



Vermont Housing Finance Agency

VHFA Board of Commissioners Meeting Minutes Vermont Housing Finance Agency, Burlington Board Room Monday, December 13, 2010 at 9:00 a.m.

VHFA Board Member Present:

Tom Pelletier, Lisa Randall, Beth Pearce (via phone), Tom Candon, Dagyne Canney, Rob Alberts, Bart Frisbie, Gus Seelig

Staff Present:

Sarah Carpenter, Tom Connors, George Demas, Martha Fidalgo, Pat Loller, Dave Adams, Joe Erdelyi, Cindy Reid, Josh Slade, Maura Collins, Renee Couture, Pat Crady, Sam Falzone

Guests Present:

Jeff Kantor (J.D. Kantor Inc.), Amy Wright (Cathedral Square Corporation), Kathy Beyer (Housing Vermont), Matt Moore (Housing Vermont), Liz Nickerson (Nickerson Eller, LLC.), Brad Dousevicz (Dousevicz, Inc), Tom Heilmann (Ekman & Associates, Inc), Jonathan Ziner (E.P Management), Richard Williams (Vermont State Housing Authority), Susan Kuegel (Vermont State Housing Authority)

BOARD MEETING

Mr. Pelletier called the Board meeting to order at 9:06 a.m.

PUBLIC COMMENT

Mr. Pelletier opened the meeting to public comment. Ms. Beyer spoke about the Qualified Allocation Plan as it relates to senior housing. She noted the reason for her comment is not to ask the Board to deny Hawks Meadow to be presented later on the agenda. She asked the Board to pay close attention to the plan requirements when making decisions particularly with regard to granting waivers. Ms. Beyer provided an excerpt from the 2010 Housing Needs Assessment which emphasizes the continuing need for family housing. Family housing is harder to permit but remains in short supply. While there is a need for senior housing, the provision of services is critical, so seniors can age in place in their homes. From a public policy perspective, senior housing with services is much more cost effective than nursing homes or assisted living. The Board should consider this when it approves waivers for senior housing with little to no services. Ms. Carpenter added an updated Qualified Allocation Plan will be available in February.

BOARD MINUTES

Mr. Seelig moved that the Board approve the October 14, 2010 Board of Commissioners meeting minutes. Ms. Canney seconded the motion, which was approved by all members of the Board except Mr. Alberts and Ms. Randall who abstained.



EXECUTIVE DIRECTOR'S REPORT

Ms. Carpenter reviewed the Executive Director's report.

Mr. Connors handed out and reviewed an update of the Treasury's New Issue Bond Program. Ms. Carpenter reported that NSP III is now available with \$5M available to the State. NSP has been a highly successful program. Mr. Adams added that the State must apply to HUD for its allocation of NSP III funds. DEHCD has drafted the application which is now in the comment period, and which must be filed with HUD by no later than March 1, 2011. The State plans to file its application in January.

Mr. Seelig said the meeting with HUD Secretary Donovan before the Housing Conference was very productive. Attendees asked the Secretary to make programs work better for rural communities and provided examples of how they are currently not working. Ms. Carpenter added that the Secretary mentioned his trip to Vermont at an NCSHA meeting in D.C.

CONSENT AGENDA

Regulatory Changes to the Flexible Benefit Plan

Ms. Randall moved that the Board approve the consent agenda as presented. Mr. Seelig seconded the motion, which was unanimously approved.

ADMINISTRATION

January, February and March Board Meeting Times

Ms. Carpenter reported that the Lake Champlain Regional Chamber of Commerce Legislative Breakfasts are scheduled for the same times as the first three VHFA Board meetings in 2011. The breakfasts will take place in Burlington at the Sheraton. All members of the Board were in favor of moving the January meeting time and location to 9:30 a.m. in Burlington. The February and March meetings will remain as scheduled for now.

HOMEOWNERSHIP

Request for Funding Support – Windham Housing Trust Merger

Mr. Adams reviewed the Request for Funding Support memo. Ms. Pearce asked if there was concern about equity and fair treatment with other agencies. Ms. Carpenter said there was not. Ms. Canney asked if we are setting precedent. Ms. Carpenter said the Agency may entertain other similar requests, but does not see it as an issue as there are no other mergers being discussed at this time.

Mr. Seelig moved that the Board approve the request for funding as presented. Mr. Alberts seconded the motion, which was unanimously approved.

Review of VHFA Cash Assistance Program

Ms. Crady reviewed the Cash Assistance memo. Ms. Carpenter added that cash assistance drives production up and the need for VHFA to offer a down payment assistance program may increase in the future. Mr. Frisbie asked if this kind of program would encourage people to get in over their head. Ms. Carpenter said cash assistance is not as much the indicator as their debt ratio is. Ms. Randall asked how many foreclosures happen because of catastrophic events versus events

in which the borrowers have control. Ms. Crady said that a number of foreclosures are due to loss of job, divorce/separation, or illness, but the final indicator really lies in the financial management skills of the borrower.

Ms. Canney reported on a proposal by a study committee that professional services be covered by a sales tax. . She said the cost of purchasing a home could increase because of an added sales tax as much as 6% on services, such as attorneys and Realtors fees, involved in a real estate transaction. Ms. Canney felt this could increase closing cost for borrowers by \$1,000 or more. She asked if staff is looking at this. Ms. Collins reported that the study committee's final report is not out yet, but when it is VHFA will look in to it.

DEVELOPMENT

Conduit Bonds

Ms. Carpenter and Mr. Adams reviewed the Conduit Bond memo. A conduit bond provides financing on behalf of another entity without posing credit risk to VHFA. Eastview and Spinner Place are examples of projects in which VHFA has issued conduit bonds. Although not recommending formal conduit bond review parameters at this meeting, VHFA has been approached to do more conduit bonds so there is a growing need to establish review parameters. Mr. Adams said if we are to continue doing bonds in the future we need to make sure the project proposals are consistent with the Agency's mission in addition to meeting the minimum statutory findings. Mr. Adams indicated that staff was looking for discussion and guidance from the Board regarding the level of review the Board felt the staff should undertake, to make the required findings, and for consistency with the Agency's mission, noting a caution by counsel, and from our financial advisors that we need to be careful not to create a perception in the eyes of potential bond investors that the Agency was underwriting the credit worthiness of the projects. Ms. Randall said although there is not a direct credit risk, the Agency's reputation is at risk. We need to do whatever is needed in order to protect that.

Ms. Pearce said she is concerned there may be a credit risk. It would be helpful to develop a policy and risk management strategy and look at materials with Kutak Rock. There have been times where conduit bond issuers have been fined by the IRS.

Mr. Pelletier asked if the number one item on the agenda was the sponsorship, for example, does the sponsor have financial strength, is the project consistent with our mission and meet standards as expressed in the memo, are there signs of fraud, is there an investor/purchaser and is bond counsel is okay with it, have we covered the bases? Mr. Adams concurred with these questions.

The Board unanimously charged staff with creating a risk management policy for conduit bonds to be presented to the Board. Ms. Pearce said she and a member of her staff would be happy to assist in creating the policy.

Hawk's Meadow, Essex: Request for Increase in Credits

Hawk's Meadow was previously referred to as Town Meadow. Ms. Reid reviewed the memo requesting a 5% increase in 9% credits from the amount approved by the Board at its June 28th, meeting. That approval also was conditioned upon a firm commitment from an equity investor, a legal opinion certifying compliance with Fair Housing requirements, and the project achieving

a 115% DCR using market comparables. Although staff has the authority to approve allocation increases up to the 5%, staff did not feel comfortable doing so in this case do to the manner in which the project met the DCR coverage levels required. Staff found that the proposed operating costs were much less than all comparables in VHFA's portfolio, although the sponsor and management have said they can meet those benchmarks. Mr. Candon voiced concern in that the project would incur a \$4.5M in debt by year 15. Mr. Adams added that cost is real only if no payments are made, and our review of the project does not demonstrate a likelihood of repayment of the loans to the sponsor. Mr. Adams noted that, the risk of repayment lies with the sponsor and Peoples United Bank, who is providing construction financing, equity bridge financing, and is the tax credit equity investor. If at the end of the initial 15 year compliance period, the project cannot support repayments, the funding sources at that time, may need to deal with it then to keep the project affordable. In a manner, the sponsor is providing a project subsidy now that in most other projects, is provided by other soft funding sources. Mr. Seelig feels \$4.5M is a huge liability and does not support the project as there are other equal or better projects out there that can be supported. Ms. Nickerson, the sponsor's consultant, explained the value of the project in 15 years will be significantly higher than the mortgage balance at that time.

Ms. Canney moved that the Board approve the request for increased credits as presented. She noted that this is a good, cost effective project. Mr. Frisbie added that the only risk is a perceived risk 15 years from now. Ms. Randall seconded the motion, which was approved by all members of the Board except Mr. Seelig who voted no.

Depot II Apartments, Bethel: Construction and Permanent Loan & Bond Credits

Ms. Reid reviewed the Depot II Apartments memo. Ms. Randall expressed concern in putting more money into the site which has significant drainage problems. Mr. Williams said when the project was acquired by HFI they only put in \$200,000 in rehab. The engineer hired, Rick DeWolfe, to reengineer the drainage problems is very good. He added that the project survived 11 years of no rent increases. Mr. Frisbie said he is concerned that more money is being spent on refinancing than it would cost to build new. Mr. Seelig reminded the Board that their predecessors approved the original financing of this project and it now needs our help. They won't find another place in Bethel to rebuild 10 homes for the same price, with rental assistance.

Mr. Seelig moved that the Board approve construction and permanent financing and bond credits as presented. Mr. Candon seconded the motion, which was approved by all members of the Board except Mr. Frisbie who abstained.

TCAP Allocations

Ms. Reid reviewed the TCAP memo and handed out a revised resolution for Grand Way Commons II.

Mr. Moore reported that Vergennes Senior Housing may be in a position to return \$50-55k in allocated tax credits.

Ms. Canney moved that the Board approve the TCAP allocations as presented. Mr. Alberts seconded the motion. Mr. Frisbie asked why there are such divergent costs on the three projects

presented. Ms. Carpenter explained that Vergennes is new construction and although Grand Way Commons II is new construction it is an addition to the existing development. Ms. Canney asked if the chart presented by Ms. Beyer can be broken down by county. Ms. Collins said that would be presented as the interesting housing fact for the January meeting. The motion was unanimously approved.

Mr. Erdelyi reported that although it was thought that TCAP would be a onetime deal, unused TCAP from other states will be reallocated to the States that apply for it. Vermont may qualify but it would only be enough for one project.

FINANCE

Allocation of Bond Cap

Mr. Connors reviewed the Bond Cap memo which is presented to the Board annually. He added that this year we have far more than we can use, which isn't usually the case.

Ms. Pearce moved that the Board approve the resolution as presented. Ms. Randall seconded the motion, which was unanimously approved. Ms. Carpenter added the Federal Deficit Reduction Committee might want to move away from tax exempt financing, but we will hear more about that in the coming year.

OTHER

Mr. Pelletier thanked all VHFA staff for a job well done in 2010.

Ms. Carpenter noted that although unable to attend, this meeting was Mr. Dorn's last meeting as a VHFA Commissioner.

EXECUTIVE SESSION

The Board moved into executive session at 11:12 a.m.

Mr. Seelig moved to adjourn executive session at 11:45 a.m. Mr. Candon seconded the motion which was unanimously approved.

The regular VHFA Board meeting reconvened at 11:45 a.m.

With no additional business to report, Ms. Pearce moved that the Board adjourn at 11:46 a.m. Ms. Randall seconded the motion, which was unanimously approved.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Cynthia Reid, Senior Development Underwriter *CR*
DATE: January 31, 2011
RE: Upper Story, Brattleboro: Request for 2011 Housing Credits

Recommended Board Action: Sponsors of Upper Story Housing in Brattleboro have forfeited \$155,500 in 2009 Housing Credits because they are unable to place the project in service by 12/31/11. Staff is recommending that the Board of Commissioners award \$155,500 to the project as 2011 Housing Credits.

Summary of Request: Upper Story Housing was awarded 9% Housing Credits in June of 2009. The project has faced a number of setbacks. One of the challenges was finding equity investors for all of the equity. Staff was able to utilize the 1602 Credit Exchange Program in 2009 to exchange a portion of the Credits for equity. The Brattleboro Food Co-op is a significant driver of the project, and faced some delays in obtaining construction financing. Those two financial issues were resolved, and now the project has faced a 4-month delay in construction progress. Because the housing portion of the project is located on the third and fourth floors of the building, its completion is conditioned upon progress of the whole project. The 2009 Housing Credit award required that the project be completed by 12/31/11. Construction is well underway, and a significant financial condition was recently met for the 1602 Credit Exchange Program (that the project incur more than 30% of its basis by 12/31/10). However, the project will not be completed by 12/31/11, so the sponsors have forfeited \$155,500 in 2009 Credits. The 2009 Credit will not be lost; it is returned to the Credit Ceiling for other 2010 projects. Staff is recommending that the Board award \$155,500 in 2011 Housing Credits to the project. This change in Credit years will allow the project the time it needs to complete construction, which is estimated to be April 2012.



VERMONT HOUSING FINANCE AGENCY

RESOLUTION RE: PROPOSED ALLOCATION OF ALLOCATED HOUSING CREDITS FOR UPPER STORY HOUSING, TOWN OF BRATTLEBORO

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont and Windham Housing Trust, Inc. (the "Sponsors") on behalf of Upper Story Housing Limited Partnership in which subsidiaries or affiliates of both Sponsors are co-general partners (the "Borrower") involving the construction of twenty-four (24) units of general occupancy rental housing in the Town of Brattleboro (the "Development"); and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Cynthia Reid dated January 31, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

WHEREFORE, it is hereby RESOLVED:

1. The recommendations for the allocation of Allocated Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect, regarding the proposed allocation of federal Allocated Housing Credits in the amount of \$155,500.00 for the Upper Story Housing project in the Town of Brattleboro, Vermont.
3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Cynthia Reid, Senior Development Underwriter *CR*
DATE: January 31, 2011
RE: Upper Story, Brattleboro: Request for 2011 Housing Credits

Recommended Board Action: Sponsors of Upper Story Housing in Brattleboro have forfeited \$155,500 in 2009 Housing Credits because they are unable to place the project in service by 12/31/11. Staff is recommending that the Board of Commissioners award \$155,500 to the project as 2011 Housing Credits.

Summary of Request: Upper Story Housing was awarded 9% Housing Credits in June of 2009. The project has faced a number of setbacks. One of the challenges was finding equity investors for all of the equity. Staff was able to utilize the 1602 Credit Exchange Program in 2009 to exchange a portion of the Credits for equity. The Brattleboro Food Co-op is a significant driver of the project, and faced some delays in obtaining construction financing. Those two financial issues were resolved, and now the project has faced a 4-month delay in construction progress. Because the housing portion of the project is located on the third and fourth floors of the building, its completion is conditioned upon progress of the whole project. The 2009 Housing Credit award required that the project be completed by 12/31/11. Construction is well underway, and a significant financial condition was recently met for the 1602 Credit Exchange Program (that the project incur more than 30% of its basis by 12/31/10). However, the project will not be completed by 12/31/11, so the sponsors have forfeited \$155,500 in 2009 Credits. The 2009 Credit will not be lost; it is returned to the Credit Ceiling for other 2010 projects. Staff is recommending that the Board award \$155,500 in 2011 Housing Credits to the project. This change in Credit years will allow the project the time it needs to complete construction, which is estimated to be April 2012.



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WHEREFORE, it is hereby RESOLVED:




1. The recommendations for the allocation of Allocated Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect, regarding the proposed allocation of federal Allocated Housing Credits in the amount of \$155,500.00 for the Upper Story Housing project in the Town of Brattleboro, Vermont.
3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners; Other Interested Parties

FROM: Joshua Slade, Development Underwriter 
Joe Erdelyi, Director of Development 
Cynthia Reid, Senior Development Underwriter 

RE: February 2011 Housing Credit Applications

DATE: February 7, 2011

Attachments:

- o Housing Credit checklist
- o Budgets, Site Plans, Elevations
- o Resolutions
- o Criteria Summary (in Tax Credit Status Report)

Summary:

Staff received five applications requesting \$2,139,000 in 9% Credits, and two applications seeking a total of \$50,000 in State Credits. There is \$2,713,811 in 2011-2012 Housing Credit ceiling remaining. Except as otherwise noted herein, the applications for Housing Credits conform to the Qualified Allocation Plan as adopted at today's meeting.

The Allocation Plan has 5 Evaluation Criteria:

1. Consolidated Plan Priorities (5 top tier and 8 bottom tier) : Each project's section in the following memo discusses which Consolidated Plan priorities are met.

2. Preference is given to projects serving lowest income tenants and qualified tenants for the longest period: Each project that obtains a commitment of ceiling credits will have a perpetual affordability requirement, enforced through a Housing Subsidy Covenant. Each project has affordability requirements imposed by the tax credit program, and in addition most projects achieve a higher standard of affordability, again, detailed in each project's write-up.

3. Preference is given to acquisition/rehabilitation of existing federally subsidized projects, where the preservation of the property's affordability is at risk:

There are no federally subsidized at-risk projects in this application round.

4. Geographic Targeting: projects in market areas that have been historically underserved:

There are two applications from Chittenden County, one from Caledonia, one from Bennington, and one from Windham. The "Tax Credit Status Report" enclosed in the Board packet also provides information on historic geographic distribution of tax credit projects.

5. Developments built to LEED H or Green Communities standards:

No projects are planned to meet either standard.

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Summary of Recommendations:

Staff recommend ceiling credits be allocated to the following projects in the following amounts: Bennington Family Housing, \$395,000; Algiers Village Housing, \$371,000; St Johnsbury Historic Green Rehab, \$350,000; Avenue Apartments, \$635,000; City Neighborhoods, \$388,000. This slate of recommendations, if followed, will leave an estimated \$571,811 in unallocated 2011-2012 ceiling credits.

Staff recommend no action be taken on the State Credit request at this time. Staff will bring this request forward for action when State Credits become available (estimated June – August 2011).

In a separate Board memo, another tax credit project (Upper Story Housing in Brattleboro) is seeking to exchange 2009 ceiling credits for an allocation of 2011 ceiling credits. The amount to be returned equals the amount requested (\$155,500).

Algiers Village Housing

Name:	Algiers Village Housing	Location:	Guilford
Housing Type:	General Occupancy	Unit Type:	Flats/Duplex
Unit Count:	17 units 14 Housing Credit units	Unit Sizes:	7 1-BR @ 743 s.f. 9 2-BR @ 1,125 s.f. 1 3-BR @ 1,336 s.f.
Total Cost:	\$4,369,030	Per S.F. Acquisition & Construction Cost:	\$213
Credits Requested:	\$371,100 (9%)	Sponsors:	Windham Housing Trust & Housing Vermont
Other Funding: VHCB, Efficiency Vermont, HOME, VCDP, NeighborWorks			

Recommendation: That the VHFA Board of Commissioners approve the attached resolution to authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.

Project Summary: Windham Housing Trust (WHT) and Housing Vermont (HVT) are proposing to form a limited partnership to construct two buildings located at 71 and 91 Guilford Center Road in the Village of Algiers which is in the Town of Guilford.

The Algiers Village Housing project will redevelop an abandoned warehouse parcel in the center of the village. The housing project is a portion of the larger village revitalization project which the local non-profit development and preservation group Friends of Algiers Village has been working on for over five years. During 2006 Friends of Algiers Village and WHT worked on a master plan for the "Algiers Triangle" which is located in the heart of the village. As an outcome of that planning effort, WHT purchased and renovated the 8 unit Tontine Building located at the apex of the Triangle utilizing housing credits among other sources. The current housing proposal would complete the master planning efforts for the Algiers Triangle.

The proposed development includes two buildings: a 15 unit building with 7 one-bedroom, 8 two-bedroom units and a lower level semi-underground parking garage; and a 2 unit building with a 2 bedroom and a 3 bedroom unit. The multi-story building will be serviced with an elevator.

The sitework will include the extension of a waterline for which the town and Friends of Algiers Village have secured an EPA grant to pay for 55% of the waterline extension. Additional sitework will include remediation of PCB contaminants and arsenic, both likely to have resulted from the former uses of the site which were a tractor repair shop and a storage area for pressure treated lumber.

The sponsors are requesting funding from VHCB/HOME, VCDP, Efficiency Vermont and NeighborWorks. VHCB and HOME were approved in December 2011. Three units will be affordable to households at 50% of area median income. Nine units will be affordable to households at 60% of area median income. Two units will be affordable to households at 80% of area median income. All units are VHCB restricted. 14 of the total 17 units are LIHTC restricted.

The sponsors will need to get State permits only, which are anticipated to be approved Summer 2011. Construction is anticipated to start November 2011 and will be complete within twelve months.

Tax Credit Discussion:

The market study strongly supports the project due to the housing pressures in the market area and the location of the project being as it is only a few miles to downtown Brattleboro. The project meets four of the top tier priorities (infill new construction in areas with a lack of affordable housing stock – as evidenced by the market study; family housing; in a designated village center; and, removal of blight) and meets one second tier priority: (mixed income housing – project under twenty units with at least one market rate units meets this criteria). The project meets the criteria of the Qualified Allocation Plan currently in effect.

WHT will manage the project upon completion.

Avenue Apartments

Name:	Avenue Apartments	Location:	Burlington
Housing Type:	General Occupancy	Unit Type:	Flats
Units Count:	33 Total Units 28 Housing Credit Units	Unit Sizes:	12 1-Br @ 670 s. f. 18 2-Br @ 946 s. f. 3 3-Br @ 1331 s.f.
Total Cost	\$7,630,059	Per Square Foot Land & Buildings Cost:	\$157
Housing Credits:	\$635,000	Sponsor:	Champlain Housing Trust & Housing Vermont
Other Funding Sources:	VHCB, HOME, HUD EDI, NeighborWorks, Efficiency Vermont, Permanent Debt, State Tax Credits		

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution to authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.

Updates: Construction cost estimates have been received. The total development cost is approximately \$300,000 higher than estimated. The request for credits has not increased.

This request for credits includes a 30% basis boost as this project was first considered under the old Allocation Plan and assumed an increase for meeting the Green Building and Design Standards. Meeting these standards is now a requirement and does not provide for a basis boost. Staff recommends the sponsor now meet the 10% set-aside for supportive housing in order to receive the basis boost. If the project does not meet this set-aside it will only qualify for \$503,000 in housing credits.

Tax Credit Summary: The project meets three upper tier and four lower tier priorities: 1. Infill new construction in communities with a vacancy rate of 3.5% or less; 2. Family housing; and finally, 3. Project proposes the removal of blight. Also, this project is part of a larger development which will rectify the unusable state owned office building, so although it as a standalone project does not remove blight, it is part of a master development which will. The lower tier priorities are as follows: 1. Mixed Income Housing Development; 2. Universal Design; 3. Dense Infill Site; and, 4. Access to public transportation. The Sponsors plan to apply for project based section 8. If they are awarded the subsidy, the project will meet one additional lower tier priority: 1. Project serves households at or below 30% AMI. The market study supports the project.

Bennington Family Housing

Name:	Bennington Family Housing	Location:	Bennington
Housing Type:	General Occupancy	Unit Type:	Flats & Townhouses
Unit Count:	26 Total 22 Housing Credit	Unit Sizes:	1 1-Br @ 720 s. f. 23 2-Br @ 897 s. f. 2 3-Br @ 1,243 s. f.
Total Cost:	\$5,275,137	Per Square Foot Land & Buildings Cost:	\$177
Housing Credits:	\$395,000 (\$28,000 in State Credits requested)	Sponsor:	Regional Affordable Housing Corporation (RAHC) and Housing Vermont (HVT)
Other Funding Sources:	VHCB, HOME, HUD EDI, VCDP, Historic Equity, State Credit Equity, Energy Funds		

Recommendation: Staff recommends Board approval for the credit allocation to HVT and RAHC.

Project Summary: This project consists of two distinct sites: three buildings on Benmont Avenue with four apartments each (already in RAHC's portfolio), and a vacant lot on which 14 units in seven buildings will be constructed (see attached site map). The properties on Benmont Avenue are well-maintained but with old finishes and materials. They are poor energy performers, and would also be more marketable with some layout changes, new kitchens and baths, new exterior finishes, and the addition of laundry hookups. Solar hot water will also be added. The new units on North Branch Street would be highly energy efficient duplexes (also with solar hot water), and the site is served by municipal water and sewer, and is adjacent to hiking trails. It is less than a mile from the high school and less than a mile and a half from the center of town. No Act 250 permit is needed and the project was before the town DRB in December. The project as proposed conforms with current zoning, and there appears to be no local opposition to it at this time. Historic Preservation is reviewing both sites (Benmont for the buildings, and North Branch Street for potential archaeological significance), and town water and sewer connections have been approved. VHCB and HOME funding were approved in November 2010 and VCDP is up for consideration February 2011. The sponsors anticipate that if funding is all received, the plans could be out to bid in April 2011 and construction started shortly thereafter. RAHC manages its own portfolio, and would be the property manager.

Tax Credit Discussion: The project meets three upper tier priorities under the "State's Consolidated Plan Priorities / Other Priorities" criterion: rehab (or infill new construction in a low vacancy community; family housing; and designated downtown or village center. It also meets two lower tier priorities under this criterion: served by public transportation, and universal design. The sponsor has submitted a market study in June 2010 that demonstrates a need for new affordable housing in this market, and that market vacancies are below 3%. (RAHC's portfolio has a vacancy rate of 1.3% currently.) The sponsor is applying for State tax credits as well, and staff will take up that request in June or July when credits become available. Should the project want to move forward to closing before then, the sponsor will need to demonstrate other sources to fill this gap have been obtained.

City Neighborhoods

Name:	City Neighborhoods	Location:	Burlington & Winooski
Housing Type:	General Occupancy	Unit Type:	Flats/Duplexes
Unit Count:	40 Total Units 40 Housing Credit Units	Unit Sizes:	7 1-Br @ 640 avg. sq/ft 22 2-Br @ 728 avg. sq/ft 11 3-Br @ 829 avg. sq/ft
Total Cost:	\$7,746,734 (\$22,000 State Credits Requested)	Per S.F. Acquisition & Construction Cost:	\$177
Credits Requested:	\$388,000 (9%)	Sponsors:	Champlain Housing Trust & Housing Vermont
Other Funding: VHCB new and existing, HOME new and existing, VCDP, NeighborWorks, VFEP, Lead, Burlington Housing Trust Fund, Permanent Debt, State Tax Credits (all committed except the State Tax Credits and permanent debt)			

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution and authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.

Project Summary: Champlain Housing Trust (CHT) and Housing Vermont (HVT) are proposing to form a limited partnership to acquire and rehabilitate eleven buildings located at 221 Pine St, 57-63 N. Champlain St, 52 N. Champlain St, 73-75 Sherman St, 22-24 Johnson St, 27-39 Johnson/Peru St, 299 N. Winooski Ave in Burlington, and 135 West Canal St, 114 West Allen St, 6 LeClair St in Winooski.

The City Neighborhood project encompasses eleven properties owned in whole by CHT in the cities of Burlington and Winooski. CHT has owned and operated these buildings for a number of years. None of these buildings have been part of a tax credit partnership. Some of the buildings have been in CHT's portfolio for 23 years with the average length of ownership of 19 years. Many of these properties have significant deferred maintenance and are in need of recapitalization. Two of the properties were more recently renovated and will only need some cosmetic upgrades. The sponsors have retained a historic preservation consultant and will pursue historic tax credits for the ten eligible buildings (of these ten, nine are at least 100 years old).

Repairs include replacing existing exterior stairwells, roof repairs, replacing and centralizing heating systems, repairing siding, new kitchens, new bathrooms, apartment reconfigurations, weatherization and some lead remediation. Modernizing and improving energy efficiency should lower and stabilize operating costs. Another benefit of the new partnership is that certain operating costs such as legal and accounting will be spread out over eleven buildings and 40 units rather than having separate (and often equally high) costs for each building. This will allow for an increased cash flow to provide ongoing capital improvements and maintenance. Some permits are required but approval is expected since the changes are minimal.

Tax Credit Discussion:

The market study strongly supports the project due to the housing pressures in the market area and the location of the project. The project meets three of the top tier priorities (rehabilitation; family housing; near a designated downtown) and meets one second tier priority: (housing affordable to households at or below 30% AMGI). The sponsor is applying for State tax credits as well, and staff will take up that request in June or July when credits become available. Should the project want to move forward to closing before then, the sponsor will need to demonstrate other sources to fill this gap have been obtained.

The project sponsors have requested a waiver from the threshold requirement for 5% mixed income housing (2 units) because the project is existing affordable housing with existing tenants who are all income eligible and are anticipated to return to the units upon completion.

CHT will manage the project upon completion.

St. Johnsbury Historic Green Rehabilitation

Name:	St. Johnsbury HGR	Location:	St. Johnsbury
Housing Type:	General Occupancy	Unit Type:	mixed
Unit Count:	29 Total 29 Housing Credit	Unit Sizes:	9 1-Br @ 546 s. f. 13 2-Br @ 758 s. f. 7 3-Br @ 914 s. f.
Total Cost:	\$7,610,144	Per Square Foot Land & Buildings Cost:	\$270 (\$182 excluding assumed soft debt)
Housing Credits:	\$350,000	Sponsor:	Gilman Housing Trust (GHT) and Housing Vermont (HVT)
Other Funding Sources:	RD 515, HOME, VCDP, Energy Funds, Historic Equity		

Recommendation: Staff recommend the award of \$350,000 in ceiling credits to this development subject to the receipt of RD 515 funding (including rental assistance) under the current RD funding round.

Project Summary: When Northern Community Housing Corporation divested itself of its affordable housing portfolio, its assets were divided among three nonprofits: Housing Vermont, Gilman Housing Trust, and AHEAD (out of Littleton NH). Among the projects that GHT and HVT took was the St. Johnsbury Housing Partnership, a 32 unit scattered sites project in seven buildings, that had been funded primarily with allocated credits, VHCB funding, VCDP funding, and amortizing debt. The project was originally developed in 1990 and later restructured in 1993. The sponsor proposes to take five of those seven buildings and redevelop them in a new tax credit partnership that would utilize RD 515 funding. (The initial 15 year compliance period has passed on the original partnership.) Four of the five buildings are over 100 years old (the fifth is 96 years old), and they have had energy assessments done that indicate a high potential savings from insulation and other energy-related improvements. In addition, there are unit layouts that are not very functional or marketable that would be changed (e.g., a five-bedroom unit, and a 200 square foot studio). Much of the materials, finishes, and exteriors are worn and in need of replacing. There would also be some structural repairs, roof replacement, porch repair, and other repairs as needed. Seven units have project-based rent assistance. There are currently 27 units in the five buildings, and after reconfiguration there would be two new units added. GHT currently manages the project and proposes to do so after this recapitalization.

