries) and application website, call center, and phone calls to Florida Housing. Also, we continue to handle third-party requests regarding pay-offs and subordination of HHF assistance already received.

# COMMUNICATIONS

## *Information*

### **B. Business Continuity**

#### **1. Background/Present Situation**

- a) Staff attended the Disaster Recovery Journal (DRJ) Spring Conference in Orlando in March. Information discussed included pandemics, workplace violence and active shooter, among other topics. Additionally, staff received updated information on exercising the Corporation's business continuity plan (BCP) and plans to conduct and exercise prior to the end of the year. With the onboarding of our new executive director, staff will reschedule review of the business impact analysis for later, this year, as well.

### **C. Corporate Marketing and Outreach**

#### **1. Background/Present Situation**

- a) Communications staff held trainings on the new listserv platform that will replace the aging web board to disseminate information to our stakeholder audiences. Deployment will occur during this month. Additionally, staff is working to have the new Corporation website operational by mid-May. A demonstration for the Board will be held during a summer Board meeting.
- b) As we continue to build and maintain good relations with affordable housing providers and advocates, Communications staff will participate as an exhibitor at the following annual conferences this year:
  - June 27 – 30 – Florida Association of Counties (FAC) Annual Conference;
  - August 17 -19 – Florida League of Cities (FLC) Annual Conference; and
  - September 10 – 13 – Florida Housing Coalition (FHC) Annual Conference.

# FORECLOSURE COUNSELING PROGRAM

## *Information*

### II. FORECLOSURE COUNSELING PROGRAM

#### A. Foreclosure Counseling Program

##### 1. Background

- a) In September 2013, the Foreclosure Counseling Program (FCP) was launched to help at-risk homeowners avoid foreclosure by providing foreclosure counseling and financial management education to help them better manage their money and assist them in resolving credit problems to become more financially stable.
- b) The program was appropriated funding by the state Legislative Budget Commission which approved \$10 million from the National Mortgage Settlement funds to provide foreclosure counseling services to be administered by Florida Housing over a four-year period.
- c) The program objectives are met by providing funding on a fee-for-service basis to non-profit HUD approved housing counseling agencies to carry out foreclosure counseling services and financial management education.

##### 2. Present Situation

- a) As of March 31, 2017, the program had expended \$1,664,700 and reserved more than \$4.8 million (including expended funds). Since inception, 5,376 households have received some form of foreclosure counseling.
- b) On May 6, 2016, the Board approved up to \$3 million of FCP funds to be disbursed to SHIP local governments that certified the funds would be used for housing counseling activities including foreclosure counseling and first-time homebuyer education. To date, \$2,358,396 million has been disbursed to eligible local governments. This means that \$4,023,096 has been disbursed out of FCP funds through housing counseling agencies and SHIP local governments.
- c) [Exhibit A](#) provides information on the status of the program over the first quarter of 2017 and since program inception. This report details the number of households that have entered the program and the progress and outcomes that have resulted since inception. The outcomes data will lag behind the number of participants in the program, as the typical time for a homeowner to get through this process is 12-24 months.



## **FISCAL**

### ***Information***

#### **III. FISCAL**

##### **A. Operating Budget Analysis for March 31, 2017**

###### **1. Background/Present Situation**

- a) The Financial Analysis for March 31, 2017, is attached as [Exhibit A](#).
- b) The Operating Budget for the period ending March 31, 2017, is attached as [Exhibit B](#).

## GUARANTEE

### *Information*

#### IV. GUARANTEE

##### A. Status of the Guarantee Program portfolio

###### 1. Background/Present Situation

- a) Since the implementation of the Guarantee Program in 1993, it has guaranteed 120 transactions, facilitating the construction of over 28,000 housing units in Florida. In November 1994, the Guarantee Program entered into an agreement with HUD to participate in the Risk-Sharing Program; characterized by a 50/50 sharing of default risk in connection with the mortgage guarantee. As of 3/31/17, three (3) multifamily developments remain in the Guarantee Program portfolio; one (1) is a Risk-Sharing transaction.
- b) Between November 2008 and April 2010, eight (8) multifamily claims were filed on the Guarantee Program, representing the total (and only) multifamily claims incurred in its 24-year history. Currently, there are no foreclosures in inventory and no developments in monetary default in the portfolio.

