From: Florida Housing Finance Corporation <fhcommunications@floridahousing.org>
Subject: Florida Housing's "What's Developing" Newsletter
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FLORIDA HARDEST-HIT FUND PRINCIPAL REDUCTION PROGRAM REACHES APPLICATION GOAL IN ONE WEEK

The process for homeowners to apply for the Florida Hardest-Hit Fund Principal Reduction (HHF-PR) program closed on Wednesday, October 2, one week after reaching its goal of 25,000 applications. The online application process opened on the previous Wednesday, September 25.

Upon completion, each application was assigned to an HHF-PR advisor agency, where staff began the process of determining eligibility for those who applied to receive assistance from the program. Homeowners who are deemed eligible and whose mortgage servicer has agreed to accept HHF-PR funds can receive up to $50,000 to reduce the principal balance of their first mortgage.

Once a homeowner has been deemed eligible to receive HHF-PR financial assistance, the first mortgage loan servicer will be contacted to effectuate the transmittal of the funds. Once the funds have been transmitted and applied to the principal of the loan, the loan can be recast (re-amortized) to yield a lower monthly mortgage payment for the homeowner. For those homeowners who have government-backed mortgages, the loan will need to be refinanced to lower the monthly payment. For a complete description of the program and terms of assistance, click here to be connected to the website; the FAQs, which completely detail the program, can then be downloaded or viewed.

First announced on February 19, 2010, by the US Department of the Treasury (Treasury), the "Housing Finance Agency (HFA) Innovation Fund for the Hardest-Hit Housing Markets" (HFA Hardest-Hit Fund) provides federal funding to states hardest hit by the aftermath of the burst of the housing bubble. A total of $7.6 billion has been infused into the HFA Hardest-Hit Fund for 18 states and the District of Columbia; Florida's allocation stands at more than $1 billion. The goal is to help create sustainable homeownership in our state. The HHF-PR program joins the other Florida HHF programs: Unemployment Mortgage Payment (UMAP) and Mortgage Loan Reinstatement (MLRP) programs.
Federal Assistance Will Help Homeowners Struggling With Their Reverse Mortgage

Florida Housing Finance Corporation (Florida Housing), in cooperation with Florida Department of Elder Affairs (DOEA), Fannie Mae and the US Department of the Treasury (Treasury), launched the Elderly Mortgage Assistance Program (ELMORE) November 12 via conference call.

Using $25 million in federal funding allotted to Florida from the Treasury's Hardest-Hit Fund (HHF), the ELMORE program will assist elderly homeowners with home equity conversion mortgages (HECMs)—better known as “reverse mortgages”—who, as a result of a hardship, are having difficulty making property tax and homeowner’s insurance payments. As a result, these homeowners may be facing foreclosure for non-payment of these required expenses.

"There are thousands of reverse mortgages in Florida that are in delinquency," said Florida Housing Executive Director Steve Auger. "After implementing other HHF programs that target the more ‘traditional’ homeowner, it is now time to help homeowners who are in the twilight of their years, on a fixed income, experiencing a hardship and facing foreclosure. This new program should help them sustain their homes, while they look at ways to free-up income to pay their homeowner expenses moving forward."

Homeowners who meet specific qualifications may be eligible for a two-year, forgivable loan of up to $25,000. The funds will be disbursed to the mortgage servicer, on the homeowner’s behalf, in a lump sum to repay property-related expenses advanced by the servicer (e.g., property taxes, homeowner's insurance, flood insurance and association fees). Funds may also be used to pay upcoming property-related expenses for up to 12 months.

"In accordance with the Older Americans Act, it is the mission of the Department of Elder Affairs to address the needs of Florida seniors and to create an environment that allows them to remain in their own homes and communities as they age, said Florida DOEA Secretary Charles T. Corley. "We support tools, such as the ELMORE Program, that help to accomplish this important task."

"The Obama Administration is committed to helping states like Florida find innovative ways to help homeowners avoid foreclosure," said Treasury's Chief Homeownership Preservation Officer Mark McArdle. "This program will provide much needed assistance to elderly homeowners with reverse mortgages, and Treasury is proud to partner with the State of Florida to implement it."

"We commend the Florida Housing Finance Corporation for launching this new initiative to help elderly homeowners with reverse mortgages stay in their homes," said Federal Housing Administration (FHA) Commissioner Carol Galante. "The HECM program allows senior citizens to age in place by tapping into their home equity to help pay expenses. The ELMORE program builds on this goal by giving qualified seniors who have experienced financial hardship an alternative to foreclosure."

"We are pleased to partner with Florida Housing on this important initiative for our struggling homeowners," said Joy Cianci, senior vice president of Making Home Affordable® and Foreclosure Prevention at Fannie Mae. "We commend them for being the first state to implement a program to assist elderly homeowners in reverse mortgages with resources from the Hardest-Hit Fund and hope to see other states soon follow suit."