Tax Credit Discussion: The project meets three upper tier priorities under the "State's Consolidated Plan Priorities / Other Priorities" criterion: rehab (or infill new construction in a low vacancy community; family housing; and designated downtown or village center. It also meets three lower tier priorities under this criterion: served by public transportation, universal design, and serves households below 30% of median income. The project has not yet submitted a market study (a statutory requirement), so any award of credits would be conditional upon the receipt of an acceptable study. (Staff generally want to see such studies up front, but for existing occupied units that are already subsidized, staff are willing to accept the market study submitted later.) The project also requests a waiver from the "mixed-income" threshold requirement (that would require at least one unit be market rate), because of their intent to have RD 515 funding and subsidies on the entire project, which targets lower income only.

**VHFA HOUSING CREDIT
EVALUATION CHECKLIST (rev. 1/2011)**

PROJECT NAME		LOCATION	
SPONSOR(S)		STATUS	<input type="checkbox"/> Non-Profit <input type="checkbox"/> For-Profit
UNITS: LIHTC TOTAL	<input type="checkbox"/> Commercial Space? <input type="checkbox"/> Yes <input type="checkbox"/> No	PRE-APP. MEETING	Date
LIHTC REQUESTED	\$	APPLICATION RECEIVED	Date
CREDIT TYPE	<input type="checkbox"/> Out of Cap <input type="checkbox"/> Acquisition <input type="checkbox"/> Allocated <input type="checkbox"/> Rehabilitation <input type="checkbox"/> Both <input type="checkbox"/> New Const.	LETTER OF INTENT ISSUED or REJECTED	Date
STATE CREDIT REQUESTED	\$	RESERVATION CERTIFICATE or BINDING AGREEMENT	Date
MINIMUM SET-ASIDE ELECTION	<input type="checkbox"/> 40/60 <input type="checkbox"/> 20/50 <input type="checkbox"/> Deep Rent Skewing	CARRYOVER ALLOCATION	Date
SITE VISIT	Date	8609	Date

APPLICATION REQUIREMENTS	COMMENTS
1. VHFA LIHTC Application form is complete, including all required attachments (elevations, zoning letter, site control, etc) and payment of required fees.	<input type="checkbox"/> Yes <input type="checkbox"/> No FEE: \$ pd / date
2. Meets the basic occupancy and rent restrictions, inc. Green Building and Design Standards.	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Applicant has established the need & demand (i.e. market feasibility) for the type and cost of housing that is being proposed.	<input type="checkbox"/> Yes <input type="checkbox"/> No Market Study Date:
4. Reservations will be based upon the experience and capacity of the project team.	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Developer's Fee / Consultant Fees in the budget does not exceed the program limits.	<input type="checkbox"/> Yes <input type="checkbox"/> No FEE: \$ / %
6. Builder's Profit / Overhead / General Requirements in the budget complies with Allocation Plan limits.	<input type="checkbox"/> Yes <input type="checkbox"/> No / /
7. Applicant must agree to perpetual rent & income restrictions, and may provide a right of first refusal to a nonprofit to purchase the property as described in the Allocation Plan.	
8. C.N.A for lesser rehabilitation projects.	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Mixed income development; under 20 unit project: none/20-49, 5% of units/ 50+, 10 of units over 60%	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Project is planned to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside; or project is workforce housing in a ski area (see plan for details).	<input type="checkbox"/> Yes <input type="checkbox"/> No
11. Project is 100% Smoke-free Housing	<input type="checkbox"/> Yes <input type="checkbox"/> No
12. At least three top-tier and one other evaluation criteria must be met.	<input type="checkbox"/> Yes <input type="checkbox"/> No

EVALUATION CRITERIA (1 – 5 are in order of priority)	
<p>1. State Consolidated Plan Priorities / Other Priorities (not in order of priority within each tier):</p> <p>Top Tier (weighted higher than second tier):</p> <p>(a) Rehabilitation, including lead-based paint abatement, accessibility modifications, and energy efficiency upgrades; or infill new construction in communities with a vacancy rate of 3.5% or less, or in communities where there is insufficient rehabilitatable housing stock or a lack of affordable housing stock;</p> <p>(b) Family housing (unless local or regional need for other housing is greater). Majority of units are 2 BR or larger;</p> <p>(c) Project is in a designated downtown or village center, or close to one. Map showing location must be submitted;</p> <p>(d) Project proposes removal of blight (significant portion of building uninhabitable or unusable due to reasons specified in Plan);</p> <p>(e) Any project that incorporates a majority of special needs populations (as defined in Consolidated Plan), and provides service-enriched housing.</p> <p>Second Tier (weighted less than top tier):</p> <p>(a) Mixed-Income Housing Developments. To receive acknowledgment for meeting this priority no fewer than 20% of the units in the development must be either unrestricted as to income and rents, or restricted to households above 60% of the area median gross income. For developments of under 20 units that elect to meet the mixed-income housing priority, a single unit that is either unrestricted or restricted above 60% is needed for the development to meet this priority.</p> <p>(b) Unique Design - Creative rehab of structure of statewide significance</p> <p>(c) Universal Design</p> <p>(d) Housing affordable to households <=30% AMGI or targets homeless;</p> <p>(e) Project serves households on public housing waiting lists;</p> <p>(f) Projects intended for eventual tenant ownership.</p> <p>(g) Projects built in Dense Infill Site</p> <p>(h) Projects served by public transportation.</p>	

Continued on next page

**VHFA HOUSING CREDIT
EVALUATION CHECKLIST (rev. 1/2011)**

2. Preference must be given among selected projects to proposals: (a) serving the lowest income tenants, and (b) serving qualified tenants for the longest period	
3. Acquisition and rehabilitation of existing "at risk" federally subsidized projects, defined as: any development currently occupied by low income households that faces, within the next 5 years: 1) a loss of deep rental assistance or other operating subsidy; <u>and</u> 2) faces prepayment of its mortgage or other action by its owner that would terminate fed. low income use restrictions. In addition, this includes any project(s) that is slated to receive fed. funding for preservation.	
4. Geographic targeting: Project is in a location that has been underserved historically in having its affordable housing needs met (not just underserved by the Housing Credit program).	
5. Project design meets LEED H or Green Communities standards	

VERMONT HOUSING FINANCE AGENCY

RESOLUTION RE: PROPOSED ALLOCATION OF ALLOCATED HOUSING CREDITS FOR ALGIERS VILLAGE HOUSING, TOWN OF GUILFORD

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont and Windham Housing Trust, Inc. (the "Sponsors") on behalf of a to be formed limited partnership in which one or more of the Sponsors or their subsidiaries or affiliates will be general or co-general partner(s) (the "Borrower") involving the new construction of a total of seventeen (17) units of general occupancy rental housing in the Town of Guilford (the "Development"); and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade dated February 7, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

WHEREFORE, it is hereby RESOLVED:

1. The recommendations for the allocation of Allocated Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the proposed allocation of federal Allocated Housing Credits in the amount of \$371,000.00 for the Algiers Village Housing housing project in the Town of Guilford, Vermont.
3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.

28-Jan-11 Algiers Village Housing II

Total Residential Units:	17	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	14	Increase in Income from Other Sources:	1.50%
Percent Restricted:	82.35%	Increase in Income from Commercial:	0.00%
Total Development Cost:	4,369,030	Expense increase:	3.00%
Total Development Cost per Unit:	257,002	Vacancy Rate:	5%
Total Development Cost Per SF:	277	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	378,454	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	371,000	Sponsor's Estimated Yield:	79.97%

LIHTC - 9%	9.00%	(Aug 2007)
LIHTC - 4%	3.52%	

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
First Mortgage		0.00%	8.25%	30	30
VHCB	425,000	9.73%	4.00%	30	deferred
HOME	265,000	6.07%	1.00%	20	int. only
VCDP	585,000	13.39%	4.00%	30	deferred
VHCB Feasibility	5,000	0.11%	N/A	N/A	
Efficiency Vermont	7,000	0.16%	N/A	N/A	
NeighborWorks	115,000	2.63%	N/A	N/A	
Tax Credit Equity	2,967,030	67.91%	N/A	N/A	
TOTAL SOURCES	4,369,030	100.00%			

USES

Acquisition	157,800	3.61%
Construction Hard Costs	3,209,653	73.46%
Soft Costs	1,001,577	22.92%
TOTAL USES	4,369,030	100%

Gap 0

General Partner's Capital Contribution	29,670	1.00%
Limited Partner's Capital Contribution	2,937,360	99.00%
Total Equity	2,967,030	

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	14
Total Units	17
Unit Fraction	82.35%
Tax Credit Square Footage	13,251
Total Residential Square Footage	15,767
Square Footage Fraction	84.04%
Applicable Fraction	82.35%

28-Jan-11 Algiers Village Housing II

		Budget	Per Unit	Per s.f.	Allocation of Sources						TOTAL SOURCES
					VHCB Terms:	HOME Terms:	VCDF Terms:	Debt Terms:	Equity Terms:	Other Terms:	
ACQUISITION											
1	Land	118,800	6,988	7.53							0
2	Purchase of Building(s)	0	0	0.00							0
3	Demolition (without replacement)	30,000	1,765	1.90							0
4	Property Appraisal	3,500	206	0.22							0
5	Legal - Title and Recording	5,500	324	0.35							0
Subtotal - Acquisition		157,800	9,282	10.01							
CONSTRUCTION HARD COSTS											
6	Rehabilitation	0	0	0.00							0
7	New Building(s)	2,684,230	157,896	170.24							0
8	Utilities - Waterline	225,000	13,235	14.27							0
9	Sitework	0	0	0.00							0
10	Commercial Space Costs (if any)	0	0	0.00							0
11	Clerk of the Works	15,000	882	0.95							0
12	Contractor Overhead	0	0	0.00							0
13	Contractor Profit	0	0	0.00							0
14	Construction Contingency	268,423	15,790	17.02							0
15	Construction Management	0	0	0.00							0
16	Construction Bond Fee	0	0	0.00							0
17	Hazardous Materials Abatement	0	0	0.00							0
18	Off-Site Improvements	0	0	0.00							0
19	Furnishings, Fixtures, & Equipment	17,000	1,000	1.08							0
20	Other ()	0	0	0.00							0
Subtotal - Hard Costs		3,209,653	188,803	203.57							
SOFT COSTS											
21	Architectural	228,160	13,421	14.47							0
22	Engineering	5,000	294	0.32							0
23	Legal/Accounting	35,000	2,059	2.22							0
24	Relocation	0	0	0.00							0
25	Environmental Assessment	0	0	0.00							0
26	Energy Assessment	0	0	0.00							0
27	Permits/Fees	63,021	3,707	4.00							0
28	Independent Market Study	3,500	206	0.22							0
29	Construction Period Insurance	10,000	588	0.63							0
30	Construction Interest	75,000	4,412	4.76							0
31	Construction Loan Origination Fee	29,500	1,735	1.87							0
32	Taxes During Construction	12,500	735	0.79							0
33	Clerk of the Works	0	0	0.00							0
34	Marketing	1,500	88	0.10							0
35	Tax Credit Fees	15,050	885	0.95							0
36	Soft Cost Contingency	8,000	471	0.51							0
37	Permanent Loan Origination Fee	0	0	0.00							0
38	Lender's Counsel's Fee	3,000	176	0.19							0
39	Other (Historic Preserv Consult)	3,500	206	0.22							0
SYNDICATION COSTS											
40	Organizational (Partnership)	0	0	0.00							0
41	Bridge Loan Fees and Expenses	0	0	0.00							0
42	Syndication Consultant	0	0	0.00							0
43	Tax Opinion	0	0	0.00							0
DEVELOPER'S FEES											
44	Developer's Fees	430,000	25,294	27.27							0
45	Other Partnership Fees	0	0	0.00							0
46	Consultant Fees	0	0	0.00							0
RESERVES											
47	Working Capital	10,000	588	0.63							0
48	Rent-up (Deficit Escrow) Reserve	0	0	0.00							0
49	Other Operating Reserves	68,846	4,050	4.37							0
50	Sinking Fund	0	0	0.00							0
51	Replacement Reserves	0	0	0.00							0
Subtotal - Soft Costs		1,001,577	58,916	63.52							
TOTAL DEVELOPMENT COSTS		4,369,030	257,002	277	0	0	0	0	0	0	0
COST BASIS FOR DEVEL FEE											
		3,860,184									
DEVELOPER FEE		430,000									
DEVELOPER FEE %		11.14%									

	Budget	Acquisition Basis	Construction Basis	Residential Depreciation	Historic Credit Basis	Other	Costs Incurred to	To be Incurred	Total
ACQUISITION									
1 Land	118,800								
2 Purchase of Building(s)	0	0		0					
3 Demolition (without replacement)	30,000			30,000					
4 Property Appraisal	3,500	3,500		3,500					
5 Legal - Title and Recording	5,500	5,500		5,500					
Subtotal - Acquisition	157,800								
CONSTRUCTION HARD COSTS									
6 Rehabilitation	0		0	0					
7 New Building(s)	2,684,230		2,684,230	2,684,230					
8 Utilities - Waterline	225,000		56,250	225,000					
9 Sitework	0		0	0					
10 Commercial Space Costs (if any)	0								
11 Clerk of the Works	15,000		15,000	15,000					
12 Contractor Overhead	0		0	0					
13 Contractor Profit	0		0	0					
14 Construction Contingency	268,423		268,423	268,423					
15 Construction Management	0		0	0					
16 Construction Bond Fee	0		0	0					
17 Hazardous Materials Abatement	0		0	0					
18 Off-Site Improvements	0		0	0					
19 Furnishings, Fixtures, & Equipment	17,000		17,000	17,000					
20 Other ()	0		0	0					
Subtotal - Hard Costs	3,209,653								
SOFT COSTS									
21 Architectural	228,160		228,160	228,160					
22 Engineering	5,000		5,000	5,000					
23 Legal/Accounting	35,000		28,000	35,000					
24 Relocation	0		0	0					
25 Environmental Assessment	0		0	0					
26 Energy Assessment	0		0	0					
27 Permits/Fees	63,021		63,021	63,021					
28 Independent Market Study	3,500		3,500	3,500					
29 Construction Period Insurance	10,000		10,000	10,000					
30 Construction Interest	75,000		60,000	75,000					
31 Construction Loan Origination Fee	29,500		29,500	29,500					
32 Taxes During Construction	12,500		12,500	12,500					
33 Clerk of the Works	0		0	0					
34 Marketing	1,500								
35 Tax Credit Fees	15,050		0	15,050					
36 Soft Cost Contingency	8,000		8,000	8,000					
37 Permanent Loan Origination Fee	0								
38 Lender's Counsel's Fee	3,000		3,000	3,000					
39 Other (Historic Preserv Consult)	3,500		3,500	3,500					
SYNDICATION COSTS									
40 Organizational (Partnership)	0								
41 Bridge Loan Fees and Expenses	0								
42 Syndication Consultant	0								
43 Tax Opinion	0								
DEVELOPER'S FEES									
44 Developer's Fees	430,000		430,000	430,000					
45 Other Partnership Fees	0		0	0					
46 Consultant Fees	0		0	0					
RESERVES									
47 Working Capital	10,000								
48 Rent-up (Deficit Escrow) Reserve	0								
49 Other Operating Reserves	68,846								
50 Sinking Fund	0								
51 Replacement Reserves	0								
Subtotal - Soft Costs	1,001,577								
TOTALS	4,369,030	9,000	3,925,084	4,152,884	0				
LESS: Amount of Non-qualified Financing									
LESS: Historic tax Credit (Residential Portion)				0	20% Historic Credit Rate				
Total Eligible Basis		9,000	3,925,084		0 Annual Historic Credit				
TIMES: Adjusted for QCT/DDA	130.0%		5,102,609						
TIMES: Applicable Fraction	82.35%	7,412	4,202,149						
Total Qualified Basis		7,412	4,202,149	4,152,884	Long Term Depreciable Basis				
TIMES: Applicable Percentage		3.52%	9.00%	27.5	Depreciation Schedule				
Total Annual Credit Qualified		261	378,193	151,014	Annual Depreciation				
Total Tax Credits Requested	371,000			17,000	Short Term Depreciable Basis				
Estimated Net Syndication Proceeds (Sec. 42 Housing Credit only)	2,967,030			7	Depreciation Schedule				
Estimated Yield - Housing Credit Syndication	79.97%			2,429	Annual Depreciation				
Equity Gap	2,967,030								
Credits Needed to fill Equity Gap	374,747								

28-Jan-11 Algiers Village Housing II

HC Restricted Units Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
0 Br			0	0	0	0
1 Br		743	5	541	0	32,460
2 Br		1,025	8	656	0	62,976
3 Br		1,336	1	812	0	9,744
4+ Br			0	0		0
Totals		13,251	14			105,180

Non-HC Restricted Units Bedrooms	Type	Square Feet	Number	Rent	Utilities	Total Annual Rent
0 Br			0	0		0
1 Br		763	2	700	0	16,800
2 Br		990	1	850	0	10,200
3 Br			0	0		0
4+ Br			0	0		0
Totals		2,516	3			27,000

Common Area Square Footage

0

Grand Totals	15,767	17	132,180
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Less Vacancy	5.00%	(6,609)
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NET RENT	125,571
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OTHER INCOME

Laundry	420
Parking	0
Commercial Space Income	0
Other	120

TOTAL INCOME	126,111
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Algiers Village Housing II

revision date: 8/6/2007

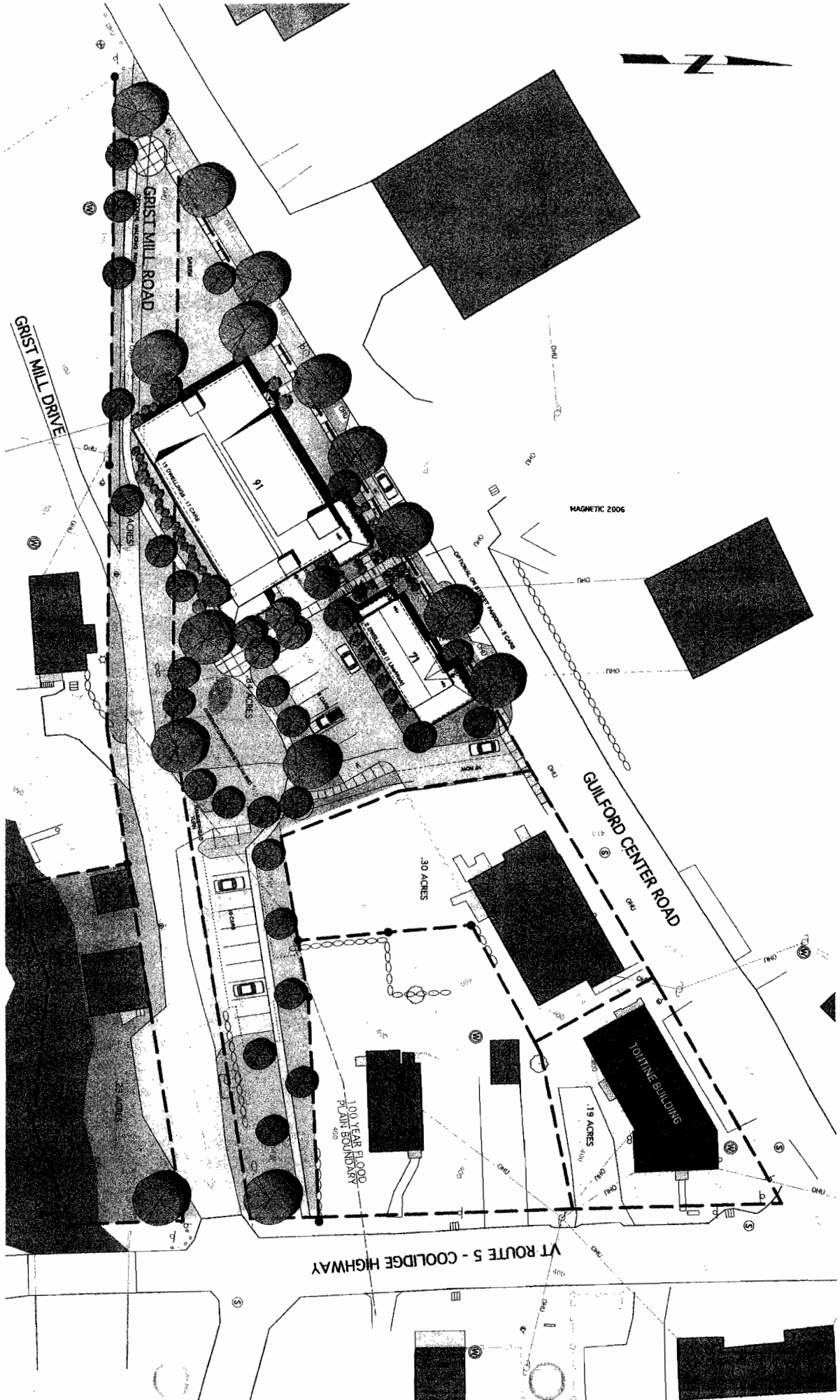
28-Jan-11 Algiers Village Housing II

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	15,300	1,275	75	12.1%
Office	816	68	4	
Audit/Accounting	4,000	333	20	
Legal	1,020	85	5	
Compliance Monitoring	1,224	102	6	
Marketing	1,020	85	5	
Other	2,040	170	10	
TOTAL ADMINISTRATIVE	25,420	2,118	125	
Utilities				
Electricity	3,060	255	15	
Fuel	14,892	1,241	73	
Water and Sewer	8,160	680	40	
Fire Alarm / Emergency	612	51	3	
Other	408	34	2	
TOTAL UTILITIES	27,132	2,261	133	
Maintenance				
Maintenance / Janitor Payroll	11,220	935	55	
Janitor Supplies	2,040	170	10	
Exterminating	612	51	3	
Trash Removal	3,060	255	15	
Snow Removal	4,080	340	20	
Grounds	3,060	255	15	
Repairs Material	0	0	0	
Repairs Contract	3,060	255	15	
HVAC Repairs / Maintenance	2,040	170	10	
Elevator Contract / Repairs	1,020	85	5	
Painting and Decorating	0	0	0	
Other	1,020	85	5	
TOTAL MAINTENANCE	31,212	2,601	153	
Real Estate Taxes	15,000	1,250	74	per unit month excl. ds & res. 511
Property Insurance	5,500	458	27	
Replacement Reserves	10,200	850	50	
Primary Debt Service	0	0	0	
Other "must pay" debt service	0	0	0	
Other	0	0	0	
Total	114,464	9,539	561	

"Below-the-Line" Expenses:

Special LP or GP Fee	0
Repayment of Deferred Fee	0
Partnership Audit or K-1 Fee	0
Distribution	0
Net to Residual	
Recepts/Cumulative Cash Flow	114,464

28-Jan-11 Algiers Village Housing II															
Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Operating Income															
Gross Rent	132,180	134,163	136,175	138,218	140,291	142,395	144,531	146,699	148,900	151,133	153,400	155,701	158,037	160,407	162,813
Other Income	540	548	556	565	573	582	590	599	608	617	627	636	646	655	665
Vacancy and other losses	(6,609)	(6,708)	(6,809)	(6,911)	(7,015)	(7,120)	(7,227)	(7,335)	(7,445)	(7,557)	(7,670)	(7,785)	(7,902)	(8,020)	(8,141)
Total Operating Income	126,111	128,003	129,923	131,872	133,850	135,857	137,895	139,964	142,063	144,194	146,357	148,552	150,781	153,042	155,338
Operating Expenses															
Total Expenses (excl. Reserves)	104,264	107,392	110,614	113,932	117,350	120,871	124,497	128,232	132,079	136,041	140,122	144,326	148,656	153,115	157,709
Reserves	10,200	10,353	10,508	10,666	10,826	10,988	11,153	11,320	11,490	11,663	11,838	12,015	12,195	12,378	12,564
Total Operating Expense	114,464	117,745	121,122	124,598	128,176	131,859	135,650	139,552	143,569	147,703	151,960	156,341	160,851	165,493	170,273
Net Operating Income	11,647	10,258	8,801	7,274	5,674	3,999	2,245	412	(1,506)	(3,509)	(5,603)	(7,789)	(10,070)	(12,451)	(14,935)
Less Primary Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Secondary Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Cash Flow	11,647	10,258	8,801	7,274	5,674	3,999	2,245	412	(1,506)	(3,509)	(5,603)	(7,789)	(10,070)	(12,451)	(14,935)
Operating Subsidies / Sinking Fund	0	0	0	0	0	0	0	0	1,506	3,509	5,603	7,789	10,070	12,451	14,935
Net Cash	11,647	10,258	8,801	7,274	5,674	3,999	2,245	412	0	0	0	0	0	0	0
DCR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cumulative Cash Flow															
Beginning Balance	68,846	81,986	93,986	104,755	114,196	122,211	128,693	133,535	136,622	137,848	137,096	134,235	129,131	121,644	111,626
Deposits	11,647	10,258	8,801	7,274	5,674	3,999	2,245	412	0	0	0	0	0	0	0
Interest	2.0%	1,493	1,742	1,968	2,168	2,341	2,484	2,596	2,675	2,732	2,757	2,742	2,685	2,583	2,433
Withdrawals:															
Project Operating Needs	0	0	0	0	0	0	0	0	(1,506)	(3,509)	(5,603)	(7,789)	(10,070)	(12,451)	(14,935)
Special LP or GP Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Deferred Devel. Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Partnership Audit or K-1 Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution of Cash to Owner	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	81,986	93,986	104,755	114,196	122,211	128,693	133,535	136,622	137,848	137,096	134,235	129,131	121,644	111,626	98,923
Cumulative Replacement Reserves															
Beginning Balance	0	10,302	20,965	31,997	43,410	55,212	67,415	80,027	93,062	106,528	120,438	134,802	149,634	164,944	180,745
Deposits	10,200	10,353	10,508	10,666	10,826	10,988	11,153	11,320	11,490	11,663	11,838	12,015	12,195	12,378	12,564
Interest	2.0%	102	310	524	747	976	1,214	1,460	1,714	1,976	2,247	2,527	2,816	3,115	3,423
Withdrawals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	10,302	20,965	31,997	43,410	55,212	67,415	80,027	93,062	106,528	120,438	134,802	149,634	164,944	180,745	197,049
Net Operating Income	11,647	10,258	8,801	7,274	5,674	3,999	2,245	412	(1,506)	(3,509)	(5,603)	(7,789)	(10,070)	(12,451)	(14,935)
Plus Reserves	10,200	10,353	10,508	10,666	10,826	10,988	11,153	11,320	11,490	11,663	11,838	12,015	12,195	12,378	12,564
Less Interest Expense	(26,050)	(26,986)	(27,959)	(28,972)	(30,025)	(31,120)	(32,258)	(33,443)	(34,675)	(35,955)	(37,288)	(38,673)	(40,114)	(41,613)	(43,171)
Less Long Depreciation	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)	(151,014)
Less Short Depreciation	(2,429)	(2,429)	(2,429)	(2,429)	(2,429)	(2,429)	(2,429)	(2,429)	0	0	0	0	0	0	0
Taxable Income (Loss)	(157,646)	(159,818)	(162,093)	(164,475)	(166,968)	(169,575)	(172,302)	(172,725)	(175,704)	(178,816)	(182,067)	(185,461)	(189,003)	(192,700)	(196,556)
Cash Flow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Tax Savings	55,176	55,936	56,733	57,566	58,439	59,351	60,306	60,454	61,496	62,586	63,723	64,911	66,151	67,445	68,795
Plus Historic Rehab Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus State Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Federal Housing Credits	371,000	371,000	371,000	371,000	371,000	371,000	371,000	371,000	371,000	371,000	371,000	371,000	371,000	371,000	371,000
After Tax Cash Flow	426,176	426,936	427,733	428,566	429,439	430,351	431,306	431,454	432,496	433,586	434,723	435,911	437,151	438,445	439,795
Total Years	15														
Reinvestment Rate	6.00%														
Current After Tax Cash Flows	426,176	426,936	427,733	428,566	429,439	430,351	431,306	431,454	432,496	433,586	434,723	435,911	437,151	438,445	439,795
Future Value of Cash Flows at Yr 15:	1,021,355	965,262	912,323	862,359	815,203	770,694	728,682	687,672	650,315	615,050	585,276	555,911	528,787	503,781	480,922
Discount Rate:	3.00%														
Capital Contribution Number:	1	2	3	4											
Date of Capital Contribution:	28-Jan-11	28-Jan-11	28-Jan-11	28-Jan-11											
Amount of Capital Contribution:	2,967	2,076,921	887,142	0											
Present Value of Contributions:	2,967	2,076,921	887,142	0											
Cash Flows	(2,967,030)	0	0	0	0	0	0	0	0	0	0	0	0	0	8,423,629
IRR:	7.20%														
Equity Yield:	(0.8078)														



ALGIERS VILLAGE

GUILFORD, VERMONT

PREPARED BY: DUNCAN WISNIEWSKI ARCHITECTURE
100 NORTH MAIN STREET
GUILFORD, VERMONT 05743
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SITE PLAN