##### B. Corpus and Portfolio Risk Exposure

###### 1. Background/Present Situation

- a) The global liquidity crisis of 2008 collapsed the market for the variable rate bonds capitalizing the Guarantee Program corpus, ultimately leading staff to restructure the debt, paying off approximately \$89 million and refinancing the remaining \$156.2 million in variable rate bonds to a 5-year term loan with Citibank, closing on December 31, 2009.
- b) At that time, the Guarantee Program's total risk exposure was \$754.5 million. Since then, in keeping with the Board's mandate to cede risk from the portfolio, total risk exposure has been reduced over 95%, as reflected below:

Portfolio Risk Exposure

As of 3/31/17	12/31/16	12/31/15	12/31/14	12/31/13	12/31/12	12/31/11	12/31/10
<b>\$20.7M</b>	<b>\$30.9M</b>	<b>\$59.4M</b>	<b>\$158.9M</b>	<b>\$306.5M</b>	<b>\$468.5M</b>	<b>\$578.8M</b>	\$728.3M

- c) The continued low interest rate environment has prompted many Developers to refinance their properties, paying-off their guaranteed mortgages and removing them from the Guarantee Program portfolio, representing the primary driver behind the reduction in Total Commitments reflected above. Refinancing activity is reflected in the following chart:

Refinancing Activity

	As of 3/31/17	2016	2015	2014	2013	2012	2011	2010
<b>Loans (#):</b>	<b>1</b>	<b>5</b>	<b>17</b>	<b>22</b>	<b>22</b>	<b>9</b>	<b>12</b>	<b>2</b>
<b>Risk ceded (\$):</b>	<b>\$10.2M</b>	<b>\$27.6M</b>	<b>\$100M</b>	<b>\$136.8M</b>	<b>\$149.4M</b>	<b>\$84M</b>	<b>\$117.9M</b>	<b>\$9.9M</b>

## **GUARANTEE**

### ***Information***

- d) Contributing to the reduction in Total Commitments is approximately \$115 million in partial prepayments (of mortgages) from SAIL ELI proceeds, funded prior to or at the time of closing, helping facilitate refinancing activity.
  - e) Furthermore, Management aggressively reduced the Guarantee Program capitalizing debt, paying off \$90.2 million on April 20, 2011, another \$15 million on July 29, 2011, and the remaining \$51.0 million on December 21, 2012, reducing the Guarantee Fund's capitalizing debt to zero (\$0).
  - f) The Guarantee Fund corpus contains approximately \$132 million in capital invested in the Florida Treasury, Special Purpose Investment Account (SPIA), rated "A+F" by Standard & Poor's as of December 31, 2016.
- C. Guarantee Program Portfolio ([Exhibit A](#))**
- D. FHFC actions to effectively manage the Guarantee Program ([Exhibit B](#))**

## HOUSING CREDITS

### *Information*

#### V. HOUSING CREDITS

##### A. The developments listed below requested and staff approved, changes to the Extended Use Agreements

###### 1. Background/Present Situation

- a) Pinnacle at Hammock Place (2003-084C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement was recorded in Bay County on May 11, 2005, and the First Amendment recorded January 6, 2009. The Development swapped: “Outside Recreation Facility: Volleyball Court” for “Outside Recreation Facility: Vita-Course.”
- b) Staff approved the swap and recorded the Second Amendment in Bay County on January 13, 2017.
- c) Madelyn Oaks (2001-023C/2002-053S) is a 9% Housing Credit and SAIL Development. The Extended Low-Income Housing Agreement was recorded in Duval County on November 3, 2003, and the Assignment and Assumption of Extended Low-Income Housing Agreement was recorded in Duval County on December 16, 2015. The Development swapped: “volleyball court” for a “dog park” and “On-Site Literacy Program” for “Homeownership Incentive Program.”
- d) Staff approved the swap and recorded the First Amendment in Duval County on August 19, 2016.
- e) Stirrup Plaza Preservation Phase One (2011-048C/2012-008C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement was recorded in Miami-Dade County on June 8, 2015. The Development released land under the existing Extended Use Agreement to use for a subsequent phase in RFA 2016-114. The released land remains encumbered under a Declaration of Trust.
- f) Staff approved the legal description change, amended the Extended Low-Income Housing Agreement, and recorded the First Amendment in Miami-Dade County on February 6, 2017.
- g) Joe Moretti Preservation Phase One (2011-047C/2012-029C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement was recorded in Miami-Dade County on January 9, 2015. The Development released land under the existing Extended Use Agreement to use for a subsequent phase in RFA 2016-114. The released land remains encumbered under a Declaration of Trust.
- h) Staff approved the legal description change, amended the Extended Low-Income Housing Agreement, and recorded the First Amendment in Miami-Dade County on February 6, 2017.
- i) St. Martin’s Place (2011-069CH/2013-021CH) is a 9% Housing Credit and HOME Development. The Extended Low-Income Housing Agreement was recorded in Miami-Dade County on November 24, 2015. Staff approved a

## HOUSING CREDITS

### *Information*

change to amend a scrivener's error wherein the Agreement incorrectly referred to special needs in Sections 2(d) and 3(a).