Reverse mortgages offer unique benefits to elderly homeowners, allowing them to access the equity in their homes. However, with a reverse mortgage, homeowners have specific responsibilities that are set by the federal Department of Housing and Urban Development (HUD), which insures most reverse mortgages, including the timely payment of property-related expenses. If the homeowner falls behind on those obligations, the servicer may issue a demand for payment-in-full of the reverse mortgage or even foreclose on the property. The ELMORE program, for those who qualify and demonstrate they will be able to reasonably recover from the hardship that contributed to the property-related expenses becoming delinquent, can be the support that an elderly homeowner needs to ensure their home is preserved.

Florida homeowners with reverse mortgages who want to see if they qualify for the ELMORE program should first contact their reverse mortgage servicer. If the servicer is unable to assist, a homeowner should then contact the toll-free ELMORE Application and Information Line at 1-(800) 601-3534 to apply and/or receive more information on the program. Additional information is available at the ELMORE program website, www.FloridaELMORE.org, or at www.KnowYourOptions.com/reverse.
LEGISLATIVE UPDATE

Pinnacle Housing Revitalizes South Florida Community

On September 19, in conjunction with the Board meeting held in Coral Gables, Florida Housing staff, Board members, elected officials and their staffs, toured a local affordable multifamily development—Kings Terrace—built by Pinnacle Housing Group. Recently highlighted in the July/August 2013 issue of Affordable Housing Finance Magazine, the development was formerly a severely distressed property. Using $24 million in mortgage revenue bonds, $5 million in HOME funds, and more than $1 million in 4% low income housing tax credits (all obtained through Florida Housing), in addition to other funding sources, Pinnacle created an affordable rental community that rivals most market-rate rental housing. The 300-unit property serves households earning no more than 50 and 60 percent of the area median income.

MULTIFAMILY PROGRAMS UPDATE

Requests for Applications (RFA) Update

Florida Housing will issue several RFAs during the coming months. This chart shows the tentative 2013-2014 funding timelines. All dates are subject to change.

<table>
<thead>
<tr>
<th>RFA Issued</th>
<th>Small &amp; Medium County RFA</th>
<th>1st Large County RFA for Duval, Hillsborough, Orange &amp; Pinellas</th>
<th>2nd Large County RFA for Broward, Miami-Dade &amp; Palm Beach</th>
<th>Small DD* RFA</th>
<th>Large DD* RFA</th>
<th>Preservation RFA</th>
<th>SAIL &amp; HOME</th>
<th>Special Needs RFA</th>
<th>High Priority Homeless RFA</th>
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<td>RFA Due</td>
<td>10/17/13</td>
<td>10/30/13</td>
<td>11/12/13</td>
<td>11/8/13</td>
<td>12/10/13</td>
<td>1/13/14</td>
<td>1/27/14</td>
<td>3/10/14</td>
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<td>Request Board Approval of Recommendations</td>
<td>12/13/13</td>
<td>12/13/13</td>
<td>1/31/14</td>
<td>12/13/13</td>
<td>Late January 2014</td>
<td>March 2014</td>
<td>March 2014</td>
<td>April 2014</td>
<td></td>
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</tbody>
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1. 2014 Housing Credits—estimated $11,166,425 for Medium Counties and $1,308,328 for Small Counties
2. Estimated $7,898,649 of 2014 Housing Credits
3. Estimated $10,052,825 of 2014 Housing Credits
4. $4 million Grant funding
5. $6 million Grant funding and $2.2 million 2014 Housing Credits, plus SAIL/SAIL ELI gap funding
6. $10 million Grant funding plus SAIL ELI gap funding
7. Estimated $5,369,334 of 2014 Housing Credits
8. Estimated $25 million of SAIL funding, $15 million of HOME funding, and SAIL ELI gap funding— to be used with Tax-Exempt Bonds
9. $10 million funding from 2012 Proviso plus SAIL ELI gap funding
10. Estimated 2.2 million of 2014 Housing Credits and SAIL funding

*Persons with Developmental Disabilities

**The 2014 Board Meeting schedule has not been finalized. Note: For the three geographically targeted RFAs and the Small Developmentally Disabled (DD)/Large DD/Homeless RFAs, the end of the scoring period is earlier than the Board approval date because the second review committee dates have already been set for these RFAs. For the other four RFAs, the timeline shows that scoring will occur through the day before the Board approval date.
HOMEOWNERSHIP PROGRAMS UPDATE

Homeowner Purchases First Home using MCC Program

Florida Housing had the opportunity to interview recent first-time homebuyer, Michael Espeseth, who used Florida Housing’s Mortgage Credit Certificate (MCC) program to purchase a home in Crestview for him and his family.