Duncan Wisniewski
ARCHITECTURE

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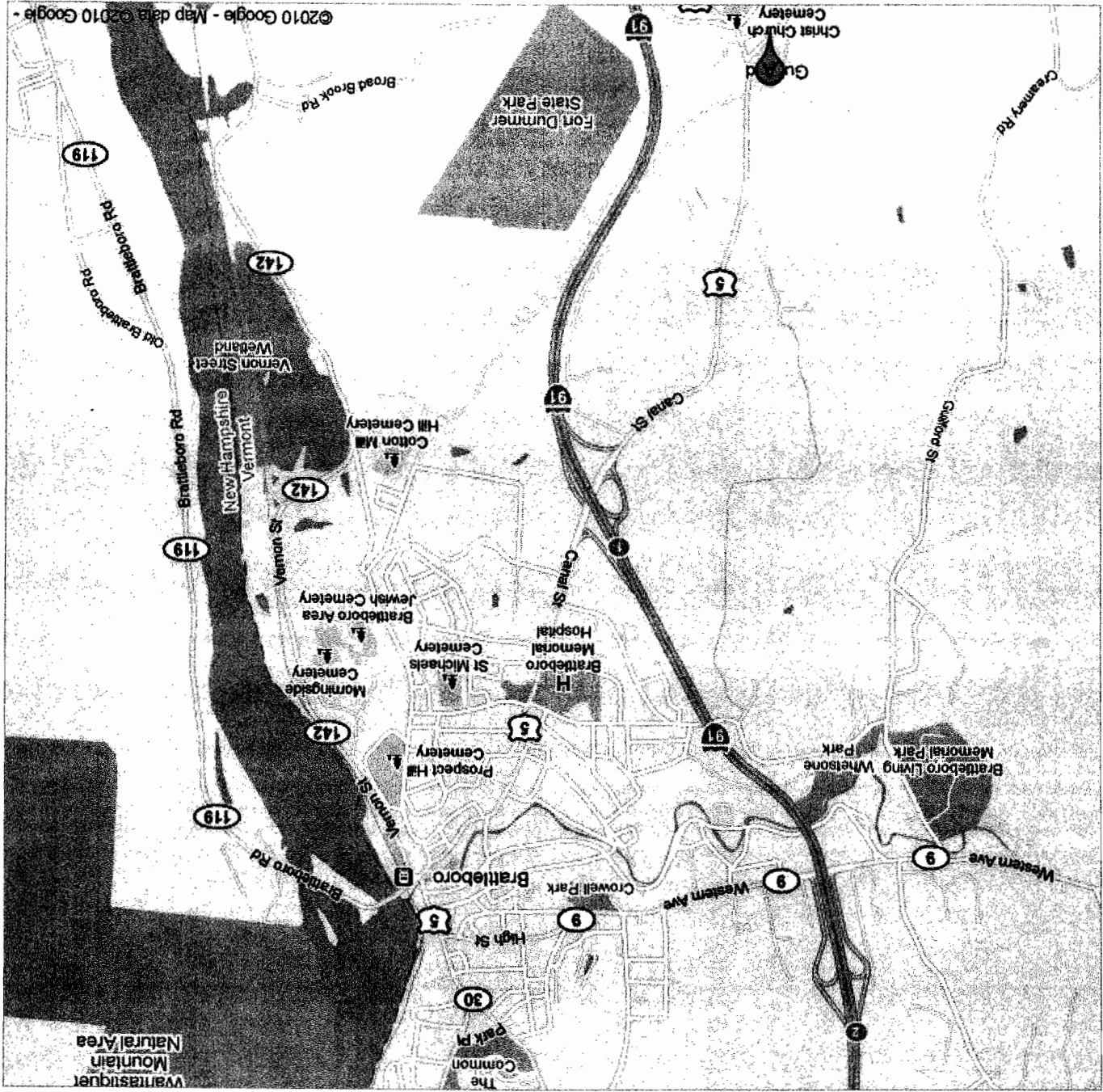
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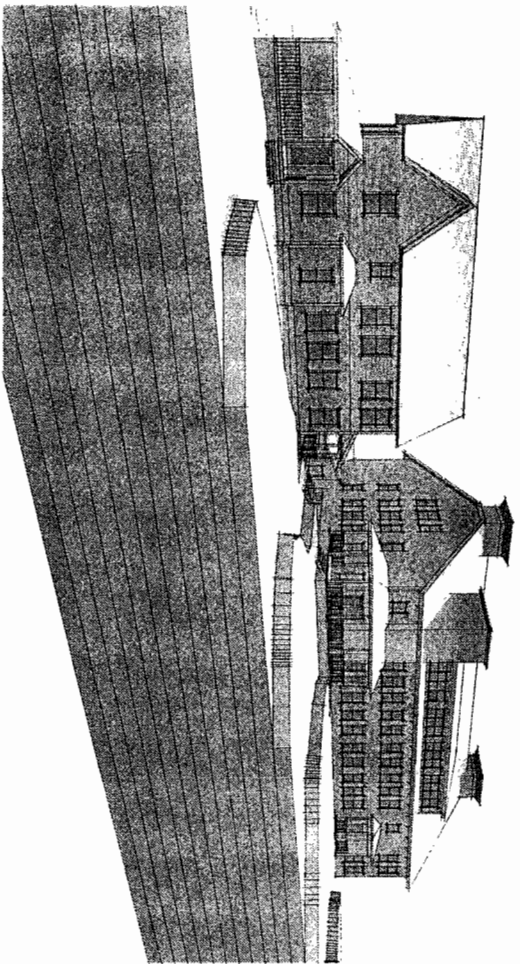
Google maps

Address 91 Guilford Center Rd
Brattleboro, VT 05301

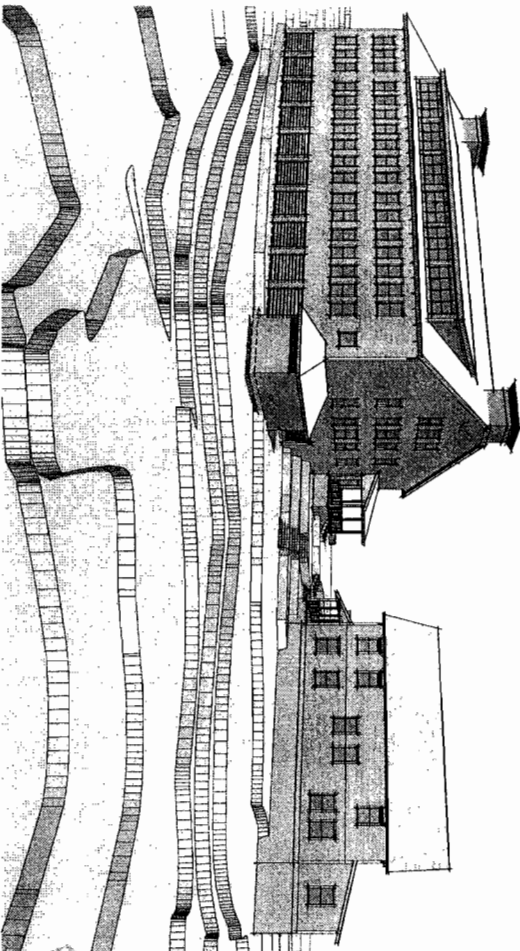
Notes

Print





1 PERSPECTIVE 1



2 PERSPECTIVE 2

ALGIERS VILLAGE

GUILDFORD, VERMONT

Prepared for the Guilford Housing Authority
by Duncan Wisniewski Architects

SCHEMATIC DESIGN

Duncan Wisniewski
ARCHITECTURE

225 SOUTH CHURCH STREET
GUILDFORD, VERMONT 05403
T: 802-254-4490 F: 802-254-4972

DATE: 04/02/2010

A0-0.0

VERMONT HOUSING FINANCE AGENCY

RESOLUTION RE: PROPOSED ALLOCATION OF ALLOCATED HOUSING CREDITS FOR AVENUE APARTMENTS, CITY OF BURLINGTON

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont and Champlain Housing Trust, Inc. (the "Sponsors") on behalf of a to be formed limited partnership in which one or more of the Sponsors or their subsidiaries or affiliates will be general or co-general partner(s) (the "Borrower") involving the new construction of thirty-three (33) units of general occupancy rental housing in the City of Burlington (the "Development"); and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade, Cynthia Reid, and Joe Erdelyi dated February 7, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

WHEREFORE, it is hereby RESOLVED:

1. The recommendations for the allocation of Allocated Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the proposed allocation of federal Allocated Housing Credits in the amount of \$635,000.00 for the Avenue Apartments housing project in the City of Burlington, Vermont.
3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.

28-Jan-11 Avenue Apartments (formerly Thayer Family/Leddy/DMV)

Total Rental Residential Units:	33	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	28	Increase in Income from Other Sources:	1.50%
Percent Restricted:	84.85%	Increase in Income from Commercial:	0.00%
Total Rental Development Cost:	7,630,059	Expense increase:	3.00%
Total Rental Dev. Cost per Unit:	231,214	Vacancy Rate:	5.00%
Total Rental Dev. Cost Per SF:	150	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	654,741	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	635,000	Sponsor's Estimated Yield:	0.79

LIHTC - 9%	9.00%
LIHTC - 4%	3.25%

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
Bank loan	850,000	11.14%	7.25%	20	20
NSP	0	0.00%	0.00%	deferred	30
VHCB	600,000	7.86%	0.00%	deferred	30
HOME/City Burlington	500,000	6.55%	0.00%	deferred	30
HUD EDI	150,000	1.97%	0.00%	deferred	30
NeighborWorks	285,000	3.74%	0.00%	deferred	30
Efficiency VT	16,500	0.22%	0.00%	deferred	30
Burlington Housing Trust Fund	0	0.00%	0.00%	deferred	30
State tax credit equity	212,500	2.79%	N/A	N/A	N/A
LIHTC equity	5,016,059	65.74%	N/A	N/A	N/A
TOTAL SOURCES	7,630,059	100.00%			

USES

Acquisition	268,250	3.52%
Construction Hard Costs	5,747,690	75.33%
Soft Costs	1,614,119	21.15%
TOTAL USES	7,630,059	100%

Gap 0

General Partner's Capital Contribution	50	0.001%
Limited Partner's Capital Contribution	5,015,557	99.99%
Total Equity	5,015,608	100.0%

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	28
Total Units	33
Unit Fraction	84.85%
Gross building SF	50,794
Tax Credit Square Footage	24,883
Total Residential Square Footage	29,061
Square Footage Fraction	85.62%
Applicable Fraction	84.85%

Allocation of Sources														
	Budget	Per Unit	Per s.f.	Bank loan	NSP	VHCB	HOME/City Burlington	HUD EDI	Neighbor Works	Efficiency VT	Burlington Housing Trust Fund	State tax credit equity	LIHTC equity	TOTAL SOURCES
ACQUISITION				7.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00% N/A	N/A	N/A	
1 Land	259,000	7,848	6.78	20	30	259,000	30	30	30	30	30	N/A	N/A	259,000
2 Purchase of Building(s)	0	0	0.00											0
3 Demolition (without replacement)	0	0	0.00											0
4 Property Appraisal	1,750	53	0.05										1,750	1,750
5 Legal - Title and Recording	7,500	227	0.20										7,500	7,500
Acquisition/Carrying Costs	0	0	0.00										0	0
Subtotal - Acquisition	268,250	8,129	7.02											
CONSTRUCTION HARD COSTS														
6 Rehabilitation	0	0	0.00										0	0
7 New Building(s)	4,730,509	143,349	123.77	850,000		341,000	500,000	150,000	285,000		212,500	2,392,009	4,730,509	
8 Total Homeownership Costs	0	0	0.00										0	0
9 Sitework	559,641	16,959	14.64										559,641	559,641
10 Solar DHW	57,000	1,727	1.49										57,000	57,000
11 City Road	0	0	0.00										0	0
12 Contractor Overhead	0	0	0.00										0	0
13 Contractor Profit	0	0	0.00										0	0
14 Construction Contingency	355,000	10,758	9.29										355,000	355,000
15 Construction Management	0	0	0.00										0	0
16 Construction Bond Fee	0	0	0.00										0	0
17 Hazardous Materials Abatement	0	0	0.00										0	0
18 Off-Site Improvements	0	0	0.00										0	0
19 Furnishings, Fixtures, & Equipment	45,540	1,380	1.19							16,500			29,040	45,540
20 Other ()	0	0	0.00										0	0
Subtotal - Hard Costs	5,747,690	174,172	150.38											
SOFT COSTS														
21 Architectural/Eng/Consultants	364,415	11,043	9.53										364,415	364,415
22 Engineering	0	0	0.00										0	0
23 Legal/Accounting	35,000	1,061	0.92										35,000	35,000
24 Relocation	0	0	0.00										0	0
25 Environmental Assessment	3,123	95	0.08										3,123	3,123
26 Energy Assessment	0	0	0.00										0	0
27 Permit/Fees	165,920	5,028	4.34										165,920	165,920
28 Independent Market Study	3,200	97	0.08										3,200	3,200
29 Construction Period Insurance	10,000	303	0.26										10,000	10,000
30 Construction Interest	145,000	4,394	3.79										145,000	145,000
31 Construction Loan Origination Fee	0	0	0.00										0	0
32 Taxes During Construction	10,000	303	0.26										10,000	10,000
33 Clerk of the Works	0	0	0.00										0	0
34 Marketing	0	0	0.00										0	0
35 Tax Credit Fees	25,400	770	0.66										25,400	25,400
36 Soft Cost Contingency	20,000	606	0.52										20,000	20,000
37 Permanent Loan Origination Fee	30,500	924	0.80										30,500	30,500
38 Lender's Counsel's Fee	0	0	0.00										0	0
39 Other ()	0	0	0.00										0	0
SYNDICATION COSTS														
40 Organizational (Partnership)	7,500	227	0.20										7,500	7,500
41 Bridge Loan Fees and Expenses	0	0	0.00										0	0
42 Syndication Consultant	0	0	0.00										0	0
43 Tax Opinion	0	0	0.00										0	0
DEVELOPER'S FEES														
44 Developer's Fees	700,000	21,212	18.31										700,000	700,000
45 Other Partnership Fees	0	0	0.00										0	0
46 Consultant Fees	0	0	0.00										0	0
RESERVES														
47 Working Capital	0	0	0.00										0	0
48 Rent-up (Deficit Escrow) Reserve	20,000	606	0.52										20,000	20,000
49 Other Operating Reserves	74,061	2,244	1.94										74,061	74,061
50 Sinking Fund	0	0	0.00										0	0
51 Replacement Reserves	0	0	0.00										0	0
Subtotal - Soft Costs	1,614,119	48,913	42.23											
TOTAL DEVELOPMENT COSTS	7,630,059	231,214	199.63	850,000	0	600,000	500,000	150,000	285,000	16,500	0	212,500	5,016,059	7,630,059
	7,630,059			0	0	0	0	0	0	0	0	0	0	7,630,059
COST BASIS FOR DEVEL FEE	6,835,998													
DEVELOPER FEE	700,000													
DEVELOPER FEE %	10.24%													

28-Jan-11 Avenue Apartments (formerly Thayer Family/Leddy/DMV)

	Budget	Acquisition Basis	Construction Basis	Residential Depreciation	Historic Credit Basis	Other	Costs Incurred to	To be Incurred	Total
ACQUISITION									
1 Land	259,000								
2 Purchase of Building(s)	0	0		0	0				
3 Demolition (without replacement)	0			0	0				
4 Property Appraisal	1,750	0		1,750	1,750				
5 Legal - Title and Recording	7,500	0		7,500	7,500				
Subtotal - Acquisition	268,250								
CONSTRUCTION HARD COSTS									
6 Rehabilitation	0		0	0	0				
7 New Building(s)	4,730,509		4,730,509	4,730,509	4,730,509				
8 Total Homeownership Costs	0			0	0				
9 Sitework	559,641		559,641	559,641	559,641				
10 Solar DHW	57,000		57,000		57,000				
11 City Road	0		0	0	0				
12 Contractor Overhead	0		0	0	0				
13 Contractor Profit	0		0	0	0				
14 Construction Contingency	355,000		355,000	355,000	355,000				
15 Construction Management	0		0	0	0				
16 Construction Bond Fee	0		0	0	0				
17 Hazardous Materials Abatement	0		0	0	0				
18 Off-Site Improvements	0		0	0	0				
19 Furnishings, Fixtures, & Equipment	45,540		45,540	45,540	45,540				
20 Other ()	0		0	0	0				
Subtotal - Hard Costs	5,747,690								
SOFT COSTS									
21 Architectural/Eng/Consultants	364,415		364,415	364,415	364,415				
22 Engineering	0		0	0	0				
23 Legal/Accounting	35,000		35,000	35,000	35,000				
24 Relocation	0		0	0	0				
25 Environmental Assessment	3,123		3,123	3,123	3,123				
26 Energy Assessment	0		0	0	0				
27 Permits/Fees	165,920		165,920	165,920	165,920				
28 Independent Market Study	3,200		0	3,200	3,200				
29 Construction Period Insurance	10,000		10,000	10,000	10,000				
30 Construction Interest	145,000		108,750	145,000	145,000				
31 Construction Loan Origination Fee	0		0	0	0				
32 Taxes During Construction	10,000		10,000	10,000	10,000				
33 Clerk of the Works	0		0	0	0				
34 Marketing	0		0	0	0				
35 Tax Credit Fees	25,400		0	25,400	25,400				
36 Soft Cost Contingency	20,000		20,000	20,000	20,000				
37 Permanent Loan Origination Fee	30,500		30,500						
38 Lender's Counsel's Fee	0		0	0	0				
39 Other ()	0		0	0	0				
SYNDICATION COSTS									
40 Organizational (Partnership)	7,500								
41 Bridge Loan Fees and Expenses	0								
42 Syndication Consultant	0								
43 Tax Opinion	0								
DEVELOPER'S FEES									
44 Developer's Fees	700,000		700,000	700,000	700,000				
45 Other Partnership Fees	0		0	0	0				
46 Consultant Fees	0		0	0	0				
RESERVES									
47 Working Capital	0								
48 Rent-up (Deficit Escrow) Reserve	20,000								
49 Other Operating Reserves	74,061								
50 Sinking Fund	0								
51 Replacement Reserves	0								
Subtotal - Soft Costs	1,614,119								
TOTALS	7,630,059	0	7,195,398	7,136,458	7,238,998				
LESS: Amount of Non-qualified Financing									
LESS: Historic tax Credit (Residential Portion)			0	0					
Total Eligible Basis		0	6,595,372						
TIMES: Adjusted for QCT/DDA	130.0%		8,573,984						
TIMES: Applicable Fraction	84.85%	0	7,274,895						
Total Qualified Basis		0	7,274,895	7,136,458					
TIMES: Applicable Percentage		3.25%	9.00%						
Total Annual Credit Qualified		0	654,741						
<div> <div>Total Tax Credits Requested</div> <div>Estimated Net Syndication Proceeds (Sec. 42 Housing Credit only)</div> <div>Estimated Yield - Housing Credit Syndication</div> <div>Equity Gap</div> <div>Credits Needed to fill Equity Gap</div> </div> <div> <div>20% Historic Credit Rate</div> <div>0 Annual Historic Credit</div> <div>Long Term Depreciable Basis</div> <div>27.5 Depreciation Schedule</div> <div>259,508 Annual Depreciation</div> <div>Short Term Depreciable Basis</div> <div>7 Depreciation Schedule</div> <div>6,506 Annual Depreciation</div> </div>									

28-Jan-11 Avenue Apartments (formerly Thayer Family/Leddy/DMV)

HC Restricted Units Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
0 Br					0	0
1 Br					0	101,040
2 Br					0	167,400
3 Br					0	34,344
Totals		24,883	28			302,784

Non-HC Restricted Units Bedrooms	Type	Square Feet	Number	Rent	Utilities	Total Annual Rent
0 Br					0	0
1 Br					0	20,448
2 Br					0	38,484
3 Br					0	0
4+ Br					0	0
Totals		4,178	5			58,932

Common Area Square Footage 9,160

Grand Totals	38,221	33	361,716
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Less Vacancy	5.00%	(18,086)
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NET RENT	343,630
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OTHER INCOME

Laundry
Parking
Commercial Space Income
Other

TOTAL INCOME	346,030
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Avenue Apartments (formerly Thayer Family/Leddy/DMV)

Building # [Floor]	Unit #	Check all Applicable					A			B					C																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
		HOME Unit	Lead Paint Unit	Project Based Assistance	Tax Credit Unit	VHCB Restricted	Accessible	Adaptable	Unrestricted	Number of Bedrooms	Proposed Square Footage	Proposed Rent	Utility Allowance for Tenant-Paid Utilities	Gross Rent (Rent + Tenant-Paid Utilities)	OCCUPIED BY: Income level of residents to be served:					AFFORDABLE TO: Units affordable to residents at:																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
															<10%	<30%	<50%	<60%	<80%	<100%	>100%	30%	50%	60%	65%	80%	100%+																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
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common SF 37
 total finish SF 38,221
 parking 12,573
 gross SF 50,794

28-Jan-11 Avenue Apartments (formerly Thayer Family/Led

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	27,750	2,313	70	8.0%
Supportive Services	0	0	0	
Audit/Accounting	4,500	375	11	
Legal	2,800	233	7	
Compliance Monitoring	2,376	198	6	
Marketing	800	67	2	
Other	10,000	833	25	
TOTAL ADMINISTRATIVE	48,226	4,019	122	
Utilities				
Electricity	10,500	875	27	
Fuel - natural gas	19,100	1,592	48	
Water and Sewer	9,700	808	24	
Fire Alarm / Emergency	1,400	117	4	
Other	0	0	0	
TOTAL UTILITIES	40,700	3,392	103	
Maintenance				
Maintenance / Janitor Payroll	15,750	1,313	40	
Janitor Supplies	7,500	625	19	
Exterminating	150	13	0	
Trash Removal	6,000	500	15	
Snow Removal	7,500	625	19	
Grounds	3,500	292	9	
Repairs Material	5,000	417	13	
Repairs Contract	9,500	792	24	
HVAC Repairs / Maintenance	6,500	542	16	
Elevator Contract / Repairs	4,100	342	10	
Painting and Decorating	2,500	208	6	
Other	5,000	417	13	
TOTAL MAINTENANCE	73,000	6,083	184	
Real Estate Taxes	45,000	3,750	114	per unit month excl. ds & res. 539
Property Insurance	6,500	542	16	
Replacement Reserves	19,800	1,650	50	
Primary Debt Service	80,618	6,718	204	
Other "must pay" debt service	0	0	0	
Other	0	0	0	
Total	313,844	26,154	793	
"Below-the-Line" Expenses:				
Special LP or GP Fee	0			
Repayment of Deferred Fee	0			
Partnership Audit or K-1 Fee	0			
Distribution	0			
Net to Residual				
Receipts/Cumulative Cash Flow	313,844			

Average Apartments (formerly Thayer Family/Leddy/DNV)

	28-Jan-11	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Operating Income																						
Gross Rent	361,716	367,142	372,649	378,239	383,912	389,671	395,516	401,449	407,470	413,582	419,786	426,083	432,474	438,961	445,546	452,229	459,012	465,898	472,886	479,979		
Other Income	2,400	2,436	2,473	2,510	2,547	2,585	2,624	2,664	2,704	2,744	2,785	2,827	2,869	2,913	2,958	3,001	3,045	3,091	3,138	3,185		
Vacancy and Other Income	(18,060)	(18,357)	(18,652)	(18,912)	(19,196)	(19,484)	(19,776)	(20,072)	(20,374)	(20,679)	(20,989)	(21,294)	(21,604)	(21,918)	(22,227)	(22,531)	(22,841)	(23,151)	(23,461)	(23,771)		
Total Operating Income	346,030	351,221	356,469	361,836	367,264	372,773	378,364	384,040	389,800	395,647	401,582	407,666	413,720	419,826	426,225	432,618	439,107	445,694	452,379	459,165		
Operating Expenses																						
Total Expenses (incl. Reserves)	213,626	219,829	226,424	233,216	240,213	247,419	254,842	262,487	270,362	278,473	286,827	295,431	304,294	313,423	322,826	332,511	342,486	352,761	363,343	374,244		
Reserves	19,800	20,097	20,398	20,704	21,015	21,330	21,650	21,975	22,305	22,639	22,979	23,323	23,673	24,028	24,389	24,755	25,126	25,503	25,885	26,274		
Total Operating Expense	233,226	239,926	246,822	253,921	261,228	268,749	276,492	284,462	292,667	301,112	309,805	318,755	327,968	337,452	347,215	357,266	367,612	378,265	389,229	400,517		
Net Operating Income	112,804	111,295	109,647	107,916	106,036	104,023	101,872	99,578	97,134	94,536	91,777	88,851	85,752	82,474	79,010	75,353	71,495	67,430	63,151	58,648		
Less Primary Debt Service	80,818	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618		
Less Secondary Debt Service	32,186	30,677	29,049	27,297	25,418	23,405	21,254	18,960	16,516	13,917	11,158	8,233	5,134	1,856	(1,608)	(5,266)	(9,123)	(13,188)	(17,468)	(21,971)		
Annual Cash Flow	32,186	30,677	29,049	27,297	25,418	23,405	21,254	18,960	16,516	13,917	11,158	8,233	5,134	1,856	(1,608)	(5,266)	(9,123)	(13,188)	(17,468)	(21,971)		
Operating Subsidies / Sinking Fund	32,186	30,677	29,049	27,297	25,418	23,405	21,254	18,960	16,516	13,917	11,158	8,233	5,134	1,856	(1,608)	(5,266)	(9,123)	(13,188)	(17,468)	(21,971)		
Net Cash	32,186	30,677	29,049	27,297	25,418	23,405	21,254	18,960	16,516	13,917	11,158	8,233	5,134	1,856	(1,608)	(5,266)	(9,123)	(13,188)	(17,468)	(21,971)		
Cumulative Cash Flow																						
Beginning Balance	139,926	138,096	136,036	133,866	131,579	129,036	126,366	123,526	120,496	117,266	113,846	110,216	106,376	102,306	98,006	93,476	88,686	83,646	78,356	72,756		
Deposits	74,061	108,951	143,357	177,142	210,162	242,266	272,290	303,062	331,398	358,103	382,973	405,788	426,317	444,318	459,531	471,709	480,594	485,859	487,278	484,428		
Withdrawals	2,705	3,729	4,736	5,724	6,686	7,619	8,518	9,376	10,190	10,952	11,657	12,297	12,867	13,357	13,786	14,151	14,418	14,577	14,618	14,533		
Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Project Operating Needs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Special LP or GP Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Repayment of Deferred Devel. Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Partnership Audit or K-1 Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Distribution of Cash to Owner	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Ending Balance	108,951	143,357	177,142	210,162	242,266	272,290	303,062	331,398	358,103	382,973	405,788	426,317	444,318	459,531	471,709	480,594	485,859	487,278	484,428	476,990		
Cumulative Replacement Reserves																						
Beginning Balance	0	19,998	40,696	62,112	84,266	106,036	127,328	148,061	168,188	187,699	206,596	224,886	242,579	259,673	276,173	292,073	307,373	322,073	336,173	349,673		
Deposits	19,800	20,097	20,398	20,704	21,015	21,330	21,650	21,975	22,305	22,639	22,979	23,323	23,673	24,028	24,389	24,755	25,126	25,503	25,885	26,274		
Withdrawals	198	601	1,018	1,449	1,895	2,350	2,823	3,312	3,817	4,339	4,878	5,433	6,004	6,591	7,194	7,814	8,451	9,104	9,774	10,459		
Ending Balance	19,998	40,696	62,112	84,266	106,036	127,328	148,061	168,188	187,699	206,596	224,886	242,579	259,673	276,173	292,073	307,373	322,073	336,173	349,673	362,622		
Net Operating Income																						
Net Operating Income	112,804	111,295	109,647	107,916	106,036	104,023	101,872	99,578	97,134	94,536	91,777	88,851	85,752	82,474	79,010	75,353	71,495	67,430	63,151	58,648		
Plus Reserves	19,800	20,097	20,398	20,704	21,015	21,330	21,650	21,975	22,305	22,639	22,979	23,323	23,673	24,028	24,389	24,755	25,126	25,503	25,885	26,274		
Less Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Less Long Depreciation	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)	(259,508)		
Less Short Depreciation	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)	(7,621)		
Taxable Income (Loss)	(134,524)	(135,737)	(137,063)	(138,509)	(140,078)	(141,775)	(143,606)	(145,573)	(147,684)	(149,939)	(152,339)	(154,886)	(157,581)	(160,426)	(163,421)	(166,566)	(169,861)	(173,306)	(176,901)	(180,646)		
Cash Flow																						
Plus Tax Savings	47,084	47,508	47,972	48,478	49,027	49,621	50,262	50,949	51,682	52,461	53,286	54,158	55,077	56,044	57,059	58,124	59,239	60,404	61,619	62,884		
Plus Historic Rehab Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Plus State Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Plus Federal Housing Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
After Tax Cash Flow	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000	635,000		
Total Years	15	6.00%																				
Reinvestment Rate																						
Current After Tax Cash Flows	682,084	682,508	682,972	683,478	684,027	684,621	685,262	685,949	686,682	687,461	688,286	689,157	690,074	691,037	692,046	693,101	694,201	695,346	696,536	697,821		
Future Value of Cash Flows at Yr 15:	1,634,653	1,543,085	1,456,731	1,375,292	1,298,488	1,226,052	1,157,736	1,098,051	1,046,519	992,641	946,916	908,951	878,366	845,781	811,926	787,441	762,166	736,951	711,746	686,501		
Discount Rate:	7.50%																					
Capital Contribution Number:	30-Jun-11	31-Jul-12																				
Date of Capital Contribution:	100	401,247	1,003,212	0																		
Amount of Capital Contribution:	100	3,783,821	923,584	0																		
Present Value of Contributions:	(4,689,506)																					
Cash Flows																						
IRR:	7.09%																					
Equity Yield:	-14%																					

Original Basis
Less Depreciation
Basis at Sale
Sales Price
Gain
Ebit Tax

2,181,598

#####

24 Jan-11 Avenue Apartments (formerly Thayer Family/Leddy/DMV)

Bank loan
PRINCIPAL \$50,000
INTEREST 7.25%
TERM 20
MONTHLY PAYMENT 6,718
ANNUAL PAYMENT 80,618

YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
BEGINNING BALANCE	\$50,000	\$31,007	\$10,636	\$78,789	\$765,358	\$740,228	\$713,276	\$684,370	\$653,369	\$620,120	\$584,460	\$546,215	\$505,197	\$461,206	\$414,023	\$363,423	\$309,153	\$250,948	\$188,524	\$121,573
ENDING BALANCE	\$31,007	\$10,636	\$78,789	\$765,358	\$740,228	\$713,276	\$684,370	\$653,369	\$620,120	\$584,460	\$546,215	\$505,197	\$461,206	\$414,023	\$363,423	\$309,153	\$250,948	\$188,524	\$121,573	\$47,769
PRINCIPAL	18,993	20,370	21,847	23,431	25,130	26,952	28,906	31,001	33,249	35,660	38,245	41,018	43,992	47,181	50,692	54,520	58,675	63,162	68,000	73,199
INTEREST	61,625	60,248	58,771	57,187	55,488	53,667	51,713	49,617	47,369	44,999	42,373	39,601	36,627	33,437	30,017	26,348	22,414	18,194	13,668	8,814
TOTAL PAID	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618	80,618

NSF
PRINCIPAL 0
INTEREST 0.00%
AMORTIZATION PERIOD deferred
TERM 30
MONTHLY PAYMENT 0
ANNUAL PAYMENT 0

YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
BEGINNING BALANCE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ENDING BALANCE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PRINCIPAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PAID	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

VRBC
PRINCIPAL 600,000
INTEREST 0.00%
AMORTIZATION PERIOD deferred
TERM 30
MONTHLY PAYMENT 0
ANNUAL PAYMENT 0

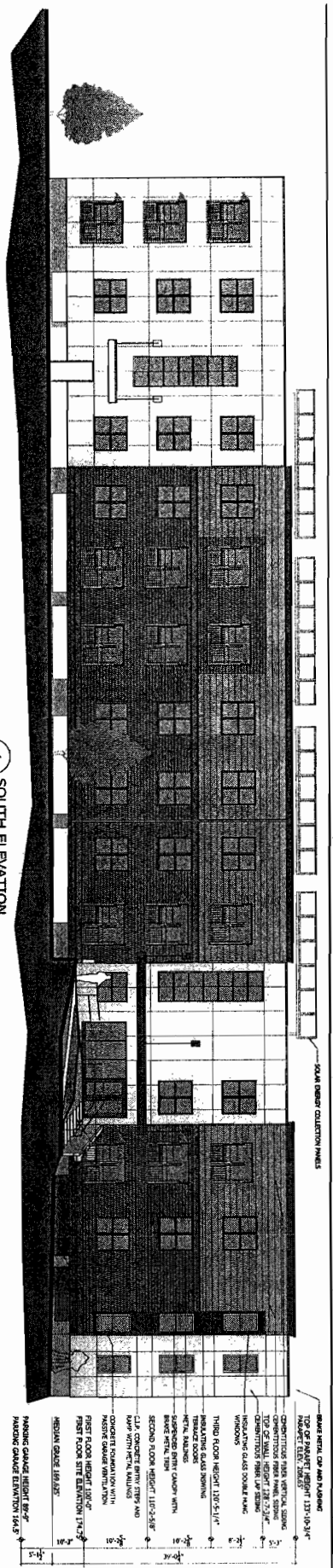
YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
BEGINNING BALANCE	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
ENDING BALANCE	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000	600,000
PRINCIPAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PAID	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