- j) Staff amended the Extended Low-Income Housing Agreement and the First Amendment was recorded in Miami-Dade County on October 11, 2016.
- k) Tierra Pointe (2011-130C/2013-022C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement was recorded in Osceola County on January 19, 2016. The Development has swapped: "Staff On-Site 24 Hours Per Day" for "24 Hour Support to Assist Residents in Handling Urgent Issues". Staff will amend the EUA for this development, as appropriate.
- l) Vista Del Sol (2011-131C/2013-008C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement was recorded in Osceola County on August 12, 2015, and the First Amendment was recorded on October 12, 2015. Vista Del Sol has swapped: "Manager On-Site 24 Hours Per Day" for "24 Hour Support to Assist Residents in Handling Urgent Issues". Staff will amend the EUA for this development, as appropriate.
- m) Madison Crossing (2014-010C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement was recorded in Osceola County on April 12, 2016. The Development has swapped: "Staff On-Site 24 Hours Per Day" for "24 Hour Support to Assist Residents in Handling Urgent Issues". Staff will amend the EUA for this development, as appropriate.
- n) Madison Heights (2011-172C/2013-015C) is a 9% Housing Credit Development. The Extended Low-Income Housing Agreement was recorded in Hillsborough County on April 30, 2015. The Development has swapped: "Staff On-Site 24 Hours Per Day" for "24 Hour Support to Assist Residents in Handling Urgent Issues". Staff will amend the EUA for this development, as appropriate.

## HOME RENTAL

### *Information*

#### VI. HOME RENTAL

##### A. Changes to Amenities and/or Resident Programs

##### 1. Background/Present Situation

- a) The following development has requested and staff has approved the following changes to the LURA from their Application since the last Board meeting:
  - (1) Cabana Club Apartments (94DRHR-103) has requested the existing Land Use Restriction Agreement (“LURA”) language, which states that the units contain cultured marble vanities and new berber carpeting be swapped with language stating porcelain-coated steel sinks and vinyl plank flooring will be in each unit. They have also requested the current amenities which include tennis and handball courts be substituted with pool-side grills, picnic tables and bocce ball courts. Finally, they would like to substitute the existing language for a manned guardhouse at the Project entrance with language to allow for a remote security surveillance system.
- b) Staff will amend the LURA for the developments as appropriate.

## MULTIFAMILY BONDS

### *Information*

#### VII. MULTIFAMILY BONDS

##### A. Changes to Construction Features and Amenities and/or Resident Programs

###### 1. Background/Present Situation

- a) The following developments have requested, and staff has approved, changes to the Construction Features & Amenities and/or Resident Programs in their Application since the last Board meeting:
  - (1) Savannah f/k/a Fairmont Oaks (2003 Series I) - the MMRB Land Use Restriction Agreement requires “saunas.” The Borrower has requested to swap “saunas” for “business center/internet café.” Scoring of the Application will remain unaffected.
  - (2) Hickory Knoll (2016 Series I / 2016-185BS / 2016-506C) – the MMRB and SAIL Land Use Restriction Agreements require that the three (3) bedroom units contain one (1) bathroom. The Borrower has requested to increase the number of bathrooms in the three (3) bedroom units to two (2) bathrooms. Scoring of the Application will remain unaffected.
- b) Staff will amend the Land Use Restriction Agreement(s) and/or Extended Use Agreements for the developments as appropriate.