Taylore Maxey (TM): Thank you for letting Florida Housing interview you. How did you hear about Florida Housing’s MCC program?

Michael Espeseth (ME): During my research for programs that specifically targeted first-time homebuyers, I ran across an article that mentioned the Mortgage Credit Certificate. It was for a different state, so I proceeded to Google "MCC and Florida" and your program website was the top result from that search. After reviewing the available documentation on the MCC program, I was able to discover that we were in fact eligible! The rest, as they say, is history!

TM: When did you start looking for a home?

ME: My wife and I had been searching diligently for nearly six months before finding the home we wanted. MCC was able to expand our search options and helped us to afford the home that was the best fit for our family.

TM: How easy was the homebuying process for you?

ME: The process, itself, was fairly easy. After providing the required documentation, the rest was taken care of by the loan officer, who was able to ensure all the proper paperwork was signed prior to and at closing. The folks at Florida Housing who handle the MCC program were also very helpful in ensuring that the lender did not miss a thing.

TM: How did the MCC program help you in purchasing your first home?

ME: The program helped us by putting our dream home within reach. With the generous tax benefits that the MCC offers, we were able to take those savings and, essentially, make the home much more affordable.

TM: How helpful was your lender?

ME: My loan officer, Mark Hoffmann, was diligent in making sure everything was done by the book. He even made himself available after hours [by providing us with] his personal cell phone [number] if anything should arise. I do feel that the fact that the MCC program, itself, vets these lenders helps ensure an excellent customer service experience throughout the entire process.

Participating lender, Mark Hoffmann, with FBC Mortgage d/b/a Home Loans Today, has been participating in Florida Housing’s MCC program since May 2013. Hoffmann explains why he likes the program and helping Floridians achieve the "American Dream" of homeownership:

"Helping Floridians achieve the 'American Dream' of homeownership is the most rewarding part of being a mortgage professional. Building relationships and becoming a trusted advisor throughout the loan process to see a homebuyer achieve [the] goal of owning a home is the best perk of being a mortgage loan officer. The MCC program is very helpful to homebuyers in this uncertain housing market because the program can help first time homebuyers save money each year that they live in their home. With the MCC Program, the homeowner can claim up to 50 percent of their paid mortgage interest each year as a tax credit on their federal IRS tax return. The credit is capped at $2,000 annually and any remaining mortgage interest not included as part of the tax credit is still eligible for the home mortgage interest deduction on their federal tax return. Any extra savings you can provide to a homebuyer in any market is beneficial."
Single Family Staff Conducts Trainings Statewide

Continuing to promote Florida Housing's homeownership programs through lenders and Realtors®, Florida Housing's Single Family program office held a Mortgage Credit Certificate (MCC) program training with Ryland Homes® and RMC Mortgage in Tallahassee in March.

(L-R): Jared Varitek, Jim Girard, Kelly Taylor and Isabel Pittman, and Sandy Gaver, Florida Housing Single Family Programs Manager

(L-R): Shannon Boylan, Branch Manager for RMC Mortgage Corp.; Sandy Gaver, Florida Housing Single Family Programs Manager, and Susie Wargo with Ryland Homes®

HOUSING POLICY UPDATE

Florida Housing Receives Energy Funds

Florida Housing received approximately $6 million in funding from the State Energy Office (within the Florida Department of Agriculture and Consumer Services) to capitalize a revolving loan fund for multifamily energy retrofits. The purpose of these loans is to reduce energy use and cost in multifamily buildings contained within Florida Housing's portfolio by updating and replacing old, inefficient building components with energy efficient components. Properties in Florida Housing's portfolio that are at least 15 years old and meet certain eligibility requirements will be able to apply for these funds in 2014. Stay tuned for more information on this program.

SPECIAL PROGRAMS UPDATE

Foreclosure Counseling Program Update

On September 30, 2013, Florida Housing launched the Foreclosure Counseling Program (FCP) using $10 million from the National Mortgage Settlement Fund. Approximately 50 counseling agencies have qualified to deliver services as a part of this program, which provides extended counseling services to more than 10,000 homeowners to pursue a loan modification or other resolution of their mortgage during the next three years. For more information and a list of approved counseling agencies, click here to connect to Florida Housing's website.
NCSHA CONNECTION

The National Council of State Housing Agencies (NCSHA) is a non-profit, non-partisan organization created by the nation's state HFAs more than 30 years ago to coordinate and leverage federal advocacy efforts for affordable housing issues. What began as a small group of executive directors meeting annually now has grown into a powerful national association and advocate in Washington, DC, for HFAs and affordable housing. For more information, please visit the organization’s website at www.ncsha.org.