HOMECITY Insurance
PRINCIPAL 500,000
INTEREST 0.00%
AMORTIZATION PERIOD deferred
TERM 30
MONTHLY PAYMENT 0
ANNUAL PAYMENT 0

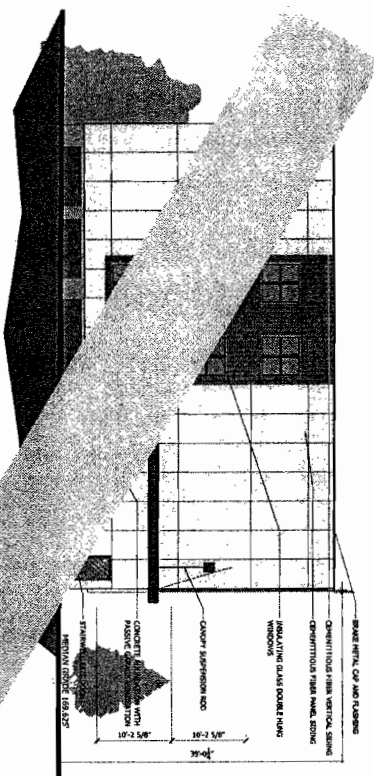
YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
BEGINNING BALANCE	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
ENDING BALANCE	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
PRINCIPAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PAID	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

HUB EDI
PRINCIPAL 150,000
INTEREST 0.00%
AMORTIZATION PERIOD deferred
TERM 30
MONTHLY PAYMENT 0
ANNUAL PAYMENT 0

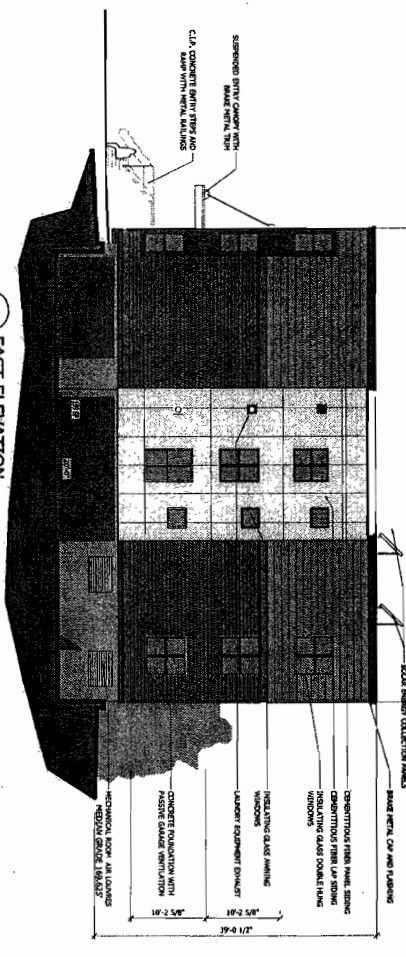
YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
BEGINNING BALANCE	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
ENDING BALANCE	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
PRINCIPAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTEREST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL PAID	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



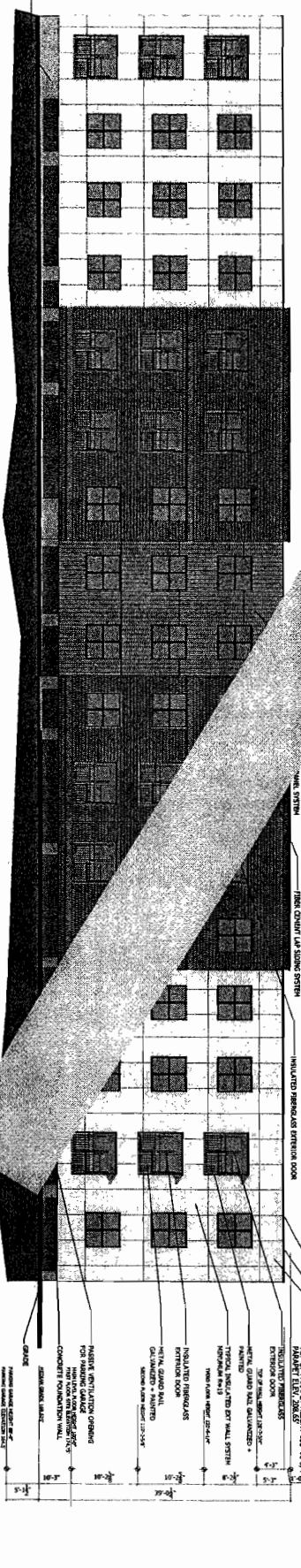
1 SOUTH ELEVATION
SCALE 1/8" = 1'-0"



2 WEST ELEVATION
SCALE: 1/8" = 1'-0"



EAST ELEVATION
SCALE: 1/8" = 1'-0"



4 NORTH ELEVATION
SCALE 1/8" = 1'-0"

Figure 1 is a vertical section diagram of a wall system. The wall is shown in a vertical section, with the top and bottom edges labeled "TOP OF MAINTENANCE HEIGHT 13'-0" (13'-0")" and "BOTTOM OF MAINTENANCE HEIGHT 0'-0" (0'-0")" respectively. The wall is supported by a foundation, which is shown in a cross-section. The foundation is labeled "FOUNDATION" and "CONCRETE FOUNDATION WALL". The wall is shown in a vertical section, with the top and bottom edges labeled "TOP OF MAINTENANCE HEIGHT 13'-0" (13'-0")" and "BOTTOM OF MAINTENANCE HEIGHT 0'-0" (0'-0")" respectively. The wall is supported by a foundation, which is shown in a cross-section. The foundation is labeled "FOUNDATION" and "CONCRETE FOUNDATION WALL". The wall is shown in a vertical section, with the top and bottom edges labeled "TOP OF MAINTENANCE HEIGHT 13'-0" (13'-0")" and "BOTTOM OF MAINTENANCE HEIGHT 0'-0" (0'-0")" respectively. The wall is supported by a foundation, which is shown in a cross-section. The foundation is labeled "FOUNDATION" and "CONCRETE FOUNDATION WALL".

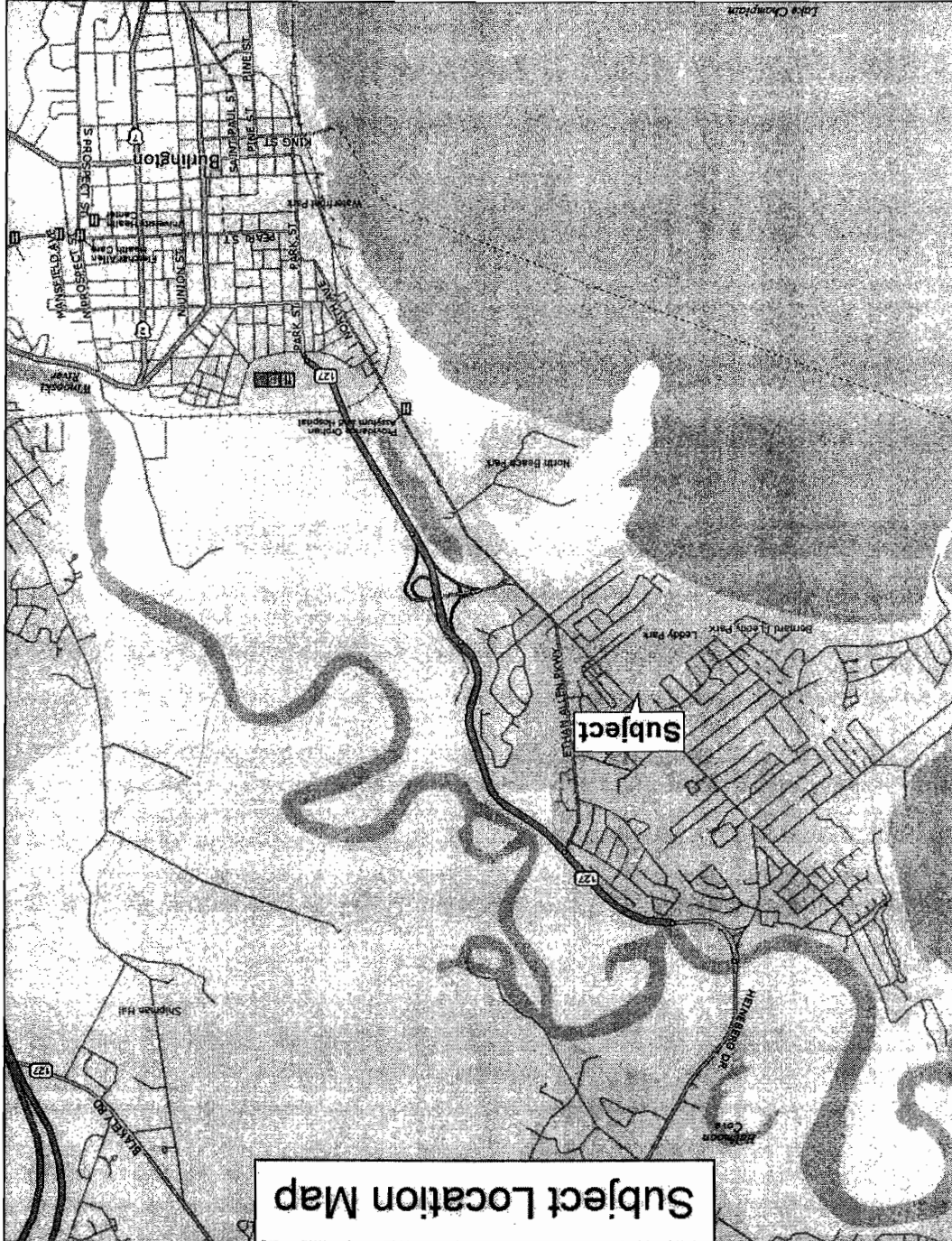
A4.1

project: **VILLAGE AT LEDDY PARK**
1193 NORTH AVENUE, BURLINGTON, VERMONT

dwg. title: **FAMILY HOUSING**
DESIGN DEVELOPMENT PROGRESS SET

SCOTT + PARTNERS
ARCHITECTS
20 main street east junction vermont 05452
p. 802.879.3153 f. 802.872.2704
architecture
planning
interiors

architecture
planning
interiors



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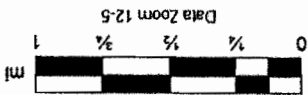
DELOME

Subject Location Map

Subject

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MN (14.7° W)



VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: PROPOSED ALLOCATION OF ALLOCATED HOUSING
CREDITS FOR CITY NEIGHBORHOODS,
CITIES OF BURLINGTON AND WINOOSKI**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont and Champlain Housing Trust, Inc. (the "Sponsors") on behalf of a to be formed limited partnership in which one or more of the Sponsors or their subsidiaries or affiliates will be general or co-general partner(s) (the "Borrower") involving the acquisition and rehabilitation of a total of forty (40) units of general occupancy rental housing in the Cities of Burlington and Winooski (the "Development"); and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade, Cynthia Reid and Joe Erdelyi dated February 7, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

WHEREFORE, it is hereby RESOLVED:

1. The recommendations for the allocation of Allocated Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the proposed allocation of federal Allocated Housing Credits in the amount of \$388,000.00 for the City Neighborhoods housing project in the Cities of Burlington and Winooski, Vermont.
3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.

28-Jan-11 City Neighborhoods

Total Residential Units:	40	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	40	Increase in Income from Other Sources:	1.50%
Percent Restricted:	100.00%	Increase in Income from Commercial:	1.50%
Total Development Cost:	7,746,734	Expense increase:	3.00%
Total Development Cost per Unit:	193,668	Vacancy Rate:	5%
Total Development Cost Per SF:	229	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	454,443	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	388,000	Sponsor's Estimated Yield:	77.78%

LIHTC - 9%	9.00%	(January 2011)
LIHTC - 4%	3.29%	

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
First Mortgage	380,000	4.91%	7.25%	30	30
VHCB	483,434	6.24%	4.00%	30	deferred
HOME	236,652	3.05%	1.00%	20	int. only
VCDP - City of Winooski	375,000	4.84%	4.00%	30	deferred
HOME - City of BTV	440,000	5.68%			
Neighborworks	500,000	6.45%			
VFEP	312,600	4.04%			
Lead Abatement	115,500	1.49%			
BTV Housing Trust Fund	70,000	0.90%			
Existing VHCB	572,566	7.39%			
Existing HOME	88,855	1.15%			
Subordinate Loans	282,359	3.64%			
Historic Equity	809,768	10.45%	N/A		
State Equity	92,400	1.19%	N/A	N/A	
Tax Credit Equity	2,987,600	38.57%	N/A	N/A	
TOTAL SOURCES	7,746,734	100.00%			

USES

Acquisition	2,003,702	25.87%
Construction Hard Costs	3,964,931	51.18%
Soft Costs	1,778,101	22.95%
TOTAL USES	7,746,734	100%

Gap 0

General Partner's Capital Contribution	29,876	1.00%
Limited Partner's Capital Contribution	2,957,724	99.00%
Total Equity	2,987,600	

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	40
Total Units	40
Unit Fraction	100.00%
Tax Credit Square Footage	33,796
Total Residential Square Footage	33,796
Square Footage Fraction	100.00%
Applicable Fraction	100.00%

	Budget	Per Unit	Per s.f.	VHCB Terms:	HOME Terms:	Allocation of Sources VCDP Terms:	Debt Terms:	Equity Terms:	Other Terms:	TOTAL SOURCES
ACQUISITION										
1 Land	297,705	7,443	8.81							0
2 Purchase of Building(s)	1,686,997	42,175	49.92							0
3 Demolition (without replacement)	0	0	0.00							0
4 Property Appraisal	4,000	100	0.12							0
5 Legal - Title and Recording	15,000	375	0.44							0
Subtotal - Acquisition	2,003,702	50,093	59.29							0
CONSTRUCTION HARD COSTS										
6 Rehabilitation	2,947,987	73,700	87.23							0
7 New Building(s)		0	0.00							0
8 Accessory Buildings		0	0.00							0
9 Sitework	92,969	2,324	2.75							0
10 Commercial Space Costs (if any)		0	0.00							0
11 General Requirements	280,000	7,000	8.29							0
12 Contractor Overhead		0	0.00							0
13 Contractor Profit		0	0.00							0
14 Construction Contingency	318,000	7,950	9.41							0
15 Construction Management	73,475	1,837	2.17							0
16 Construction Bond Fee	47,000	1,175	1.39							0
17 Hazardous Materials Abatement	165,500	4,138	4.90							0
18 Off-Site Improvements		0	0.00							0
19 Furnishings, Fixtures, & Equipment	40,000	1,000	1.18							0
20 Other ()		0	0.00							0
Subtotal - Hard Costs	3,964,931	99,123	117.32							0
SOFT COSTS										
21 Architectural	237,000	5,925	7.01							0
22 Engineering		0	0.00							0
23 Legal/Accounting	86,500	2,163	2.56							0
24 Relocation	188,000	4,700	5.56							0
25 Environmental Assessment	11,000	275	0.33							0
26 Historic Preservation Consultant	5,000	125	0.15							0
27 Permits/Fees	21,000	525	0.62							0
28 Independent Market Study	5,000	125	0.15							0
29 Construction Period Insurance	26,400	660	0.78							0
30 Construction Interest	150,000	3,750	4.44							0
31 Construction Loan Origination Fee	47,000	1,175	1.39							0
32 Taxes During Construction	13,600	340	0.40							0
33 Clerk of the Works	30,000	750	0.89							0
34 Marketing	4,500	113	0.13							0
35 Tax Credit Fees	24,000	600	0.71							0
36 Soft Cost Contingency	25,000	625	0.74							0
37 Permanent Loan Origination Fee		0	0.00							0
38 Lender's Counsel's Fee		0	0.00							0
39 Other ()		0	0.00							0
SYNDICATION COSTS										
40 Organizational (Partnership)		0	0.00							0
41 Bridge Loan Fees and Expenses		0	0.00							0
42 Syndication Consultant		0	0.00							0
43 Tax Opinion		0	0.00							0
DEVELOPER'S FEES										
44 Developer's Fees - HVT	355,000	8,875	10.50							0
45 Developer's Fees - CHT	295,000	7,375	8.73							0
46 Consultant Fees		0	0.00							0
RESERVES										
47 Working Capital	154,101	3,853	4.56							0
48 Rent-up (Deficit Escrow) Reserve	50,000	1,250	1.48							0
49 Other Operating Reserves		0	0.00							0
50 Sinking Fund		0	0.00							0
51 Replacement Reserves	50,000	1,250	1.48							0
Subtotal - Soft Costs	1,778,101	44,453	52.61							0
TOTAL DEVELOPMENT COSTS	7,746,734	193,668	229	0	0	0	0	0	0	0
COST BASIS FOR DEVEL FEE										
	HVT	CHT								
DEVELOPER FEE	6,842,633	3,964,931								
DEVELOPER FEE %	355,000	295,000								
	5.19%	7.44%								

28-Jan-11 City Neighborhoods

HC Restricted Units Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
0 Br			0	0		0
1 Br		714	7	640		53,760
2 Br		827	22	728		192,192
3 Br		964	11	829		109,428
4+ Br			0	0		0
Totals		33,796	40			355,380

Non-HC Restricted Units Bedrooms	Type	Square Feet	Number	Rent	Utilities	Total Annual Rent
0 Br			0	0		0
1 Br			0	0		0
2 Br			0	0		0
3 Br			0	0		0
4+ Br			0	0		0
Totals		0	0			0

Common Area Square Footage 0

Grand Totals 33,796 40 355,380

Less Vacancy 5.00% (17,769)

NET RENT 337,611

OTHER INCOME

Laundry 0
 Parking 0
 Commercial Space Income 0
 Other 500

TOTAL INCOME 338,111

28-Jan-11

City Neighborhoods

Building #	Unit #	Check all Applicable							A					B						C							
		HOME Unit	Lead Paint Unit	Project Based Assistance	Ten Credit Unit	VFCB Restricted	Accessible	Adaptable	Unrestricted	Number of Bedrooms	Proposed Square Footage	Proposed Rent	Utility Allowance for Tenant-Paid Utilities	Gross Rent (Rent + Tenant-Paid Utilities)	OCCUPIED BY: Income level of residents to be served:						AFFORDABLE TO: Units affordable to residents at:						
Lodair	1	1								2	800	720	41	761	<30%	<50%	<60%	<80%	<100%	>100%	30%	50%	60%	65%	80%	100%+	
	2									2	800	710	41	751													
114 West Allen	1									3	1,000	785	56	841													
	2									3	1,000	785	56	841													
	3									3	1,000	750	56	816													
	4									3	1,000	820	56	876													
135-139 Canal	1	1								3	1,000	750	56	806													
	2	1								3	1,000	850	56	906													
	3	1								3	1,000	850	56	906													
	4	1								3	1,000	795	56	851													
200 N Winooki	1									1	700	816	27	843													
	2									2	800	875	41	916													
2731 Penn	1									2	800	800	41	841													
	2									2	800	828	41	869													
	3									2	800	850	41	891													
2256 Johnson	1									3	1,000	825	56	881													
	2									3	1,000	950	56	1,006													
52 N Champlain	1									2	800	675	41	716													
	2									2	800	675	41	716													
	3									1	700	675	27	702													
	4									2	800	675	41	716													
54 N Champlain	1	1								2	800	675	41	716													
	2	1								2	800	675	41	716													
	3	1								1	700	495	27	522													
	4									1	700	495	27	522													
	5	1								2	800	675	41	716													
	6	1								2	800	675	41	716													
57-63 N Champlain	1	1								2	800	705	41	746													
	2									2	800	710	41	751													
	3									2	800	700	41	741													
	4									3	1,000	950	56	1,006													
	5									1	700	650	27	677													
73-75 Sherman	1	1								2	800	835	41	876													
	2									2	800	876	41	917													
221 Pine	1									1	700	700	27	727													
	2	1								1	700	650	27	677													
	3	1								2	800	700	41	741													
	4									2	800	700	41	741													
	5									2	800	700	41	741													
	6									2	800	778	41	819													
Total # Units	49								Total:		33,500	29,613		Total # Units:	0	12	28	0	0	0	10	18	22	0	0	0	0

28-Jan-11 City Neighborhoods

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	40,800	3,400	85	12.1%
Supportive Services	0	0	0	
Audit/Accounting	4,800	400	10	
Legal	1,440	120	3	
Compliance Monitoring	2,880	240	6	2,880
Marketing	0	0	0	
Other	3,840	320	8	
TOTAL ADMINISTRATIVE	53,760	4,480	112	
Utilities				
Electricity	3,360	280	7	
Fuel	38,400	3,200	80	
Water and Sewer	14,400	1,200	30	
Fire Alarm / Emergency	1,440	120	3	
Other	0	0	0	
TOTAL UTILITIES	57,600	4,800	120	
Maintenance				
Maintenance / Janitor Payroll	31,200	2,600	65	
Janitor Supplies	6,720	560	14	
Exterminating	960	80	2	
Trash Removal	9,120	760	19	
Snow Removal	7,200	600	15	
Grounds	7,200	600	15	
Repairs Material		0	0	
Repairs Contract		0	0	
HVAC Repairs / Maintenance	3,360	280	7	
Elevator Contract / Repairs		0	0	
Painting and Decorating	4,800	400	10	
Other	2,400	200	5	
TOTAL MAINTENANCE	72,960	6,080	152	
Real Estate Taxes	43,200	3,600	90	<div>per unit month excl. ds & res. 499</div>
Property Insurance	12,000	1,000	25	
Replacement Reserves	28,800	2,400	60	
Primary Debt Service		0	0	
Other "must pay" debt service		0	0	
Other		0	0	
Total	268,320	22,360	559	

"Below-the-Line" Expenses:

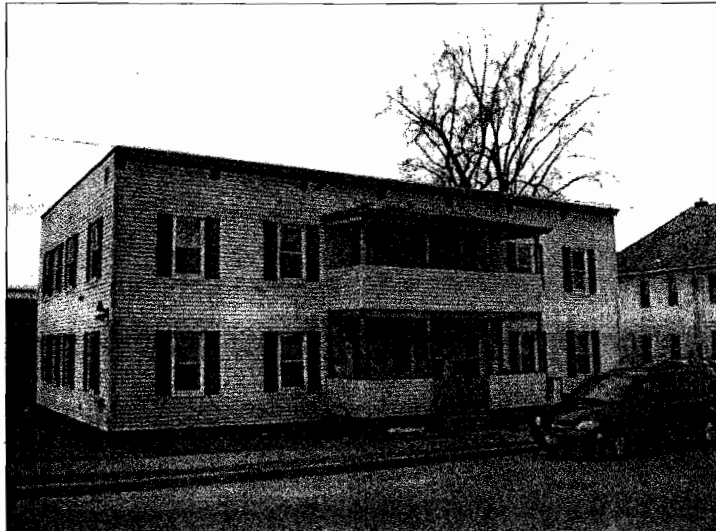
Special LP or GP Fee	0
Repayment of Deferred Fee	0
Partnership Audit or K-1 Fee	0
Distribution	0
Net to Residual	
Receipts/Cumulative Cash Flow	268,320

28-Jan-11 City Neighborhoods																
	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Operating Income																
Gross Rent		353,380	360,711	366,121	371,613	377,187	382,845	388,588	394,417	400,333	406,338	412,433	418,619	424,899	431,272	437,741
Other Income		500	508	515	523	531	539	547	555	563	572	580	589	598	607	616
Vacancy and other losses		(17,769)	(18,036)	(18,306)	(18,581)	(18,859)	(19,142)	(19,429)	(19,721)	(20,017)	(20,317)	(20,622)	(20,931)	(21,245)	(21,564)	(21,887)
Total Operating Income		338,111	343,183	348,330	353,555	358,859	364,242	369,705	375,251	380,880	386,593	392,392	398,277	404,252	410,315	416,470
Operating Expenses																
Total Expenses (excl. Reserves)		239,520	246,706	254,107	261,730	269,582	277,669	285,999	294,579	303,417	312,519	321,895	331,552	341,498	351,743	362,295
Reserves		28,800	29,232	29,670	30,116	30,567	31,026	31,491	31,964	32,443	32,930	33,424	33,925	34,434	34,950	35,475
Total Operating Expense		268,320	275,938	283,777	291,846	300,149	308,695	317,491	326,543	335,860	345,449	355,318	365,477	375,932	386,694	397,770
Net Operating Income		69,791	67,245	64,553	61,710	58,710	55,546	52,215	48,708	45,020	41,144	37,073	32,801	28,320	23,622	18,700
Less Primary Debt Service		31,107	31,107	31,107	31,107	31,107	31,107	31,107	31,107	31,107	31,107	31,107	31,107	31,107	31,107	31,107
Less Secondary Debt Service		2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367
Annual Cash Flow		36,317	33,771	31,079	28,236	25,236	22,073	18,741	15,234	11,546	7,670	3,599	(673)	(5,154)	(9,852)	(14,774)
Operating Subsidies / Sinking Fund		0	0	0	0	0	0	0	0	0	0	0	673	5,154	9,852	14,774
Net Cash		36,317	33,771	31,079	28,236	25,236	22,073	18,741	15,234	11,546	7,670	3,599	0	0	0	0
DCR		208.49%	200.89%	192.85%	184.35%	175.39%	165.94%	155.99%	145.51%	134.49%	122.91%	110.75%	97.99%	84.60%	70.57%	55.86%
Cumulative Cash Flow																
Beginning Balance		0	36,680	71,523	104,344	134,949	163,136	188,692	211,394	231,009	247,290	259,983	268,818	273,522	273,838	269,463
Deposits		36,317	33,771	31,079	28,236	25,236	22,073	18,741	15,234	11,546	7,670	3,599	0	0	0	0
Interest	2.0%	363	1,071	1,741	2,369	2,951	3,483	3,961	4,380	4,736	5,023	5,236	5,376	5,470	5,477	5,389
Withdrawals:																
Project Operating Needs		0	0	0	0	0	0	0	0	0	0	0	(673)	(5,154)	(9,852)	(14,774)
Special LP or GP Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Deferred Devel. Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Partnership Audit or K-1 Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution of Cash to Owner		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance		36,680	71,523	104,344	134,949	163,136	188,692	211,394	231,009	247,290	259,983	268,818	273,522	273,838	269,463	260,078
Cumulative Replacement Reserves																
Beginning Balance		50,000	80,088	111,214	143,406	176,690	211,097	246,655	283,394	321,345	360,540	401,009	442,787	485,907	530,404	576,311
Deposits		28,800	29,232	29,670	30,116	30,567	31,026	31,491	31,964	32,443	32,930	33,424	33,925	34,434	34,950	35,475
Interest	2.0%	1,288	1,894	2,521	3,169	3,839	4,532	5,248	5,988	6,751	7,540	8,354	9,195	10,062	10,958	11,881
Withdrawals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance		80,088	111,214	143,406	176,690	211,097	246,655	283,394	321,345	360,540	401,009	442,787	485,907	530,404	576,311	623,667
Net Operating Income		69,791	67,245	64,553	61,710	58,710	55,546	52,215	48,708	45,020	41,144	37,073	32,801	28,320	23,622	18,700
Plus Reserves		28,800	29,232	29,670	30,116	30,567	31,026	31,491	31,964	32,443	32,930	33,424	33,925	34,434	34,950	35,475
Less Interest Expense		(44,796)	(45,120)	(45,448)	(45,778)	(46,111)	(46,445)	(46,779)	(47,113)	(47,445)	(47,775)	(48,100)	(48,420)	(48,733)	(49,038)	(49,331)
Less Long Depreciation		(225,576)	(225,576)	(225,576)	(225,576)	(225,576)	(225,576)	(225,576)	(225,576)	(225,576)	(225,576)	(225,576)	(225,576)	(225,576)	(225,576)	(225,576)
Less Short Depreciation		(5,714)	(5,714)	(5,714)	(5,714)	(5,714)	(5,714)	(5,714)	(5,714)	0	0	0	0	0	0	0
Taxable Income (Loss)		(177,495)	(179,933)	(182,514)	(185,243)	(188,124)	(191,162)	(194,363)	(192,017)	(195,558)	(199,277)	(203,179)	(207,270)	(211,556)	(216,041)	(220,732)
Cash Flow		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Tax Savings		62,123	62,977	63,880	64,835	65,843	66,907	68,027	69,206	70,445	71,747	73,113	74,545	76,045	77,614	79,256
Plus Historic Rehab Credits		947,097	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus State Credits		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Federal Housing Credits		388,000	388,000	388,000	388,000	388,000	388,000	388,000	388,000	388,000	388,000	388,000	388,000	388,000	388,000	388,000
After Tax Cash Flow		1,397,220	450,977	451,880	452,835	453,843	454,907	456,027	457,206	458,445	459,747	461,113	462,545	464,045	465,614	467,256
Total Years	15															
Reinvestment Rate	6.00%															
Current After Tax Cash Flows		1,397,220	450,977	451,880	452,835	453,843	454,907	456,027	457,206	458,445	459,747	461,113	462,545	464,045	465,614	467,256
Future Value of Cash Flows at Yr 15:		3,348,519	1,019,615	963,828	911,193	861,530	814,669	770,448	725,529	686,325	649,323	95,165	91,586	88,188	84,960	81,892
Discount Rate:	3.00%															
Capital Contribution Number:	1	2	3	4												
Date of Capital Contribution:	31-Jul-11	30-Sep-12	31-Dec-12	28-Jan-11												
Amount of Capital Contribution:	100	3,695,168	194,500	0												
Present Value of Contributions:	100	3,565,999	186,268	0												
Cash Flows	(3,752,366)															#####
IRR:	198.29%															
Equity Yield:	(1)															