## MULTIFAMILY PROGRAMS

### *Information*

#### VIII. MULTIFAMILY PROGRAMS

##### A. Changes to Definitions

##### 1. Background/Present Situation

- a) The Development listed below has requested, and staff has approved, a definition change due to an update in Section 393.063, Florida Statutes:
  - (1) The Arc Village (RFA 2013-004 / 2014-133CGS and RFA 2014-113 / 2015-001C) has requested the following change. Scoring of the Application will remain unaffected.
    - (a) Remove the following language:

“Person with a Developmental Disability” means a person with a disorder or syndrome that is attributable to intellectual disability, cerebral palsy, autism, spina bifida, or Prader-Willi syndrome; that manifests before the age of 18; and that constitutes a substantial handicap that can reasonably be expected to continue indefinitely.
    - (b) Replace with the following language:

“Person with a Developmental Disability” means a person with a disorder or syndrome that is attributable to intellectual disability, cerebral palsy, autism, spina bifida, Down syndrome, Phelan-McDermid syndrome, or Prader-Willi syndrome; that manifests before the age of 18; and that constitutes a substantial handicap that can reasonably be expected to continue indefinitely.
- b) Staff will amend the Land Use Restriction Agreements and/or Extended Use Agreements for the development as appropriate.



## STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

### *Information*

#### IX. STATE APARTMENT INCENTIVE LOAN PROGRAM (SAIL)

##### A. State Apartment Incentive Loan Program (SAIL)

##### 1. Background/Present Information

- a) The Development listed below has requested, and staff has approved, a change to the Green Building Features in their Application since the last Board meeting:
  - (1) Coquina Place (RFA 2014-103/2014-318S) requested to replace “Eco-friendly cabinets – formaldehyde free, material certified by the Forest Stewardship Council (3 points)” with “Water sense certified dual flush toilets in all bathrooms (2 points)”. Scoring of the Application will remain unaffected as the development will still achieve the 10 points required.
- b) Staff will amend the Land Use Restriction Agreement for the development as appropriate.

## SINGLE FAMILY HOMEBUYER PROGRAMS

### *Information*

#### X. SINGLE FAMILY HOMEBUYER PROGRAMS

##### A. Single Family Homebuyer Programs

###### 1. Background/Present Situation

- a) Florida Housing continues to have funds continuously available for qualifying homebuyers through FHFC Homebuyer Loan Programs. Florida Housing's Programs provide assistance to eligible homebuyers by offering low-cost, 30-year, fixed-rate mortgages together with down payment and closing cost assistance (DPA). Currently, we have two Homebuyer Loan Programs; the Florida First Government Loan Program (Government Loan Program) and the Florida HFA Preferred Conventional Loan Program (HFA Preferred). We also offer a Mortgage Credit Certificate Program for qualified homebuyers who may benefit from additional annual federal tax savings offered through this program.
- b) The Government Loan Program offers borrowers a 30-year, fixed-rate mortgage using all approved government-insured loan types. These include Federal Housing Administration (FHA) loans, U.S. Department of Veteran Affairs (VA) loans, and United States Department of Agriculture-Rural Development (RD) loans. This program is funded through both traditional mortgage revenue bond sales as well as by the sale of Mortgage Backed Securities (MBS) into the secondary markets. Included in this program is the Military Heroes Program, which offers both honorably discharged veterans and active duty military personnel the benefit of a lower first mortgage interest rate.
- c) The HFA Preferred Program uses a loan product developed by Fannie Mae specifically for state housing finance agencies. Rather than selling bonds as a funding source, this program is structured as a forward delivery "To Be Announced" (TBA) Program in conjunction with one of our contracted investment bankers, Raymond James. Single Family Program staff sets a daily mortgage rate based upon prevailing market rates and predetermined profitability goals. The conventional loans, originated by participating lenders, offer borrowers a 30-year, fixed-rate mortgage. Borrowers benefit from lower mortgage insurance costs on these loans when compared to other Fannie Mae mortgage products, as well as similar government-insured loans such as FHA.
- d) Florida Housing primarily offers qualified homebuyers DPA in the form of a second mortgage loan on both the Government Loan Program and HFA Preferred loans. Our Florida Assist loan is a 0% deferred payment loan of \$7,500. This second mortgage program serves homebuyers with an area median income (AMI) of up to 120%, adjusted for household size. It is repayable upon sale of the property, refinance of the first mortgage, at the end of the first mortgage term, or if the homeowner no longer occupies the property as his/her primary residence.
- e) We also offer a 3% grant program as part of the HFA Preferred PLUS Conventional Loan Program. The grant program offers borrowers 3% of the purchase price in non-repayable assistance to help with downpayment and closing costs. The HFA Preferred PLUS, like the HFA Preferred, offers daily

## SINGLE FAMILY HOMEBUYER PROGRAMS

### *Information*

pricing. Our HFA Preferred PLUS grant provides assistance to borrowers with an area median income (AMI) of up to 140%, adjusted for household size.