City Neighborhoods
Burlington & Winooski, VT



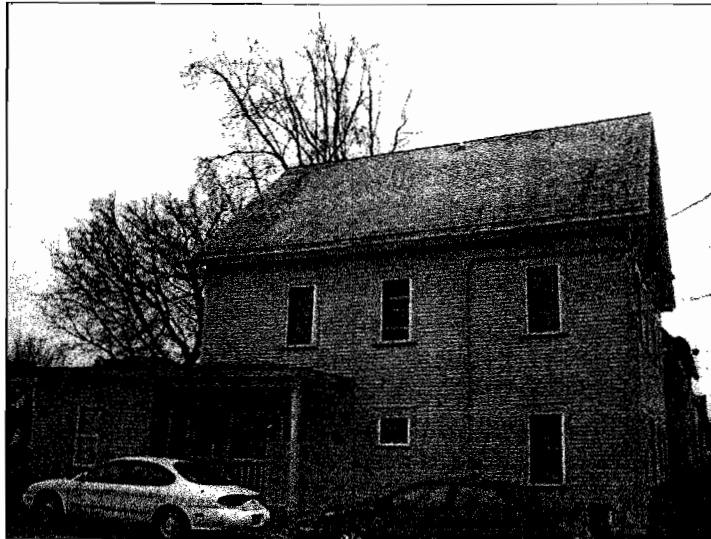
6 Leclair Street



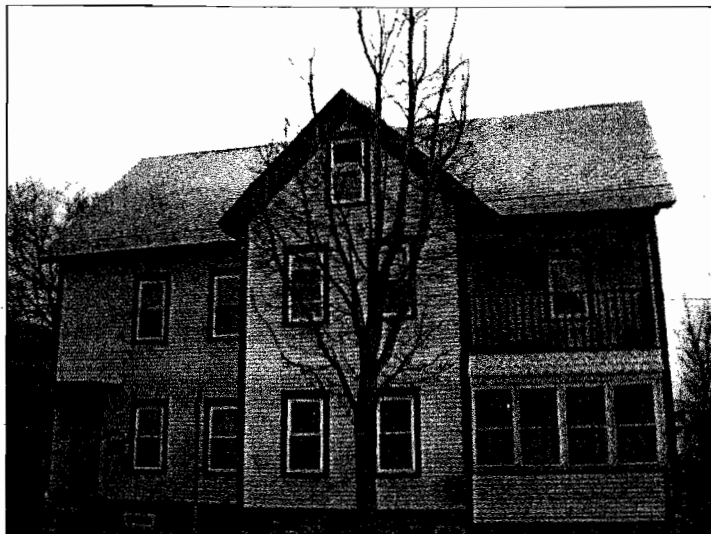
114 West Allen Street



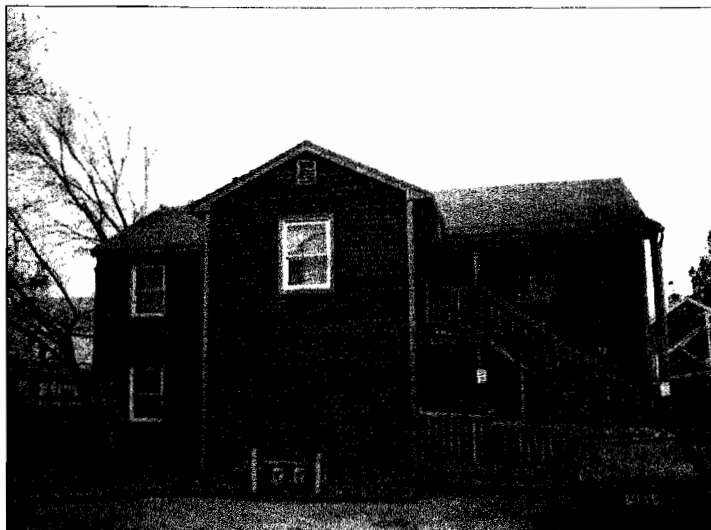
135-139 West Canal Street



22-24 Johnson Street



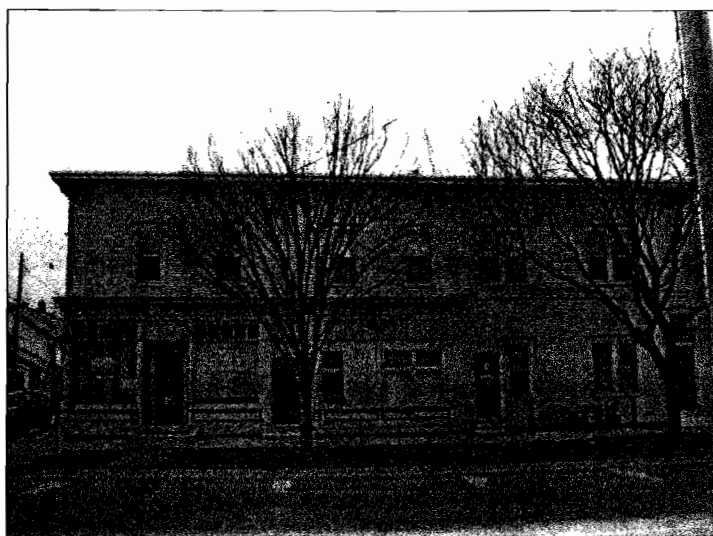
27-29 Johnson Street, 31 Peru Street



52 N. Champlain Street



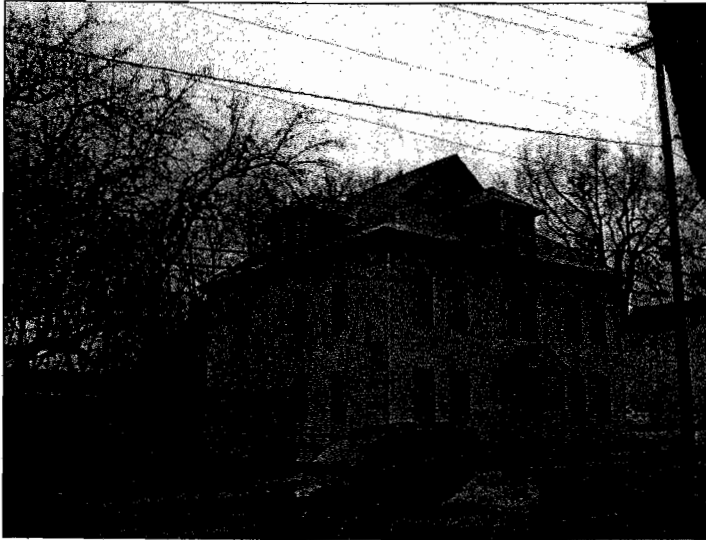
54 N. Champlain Street



57-63 N. Champlain Street



75 Sherman Street



221 Pine Street



299 North Winooski Avenue

BURLINGTON

299 North Winooski Ave.

104 Intervale Ave./ 5 Decatur St.

57-63 North Champlain St.

27-31 Peru St./ 29 Johnson St.

22-26 Johnson St.

52 + 54 North Champlain St.

73-75 Sherman St.

221 Pine St.

322 St. Paul St.

Old North End &

King Street Neighborhoods

= Downtown Area

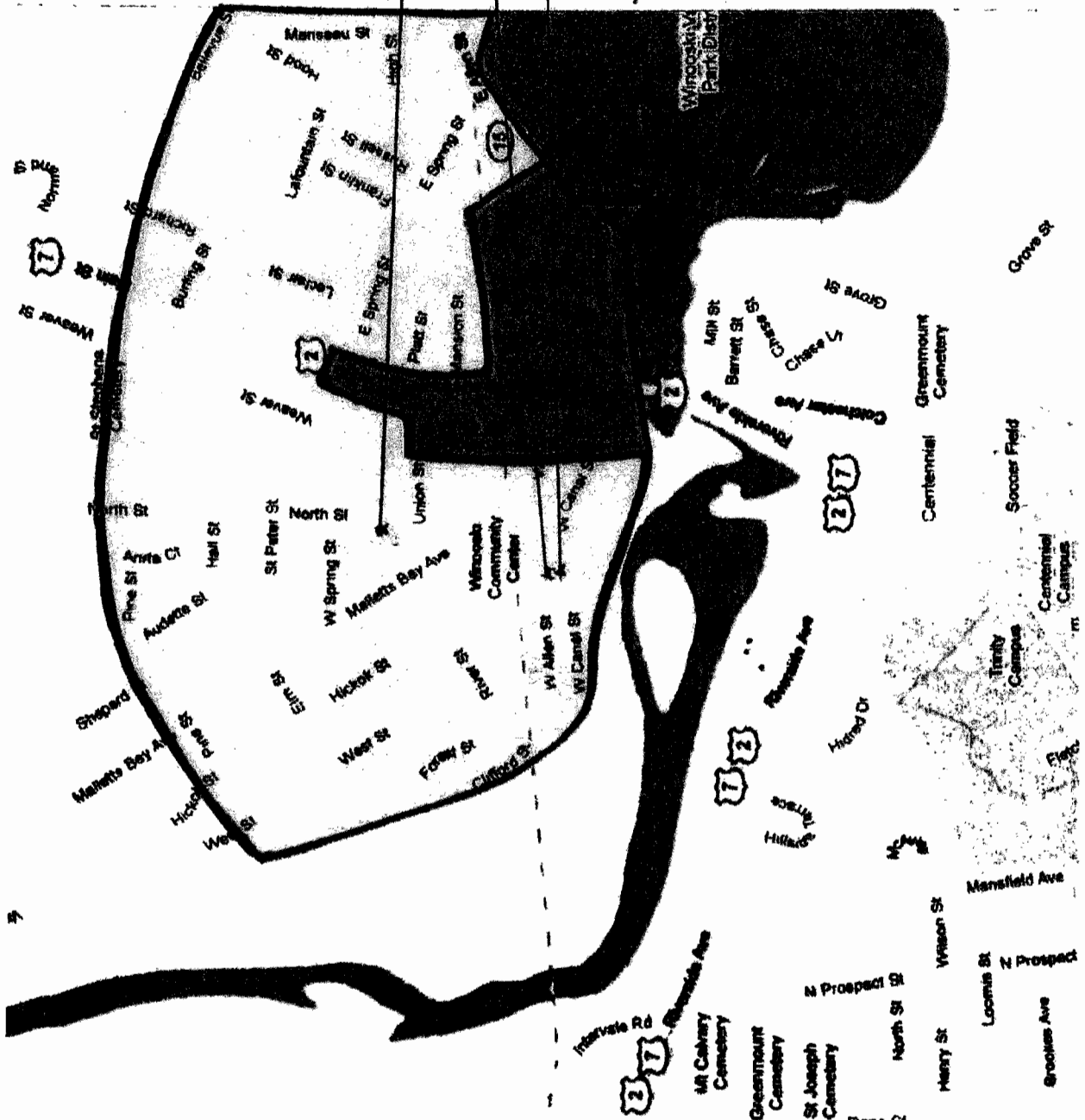
= Waterfront Area



135-139 West Canal St.

Historic Residential Area

Downtown Area



VERMONT HOUSING FINANCE AGENCY

RESOLUTION RE: PROPOSED ALLOCATION OF ALLOCATED HOUSING CREDITS FOR ST JOHNSBURY HISTORIC GREEN REHABILITATION, TOWN OF ST JOHNSBURY

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont and Gilman Housing Trust, Inc. (the "Sponsors") on behalf of a to be formed limited partnership in which one or more of the Sponsors or their subsidiaries or affiliates will be general or co-general partner(s) (the "Borrower") involving the acquisition and rehabilitation of a total of twenty-nine (29) units of general occupancy rental housing in the Town of St Johnsbury (the "Development"); and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

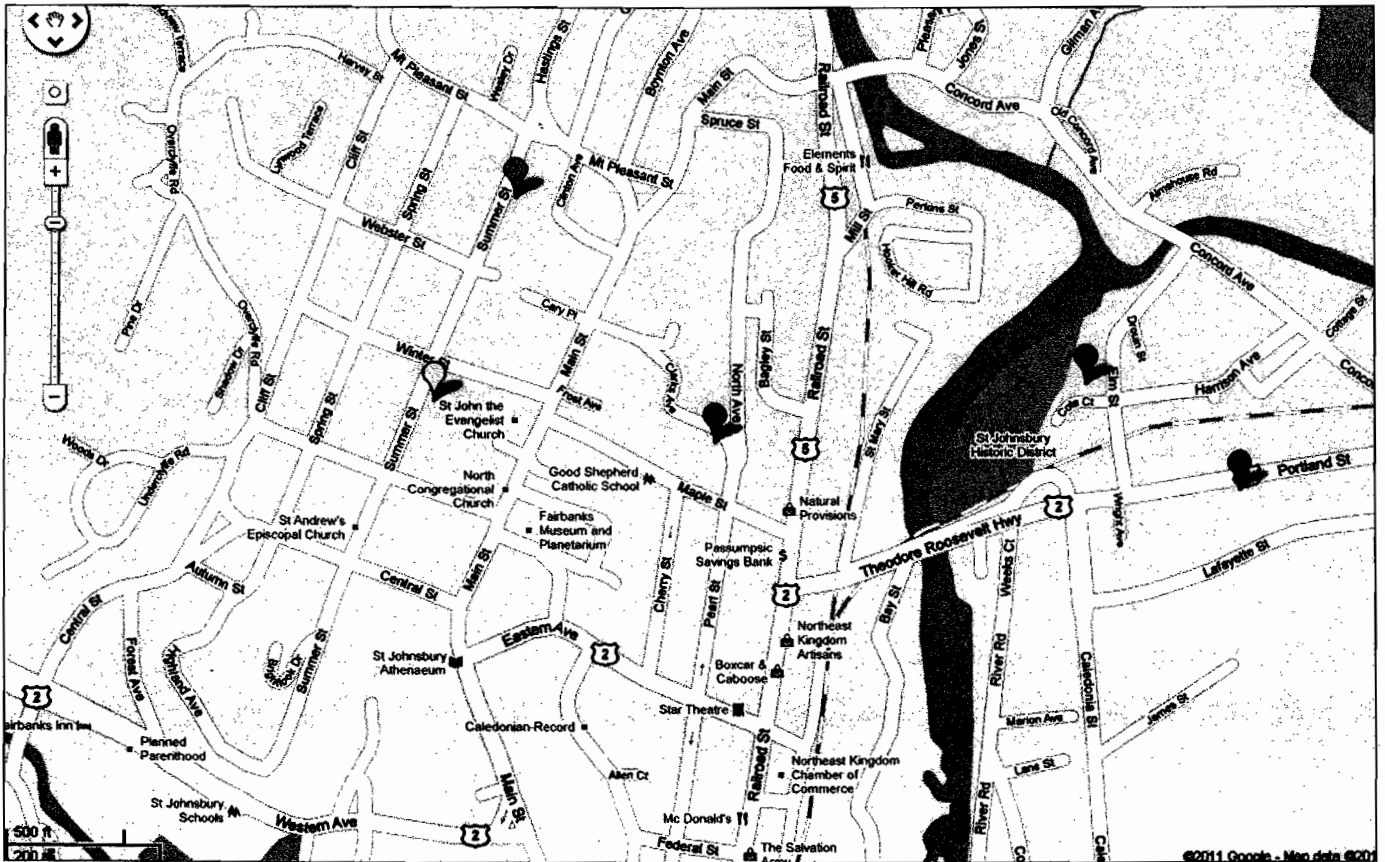
WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Cynthia Reid, Joe Erdelyi, and Joshua Slade dated February 7, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

WHEREFORE, it is hereby RESOLVED:

1. The recommendations for the allocation of Allocated Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the proposed allocation of federal Allocated Housing Credits in the amount of \$350,000.00 for the St Johnsbury Historic Green Rehabilitation housing project in the Town of St Johnsbury, Vermont.
3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.

St. Johnsbury Housing



- 160 Clark's Avenue
- 20 Cote Court
- 390 Portland Street
- 426 Summer Street
- 606 Summer Street

**Gilman Housing- Historic Green Rehab
St. Johnsbury, Vermont**

**Historic Preservation Preliminary Comments from Suzanne Jamele
October 29, 2010**



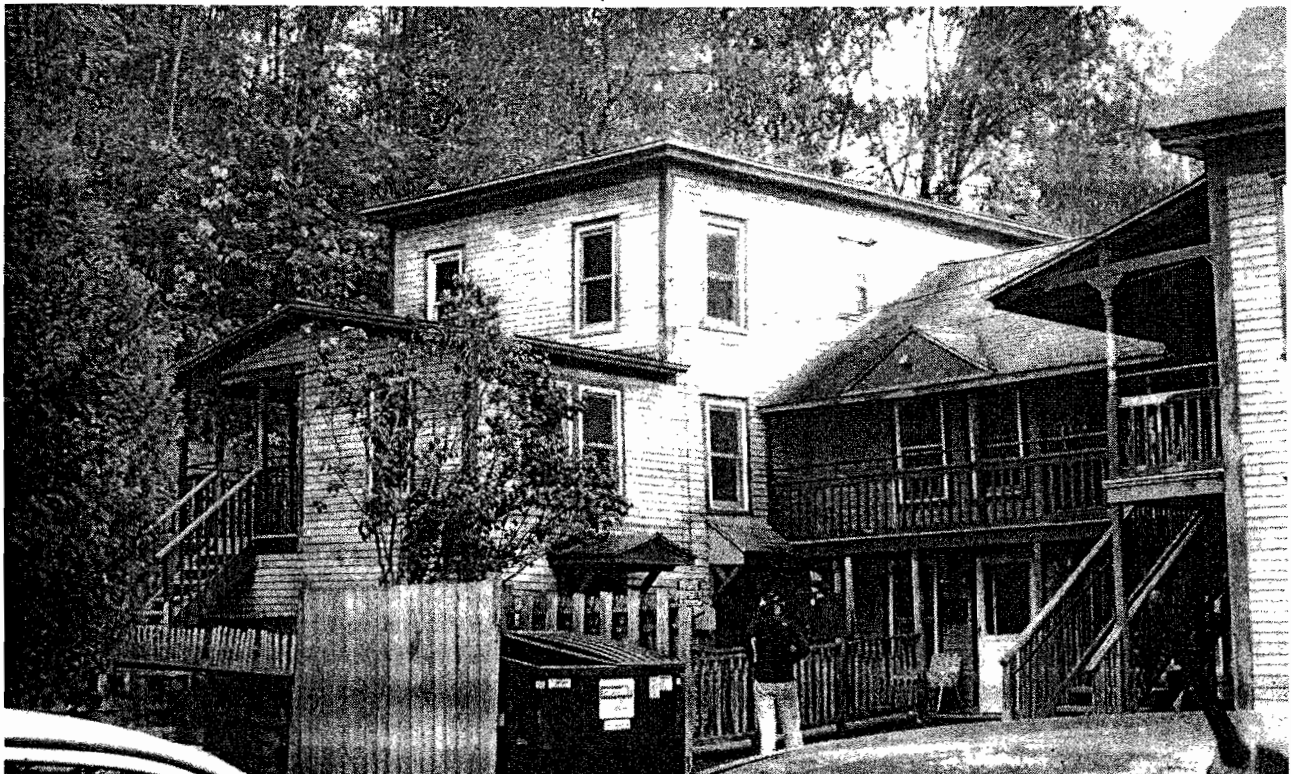
Looking west from Elm Street at front of building. Two story porch with bracketed turned posts. Altered shed on left.



Looking east at back of building. Brackets at eaves and on shed roof entry hood.



Looking south from Portland Street.



Looking west at rear wing and ell.

St. Johnsbury Historic Green Rehab.
St. Johnsbury, Vermont
160 Clark's Avenue
Historic Preservation preliminary comments from Liz Pritchett
October 31, 2010



1. View looking southerly from Clark's Avenue.



2. View looking southeasterly.

St. Johnsbury Historic Green Rehab.

426 Summer Street (Formerly 53 Summer Street)

Unit count:

- Current unit mix: (7) 1 bedroom including. (1) 2 bedroom ADA.
- Proposed unit mix: (7) 1 bedroom including. (1) 2 bedroom ADA.

Major construction:

- Stabilize garage. (See structural report)
- New ADA restroom at one unit.
- Enlarge basement laundry room.



Exterior:

- Remove hazardous cement siding. Repair / paint / abate existing clapboard.
- Paint / Abate existing historic trim and moldings. Minor repair allowance. (see Historic Preservation report)
- Maintain historic trim.
- Refinish / weather strip exterior doors.
- Replace windows with fiberglass triple glazed units. Casement at third floor, west.
- Replace roofing. New 6" rigid foam @ rear wing. (See structural report)
- Repair porches. (see structural report)
- Add safety rails to second floor porches.
- Replace four entry access stairs and landings.
- Minor re-grading @ foundation.
- Small landscaping allowance.
- Top coat asphalt @ driveway.
- New Solar hot water panels, located on roof of rear wing. (See MPE report)
- New optional solar PV panels, located on roof of rear wing (see MPE report)

St. Johnsbury Historic Green Rehab.
St. Johnsbury, Vermont
606 Summer Street
Historic Preservation preliminary comments from Liz Pritchett
October 31, 2010



1. View of Italianate style double house at 606 Summer Street looking easterly.



2. C. 1910 Colonial Revival style front porch and double entries.

31-Jan-11 St. Johnsbury Historic Green Rehab

Total Rental Residential Units:	29	Increase in Income from Rental Units:	2.00%
Housing Credit Restricted Units:	29	Increase in Income from Other Sources:	1.50%
Percent Restricted:	100.00%	Increase in Income from Commercial:	0.00%
Total Rental Development Cost:	7,610,144	Expense increase:	3.00%
Total Rental Dev. Cost per Unit:	262,419	Vacancy Rate:	5.00%
Total Rental Dev. Cost Per SF:	318	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	421,338	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	350,000	Sponsor's Estimated Yield:	0.78

LIHTC - 9%	9.00%
LIHTC - 4%	3.35%

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
Permanent Debt	0	0.00%	7.25%	20	20
RD 515	1,000,000	13.14%	1.00%	50	50
HOME	500,000	6.57%	0.00%	0	30
Existing VHFA debt	401,110	5.27%	0.00%	0	30
Existing CDBG-VCDP debt	542,497	7.13%	0.00%	0	30
Existing VHCB debt	1,012,179	13.30%	0.00%	0	30
Existing HOME debt	189,573	2.49%	0.00%	0	30
CDBG-VCDP	275,000	3.61%	0.00%	0	30
VFEP/VHCB/SERC	115,000	1.51%	0.00%	0	30
Efficiency VT REEP	13,000	0.17%	0.00%	0	30
Cash accounts	0	0.00%	N/A	N/A	N/A
RITC equity	831,581	10.93%	N/A	N/A	N/A
LIHTC equity	2,730,204	35.88%	N/A	N/A	N/A
TOTAL SOURCES	7,610,144	100.00%			

USES

Acquisition	2,445,609	32.14%
Construction Hard Costs	4,021,574	52.84%
Soft Costs	1,142,961	15.02%
TOTAL USES	7,610,144	100%

Gap 0

General Partner's Capital Contribution	27	0.001%
Limited Partner's Capital Contribution	2,729,931	99.99%
Total Equity	2,729,958	100.0%

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	29
Total Units	29
Unit Fraction	100.00%
Gross building SF	23,944
Tax Credit Square Footage	21,166
Total Residential Square Footage	21,160
Square Footage Fraction	100.03%
Applicable Fraction	100.00%

	Budget	Per Unit	Per s.f.
ACQUISITION			
1 Land	236,036	8,139	9.86
2 Purchase of Building(s)	2,124,323	73,253	88.72
3 Demolition (without replacement)	0	0	0.00
4 Property Appraisal	2,750	95	0.11
5 Legal - Title and Recording	7,500	259	0.31
Additional acquisition costs	75,000	2,586	3.13
Subtotal - Acquisition	2,445,609	84,331	102.14
CONSTRUCTION HARD COSTS			
6 Rehabilitation	3,272,250	112,836	136.66
7 New Building(s)	0	0	0.00
8	0	0	0.00
9 Sitework	189,424	6,532	7.91
10 Biomass heating system	0	0	0.00
11	0	0	0.00
12 Contractor Overhead	0	0	0.00
13 Contractor Profit	0	0	0.00
14 Construction Contingency	453,000	15,621	18.92
15 Construction Management	0	0	0.00
16 Construction Bond Fee	0	0	0.00
17 Hazardous Materials Abatement	75,000	2,586	3.13
18 Off-Site Improvements	0	0	0.00
19 Furnishings, Fixtures, & Equipment	31,900	1,100	1.33
20 Other ()	0	0	0.00
Subtotal - Hard Costs	4,021,574	138,675	167.96
SOFT COSTS			
21 Architectural/Eng/Consultants	203,300	7,010	8.49
22 Engineering	0	0	0.00
23 Legal/Accounting	35,000	1,207	1.46
24 Relocation	66,000	2,276	2.76
25 Environmental Assessment	20,930	722	0.87
26 Energy Assessment	0	0	0.00
27 Permits/Fees	25,800	890	1.08
28 Independent Market Study	1,500	52	0.06
29 Construction Period Insurance	10,000	345	0.42
30 Construction Interest	85,000	2,931	3.55
31 Construction Loan Origination Fee	23,000	793	0.96
32 Taxes During Construction	0	0	0.00
33 Clerk of the Works	25,000	862	1.04
34 Marketing	0	0	0.00
35 Tax Credit Fees	6,750	233	0.28
36 Soft Cost Contingency	12,000	414	0.50
37 Permanent Loan Origination Fee	0	0	0.00
38 Lender's Counsel's Fee	0	0	0.00
39 Other (CDBG grants management)	0	0	0.00
SYNDICATION COSTS			
40 Organizational (Partnership)	0	0	0.00
41 Bridge Loan Fees and Expenses	0	0	0.00
42 Syndication Consultant	0	0	0.00
43 Tax Opinion	0	0	0.00
DEVELOPER'S FEES			
44 Developer's Fees	500,000	17,241	20.88
45 Other Partnership Fees	0	0	0.00
46 Consultant Fees	0	0	0.00
RESERVES			
47 Working Capital	25,000	862	1.04
48 Rent-up (Deficit Escrow) Reserve	25,000	862	1.04
49 Other Operating Reserves	59,541	2,053	2.49
50 Sinking Fund	0	0	0.00
51 Replacement Reserves	19,140	660	0.80
Subtotal - Soft Costs	1,142,961	39,412	47.73
TOTAL DEVELOPMENT COSTS	7,610,144	262,419	317.83

	Budget	Acquisition Basis	Construction Basis	Residential Depreciation	Historic Credit Basis	Other
ACQUISITION						
1 Land	236,036					
2 Purchase of Building(s)	2,124,323	1,805,675		2,124,323		0
3 Demolition (without replacement)	0			0		0
4 Property Appraisal	2,750	2,750		2,750		2,750
5 Legal - Title and Recording	7,500	7,500		7,500		7,500
Subtotal - Acquisition	2,445,609					
CONSTRUCTION HARD COSTS						
6 Rehabilitation	3,272,250		3,272,250	3,272,250		3,272,250
7 New Building(s)	0		0	0		0
8 0	0		0	0		0
9 Sitework	189,424		189,424	189,424		189,424
10 Biomass heating system	0		0	0		0
11 0	0		0	0		0
12 Contractor Overhead	0		0	0		0
13 Contractor Profit	0		0	0		0
14 Construction Contingency	453,000		453,000	453,000		453,000
15 Construction Management	0		0	0		0
16 Construction Bond Fee	0		0	0		0
17 Hazardous Materials Abatement	75,000		75,000	75,000		75,000
18 Off-Site Improvements	0		0	0		0
19 Furnishings, Fixtures, & Equipment	31,900		31,900	31,900		31,900
20 Other ()	0		0	0		0
Subtotal - Hard Costs	4,021,574					
SOFT COSTS						
21 Architectural/Eng/Consultants	203,300		203,300	203,300		203,300
22 Engineering	0		0	0		0
23 Legal/Accounting	35,000		35,000	35,000		35,000
24 Relocation	66,000		66,000	66,000		66,000
25 Environmental Assessment	20,930		20,930	20,930		20,930
26 Energy Assessment	0		0	0		0
27 Permits/Fees	25,800		25,800	25,800		25,800
28 Independent Market Study	1,500		0	1,500		1,500
29 Construction Period Insurance	10,000		10,000	10,000		10,000
30 Construction Interest	85,000		72,250	85,000		85,000
31 Construction Loan Origination Fee	23,000		23,000	23,000		23,000
32 Taxes During Construction	0		0	0		0
33 Clerk of the Works	25,000		25,000	25,000		25,000
34 Marketing	0		0	0		0
35 Tax Credit Fees	6,750		0	6,750		6,750
36 Soft Cost Contingency	12,000		12,000	12,000		12,000
37 Permanent Loan Origination Fee	0		0	0		0
38 Lender's Counsel's Fee	0		0	0		0
39 Other (CDBG grants management)	0		0	0		0
SYNDICATION COSTS						
40 Organizational (Partnership)	0					
41 Bridge Loan Fees and Expenses	0					
42 Syndication Consultant	0					
43 Tax Opinion	0					
DEVELOPER'S FEES						
44 Developer's Fees	500,000		500,000	500,000		500,000
45 Other Partnership Fees	0		0	0		0
46 Consultant Fees	0		0	0		0
RESERVES						
47 Working Capital	25,000					
48 Rent-up (Deficit Escrow) Reserve	25,000					
49 Other Operating Reserves	59,541					
50 Sinking Fund	0					
51 Replacement Reserves	19,140					
Subtotal - Soft Costs	1,142,961					
TOTALS	7,610,144	1,815,925	5,014,854	7,138,527	5,046,104	
LESS: Amount of Non-qualified Financing						
LESS: Historic tax Credit (Residential Portion)						
Total Eligible Basis			1,815,925	1,009,221	20% Historic Credit Rate	
TIMES: Adjusted for QCT/DDA			100.0%	4,005,607	1,009,221 Annual Historic Credit	
TIMES: Applicable Fraction			100.00%	1,815,925	4,005,607	
Total Qualified Basis			1,815,925	4,005,607	6,129,306 Long Term Depreciable Basis	
TIMES: Applicable Percentage			3.35%	9.00%	27.5 Depreciation Schedule	
Total Annual Credit Qualified			60,833	360,505	222,884 Annual Depreciation	
Total Tax Credits Requested				350,000	31,900 Short Term Depreciable Basis	
Estimated Net Syndication Proceeds (Sec. 42 Housing Credit only)				2,730,204	7 Depreciation Schedule	
Estimated Yield - Housing Credit Syndication				0.7801	4,557 Annual Depreciation	
Equity Gap						
Credits Needed to fill Equity Gap						

31-Jan-11 **St. Johnsbury Historic Green Rehab**

HC Restricted Units		Average		Average		Total
Bedrooms	Type	Square Feet	Number	Rent	Utilities	Annual Rent
0 Br		0	0	0	0	0
1 Br		546	9	632	29	68,256
2 Br		758	13	765	44	119,340
3 Br		914	7	965	59	81,060
4 Br		0	0	0	0	0
Totals		21,166	29			268,656
Non-HC Restricted Units						Total
Bedrooms	Type	Square Feet	Number	Rent	Utilities	Annual Rent
0 Br		0	0	0	0	0
1 Br		0	0	0	0	0
2 Br		0	0	0	0	0
3 Br		0	0	0	0	0
4+ Br		0	0	0	0	0
Totals		0	0			0
Common Area Square Footage		2,784				
Grand Totals		23,950	29			268,656
Less Vacancy			5.00%			(13,433)
OTHER INCOME						
Laundry						0
Parking						0
Commercial Space Income						0
Other (interest income)						4,555
TOTAL INCOME						259,778

31-Jan-11

St. Johnsberry Historic Green Rehab

Check all Applicable										A			B					C										
Building # [floor]	Unit #		HOME Unit	Lead Paint Unit	Project Based Assistance	Tax Credit Unit	VHCB Restricted	Accessible	Adaptable	Unrestricted	Number of Bedrooms	Proposed Square Footage	Proposed Rent	Utility Allowance for Tenant-Paid Utilities	Gross Rent (Rent + Tenant-Paid Utilities)	OCCUPIED BY: Income level of residents to be served:					AFFORDABLE TO: Units affordable to residents at:							
																<30%	<50%	<60%	<80%	>100%	<30%	30%	50%	60%	65%	80%	100%+	
426 Summer St.	1	1	TBD	TBD	1	1	TBD				1	750	615	29	644													
	2	2			1	1					1	750	615	29	644													
	3	3			1	1					1	510	615	29	644													
	4	4			1	1					1	480	615	29	644													
	5	5			1	1					1	545	615	29	644													
	6	6			1	1					1	440	615	29	644													
	7	7			1	1					1	440	615	29	644													
	8	8			1	1					2	910	765	44	809													
606 Summer St.	1	9			1	1					3	875	965	59	1,024													
	2	10			1	1					3	1,000	965	59	1,024													
	3	11			1	1					3	1,000	965	59	1,024													
	4	12			1	1					3	875	965	59	1,024													
160 Clark Ave.	1	13			1	1					2	1,000	765	44	809													
	2	14			1	1					1	500	615	29	644													
	3	15			1	1					2	920	765	44	809													
	4	16			1	1					1	500	615	29	644													
390 Portland St.	5	17			1	1					2	550	765	44	809													
	1	18			1	1					2	550	765	44	809													
	2	19			1	1					2	800	765	44	809													
	3	20			1	1					2	740	765	44	809													
	4	21			1	1					2	570	765	44	809													
	5	22			1	1					2	930	765	44	809													
	6	23			1	1					2	570	765	44	809													
	7	24			1	1					3	825	965	59	1,024													
	8	25			1	1					2	700	765	44	809													
	9	26			1	1					2	700	765	44	809													
20 Cote Ct.	1	27			1	1					3	910	965	59	1,024													
	2	28			1	1					3	910	965	59	1,024													
	3	29			1	1					2	910	765	44	809													
Total # Units	29	0	0	29	29	0	0	0	0	0	21,160	22,235	Total # Units:			0	29	0	0	0	29	0	0	0	0	0	0	

common SF 2,784
total finish SF 23,944
parking 0
gross SF 23,944

31-Jan-11 **St. Johnsbury Historic Green Rehab**

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	15,309	1,276	44	5.9%
Supportive Services	3,755	313	11	
Audit/Accounting	4,131	344	12	
Legal	1,921	160	6	
Compliance Monitoring	2,784	232	8	
Marketing	500	42	1	
Other	24,699	2,058	71	
TOTAL ADMINISTRATIVE	53,099	4,425	153	
Utilities				
Electricity	6,724	560	19	
Fuel - oil	29,072	2,423	84	
Water and Sewer	19,213	1,601	55	
Fire Alarm / Emergency	338	28	1	
Other	1,500	125	4	
TOTAL UTILITIES	56,847	4,737	163	
Maintenance				
Maintenance / Janitor Payroll	3,458	288	10	
Janitor Supplies	192	16	1	
Exterminating	961	80	3	
Trash Removal	5,038	420	14	
Snow Removal	9,126	761	26	
Grounds	3,823	319	11	
Repairs Material	480	40	1	
Repairs Contract	16,405	1,367	47	
HVAC Repairs / Maintenance	3,602	300	10	
Elevator Contract / Repairs	0	0	0	
Painting and Decorating	5,000	417	14	
Other	3,266	272	9	
TOTAL MAINTENANCE	51,351	4,279	148	
Real Estate Taxes	22,242	1,854	64	per unit month excl. ds & res. 555
Property Insurance	9,561	797	27	
Replacement Reserves	19,140	1,595	55	
Primary Debt Service	25,423	2,119	73	
Other "must pay" debt service	0	0	0	
Other	500	42	1	
Total	238,163	19,847	684	

St. Johnsbury Historic Green Rehab

	31-Jan-11	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Operating Income																						
Gross Rent	268,656	274,029	279,510	285,100	290,802	296,618	302,550	308,601	314,773	321,069	327,490	334,040	340,721	347,535	354,486	361,576	368,807	376,183	383,707	391,381		
Other Income	4,555	4,623	4,693	4,763	4,835	4,907	4,981	5,055	5,131	5,208	5,286	5,366	5,446	5,528	5,611	5,695	5,780	5,867	5,955	6,044		
Vacancy and other losses	(13,433)	(13,701)	(13,975)	(14,250)	(14,540)	(14,831)	(15,128)	(15,430)	(15,739)	(16,053)	(16,375)	(16,702)	(17,036)	(17,377)	(17,724)	(18,079)	(18,440)	(18,809)	(19,185)	(19,569)		
Total Operating Income	259,778	264,951	270,227	275,608	281,096	286,694	292,403	298,227	304,166	310,223	316,402	322,704	329,131	335,686	342,372	349,192	356,147	363,241	370,477	377,856		
Operating Expenses																						
Total Expenses (excl. Reserves)	193,600	199,408	205,390	211,552	217,899	224,435	231,169	238,104	245,247	252,604	260,182	267,988	276,027	284,308	292,837	301,622	310,671	319,991	329,591	339,479		
Reserves	19,140	19,823	19,913	20,312	20,718	21,132	21,555	21,986	22,426	22,874	23,332	23,798	24,274	24,760	25,255	25,760	26,275	26,801	27,337	27,883		
Total Operating Expense	212,740	219,231	225,303	231,865	238,616	245,568	252,723	260,089	267,672	275,478	283,514	291,786	300,301	309,068	318,092	327,382	336,946	346,792	356,928	367,362		
Net Operating Income	47,038	46,020	44,923	43,744	42,480	41,126	39,680	38,137	36,494	34,745	32,888	30,918	28,829	26,618	24,280	21,809	19,201	16,449	13,549	10,494		
Less Primary Debt Service	25,423	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Less Secondary Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Annual Cash Flow	21,615	46,020	44,923	43,744	42,480	41,126	39,680	38,137	36,494	34,745	32,888	30,918	28,829	26,618	24,280	21,809	19,201	16,449	13,549	10,494		
Operating Subsidies / Sinking Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Net Cash	21,615	46,020	44,923	43,744	42,480	41,126	39,680	38,137	36,494	34,745	32,888	30,918	28,829	26,618	24,280	21,809	19,201	16,449	13,549	10,494		
DCR	185.02%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Cumulative Cash Flow																						
Beginning Balance	59,541	82,563	130,695	178,681	226,437	273,870	320,886	367,380	413,246	458,370	502,630	545,900	588,044	628,923	668,386	706,277	742,429	776,671	808,818	838,678		
Deposits	21,615	46,020	44,923	43,744	42,480	41,126	39,680	38,137	36,494	34,745	32,888	30,918	28,829	26,618	24,280	21,809	19,201	16,449	13,549	10,494		
Interest	1,407	2,111	3,063	4,011	4,954	5,889	6,815	7,729	8,630	9,515	10,381	11,227	12,049	12,845	13,611	14,344	15,041	15,698	16,312	16,879		
Withdrawals:																						
Project Operating Needs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Special LP or GP Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Repayment of Deferred Debt Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Partnership Audit or K-1 Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Distribution of Cash to Owner	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Ending Balance	82,563	130,695	178,681	226,437	273,870	320,886	367,380	413,246	458,370	502,630	545,900	588,044	628,923	668,386	706,277	742,429	776,671	808,818	838,678	866,051		
Cumulative Replacement Reserves																						
Beginning Balance	19,140	38,854	59,349	80,649	102,776	120,757	144,515	160,272	176,512	193,245	210,476	228,204	246,429	265,154	284,386	304,121	324,360	345,104	366,354	388,108		
Deposits	19,140	19,523	19,913	20,312	20,718	21,132	21,555	21,986	22,426	22,874	23,332	23,798	24,274	24,760	25,255	25,760	26,275	26,801	27,337	27,883		
Interest	574	972	1,386	1,816	2,263	2,726	3,206	3,703	4,215	4,744	5,291	5,855	6,436	7,034	7,649	8,281	8,930	9,597	10,281	10,982		
Withdrawals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Ending Balance	38,854	59,349	80,649	102,776	120,757	144,515	160,272	176,512	193,245	210,476	228,204	246,429	265,154	284,386	304,121	324,360	345,104	366,354	388,108	410,391		

VERMONT HOUSING FINANCE AGENCY

RESOLUTION RE: PROPOSED ALLOCATION OF ALLOCATED HOUSING CREDITS FOR BENNINGTON FAMILY HOUSING, TOWN OF BENNINGTON

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont and Regional Affordable Housing Corporation (the "Sponsors") on behalf of a to be formed limited partnership in which one or more of the Sponsors or their subsidiaries or affiliates will be general or co-general partner(s) (the "Borrower") involving the acquisition, rehabilitation and new construction of a total of twenty-six (26) units of general occupancy rental housing in the Town of Bennington (the "Development"); and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade, Joe Erdelyi, and Cynthia Reid dated February 7, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

WHEREFORE, it is hereby RESOLVED:

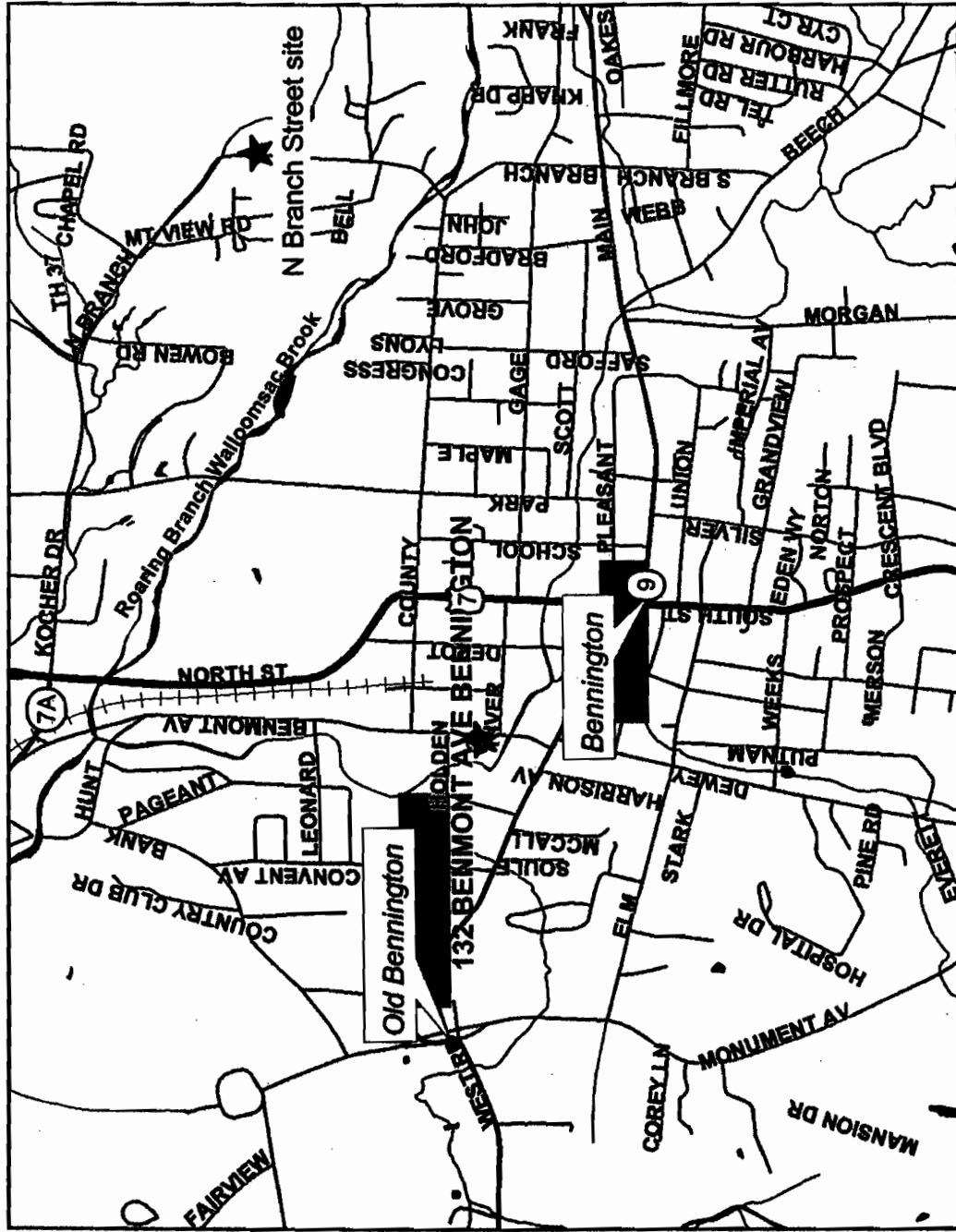
1. The recommendations for the allocation of Allocated Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the proposed allocation of federal Allocated Housing Credits in the amount of \$395,000.00 for the Bennington Family Housing project in the Town of Bennington, Vermont.
3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.



Vermont Interactive Map Viewer

Bennington Rehab & Infill Location Map

Vermont Center for Geographic Information (VCGI)



- ### Legend
- Airports
 - Mountains and Hills
 - Interstates
 - US Highways
 - VT State Highways
 - Rail Lines
 - Town Boundaries
 - Roads
 - Class 1-3
 - Class 4
 - Rivers and Lakes
 - Streams
 - Intermittent
 - Perennial
 - Unassigned
 - Cities
 - VT State Boundary

VT State Plane Meters (NAD83)

Scale: 1:20,000



Map center: 443005, 42729

0 2000 4000 6000 ft.

DISCLAIMER: This map is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. VCGI and the State of Vermont make no representations of any kind, including but not limited to the warranties of merchantability or fitness for a particular use, nor are any such warranties to be implied with respect to the data on this map.

URL: http://maps.vermont.gov/info/inter/VCGI_baseemap/app/launch.jsp

VCGI

6/16/10

PLANTING SCHEDULE

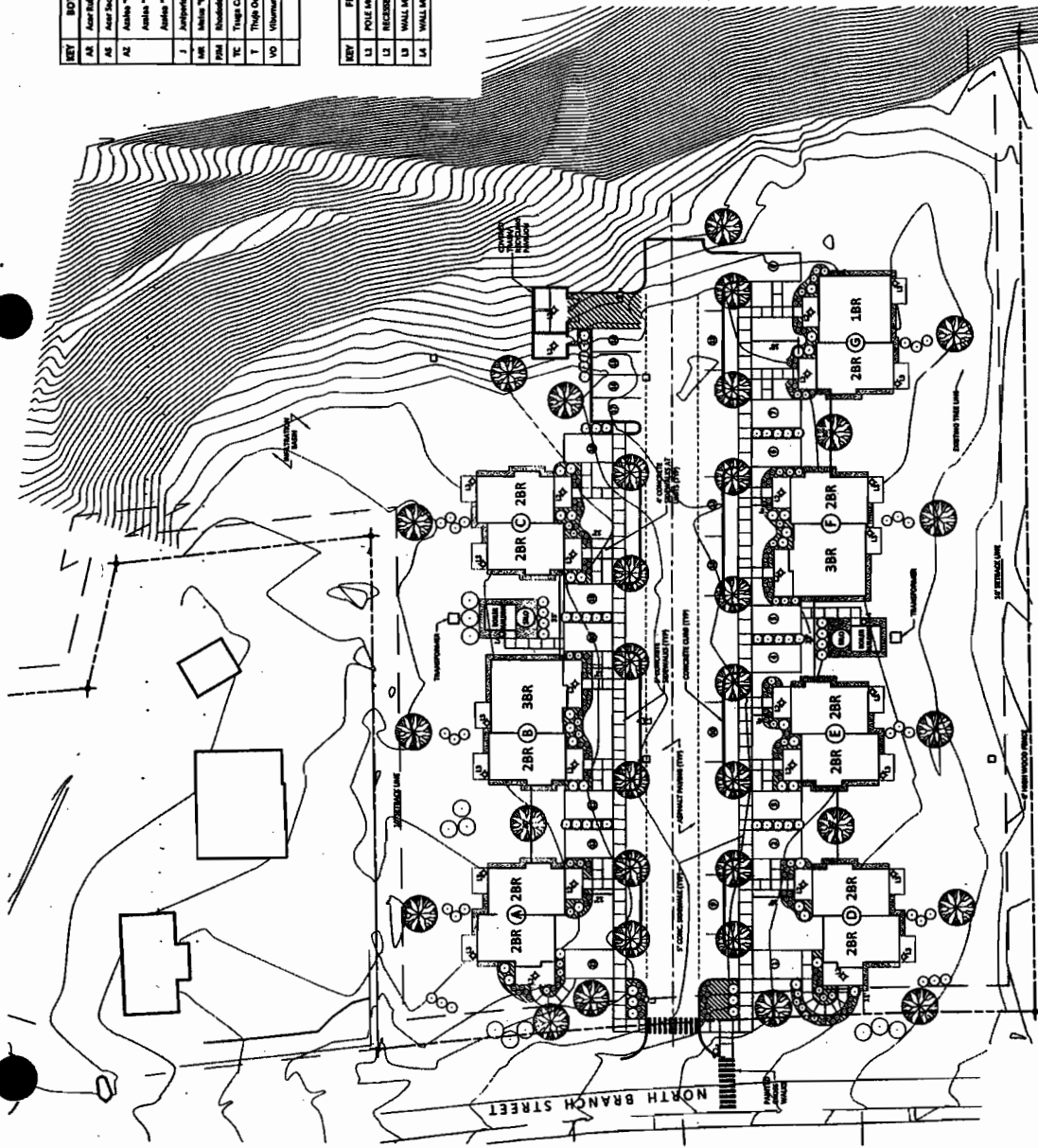
KEY	BOTANICAL NAME	COMMON NAME	SIZE	QTY	REMARKS
A1	Red Robin "Red Sunset"	RED SUNSET MAPLE	3" CAL.	8	
A2	Green Mountain Sugar Maple	GREEN MOUNTAIN SUGAR MAPLE	3" CAL.	17	
A3	White Birch	WHITE BIRCH	3" CAL.	54	WHITE TYPE QUALITY
A4	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A5	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A6	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A7	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A8	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A9	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A10	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A11	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A12	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A13	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A14	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A15	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A16	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A17	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A18	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A19	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	
A20	White Birch "White Light"	WHITE LIGHTS BIRCH	3" CAL.	54	

LIGHTING SCHEDULE

KEY	FIXTURE TYPE	MANUFACTURER	MODEL	LAMP	REMARKS
L1	POLE MOUNTED STREET LIGHT	Compur Lighting - Nova	Model 210	LED	100 Watts - 10,000 Lumens (117%)
L2	RECESSED CEILING	Lightstar	Model 210	LED	9 Watts - 1000 Lumens
L3	WALL MOUNTED	Compur Lighting - Nova	Model 210	LED	20 Watts - 1,000 Lumens
L4	WALL MOUNTED	Compur Lighting - Nova	Model 210	LED	50 Watts - 3,000 Lumens

SITE - ZONING STATISTICS

ZONING DISTRICT:	VILLAGE RESIDENTIAL (VR)
TOTAL LOT SIZE:	17.22 Acres 750,103 SF
LOT WIDTH:	247 FT
LOT DEPTH:	1,688 Feet
ROAD FRONTAGE:	218 FT (Last Driveway)
ACCESS DRIVE LENGTH:	238 FT (Last Driveway)
DWELLING UNITS:	14 (7 Duplex Bldg.s)
BUILDING COVERAGE:	10,500 SF
PAVED AREA:	19,300 SF
GREEN SPACE:	43,300 SF
SETBACKS - FRONT:	11 FT
SETBACKS - SIDE:	30 FT
SETBACKS - REAR:	900+ FT
BUILDING HEIGHT:	25 FT
PARKING PROVIDED:	23 SPACES
UNIT TABULATION:	(1) 1BR / 18 Units (11) 2BR / 18 Units (2) 3BR / 1.58 Units



SITE DEVELOPMENT PLAN
 1"=20'-0"

BMA
 BUREAU OF MUNICIPAL AFFAIRS
 100 South Street, Burlington VT 05401
 Tel: 802.255.7344 Fax: 802.255.7345
 130 South Street, Burlington VT 05401
 Tel: 802.255.7344 Fax: 802.255.7345
 Tel: 802.255.7344 Fax: 802.255.7345

CONSULTANT

MSK
 MCKENNA SULLIVAN KIRBY
 200 SOUTH STREET, SUITE 200
 BURLINGTON, VT 05401
 TEL: 802.255.7344 FAX: 802.255.7345

OWNER

JANE COLE REALTY
 200 SOUTH STREET, SUITE 200
 BURLINGTON, VT 05401
 TEL: 802.255.7344 FAX: 802.255.7345

ENGINEER

HOUSINGVERMONT
 130 SOUTH STREET, SUITE 200
 BURLINGTON, VT 05401
 TEL: 802.255.7344 FAX: 802.255.7345

REGIONAL AFFORDABLE HOUSING CORP.
 100 SOUTH STREET, SUITE 200
 BURLINGTON, VT 05401
 TEL: 802.255.7344 FAX: 802.255.7345

NORTH BRANCH APARTMENTS
 NORTH BRANCH STREET
 BURLINGTON, VERMONT

PRELIMINARY NOT FOR CONSTRUCTION

SITE DEVELOPMENT PLAN

SD101



BM,
ARCHITECTS & PLANS
365 Water Street, Suite 100
Portland, ME 04101
Tel: 603.771.1111
Fax: 603.771.1112
www.bm-architects.com

Full Price: \$24,500.00

www.bm-architects.com

CONTRACT NO. 17-1

DATE: 10/1/17

PROJECT: 17-1

CLIENT: 17-1

DATE: 10/1/17

PROJECT: 17-1

CLIENT: 17-1

DATE: 10/1/17

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PROJECT: 17-1

CLIENT: 17-1

DATE: 10/1/17

PROJECT: 17-1

CLIENT: 17-1

HOLDEN STREET

BENMONT AVE.

WALLOOMSAC RIVER



1 SITE PLAN
PAGE 17 OF 18



SD101

31-Jan-11 Bennington Family Housing

Total Rental Residential Units:	26	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	22	Increase in Income from Other Sources:	1.50%
Percent Restricted:	84.62%	Increase in Income from Commercial:	0.00%
Total Rental Development Cost:	5,725,137	Expense increase:	3.00%
Total Rental Dev. Cost per Unit:	220,198	Vacancy Rate:	5.00%
Total Rental Dev. Cost Per SF:	233	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	459,424	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	395,000	Sponsor's Estimated Yield:	0.78

LIHTC - 9%	9.00%
LIHTC - 4%	3.25%

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
Permanent Debt	0	0.00%	7.25%	20	20
Existing Debt	593,686	10.37%	0.00%	0	30
VHCB	161,536	2.82%	0.00%	0	30
HOME	438,464	7.66%	0.00%	0	30
HUD EDI	200,000	3.49%	0.00%	0	30
CDBG-VCDP	650,000	11.35%	0.00%	0	30
VHCB AEEA SEP	50,000	0.87%	0.00%	0	30
CEDF	111,500	1.95%	0.00%	0	30
EVT/REEP	13,000	0.23%	0.00%	0	30
State tax credit equity	116,200	2.03%	N/A	N/A	N/A
Cash accounts	66,000	1.15%	N/A	N/A	N/A
RITC equity	263,399	4.60%	N/A	N/A	N/A
LIHTC equity	3,061,352	53.47%	N/A	N/A	N/A
TOTAL SOURCES	5,725,137	100.00%			

USES

Acquisition	780,686	13.64%
Construction Hard Costs	3,558,601	62.16%
Soft Costs	1,385,850	24.21%

TOTAL USES 5,725,137 100%

Gap 0

General Partner's Capital Contribution	31	0.001%
Limited Partner's Capital Contribution	3,061,046	99.99%
Total Equity	3,061,076	100.0%

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	22
Total Units	26
Unit Fraction	84.62%
Gross building SF	24,522
Tax Credit Square Footage	20,553
Total Residential Square Footage	23,837
Square Footage Fraction	86.22%
Applicable Fraction	84.62%

	Budget	Per Unit	Per s.f.
ACQUISITION			
1 Land	168,922	6,497	6.89
2 Purchase of Building(s)	595,764	22,914	24.30
3 Demolition (without replacement)	0	0	0.00
4 Property Appraisal	5,000	192	0.20
5 Legal - Title and Recording	11,000	423	0.45
Acquisition/Carrying Costs	0	0	0.00
Subtotal - Acquisition	780,686	30,026	31.84
CONSTRUCTION HARD COSTS			
6 Rehabilitation	710,299	27,319	28.97
7 New Building(s)	1,739,838	66,917	70.95
8	0	0	0.00
9 Sitework	556,764	21,414	22.70
10 Biomass heating system	111,500	4,288	4.55
11	0	0	0.00
12 Contractor Overhead	0	0	0.00
13 Contractor Profit	0	0	0.00
14 Construction Contingency	384,000	14,769	15.66
15 Construction Management	0	0	0.00
16 Construction Bond Fee	0	0	0.00
17 Hazardous Materials Abatement	25,000	962	1.02
18 Off-Site Improvements	0	0	0.00
19 Furnishings, Fixtures, & Equipment	31,200	1,200	1.27
20 Other ()	0	0	0.00
Subtotal - Hard Costs	3,558,601	136,869	145.12
SOFT COSTS			
21 Architectural/Eng/Consultants	366,420	14,093	14.94
22 Engineering	0	0	0.00
23 Legal/Accounting	35,000	1,346	1.43
24 Relocation	42,000	1,615	1.71
25 Environmental Assessment	13,690	527	0.56
26 Energy Assessment	0	0	0.00
27 Permits/Fees	40,300	1,550	1.64
28 Independent Market Study	4,250	163	0.17
29 Construction Period Insurance	10,000	385	0.41
30 Construction Interest	105,000	4,038	4.28
31 Construction Loan Origination Fee	23,000	885	0.94
32 Taxes During Construction	0	0	0.00
33 Clerk of the Works	25,000	962	1.02
34 Marketing	0	0	0.00
35 Tax Credit Fees	18,250	702	0.74
36 Soft Cost Contingency	20,000	769	0.82
37 Permanent Loan Origination Fee	0	0	0.00
38 Lender's Counsel's Fee	0	0	0.00
39 Other (CDBG grants management)	5,000	192	0.20
SYNDICATION COSTS			
40 Organizational (Partnership)	0	0	0.00
41 Bridge Loan Fees and Expenses	0	0	0.00
42 Syndication Consultant	0	0	0.00
43 Tax Opinion	0	0	0.00
DEVELOPER'S FEES			
44 Developer's Fees	560,000	21,538	22.84
45 Other Partnership Fees	0	0	0.00
46 Consultant Fees	0	0	0.00
RESERVES			
47 Working Capital	25,000	962	1.02
48 Rent-up (Deficit Escrow) Reserve	10,000	385	0.41
49 Other Operating Reserves	45,500	1,750	1.86
50 Sinking Fund	0	0	0.00
51 Replacement Reserves	37,440	1,440	1.53
Subtotal - Soft Costs	1,385,850	53,302	56.51
TOTAL DEVELOPMENT COSTS	5,725,137	220,198	233.47

	Budget	Acquisition Basis	Construction Basis	Residential Depreciation	Historic Credit Basis	Other
ACQUISITION						
1 Land	168,922					
2 Purchase of Building(s)	595,764	506,399		595,764	595,764	
3 Demolition (without replacement)	0			0	0	
4 Property Appraisal	5,000	5,000		5,000	5,000	
5 Legal - Title and Recording	11,000	11,000		11,000	11,000	
Subtotal - Acquisition	780,686					
CONSTRUCTION HARD COSTS						
6 Rehabilitation	710,299		710,299	710,299	710,299	
7 New Building(s)	1,739,838		1,739,838	1,739,838	1,739,838	
8 0	0		0	0	0	
9 Sitework	556,764		556,764	556,764	556,764	
10 Biomass heating system	111,500		111,500		111,500	
11 0	0		0	0	0	
12 Contractor Overhead	0		0	0	0	
13 Contractor Profit	0		0	0	0	
14 Construction Contingency	384,000		384,000	384,000	384,000	
15 Construction Management	0		0	0	0	
16 Construction Bond Fee	0		0	0	0	
17 Hazardous Materials Abatement	25,000		25,000	25,000	25,000	
18 Off-Site Improvements	0		0	0	0	
19 Furnishings, Fixtures, & Equipment	31,200		31,200	31,200	31,200	
20 Other ()	0		0	0	0	
Subtotal - Hard Costs	3,558,601					
SOFT COSTS						
21 Architectural/Eng/Consultants	366,420		366,420	366,420	366,420	
22 Engineering	0		0	0	0	
23 Legal/Accounting	35,000		35,000	35,000	35,000	
24 Relocation	42,000		42,000	42,000	42,000	
25 Environmental Assessment	13,690		13,690	13,690	13,690	
26 Energy Assessment	0		0	0	0	
27 Permits/Fees	40,300		40,300	40,300	40,300	
28 Independent Market Study	4,250		0	4,250	4,250	
29 Construction Period Insurance	10,000		10,000	10,000	10,000	
30 Construction Interest	105,000		89,250	105,000	105,000	
31 Construction Loan Origination Fee	23,000		23,000	23,000	23,000	
32 Taxes During Construction	0		0	0	0	
33 Clerk of the Works	25,000		25,000	25,000	25,000	
34 Marketing	0					
35 Tax Credit Fees	18,250		0	18,250	18,250	
36 Soft Cost Contingency	20,000		20,000	20,000	20,000	
37 Permanent Loan Origination Fee	0		0			
38 Lender's Counsel's Fee	0		0	0	0	
39 Other (CDBG grants management)	5,000		5,000	5,000	5,000	
SYNDICATION COSTS						
40 Organizational (Partnership)	0					
41 Bridge Loan Fees and Expenses	0					
42 Syndication Consultant	0					
43 Tax Opinion	0					
DEVELOPER'S FEES						
44 Developer's Fees	560,000		560,000	560,000	560,000	
45 Other Partnership Fees	0		0	0	0	
46 Consultant Fees	0		0	0	0	
RESERVES						
47 Working Capital	25,000					
48 Rent-up (Deficit Escrow) Reserve	10,000					
49 Other Operating Reserves	45,500					
50 Sinking Fund	0					
51 Replacement Reserves	37,440					
Subtotal - Soft Costs	1,385,850					
TOTALS	5,725,137	522,399	4,788,261	5,295,575	5,438,275	
LESS: Amount of Non-qualified Financing						
LESS: Historic tax Credit (Residential Portion)						
Total Eligible Basis			522,399	4,495,535	292,700	20% Historic Credit Rate
TOTALS: Adjusted for QCT/DDA			130.0%	5,844,196	292,700	Annual Historic Credit
TOTALS: Applicable Fraction			84.62%	4,945,089		
Total Qualified Basis			442,030	4,945,089	5,002,875	Long Term Depreciable Basis
TOTALS: Applicable Percentage			3.25%	9.00%	27.5	Depreciation Schedule
Total Annual Credit Qualified			14,366	445,058	181,923	Annual Depreciation
Total Tax Credits Requested						
Estimated Net Syndication Proceeds (Sec. 42 Housing Credit only)			3,061,352		31,200	Short Term Depreciable Basis
Estimated Yield - Housing Credit Syndication Equity Gap			0.7750		7	Depreciation Schedule
Credits Needed to fill Equity Gap					4,457	Annual Depreciation