- f) On July 13, 2015, we launched a DPA Program that utilizes Hardest Hit Fund (HHF) resources. The HHF DPA Loan Program was initially being offered as a pilot program in Brevard, Duval, Hillsborough, Orange and Volusia counties. On August 31, 2016, the HHF DPA Loan Program expanded into an additional six counties; Clay, Osceola, Pasco, Pinellas, Polk and St. Lucie. This Program can serve borrowers with incomes up to 140% AMI. The Program offers the following benefits to qualified borrower(s):
  - (1) Borrower(s) qualifying for eligible Homebuyer Loan Programs automatically qualify.
  - (2) A five-year loan that is forgiven at the rate of 20% per year, provided the borrower is not in default.
  - (3) 0% interest rate.
  - (4) Up to \$15,000 in assistance.
- g) Our Mortgage Credit Certificate (“MCC”) Program provides qualified first time homebuyers with a non-refundable federal tax credit. Our MCC Program uses a 50% credit rate that provides the homeowner with a maximum \$2000 annual tax credit used to offset any federal tax liability. The homeowner can claim this credit each year they occupy the home as a primary residence, pay mortgage interest, and have a tax liability to offset. We currently have 133 approved lenders participating in the MCC Program compared with 170 in our loan programs. We charge a \$500 issuance fee for each MCC to cover administration and support of the program.
- h) Single Family Program Staff continually offers a three hour, Department of Business and Professional Regulation (DBPR)-approved continuing education (“CE”) course for Realtors, which is coordinated through local Realtor boards throughout the state. Realtors who attend these classes receive a general 3 hour CE credit while learning about our Homebuyer Loan Programs, our Mortgage Credit Certificate Program, and other affordable housing programs available to their potential homebuyers. We strive to market to large groups such as Realtors and lenders statewide to maximize the benefit of our time and travel and to help others learn about the resources available through our programs. Single Family Program Staff presented the Homebuyer Loan Programs course to 23 Realtors in Tallahassee on March 24<sup>th</sup>. This event was coordinated in conjunction with one of our Participating Lenders, VanDyk Mortgage, who is currently our fourth largest originator in the state. We have two additional classes scheduled the week April 17<sup>th</sup>. On Tuesday April 18<sup>th</sup>, we have a class scheduled in Tampa with Greater Tampa Realtors (GTAR). They advise they are at capacity for the class. On Wednesday, we have a class scheduled in Pasco County. Both counties are Hardest Hit Fund DPA eligible counties.
- i) Single Family Program Staff also conducts telephonic, webinar and face-to-face trainings for lender partners throughout the state. Training consists of program requirements and recent updates, system training offered in conjunction with eHousing and first mortgage and servicer requirements and updates offered in conjunction with US Bank Home Mortgage. Together, Florida Housing,

## **SINGLE FAMILY HOMEBUYER PROGRAMS**

### ***Information***

eHousing and US Bank Home Mortgage provide lenders with information to better assist with the origination, delivery and purchase of first and second mortgages originated through our Homebuyer Loan Program.

- j) Florida Housing sponsors a toll-free telephone line (800-814-HOME), for first time homebuyers to call for information about our program. Callers are able to receive information through pre-recorded information that directs them to our First Time Homebuyer Wizard tool, which is located on our website. Those callers that have additional questions are transferred to Single Family Staff for assistance.

## HOMEBUYER LOAN PROGRAMS SUMMARY

	<b>2016 FTHB Program Totals</b>	<b>2017 YTD FTHB Program Totals</b>	<b>2017 Government Loan Program</b>	<b>2017 HFA Preferred Conventional Loan Program</b>	<b>2017 Mortgage Credit Certificate (MCC) Program</b>
Average Loan Amount	<b>\$134,213</b>	<b>\$141,439</b>	<b>\$134,846</b>	<b>\$145,277</b>	<b>\$176,680</b>
Average Acquisition Price	<b>\$143,790</b>	<b>\$152,846</b>	<b>\$143,040</b>	<b>\$158,553</b>	<b>\$184,213</b>
Average Compliance Income	<b>\$47,217</b>	<b>\$48,234</b>	<b>\$46,815</b>	<b>\$49,058</b>	<b>\$47,565</b>
County Area Median Income %	<b>62%</b>	<b>63%</b>	<b>70%</b>	<b>58%</b>	<b>83%</b>
<b>Total Purchased Loan Amounts</b>	<b>\$965,797,360</b>	<b>\$398,294,982</b>	<b>\$139,700,500</b>	<b>\$258,594,482</b>	<b>NA</b>
<b>Total # of Units</b>	<b>7,196</b>	<b>2,816</b>	<b>1,036</b>	<b>1,780</b>	<b>525</b>