31-Jan-11 **Bennington Family Housing**

HC Restricted Units Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
0 Br		0	0	0	0	0
1 Br		720	1	626	0	7,512
2 Br		913	19	691	0	157,548
3 Br		1,243	2	868	0	20,832
	Totals	20,553	22			185,892
Non-HC Restricted Units Bedrooms	Type	Square Feet	Number	Rent	Utilities	Total Annual Rent
0 Br		0	0	0	0	0
1 Br		0	0	0	0	0
2 Br		1,050	4	814	0	39,072
3 Br		0	0	0	0	0
4+ Br		0	0	0	0	0
	Totals	4,200	4			39,072
Common Area Square Footage		685				
	Grand Totals	25,438	26			224,964
	Less Vacancy		5.00%			(11,248)
					<u>NET RENT</u>	<u>213,716</u>
	OTHER INCOME					
	Laundry					0
	Parking					0
	Commercial Space Income					0
	Other (interest income)					1,000
					<u>TOTAL INCOME</u>	<u>214,716</u>

31-Jan-11

Bennington Family Housing

Building # [floor]	Unit #	Check all Applicable							A			B						C																																																											
		HOME Unit	Lead Paint Unit	Project Based Assistance	Tax Credit Unit	VHCB Restricted	Accessible	Adaptable	Unrestricted	Number of Bedrooms	Proposed Square Footage	Proposed Rent	Utility Allowance for Tenant-Paid Utilities	Gross Rent (Rent + Tenant-Paid Utilities)	OCCUPIED BY: Income level of residents to be served:						AFFORDABLE TO: Units affordable to residents at:																																																								
															<30%	<50%	<60%	<80%	<100%	>100%	30%	50%	60%	65%	80%	100%+																																																			
32-134 Beaumont	132A	1	1	1	1	1	1	1	2	759	682	43	725																																																																
	132B	2	1	1	1	1	1	1	2	717	631	43	674																																																																
	134A	3	1	1	1	1	1	1	2	767	707	43	750																																																																
	134B	4	1	1	1	1	1	1	2	755	606	43	649																																																																
36-138 Beaumont	136A	5	1	1	1	1	1	1	2	761	722	43	765																																																																
	136B	6	1	1	1	1	1	1	2	710	636	43	679																																																																
	138A	7	1	1	1	1	1	1	2	777	707	43	750																																																																
	138B	8	1	1	1	1	1	1	2	710	545	43	588																																																																
40-142 Beaumont	140A	9	1	1	1	1	1	1	2	769	732	43	775																																																																
	140B	10	1	1	1	1	1	1	2	786	707	43	750																																																																
	142A	11	1	1	1	1	1	1	2	784	606	43	649																																																																
	142B	12	1	1	1	1	1	1	2	786	707	43	750																																																																
N. Branch St. 1	1	13	1	1	1	1	1	1	2	1,050	751	43	794																																																																
	2	14	1	1	1	1	1	1	2	1,050	751	43	794																																																																
N. Branch St. 2	1	15	1	1	1	1	1	1	2	1,050	751	43	794																																																																
	2	16	1	1	1	1	1	1	3	1,243	868	54	922																																																																
N. Branch St. 3	1	17	1	1	1	1	1	1	2	1,050	751	43	794																																																																
	2	18	1	1	1	1	1	1	2	1,050	626	43	669																																																																
N. Branch St. 4	1	19	1	1	1	1	1	1	2	1,050	814	43	857																																																																
	2	20	1	1	1	1	1	1	2	1,050	751	43	794																																																																
N. Branch St. 5	1	21	1	1	1	1	1	1	2	1,050	814	43	857																																																																
	2	22	1	1	1	1	1	1	2	1,050	814	43	857																																																																
N. Branch St. 6	1	23	1	1	1	1	1	1	2	1,050	751	43	794																																																																
	2	24	1	1	1	1	1	1	3	1,243	868	54	922																																																																
N. Branch St. 7	1	25	1	1	1	1	1	1	2	720	626	32	658																																																																
	2	26	1	1	1	1	1	1	2	1,050	814	43	857																																																																
Total # Units	26	6	8	0	22	22	2	24	53	23,837	18,738	Total # Units	0	6	16	22	4	0	0	0	6	17	0	3	0	26	26																																																		
													common SF 685													26													26																																						
													total finish SF 24,522													22													26													26																									
													parking 0																																																																
													gross SF 24,522																																																																

31-Jan-11 **Bennington Family Housing**

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	28,000	2,333	90	13.0%
Supportive Services	1,750	146	6	
Audit/Accounting	4,500	375	14	
Legal	1,500	125	5	
Compliance Monitoring	1,872	156	6	
Marketing	750	63	2	
Other	3,250	271	10	
TOTAL ADMINISTRATIVE	41,622	3,469	133	
Utilities				
Electricity	5,500	458	18	
Fuel - oil/biomass/solar	22,070	1,839	71	
Water and Sewer	9,250	771	30	
Fire Alarm / Emergency	0	0	0	
Other	1,500	125	5	
TOTAL UTILITIES	38,320	3,193	123	
Maintenance				
Maintenance / Janitor Payroll	15,000	1,250	48	
Janitor Supplies	3,500	292	11	
Exterminating	200	17	1	
Trash Removal	5,000	417	16	
Snow Removal	6,500	542	21	
Grounds	4,000	333	13	
Repairs Material	2,500	208	8	
Repairs Contract	5,500	458	18	
HVAC Repairs / Maintenance	2,500	208	8	
Elevator Contract / Repairs	0	0	0	
Painting and Decorating	1,500	125	5	
Other	2,500	208	8	
TOTAL MAINTENANCE	48,700	4,058	156	
Real Estate Taxes	25,000	2,083	80	per unit month excl. ds & res. 522
Property Insurance	9,250	771	30	
Replacement Reserves	18,720	1,560	60	
Primary Debt Service	0	0	0	
Other "must pay" debt service	0	0	0	
Other	250	21	1	
Total	181,862	15,155	583	

31-Jan-11		Beaulington Family Housing																			
Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Operating Income	Gross Rent	224,964	228,338	231,764	235,240	238,769	242,350	245,985	249,675	253,420	257,222	261,080	264,996	268,971	273,006	277,101	281,257	285,476	289,758	294,105	298,516
	Other Income	1,000	1,015	1,030	1,046	1,061	1,077	1,093	1,110	1,126	1,143	1,161	1,178	1,196	1,214	1,232	1,250	1,269	1,288	1,307	1,327
	Vacancy and other losses	(11,248)	(11,417)	(11,588)	(11,762)	(11,938)	(12,118)	(12,299)	(12,484)	(12,671)	(12,861)	(13,054)	(13,250)	(13,449)	(13,650)	(13,855)	(14,063)	(14,274)	(14,488)	(14,705)	(14,926)
	Total Operating Income	214,716	217,937	221,206	224,524	227,892	231,310	234,780	238,301	241,876	245,504	249,186	252,924	256,718	260,569	264,477	268,445	272,471	276,558	280,707	284,917
	Operating Expenses																				
Total Expenses (incl. Reserves)	Reserves	163,142	168,036	173,077	178,270	183,618	189,126	194,800	200,644	206,663	212,863	219,249	225,827	232,601	239,580	246,767	254,170	261,795	269,649	277,738	286,070
	Reserves	18,720	19,001	19,286	19,575	19,869	20,167	20,469	20,776	21,088	21,404	21,725	22,051	22,382	22,718	23,058	23,404	23,755	24,112	24,473	24,841
Total Operating Reserves	Reserves	181,862	187,037	192,363	197,845	203,486	209,293	215,269	221,420	227,751	234,268	240,975	247,878	254,983	262,297	269,825	277,574	285,550	293,761	302,212	310,911
	Net Operating Income	32,854	30,899	28,842	26,679	24,405	22,017	19,510	16,881	14,124	11,236	8,212	5,046	1,735	(1,728)	(5,348)	(9,130)	(13,079)	(17,202)	(21,505)	(25,994)
Less Primary Debt Service	Less Primary Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Less Secondary Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Cash Flow	Annual Cash Flow	32,854	30,899	28,842	26,679	24,405	22,017	19,510	16,881	14,124	11,236	8,212	5,046	1,735	(1,728)	(5,348)	(9,130)	(13,079)	(17,202)	(21,505)	(25,994)
	Operating Subsidies / Sinking Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash	Net Cash	32,854	30,899	28,842	26,679	24,405	22,017	19,510	16,881	14,124	11,236	8,212	5,046	1,735	(1,728)	(5,348)	(9,130)	(13,079)	(17,202)	(21,505)	(25,994)
Cumulative Cash Flow	DCR	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Beginning Balance	45,500	79,592	112,393	143,771	173,592	201,713	227,985	252,250	274,344	294,097	311,328	325,848	337,462	345,963	351,154	352,829	350,756	344,692	334,384	319,566
Deposits	Deposits	32,854	30,899	28,842	26,679	24,405	22,017	19,510	16,881	14,124	11,236	8,212	5,046	1,735	(1,728)	(5,348)	(9,130)	(13,079)	(17,202)	(21,505)	(25,994)
	Interest	1,239	1,901	2,536	3,142	3,716	4,254	4,755	5,214	5,628	5,994	6,309	6,567	6,767	6,919	7,023	7,057	7,015	6,894	6,688	6,391
Withdrawals:	Project Operating Needs	0	0	0	0	0	0	0	0	0	0	0	0	0	(1,728)	(5,348)	(9,130)	(13,079)	(17,202)	(21,505)	(25,994)
	Special LP or GP Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Repayment of Deferred Devel. Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Partnership Audit or K-1 Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Distribution of Cash to Owner	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	Ending Balance	79,592	112,393	143,771	173,592	201,713	227,985	252,250	274,344	294,097	311,328	325,848	337,462	345,963	351,154	352,829	350,756	344,692	334,384	319,566	299,964
Cumulative Replacement Reserves	Beginning Balance	37,440	57,096	77,429	98,456	120,196	137,667	160,789	176,696	192,491	209,680	170,818	183,848	197,097	210,564	224,248	238,229	252,465	266,943	282,665	299,516
	Deposits	18,720	19,001	19,286	19,575	19,869	20,167	20,469	20,776	21,088	21,404	21,725	22,051	22,382	22,718	23,058	23,404	23,755	24,112	24,473	24,841
	Interest	936	1,332	1,741	2,165	2,603	2,955	3,320	3,742	4,071	4,408	4,694	4,937	5,136	5,291	5,404	5,476	5,506	5,486	5,416	5,286
	Withdrawals	0	0	0	0	(5,000)	(7,983)	(8,223)	(8,223)	(8,223)	(8,223)	(8,223)	(8,223)	(8,223)	(8,223)	(8,223)	(8,223)	(8,223)	(8,223)	(8,223)	(8,223)
	Ending Balance	57,096	77,429	98,456	120,196	137,667	160,789	176,696	192,491	209,680	170,818	183,848	197,097	210,564	224,248	238,229	252,465	266,943	282,665	299,516	299,964



Vermont Housing Finance Agency

VHFA Board of Commissioners Meeting Minutes
Agency of Commerce and Community Development
Calvin Coolidge Conference Room
National Life Building, 6th Floor, Montpelier
Monday, February 7, 2010 at 8:00 a.m.

VHFA Board Member Present:

Tom Pelletier, Lisa Randall, Beth Pearce, Tom Candon, Dayne Canney, Bart Frisbie,
Gus Seelig, Jennifer Hollar

Staff Present:

Sarah Carpenter, Tom Connors, George Demas, Martha Fidalgo, Pat Loller, Dave
Adams, Joe Erdelyi, Cindy Reid, Josh Slade, Maura Collins, Renee Couture, Brenda
Howley, Sam Falzone

Guests Present:

Kathy Beyer (Housing Vermont), Matt Moore (Housing Vermont), Jeff Sula (Bank of
America Merrill Lynch), Paul Dettman (Burlington Housing Authority), Isaac Wagner
(Windham Housing Trust), Amy Demetrowitz (Champlain Housing Trust), Tom Curell
(Housing Vermont), Merten Bangemann-Johnson (Gilman Housing Trust), Al Hans
(Piper Jaffray), Chris Flannery (Piper Jaffray), John Broderick (Regional Affordable
Housing Corporation), Bob Hansen (Gilman Housing Trust).

BOARD MEETING

Mr. Pelletier called the Board meeting to order at 8:15 a.m.

Mr. Pelletier welcomed Ms. Hollar as a new member of the VHFA Board of Commissioners.

BOARD MINUTES

Mr. Frisbie moved that the Board approve the December 13, 2010 Board of Commissioners
meeting minutes. Mr. Seelig seconded the motion, which was approved by all members of the
Board except Ms. Hollar who abstained and Ms. Pearce who was absent for the vote.

PUBLIC COMMENT

Mr. Pelletier opened the meeting to public comment. No members of the public offered
comment.

EXECUTIVE DIRECTOR'S REPORT

Ms. Carpenter reviewed the Executive Director's report.



She reported on two regulatory issues of concern. The SEC is discussing a new regulation that would require unelected Board members of agencies issuing securities to register with the SEC as municipal advisors. This requirement is still pending and may or may not become a problematic requirement. Staff will keep the Board posted as this discussion progresses. The other issue of concern relates to the Dodd-Frank bill. This bill could change how originators are compensated by equalizing fees and may be a disadvantage for HFAs.

Ms. Randall asked if there has been any discussion regarding combining Freddie Mac and Fannie Mae. Ms. Carpenter explained that there is a committee discussing and creating a report but no news has been reported. Ms. Randall asked if the National Council of State Housing Agencies (NCSHA) has an opinion on the idea of merging the two GSE's. Ms. Carpenter said among her peers there does not appear to be a strong opinion at this time.

Ms. Carpenter reviewed the Conduit Bond Request memo policy prepared by staff. The Board had a few questions relative to the request to VHFA for conduit bond financing for projects in Springfield, Williamstown, and Chelsea, which was declined. Mr. Seelig asked what the gap was in pricing using VHFA appraisal standards. Mr. Falzone explained it was about \$10,000 per unit or 12%. Mr. Frisbie asked what the Agency's risk would have been in this transaction. Ms. Carpenter explained there is not a particularly high risk to VHFA. Mr. Falzone explained that in our review the project had unrealistic operating pro formas and are paying too much for the property. This could drive up the price of comparables and so can negatively impact future transactions we will be involved in. There is a concern that this project will come back to the state for additional resources and there is no long range plan for how to maintain the project with the new debt. Ms. Carpenter added the developers are based out of state which raises concern about their accessibility and viability as a nonprofit that can be responsive to the community. Mr. Erdelyi added that they are trying to grow a portfolio and the way they are doing it, as outlined in the memo, does not fit well with the way VHFA does business.

Mr. Candon asked for an update on the Federal Home Loan Bank of Boston (FHLBB) liquidity agreement. Ms. Carpenter explained that the Agency is not sure what is going to happen at this time, but that FHLBB has expressed interest in continuing to do business with VHFA.

LEGISLATIVE STUDY COMMITTEE

Ms. Carpenter reviewed the Commission on Financing and Delivery of Affordable Housing and Conservation Executive Summary (the "Report"). She does not expect this report or the Weidner report to precipitate big changes.

Ms. Carpenter noted that these studies indicated a need for useful reports and benchmarks to measure the Agency's efforts. The three year cross agency database created as a result of the Weidner report will be a valuable tool to create reports and benchmarks. Mr. Seelig mentioned there is a two page comparison report on how Vermont rates among other states in serving its residents. Ms. Carpenter said she will resend that report to the Board.

Ms. Hollar noted that the report clarified each agency's role and that State is very pleased with the way housing agencies are working together.

Mr. Frisbie expressed concern in the verbiage within the Report that alludes to the idea that if it is not broken, don't fix it. There are many complex issues discussed in the reports, and there has to be room for some improvement. Ms. Carpenter said staff can create a report outlining the specific recommendations and outline the changes and improvements implemented.

Ms. Canney reported on three legislative issues for staff to keep in mind: point of sale energy audits; taxes on real estate closing services; and elimination of mortgage interest deductions.

MULTIFAMILY

Wharf Lane Update

Ms. Carpenter reviewed the Wharf Lane Update memo, recapped the property's history and introduced Mr. Dettman and Ms. Beyer who provided additional details on the project and fielded Board questions. They reminded the Board that it is very important for Burlington to maintain the Bobbin Mill and Wharf Lane projects as affordable, low income housing. They will return to the Board in March for approval of housing credits and financing as a closing on Wharf Lane must happen by March 31st.

Mr. Candon asked Mr. Dettman to explain why the Bobbin Mill is more expensive than Wharf Lane. Mr. Dettman explained that the Bobbin Mill units are larger, have more mixed bedroom sizes and many are newer or more recently constructed. The property has more green space and better parking. Wharf Lane consists of mostly one bedroom units with limited parking.

Mr. Seelig thanked everyone for working so hard on this deal. He asked Mr. Dettman and Ms. Beyer to also report to the VHCB Board in March.

Mr. Seelig asked for a report on who lives in the units currently and what the scope of rehab looks like. Mr. Dettman explained that Wharf Lane consists of a very vulnerable, low income, largely disabled and senior population. The Bobbin Mill consists of an extremely low income family population. The scope of work includes heating and energy improvements, new windows, bathroom and kitchen upgrades and new community space.

Ms. Randall pointed out that these projects will take up over 40% of the tax credits for the year. While she is in favor of these projects, the Agency should make note that this is a large portion of tax credits.

Mr. Candon, in referencing the Tax Credit memo, asked if these projects will be competing with needs from others. Ms. Carpenter said in 2011 the Agency will have little ability to consider other projects, but at the same time, there is not much immediately coming through the pipeline. She reviewed the projects as listed in the Tax Credit memo.

DEVELOPMENT

Qualified Allocation Plan Changes

Mr. Erdelyi reviewed the proposed changes outlined in the Revisions to the Housing Credit Qualified Allocation Plan (QAP) memo. He handed out letters from the American Lung Association and one from a number of parties pertinent to the Supports and Services at Home Program (SASH). He also distributed replacement pages to the redlined QAP. He indicated that

the housing credit recommendations presented today are being recommended using the new QAP.

Ms. Hollar reported that Patrick Flood has indicated a strong willingness and intention to ensure that services are part of the initiatives focused on elderly and special needs housing.

Mr. Candon pointed out that the QAP requires Board and Governor approval. Ms. Carpenter said it is likely to be approved by the Governor, but if it is not, staff and the Board will have to reconvene.

Ms. Pearce asked if the plan is consistent with everything the SASH letter is asking for. Ms. Carpenter said staff is not exactly sure of everything they are asking for in the SASH letter. There are no SASH projects to be presented in the coming year.

Mr. Seelig moved that the Board approve the changes to the Qualified Allocation Plan as presented and amended. He said, however, that green building and other outstanding issues should be reviewed later in the year. Ms. Randall seconded the motion.

Ms. Canney asked if staff can update the Board with respect to the governor appointee to the Joint Committee on Tax Credits.

Mr. Seelig offered a word of caution on the 10% services requirement for basis boost. There have been numerous times where services projects commence only to come to an end shortly thereafter because of budgeting or priority issues with the service provider. He emphasized that the Agency of Human Services needs to be at the table as a consistent partner.

The motion was unanimously approved.

Tax Credit Status Report

Mr. Erdelyi reviewed the Tax Credit Status Report memo.

Ms. Randall asked if any of the already approved projects are in danger of not moving forward. Mr. Erdelyi explained that there have been a few small issues along the way but it looks like projects will be moving forward.

BREAK

Mr. Lawrence Miller stepped into the meeting briefly to introduce himself as the new Secretary of Commerce and Community Development.

DEVELOPMENT

Upper Story, Brattleboro: Request for 2011 Housing Credits

Ms. Reid reviewed the Upper Story memo.

Ms. Canney moved that the Board approve the request for 2011 allocated credits as presented. Ms. Pearce seconded the motion.

Mr. Frisbie asked when construction will start. Ms. Reid explained construction has already started and completion will be in April 2012. Mr. Frisbie asked if we lost out on allocating credits to other projects in having Upper Story's delay in credit usage. Ms. Reid explained that we did not. Ms. Reid also noted that Upper Story was the last project to qualify for the 1602 money, so it actually leveraged the allocation more fully.

The motion was unanimously approved.

February 2011 Tax Credit Applications

Projects with applications for credits were presented in alphabetical order.

Algiers Village Housing

Mr. Slade reviewed the project. He noted a change to the unit composition (3 units serving households at or below 50% AMI, 3 units serving households at or below 80% AMI, and the remaining units serving households at or below 60% AMI; the cost per square foot should be \$165 not \$213. Ms. Beyer and Mr. Wagner reviewed the history and plans for the project and village.

Mr. Frisbie asked what risks are associated with the soil contamination. Ms. Beyer said the contamination is very low and almost meets safety standards. Remediation includes capping the area with 12 inches of soil; no excavation is required. Mr. Frisbie asked if the Agency will be liable if years down the road they find that the contamination poses a large problem. Ms. Beyer explained that the corrective action plan has been approved by the State. VHFA loans are not tied to the contamination risk. Mr. Erdelyi reminded the Board that VHFA has worked with many contaminated sites and there have not been any issues to date.

Avenue Apartments

Mr. Slade reviewed the project, formerly referred to as Thayer Commons. Mr. Moore and Ms. Demetrowitz updated the Board on the progress of Avenue Apartments.

Bennington Family Housing

Mr. Erdelyi reviewed the project. Mr. Broderick reported that the project addresses many needs of the town.

Ms. Randall noted that the Benmont portion was rehabbed 16 years ago and is now back for more rehabilitation. Mr. Moore responded that the rehab done in 1995 was with limited funding and only addressed small superficial upgrades.

Ms. Pearce pointed out that this property repeatedly has needed upgrades, which is a criticism of process not the specific project. Ms. Carpenter explained that there are situations where we have to decide to pay now or pay later. In the case of this project, years ago, we decided to pay later. Mr. Erdelyi added that staff can provide a breakdown of the cost of projects that are coming back in for additional rehabilitation versus the cost of new projects.

Mr. Candon noted that in year 14 the project shows project operating needs. He asked if they are expecting further rehab needs at that time. Mr. Erdelyi explained those numbers have to do with underwriting assumptions used.

City Neighborhoods

Mr. Slade reviewed the rehabilitation project. Ms. Demetrowitz reiterated the need for the rehab for the properties.

St. Johnsbury Historic Green Rehabilitation

Mr. Erdelyi and Mr. Bangemann-Johnson reviewed the project. Mr. Moore elaborated on the affordability gap in St. Johnsbury.

Mr. Seelig stated this project's history (and others) is the reason why NCIC got out of the business. Bringing RD's rental assistance to Vermont is a great opportunity and we should take advantage of it.

Mr. Candon asked if the idea of purchasing a number of smaller buildings within a city or town is an idea that is losing popularity. Mr. Seelig explained that smaller buildings are harder to manage and more expensive to maintain.

Mr. Falzone asked Mr. Bangemann-Johnson to provide an update on the original thirteen Section 8 units within this project. Mr. Bangemann-Johnson said there has been a high vacancy rate on those units but they would like to keep those Section 8 vouchers in the area but also take advantage of the RD 515 program.

Mr. Pelletier asked if an appraisal would support the per unit price of this project. Mr. Bangemann-Johnson explained that not much is supported by an appraisal in the Northeast Kingdom.

Ms. Carpenter reminded the Board that the reason for the tax credit program is to put credit into projects that would not otherwise be economically feasible.

Ms. Hollar asked if it is a fair assumption that these units and the area do not currently meet the safe and decent housing guideline. Mr. Bangemann-Johnson said that assumption is very true.

Mr. Seelig moved that the Board approve the allocation of allocated tax credits to all five above described projects as presented. Ms. Randall seconded the motion. Ms. Pearce said she would vote in favor of the motion but she is concerned about the balance sheets of some projects and would like to see more cost/benefit analysis. The motion was unanimously approved.

LUNCH

The meeting adjourned for a lunch break at 11:55 a.m. The meeting reconvened at 12:35 p.m.

ADMINISTRATION

Red Flag Policy

Mr. Demas reviewed the Identity Theft Prevention Program memo.

Mr. Candon moved that the Board approve the program as presented. Ms. Canney seconded the motion, which was approved by all members of the Board except Ms. Hollar who was absent for the vote.

FINANCE

Risk Management Update

Mr. Connors handed out and reviewed VHFA's Current Primary Risk Assessment presentation.

Ms. Randall asked who evaluates our bond insurers and other counterparties and if the agency has a process to evaluate them and their risk to the Agency. Mr. Connors explained that the risk team evaluates all of our partners. Ms. Collins said that about one year ago Mr. Demas reviewed all of the Agency's financial counterparties and what ratings they would have to have to trigger a change in the Agency's relationship and we monitor all counterparty ratings routinely.

Ms. Pearce said she is concerned with the cost of liquidity providers and bond insurers going forward.

Ms. Randall suggested the Board provide guidance to staff given the limited resources. For example she would rather see resources go toward a cash assistance program than mobile home lending.

Ms. Randall asked when 0% loans will come due and whether or not the Agency will require repayment. Ms. Carpenter said many come due in 2014. The plan is different for each loan. Ms. Randall asked that the Board receive a report on the plan for those loans.

Ms. Collins asked the Board if there is something more they need to see relevant to reporting risks to the Agency. Ms. Randall said she would like to see a summary report of the vendor risks. Ms. Randall and Ms. Pearce both said they could send examples of vendor risk reports to Ms. Collins.

Ms. Carpenter reported on the HAP contract administration and the risk of possible loss of that contract, a risk not included in the report just presented. HUD wants to move all of the administration to one entity as opposed to the two in Vermont as in the past. She added that there is substantial concern with the PBC RFP and whether or not HUD will recognize the Vermont State Housing Authority as the grantee for the State of Vermont. She also expressed a concern about whether or not the State Housing Authority wants VHFA to participate with them as subcontractor on projects where we already have loan and/or tax credit responsibility.

Quarterly Report

Mr. Connors handed out and reviewed the quarterly financial statements for the period ending December 31, 2010.

Ms. Randall asked if REOs are put on borrowers' credit reports. Mr. Adams said every situation is different, sometimes it is reported and sometimes it is not.

Ms. Canney asked if the Agency has been participating in many short sales. Mr. Adams said they do as many as possible. Ms. Canney asked if those sales can be reported on Ms. Crady's monthly report.

Mr. Connors said he would provide a cover memo for the newly released quarterly report via e-mail.

Piper Jaffray Presentation

Mr. Connors introduced Mr. Hans and Mr. Flannery. He reported that this would be Mr. Hans last meeting with VHFA, as he is retired. Mr. Flannery will take over for Mr. Hans. Mr. Flannery handed out and reviewed the Financial Update – Swaps and Single Family Programs booklet.

Ms. Canney asked if the Agency will ever do swaps again. Mr. Flannery said it should not completely write the idea off, but he does not currently foresee a set of circumstances under which he would recommend using swaps in the near future.

Mr. Flannery also noted that since June 30, 2010, the date of the last report on the Agency's swap positions, as the portfolios continue to reduce over time and interest rates have increased, the amount of the Agency's liability under the swaps had decreased.

Ms. Pearce asked about counterparty ratings risks, and Mr. Flannery noted that because of the Agency's position as a debtor under the various swap agreements, a change in the rating of the counterparty was not as much of a concern as a change in the Agency's rating.

Mr. Flannery discussed the possibility of performing a limited financial study of the Agency. They are recommended every five years, though not required- the last financial study was performed in 2004 by Piper Jaffray. Ms. Carpenter said a study was budgeted in 2008 but with the changes in the economy and uncertainty in the housing industry the Agency chose to take it out of the budget. Mr. Candon said it would be good to have a financial study within the next six months. Ms. Pearce added that it is nearly impossible to do strategic planning without it. Ms. Canney asked what additional items, not included in the handout, and would be included in a full study. Mr. Flannery said Piper Jaffray could tailor the report to fit the Agency's needs.

There was Board consensus to have a financial study completed; however, the Board requested that staff identify the study's scope of work and report back at the March Board meeting.

Ms. Pearce moved that the Board adjourn at 2:54 p.m. Ms. Randall seconded the motion, which was unanimously approved.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Patricia M. Loller, Director of Administration
DATE: March 7, 2011
RE: VHFA Health Reimbursement Arrangement Plan

Recommendation: Approval of the Health Reimbursement Arrangement Adoption Agreement per the attached resolution.

With the move to the Consumer Driven Health Plan and associated Health Reimbursement Arrangement (HRA) March 1st, it is necessary to approve of the Adoption Agreement that is associated with the HRA. The Adoption Agreements detail the specific workings of the HRA for VHFA.

Please let me know if you would like to see a copy of the Agreement or if you have any questions - 652-3425



Vermont Housing Finance Agency

**RESOLUTION RE: HEALTH REIMBURSEMENT
ARRANGEMENT**

The following is a formal record of action taken by the Board of Commissioners of the Vermont Housing Finance Agency (the "Agency").

With respect to the adoption of the Vermont Housing Finance Agency Health Reimbursement Arrangement (the "Plan"), the following resolutions are hereby adopted:

Resolved: That the Plan be adopted in the form attached hereto, which Plan is hereby adopted and approved;

Resolved Further: That the appropriate officers of the Agency be, and they hereby are, authorized and directed to execute the Plan on behalf of the Agency;

Resolved Further: That the officers of the Agency be, and they hereby are, authorized and directed to take any and all actions and execute and deliver such documents as they may deem necessary, appropriate or convenient to effect the foregoing resolutions including without limitations, causing to be prepared and filed such reports documents or other information as may be required under applicable law.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: George N. Demas, General Counsel
RE: Annual Meeting
DATE: March 7, 2011 for the March 14, 2011 Board Meeting

Recommended Board Action: To adopt the attached resolution

As required by the Agency's Bylaws, the March 14, 2011 meeting will be considered the Agency's annual meeting. Each year the Board adopts a resolution in the form attached to accomplish the following:

1. Elect a Vice Chair;
2. Confirm CFO as the Treasurer;
3. Ratify the actions of the Agency's officers over the prior year;
4. Make any necessary changes to the Agency's organizational documents;
5. Confirm the Agency financial authorizations; and
6. Make any new authorizations.

The attached resolution for this year outlines the necessary actions to be taken at this year's annual meeting.



**RESOLUTIONS ADOPTED AT THE MEETING OF
VERMONT HOUSING FINANCE AGENCY, MARCH 14, 2011**

RESOLVED, Gustave ("Gus") Seelig is hereby elected to serve as Vice Chair of the Agency until his successor is elected and qualified.

RESOLVED, Thomas R. Connors is hereby elected to serve as Treasurer of the Agency until his successor is elected and qualified.

RESOLVED, that any and all prior actions of the officers of the Agency since the last annual meeting are hereby authorized, ratified and confirmed.

RESOLVED, that the Chief Financial Officer and Treasurer has authority to delegate financial activities as he deems appropriate, including requisitions from the Agency's financial institutions, to qualified finance staff, with appropriate controls.