\*uses 2016 statewide AMI of \$57,200

### 2017 TOP 10 COUNTIES FOR HOMEBUYER LOAN PROGRAMS ORIGINATIONS

Duval	1,704	\$222,759,214
Hillsborough	1,544	\$218,044,853
Brevard	856	\$107,778,555
Orange	671	\$100,758,660
Volusia	499	\$61,318,247
Pinellas	276	\$35,273,347
Pasco	194	\$23,329,924
Lee	174	\$23,924,464
Polk	155	\$20,000,106
Osceola	112	\$17,083,855

## SUBORDINATED MORTGAGE INITIATIVE (SMI)

### *Information*

#### XI. SUBORDINATED MORTGAGE INITIATIVE (SMI)

##### A. Program Update

##### 1. Background/Present Situation

- a) Between April 2009 and September 2010, the Board approved funding for a total of thirty-two (32) Subordinated Mortgage Initiative (SMI) loans to developments determined to be in financial distress within the Guarantee Program portfolio. The loans provided properties with temporary assistance in funding their first mortgage debt service for a period of up to twenty-four (24) months. To that extent, Florida Housing provided up to one (1) mortgage payment per quarter, with the developer making the remaining payments. Over the twenty-four (24) month disbursement period, Florida Housing could fund up to eight (8) mortgage payments and the developer the other sixteen (16) mortgage payments.
- b) Pursuant to SMI loan terms, no payments were due during the first 48 months (inclusive of the first 24-month disbursement period). However, interest accrues and is payable in full at the end of the 48-month period, followed by monthly principal-and-interest payments based on a twenty (20) year amortization and a balloon (payment in full) due at the end of year ten.
- c) [Exhibit A](#) (attached) reflects the status of the SMI loans as of March 31, 2017, highlighted as follows:
  - (1) The Board originally approved thirty-two (32) SMI loans totaling up to \$19,120,000 in aggregate.
  - (2) Thirty (30) SMI loans were closed totaling approximately \$17.8 million, of which approximately \$17.6 million was disbursed.
  - (3) To date, twenty nine (29) loans totaling approximately \$17.1 million have been paid in full.
  - (4) No SMI loans have been foreclosed or resulted in a loss.

# FHFC Performance Dashboard

April 2017

Green = Good to Go  
 Orange = Merits additional Monitoring  
 Red = A Concern to Address

HOMEOWNERSHIP			
Performance Measures	Data	Informational Indicators	Data
<b>Number of Participating First Mortgage Lenders*</b>	End of Q4/2016 193 active and approved lenders (Target: 50)	<b>Homebuyer Loan Programs:</b> Average Acquisition Price Average Homebuyer Income	To date in 2017 Price: \$152,846 (+6.3% from 2016 Avg.) Homebuyer Income: \$48,234 (+2.2% from 2016 Avg.)
<b>Hardest Hit Fund (HHF): Total Quarterly Funding Assistance Disbursed</b>	Q4/2016: Most Recent Treasury Report \$42.4 million	<b>Mortgage Credit Certificate:</b> Average Acquisition Price Average Homebuyer Income	To date in 2017 Price: \$184,213 (+8.4% from 2016 Avg.) Homebuyer Income: \$47,565 (-0.2% from 2016 Avg.)
<b>Homebuyer Loan Programs First Mortgage Loan and Down Payment Assistance (DPA): Purchase Totals</b>	<b>First Mortgages</b> All of 2016: \$965,797,360 (175% of 2015 Total) <b>DPA</b> All of 2016: \$95,131,081 (212% of 2015 Total)	<b>Homebuyer Loan Programs Top 5 Counties for Originations</b> (*county with access to HHF DPA program introduced in July 2015)	To date in 2017 (# of Loans: \$ Total) <b>Duval*</b> (1,704 Loans: \$222,759,214) <b>Hillsborough*</b> (1,544 Loans: \$218,044,853) <b>Brevard*</b> (856 Loans: \$107,778,555) <b>Orange*</b> (671 Loans: \$100,758,660) <b>Volusia*</b> (499 Loans: \$61,318,247)
<b>Foreclosure Counseling Program Funding Reserved</b>	Q1/2017: \$259,200 Since Inception: \$7,196,796 Expanded program activities authorized in the 2016 Session are being implemented now.		
<b>HOME Allocation and Commitment Status</b>	On pace for 2015 Commitment		
<b>Number of Hardest Hit Fund Mortgage Loan Servicers*</b>	End of Q4/2016 461 active and approved servicers (Target: 100)		

RENTAL			
Performance Measures	Data	Informational Indicators	Data
<b>Guarantee Fund Risk-to-Capital Ratio</b>	End of Q4/2016 .24:1 (Maintain no more than a 5.00:1 leverage ratio)	<b>FHFC Rental Portfolio Occupancy Rate Statewide</b>	November 2016 - January 2017: 96.8% (Target 93%-95%)
<b>Guarantee Fund Insurer Ratings</b>	<b>Standard &amp; Poor's:</b> A+/Stable (as of 12/17/15) <b>Fitch:</b> A+/Stable (as of 03/31/16) (Rating of not less than third-highest to safeguard State Housing Trust Fund)	<b>Average Tenant Income in Florida Rental Properties</b>	<b>Most recent annual figures (2014)</b> Public Housing: \$12,418 HUD Properties: \$13,475 USDA RD Properties: \$16,688 FHFC Properties: \$23,667 All Florida Renters: \$45,805
<b>Amount of State Appropriated Rental Funding Awarded*</b>	End of Q4/2016 Held six public meetings on RFAs for current FY competitive funding (Q4 Target: Hold at least one public meeting for current FY competitive funding)	<b>Average Tenant-Paid Gross Rent at Florida Rental Properties</b>	<b>Most recent annual figures (2014)</b> Public Housing: \$277 HUD Properties: \$256 USDA RD Properties: Unavailable FHFC Properties (All): \$718 FHFC Properties (w/Rental Assist): \$294 FHFC Properties (w/o Rental Assist): \$817 All Florida Renters: \$1,087
<b>Eligibility for National Pool of Low Income Housing Tax Credits</b>	<b>Most recent eligibility period</b> Received 2016 National Pool Housing Credits	<b>Maturing Loans Data</b>	<b>2016</b> 3 SAIL Loans: 396 Units 2 HOME Loans: 105 Units <b>2017 Anticipated</b> 9 SAIL Loans: 806 Units 4 HOME Loans: 245 Units
<b>Percentage of SAIL Funds Awarded across each Demographic Group Compared to Reserved Allocation Percentages</b>	<b>FY 2016-17 Funds Allocation Reserved compared to Actual Awarded (as of Q4/2016)</b> Farm/fishworkers (5% - 0%)* Homeless (10% - 0%)* Special Needs (14% - 0%)* Elderly (21% - 28.7%) Families (50% - 71.3%)  *RFAs are currently open	<b>Searches for Affordable Rentals on Housing Locator Website</b>	Q4/2016: 166,991 searches conducted
<b>Percentage of SAIL Funds Awarded across Small, Medium and Large Counties</b>	<b>FY 2016-17 Funds Allocation Reserved compared to Actual Awarded (as of Q4/2016)</b> Small Counties (10% - 8.7%) Medium Counties (37% - 33.4%) Large Counties (53% - 57.9%)		
<b>Total/Affordable Units in FHFC Portfolio</b>	End of Q4-2016 Total: 192,233 Affordable: 179,650 ELI: 13,881 Homeless/Special Needs: 6,079 (includes 2,404 Link units)	<b>Rental Metrics in Development:</b> Multifamily Transaction Times Funding Proportions: HC Developments Portfolio Units: New/Preserved/Lost Link Unit Referral Occupancy	

OPERATIONS			
Performance Measures	Data	Informational Indicators	Data
<b>Budgeted Total Operating Expenses to Actual Total Operating Expenses*</b>	Period Ending 01/31/17 Under budget (Target: NTE budget by more than 10%)		
<b>Board Engagement: Attendance &amp; Attainment of Quorum*</b>	<b>Most recent Board Meeting</b> March 2017: 6 of 8 seated members present (Target: Quorum - five members present)		

\*DEO/FHFC Contract Measure