RESOLVED, the following persons shall be authorized to sign checks drawn against any of the Agency's accounts:

Executive Director

(Signature)
Sarah E. Carpenter

Chief Financial Officer

(Signature)
Thomas R. Connors

Director of Administration

(Signature)
Patricia M. Loller

Chief of Program Operations

(Signature)
David S. Adams

Controller

(Signature)
Timothy M. Gutchell

Any check in an amount over \$10,000 payable against any of the Agency's accounts must be signed by at least two of the foregoing persons. Any payroll check shall be valid and negotiable when signed by any one of the foregoing persons.

RESOLVED, that the following employees of Vermont Housing Finance Agency are hereby authorized to have access to all safekeeping vault boxes of the Agency for the purposes of safekeeping and retrieving any and all books, papers and documents of the Agency:

Chief Financial Officer

(Signature)
Thomas R. Connors

Controller

(Signature)
Timothy M. Gutchell

Loan Portfolio Specialist

(Signature)
Martha G. Fleming

Finance Operation Manager

(Signature)
Lisa C. Clark


Accounting Specialist

(Signature)
Susan B. Joachim



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners

FROM: Joshua Slade, Development Underwriter 

DATE: March 14, 2011

RE: Request for Allocated Housing Credits, Construction and Construction/Permanent Financing: Wharf Lane Apartments, Burlington

Name:	Wharf Lane Apartments	Location:	Burlington
Housing Type:	General Occupancy	Unit Type:	Flats
Unit Count:	37 Total 37 LIHTC	Unit Sizes:	2 – Eff. Bedroom 510 sq. ft. 29 – One Bedroom 715 sq. ft. 6 – Two Bedroom 911 sq. ft.
Total Cost:	\$8,223,348	Per S.F. Acquisition & Construction Cost:	\$248 (\$147 acq. only)
Loan Requested:	\$4,100,000 Construction \$1,950,000 Const./Perm \$1,200,000 MacArthur (taxable)	Sponsor:	Burlington Housing Authority and Housing Vermont
Housing Credits:	\$480,000 (9% Credit)	Secured Funding:	None
Unsecured Funding:	VHCB, HOME, City Trust Fund, VGEP, CVOEO Weatherization, BED/VT Gas, Downtown Credits and Equity		

Summary of Request: Burlington Housing Authority and Housing Vermont request an allocation of \$480,000 of 9% Housing Credits, a \$4,000,000 construction loan, a \$1,200,000 MacArthur Equity Bridge and a \$1,950,000 construction/permanent loan for the acquisition and redevelopment of Wharf Lane Apartments – a 37 unit Section 8 project located in Burlington.

Project Discussion: The sponsors, Burlington Housing Authority and Housing Vermont, propose the redevelopment of Wharf Lane Apartments, a family housing project originally developed in 1980 by Pizzagalli Properties. The building was originally constructed in 1919 and used by various manufacturing companies.

The site is 0.44 acres on Maple Street in Burlington. There is a parking area in front of the building and a small parking area on the south side of the building. The property is in the designated downtown of Burlington and close to all of the downtown Burlington amenities including the CCTA bus service, the library, schools, pharmacies, postal service, shops and hospital.

The renovations will focus heavily on energy improvements. The heating system will be converted to a centralized forced-hot water system with a natural gas-fired boiler. All windows will be replaced with energy



efficient windows which comply with the standards for historic preservation. New Energy Star appliances will be installed along with low-flow fixtures. New energy star advanced lighting fixtures will replace lighting throughout the building. A central ventilation system will be installed to provide ducted fresh air to each apartment and common spaces. Some local permits will be required for the new windows and a newly configured parking area. An Act 250 permit modification will be required.

Burlington Housing Authority will continue to act as property manager.

Tax Credit Discussion: The proposed project meets two top tier evaluation criteria: 1. Rehabilitation; and, 2.. project is in a designated village center or close to one. The proposed project also meets three second tier evaluation criteria: 1. Housing affordable to households less than or equal to 30% AMGI; 2. project serves families currently on public housing waiting lists; and, public transportation. Additionally this project meets other priorities, including the rehabilitation of "at-risk" federally subsidized housing and serving the lowest income residents.

The project will require three waivers from the Qualified Allocation Plan:

1. The project does not meet the threshold mixed income requirement. Staff feels since this is an existing Section 8 subsidized project it merits a waiver.
2. The project does not meet three top tier priorities. The project does however meet additional priorities defined in the QAP as well as the State preservation goal.
3. The requested allocation is greater than the remaining estimated 9% ceiling for 2012. The Board will have to approve going beyond our two year limit and allocating some of 2013 to this project.

The market study has not been completed. This will be a condition of the letter of intent.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution and make the required findings as outlined in the second section of the resolution ("It is hereby determined:"), and that the Board authorize the Executive Director to issue a Letter of Interest and/or a Commitment Letter to finance this property upon satisfactory completion of staff underwriting and due diligence; and authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: CONSTRUCTION AND PERMANENT FINANCING AND
PROPOSED ALLOCATION OF ALLOCATED HOUSING CREDITS FOR WHARF
LANE APARTMENTS, CITY OF BURLINGTON**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont and Burlington Housing Authority (the "Sponsors") on behalf of a to be formed limited partnership in which one or more of the Sponsors or their subsidiaries or affiliates will be general or co-general partner(s) (the "Borrower") involving the acquisition and rehabilitation of thirty-seven (37) units of general occupancy rental housing in the City of Burlington (the "Development"); and

WHEREAS, the application contemplates one or more mortgage loans for construction and permanent financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Sponsors qualify and the Borrower will qualify as housing sponsors within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade dated March 14, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.

2. The acquisition, construction or rehabilitation costs to be incurred by the housing sponsors are for housing development costs within the meaning of the Act.

3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.

4. The housing sponsors undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Sponsors are financially responsible and are qualified housing sponsors within the meaning of the Act. The Borrower will be required to qualify as a housing sponsor within the meaning of the Act.

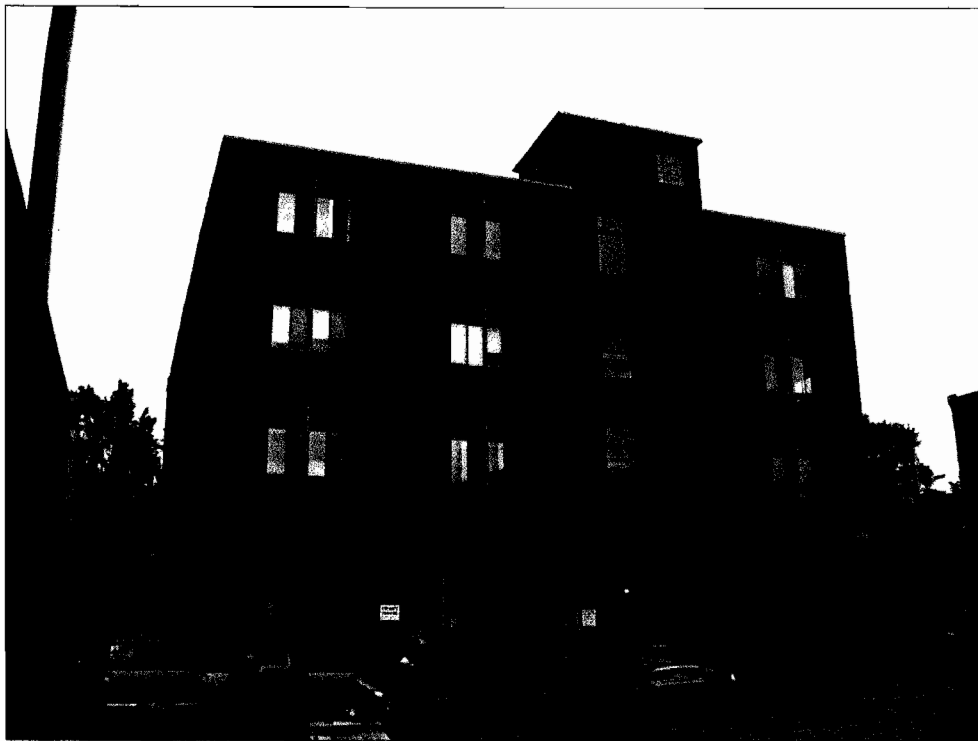
WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the limited partnership to be created by the Sponsors for the construction and permanent financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Sponsors in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the construction and permanent financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter may be issued to the Sponsors as the representatives of the Borrower. The Commitment Letter shall be conditioned on the satisfaction by the Sponsors of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements

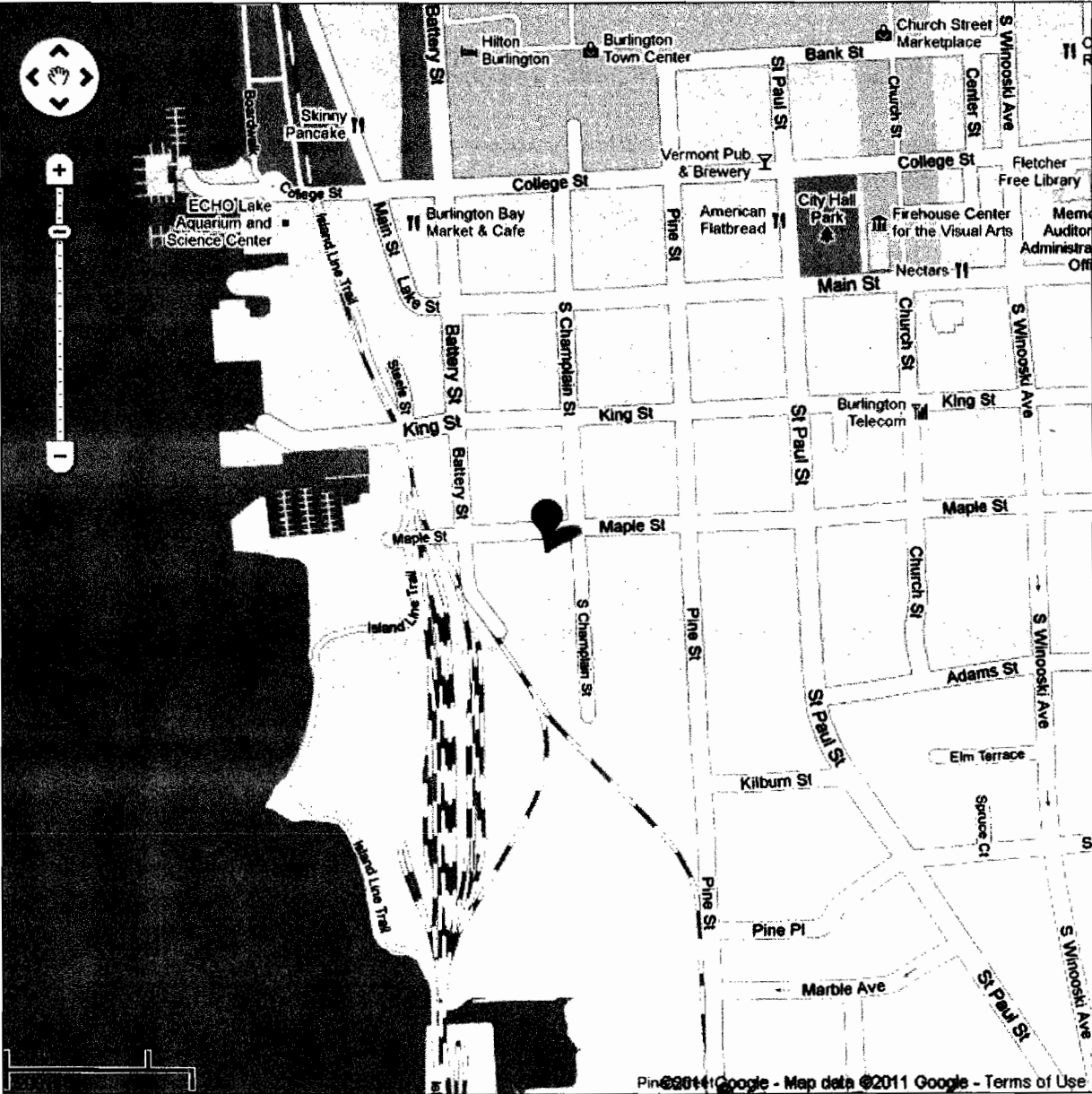
of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.

4. The recommendations for the allocation of Allocated Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
5. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the proposed allocation of federal Allocated Housing Credits in the amount of \$480,000.00 for the Wharf Lane Apartments housing project in the City of Burlington, Vermont.
6. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.

Wharf Lane Apartments
57 Maple Street Burlington, VT



Wharf Lane Apartments
57 Maple Street • Burlington, VT 05401



08-Mar-11 Wharf Lane Apartments

Total Residential Units:	37	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	37	Increase in Income from Other Sources:	1.50%
Percent Restricted:	100.00%	Increase in Income from Commercial:	0.00%
Total Development Cost:	8,223,348	Expense increase:	3.00%
Total Development Cost per Unit:	222,253	Vacancy Rate:	2%
Total Development Cost Per SF:	302	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	494,050	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	480,000	Sponsor's Estimated Yield:	79.80%

LIHTC - 9%	9.00%	(February 2011)
LIHTC - 4%	3.32%	

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
VHFA Permanent	1,950,000	23.71%	7.00%	30	30
VHCB	925,000	11.25%	4.00%	30	deferred
HOME	300,000	3.65%	1.00%	20	int. only
City Trust Fund	200,000	2.43%	4.00%	30	deferred
VFEP-RGGI	111,000	1.35%			
CVOEO-Weatherization	74,000	0.90%			
BED & VT Gas	27,750	0.34%			
Downtown Credits	125,000	1.52%	N/A	N/A	
Cash	20,000	0.24%	N/A	N/A	
Historic Credit Equity	693,886	8.44%	N/A	N/A	
Tax Credit Equity	3,792,000	46.11%	N/A	N/A	
TOTAL SOURCES	8,218,636	99.94%			

USES

Acquisition	4,008,000	48.74%
Construction Hard Costs	2,733,378	33.24%
Soft Costs	1,481,970	18.02%
TOTAL USES	8,223,348	100%

Gap 4,712

General Partner's Capital Contribution	38,303	1.00%
Limited Partner's Capital Contribution	3,753,697	99.00%
Total Equity	3,792,000	

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	37
Total Units	37
Unit Fraction	100.00%
Tax Credit Square Footage	27,221
Total Residential Square Footage	27,221
Square Footage Fraction	100.00%
Applicable Fraction	100.00%

The worksheets should be completed in more or less this order: assumptions (cells b11, b13.b14, b17.b20, e3.e7, d17.f20, e42.e43); rents; rent summary (cells c6.f10, c16.f20, g30.g33); expenses; amortizations; cashflows (cells b49, b54, b56.e57); sources-uses (cells c5.c62, f4.k62); credit calcs. Do not overwrite or change formulas without bringing the change to VHFA's attention (i.e., if sending in a disk, note the changes at the bottom of this protocols worksheet). Use the categories provided in sources-uses and expenses without altering or adding to, if possible. This is not a protected workbook.

assumptions:

If you need to put on additional sources, make sure you modify formula in cell c77 in credit calcs sheet (it should include the non-Housing Credit sources) and the columns F through K on the sources-uses sheet. Also, make sure to use the most current month's credit rates.

sources-uses:

Line 19, (Furniture, Fixtures and Equipment) should include short-term depreciables such as appliances. The allocation of sources to uses is important in the basis calculation, so please do not leave this section blank. Cells F4.K4 are for re-writing the loan amount, rate, and term. Once the final sources are on the assumptions worksheet, you might want to modify this and add rows so these cells use cell references to the assumptions worksheet rather than an absolute text entry.

rent summary:

You will have to create the formulas that average rents and square footages (off of the rents worksheet) for all of the units of the same bedroom size into the appropriate cells (c6.c10, e6.e10, c16.20, e16.20) as well as the formula that sums the number of units of each bedroom size. Put a number into Commercial Income (cell g32) only for mixed use properties when the commercial space cash flow has been designated to subsidize the residential portion of the project

cashflows:

The first equity contribution is assumed to be the same date as construction closing, and IRR and syndication yield are calculated as of this date. This date is also built in the formulas as being one year prior to the first year the credits are claimed. Change this as needed to match your project's actual schedule. Replacement reserve usage over time is omitted - put in a schedule based on a capital needs assessment (or your best estimate, for new construction).

There is no formula limit on negative cumulative cashflow, so you will have to structure so this does not occur. The beginning balance of cumulative cashflow (cell c24) includes Other Operating Reserves and Sinking Fund (Working Capital and Deficit Escrow assumed to be used up during rent up period). Any financed accounts that are not used up are assumed to remain with the project. If owner's cash or a letter of credit is used for any of these, you may want to modify the formula accordingly. Also, cashflow is usually not syndicated, and this model assumes it all goes into the project's cash accounts. If this is not the case, please modify the formulas accordingly.

amortizations:

Modify amortization table as needed to match funding sources, but make sure that cashflows picks up all references (specifically, make sure if you add amortization tables that the total interest line (row 56) and the outstanding principal balance line (row 61) pick it up.

flow of funds:

This sheet is not necessary to complete unless VHFA construction financing is also being sought.

List of Changes Made:

Jan 30, 2002: Added Below the Line expenses on "Expense" tab; added minimum election on "Assumptions" tab;

08-Mar-11 Wharf Lane Apartments

		Budget	Per Unit	Per s.f.	VHCB Terms:	HOME Terms:	VCDP Terms:	Debt Terms:	Equity Terms:	Other Terms:	TOTAL SOURCES
ACQUISITION											
1	Land	400,000	10,811	14.69							0
2	Purchase of Building(s)	3,600,000	97,297	132.25							0
3	Demolition (without replacement)		0	0.00							0
4	Property Appraisal	2,500	68	0.09							0
5	Legal - Title and Recording	5,500	149	0.20							0
	Subtotal - Acquisition	4,008,000	108,324	147.24							0
CONSTRUCTION HARD COSTS											
6	Rehabilitation	2,244,825	60,671	82.47							0
7	New Building(s)		0	0.00							0
8	Accessory Buildings		0	0.00							0
9	Sitework	119,724	3,236	4.40							0
10	Commercial Space Costs (if any)		0	0.00							0
11	General Requirements		0	0.00							0
12	Contractor Overhead		0	0.00							0
13	Contractor Profit		0	0.00							0
14	Construction Contingency	269,379	7,281	9.90							0
15	Construction Management		0	0.00							0
16	Construction Bond Fee		0	0.00							0
17	Hazardous Materials Abatement	64,000	1,730	2.35							0
18	Off-Site Improvements		0	0.00							0
19	Furnishings, Fixtures, & Equipment	35,450	958	1.30							0
20	Other ()		0	0.00							0
	Subtotal - Hard Costs	2,733,378	73,875	100.41							0
SOFT COSTS											
21	Architectural	157,138	4,247	5.77							0
22	Engineering		0	0.00							0
23	Legal/Accounting	30,000	811	1.10							0
24	Relocation	111,000	3,000	4.08							0
25	Environmental Assessment	4,000	108	0.15							0
26	Energy Assessment		0	0.00							0
27	Permits/Fees	15,280	413	0.56							0
28	Independent Market Study	2,000	54	0.07							0
29	Construction Period Insurance	8,000	216	0.29							0
30	Construction Interest	180,000	4,865	6.61							0
31	Construction Loan Origination Fee	16,250	439	0.60							0
32	Taxes During Construction	18,000	486	0.66							0
33	Clerk of the Works		0	0.00							0
34	Marketing		0	0.00							0
35	Tax Credit Fees	21,375	578	0.79							0
36	Soft Cost Contingency	15,342	415	0.56							0
37	Permanent Loan Origination Fee	28,500	770	1.05							0
38	Lender's Counsel's Fee	6,500	176	0.24							0
39	Other ()		0	0.00							0
SYNDICATION COSTS											
40	Organizational (Partnership)		0	0.00							0
41	Bridge Loan Fees and Expenses		0	0.00							0
42	Syndication Consultant		0	0.00							0
43	Tax Opinion		0	0.00							0
DEVELOPER'S FEES											
44	Developer's Fees	700,000	18,919	25.72							0
45	Other Partnership Fees		0	0.00							0
46	Consultant Fees		0	0.00							0
RESERVES											
47	Working Capital	32,896	889	1.21							0
48	Rent-up (Deficit Escrow) Reserve		0	0.00							0
49	Other Operating Reserves	98,689	2,667	3.63							0
50	Sinking Fund		0	0.00							0
51	Replacement Reserves	37,000	1,000	1.36							0
	Subtotal - Soft Costs	1,481,970	40,053	54.44							0
TOTAL DEVELOPMENT COSTS		8,223,348	222,253	302	0	0	0	0	0	0	0
COST BASIS FOR DEVEL FEE											
DEVELOPER FEE		7,354,763									
DEVELOPER FEE		700,000									
DEVELOPER FEE %		9.52%									

08-Mar-11 Wharf Lane Apartments

	Budget	Acquisition Basis	Construction Basis	Residential Depreciation	Historic Credit Basis	Other
ACQUISITION						
1 Land	400,000					
2 Purchase of Building(s)	3,600,000	3,654,000		3,654,000		
3 Demolition (without replacement)	0			0		
4 Property Appraisal	2,500	2,500		2,500		
5 Legal - Title and Recording	5,500	5,500		5,500		
Subtotal - Acquisition	4,008,000					
CONSTRUCTION HARD COSTS						
6 Rehabilitation	2,244,825		2,244,825	2,244,825	2,244,825	
7 New Building(s)	0		0	0	0	
8 Accessory Buildings	0		0	0	0	
9 Sitework	119,724		119,724	119,724	71,834	
10 Commercial Space Costs (if any)	0				0	
11 General Requirements	0		0	0	0	
12 Contractor Overhead	0		0	0	0	
13 Contractor Profit	0		0	0	0	
14 Construction Contingency	269,379		269,379	269,379	269,379	
15 Construction Management	0		0	0	0	
16 Construction Bond Fee	0		0	0	0	
17 Hazardous Materials Abatement	64,000		64,000	64,000	64,000	
18 Off-Site Improvements	0		0	0	0	
19 Furnishings, Fixtures, & Equipment	35,450		35,450	35,450	0	
20 Other ()	0		0	0	0	
Subtotal - Hard Costs	2,733,378					
SOFT COSTS						
21 Architectural	157,138		157,138	157,138	157,138	
22 Engineering	0		0	0	0	
23 Legal/Accounting	30,000		27,000	30,000	24,300	
24 Relocation	111,000		111,000	111,000	111,000	
25 Environmental Assessment	4,000		4,000	4,000	4,000	
26 Energy Assessment	0		0	0	0	
27 Permits/Fees	15,280		15,280	15,280	15,280	
28 Independent Market Study	2,000		2,000	2,000	2,000	
29 Construction Period Insurance	8,000		8,000	8,000	8,000	
30 Construction Interest	180,000		144,000	144,000	144,000	
31 Construction Loan Origination Fee	16,250		16,250	16,250	16,250	
32 Taxes During Construction	18,000		18,000	18,000	18,000	
33 Clerk of the Works	0		0	0	0	
34 Marketing	0					
35 Tax Credit Fees	21,375		0	21,375	0	
36 Soft Cost Contingency	15,342		15,342	15,342	15,342	
37 Permanent Loan Origination Fee	28,500					
38 Lender's Counsel's Fee	6,500		6,500	6,500	6,500	
39 Other ()	0		0	0	0	
SYNDICATION COSTS						
40 Organizational (Partnership)	0					
41 Bridge Loan Fees and Expenses	0					
42 Syndication Consultant	0					
43 Tax Opinion	0					
DEVELOPER'S FEES						
44 Developer's Fees	700,000		700,000	700,000	700,000	
45 Other Partnership Fees	0					
46 Consultant Fees	0					
RESERVES						
47 Working Capital	32,896					
48 Rent-up (Deficit Escrow) Reserve	0					
49 Other Operating Reserves	98,689					
50 Sinking Fund	0					
51 Replacement Reserves	37,000					
Subtotal - Soft Costs	1,481,970					
TOTALS	8,223,348	3,662,000	3,957,888	7,608,813	3,871,848	
LESS: Amount of Non-qualified Financing						
LESS: Historic tax Credit (Residential Portion)						
Total Eligible Basis			3,662,000	3,183,518		
TIMES: Adjusted for QCT/DDA			130.0%	4,138,574		
TIMES: Applicable Fraction			100.00%	3,662,000	4,138,574	
Total Qualified Basis			3,662,000	4,138,574		
TIMES: Applicable Percentage			3.32%	9.00%		
Total Annual Credit Qualified			121,578	372,472		
Total Tax Credits Requested				480,000	35,450 Short Term Depreciable Basis	
Estimated Net Syndication Proceeds (Sec. 42 Housing Credit only)				3,792,000	7 Depreciation Schedule	
Estimated Yield - Housing Credit Syndication				79.80%	5,064 Annual Depreciation	
Equity Gap				3,796,712		
Credits Needed to fill Equity Gap				480,596		
</						

08-Mar-11 Wharf Lane Apartments

HC Restricted Units		Average		Average	Total
Bedrooms	Type	Square Feet	Number	Rent	Annual Rent
0 Br		510	2	615	14,760
1 Br		715	29	914	318,072
2 Br		911	6	1,278	92,016
3 Br			0	0	0
4+ Br			0	0	0
Totals		27,221	37		424,848
Non-HC Restricted Units					Total
Bedrooms	Type	Square Feet	Number	Rent	Annual Rent
0 Br			0	0	0
1 Br			0	0	0
2 Br			0	0	0
3 Br			0	0	0
4+ Br			0	0	0
Totals		0	0		0
Common Area Square Footage		0			
Grand Totals		27,221	37		424,848
Less Vacancy			2.00%		(8,497)
					<u>NET RENT</u> 416,351
OTHER INCOME					
Laundry					1,800
Parking					0
Commercial Space Income					0
Other					0
					<u>TOTAL INCOME</u> 418,151

08-Mar-11

Wharf Lane Apartments


Building #	Unit #	Check all Applicable								A			B					C																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
		HOME Unit	Lead Paint Unit	Project Based Assistance	Tax Credit Unit	VHCB Restricted	Accessible	Adaptable	Unrestricted	Number of Bedrooms	Proposed Square Footage	Proposed Rent	Utility Allowance for Tenant-Paid Utilities	Gross Rent (Rent + Tenant-Paid Utilities)	OCCUPIED BY: Income level of residents to be served:					AFFORDABLE TO: Units affordable to residents at:																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
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08-Mar-11 Wharf Lane Apartments

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	30,636	2,553	69	7.3%
Supportive Services	12,000	1,000	27	
Audit/Accounting	3,600	300	8	
Legal	1,500	125	3	
Compliance Monitoring	2,664	222	6	
Marketing		0	0	
Other	4,175	348	9	
TOTAL ADMINISTRATIVE	54,575	4,548	123	
Utilities				
Electricity	17,760	1,480	40	
Fuel	28,860	2,405	65	
Water and Sewer	9,020	752	20	
Fire Alarm / Emergency	450	38	1	
Other		0	0	
TOTAL UTILITIES	56,090	4,674	126	
Maintenance				
Maintenance / Janitor Payroll		0	0	
Janitor Supplies		0	0	
Exterminating	2,000	167	5	
Trash Removal	5,500	458	12	
Snow Removal	5,750	479	13	
Grounds	1,000	83	2	
Repairs Material	7,200	600	16	
Repairs Contract	19,000	1,583	43	
HVAC Repairs / Maintenance	3,000	250	7	
Elevator Contract / Repairs	2,800	233	6	
Painting and Decorating	9,000	750	20	
Other		0	0	
TOTAL MAINTENANCE	55,250	4,604	124	
Real Estate Taxes	39,960	3,330	90	<div>per unit month excl. ds & res. 488</div>
Property Insurance	11,000	917	25	
Replacement Reserves	22,200	1,850	50	
Primary Debt Service	155,681	12,973	351	
Other "must pay" debt service		0	0	
Other		0	0	
Total	394,756	32,896	889	



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners
FROM: Joshua Slade, Development Underwriter 
DATE: March 14, 2011
RE: Request for MacArthur Bridge Loan: Wharf Lane Apartments, Burlington

Name:	Wharf Lane Apartments	Location:	Burlington
Housing Type:	General Occupancy	Unit Type:	Flats
Unit Count:	37 Total 37 LIHTC	Unit Sizes:	2 – Eff. Bedroom 510 sq. ft. 29 – One Bedroom 715 sq. ft. 6 – Two Bedroom 911 sq. ft.
Total Cost:	\$3,568,740	Per S.F. Acquisition Cost:	\$131
Loan Requested:	\$3,268,740 MacArthur	Sponsor:	Burlington Housing Authority
Secured Funding:	None		
Unsecured Funding:	City Trust Fund, KSNRC 0% Loan		

Summary of Request: Burlington Housing Authority requests an \$3,268,740 MacArthur Bridge Loan for the acquisition of Wharf Lane Apartments – a 37 unit Section 8 project located in Burlington.

Project Discussion: The sponsor, Burlington Housing Authority, plans to acquire Wharf Lane Apartments, a family housing project originally developed in 1980 by Pizzagalli Properties. VHFA holds a preservation agreement on the property which includes the right to an option on the property based on the appraised value. The option agreement for Wharf Lane was assigned to BHA; an appraisal for Wharf Lane concluded a value of \$4,800,000. Since that time Housing Vermont, in partnership with BHA, has negotiated a packaged deal to acquire Wharf Lane and Bobbin Mill Apartments (another Section 8 project owned by Pizzagalli Properties) resulting in a bargain sale for Wharf Lane.

Both Wharf Lane and Bobbin Mill Apartments are at high risk of converting to market rate housing. A smaller, privately owned Section 8 property also located on Maple Street, which had reached the end of its 30 year contract in July, 2010, displaced its low income residents and converted to student housing.

BHA and HVT have an agreement with the sellers to purchase Wharf Lane for \$3,515,000 and Bobbin Mill for \$6,485,000. BHA will acquire Wharf Lane “as is” by March 31, 2011. In later 2011 or early 2012, BHA will transfer the ownership of Wharf Lane into a to-be-formed limited partnership which will rehabilitate the property completely.



VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: BRIDGE FINANCING FOR WHARF LANE
APARTMENTS, CITY OF BURLINGTON**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Burlington Housing Authority (the "Borrower") involving the acquisition of thirty-seven (37) units of general occupancy rental housing in the City of Burlington (the "Development"); and

WHEREAS, the application contemplates one or more mortgage loans for bridge financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Borrower qualifies as a housing sponsor within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade dated March 14, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.
2. The acquisition costs to be incurred by the housing sponsor are for housing development costs within the meaning of the Act.
3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.
4. The housing sponsor undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Borrower is financially responsible and is a qualified housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the Borrower for the construction financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Borrower in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the construction financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter shall be conditioned on the satisfaction by the Borrower of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
4. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners
FROM: Joshua Slade, Development Underwriter
DATE: March 14, 2011
RE: Request for MacArthur Bridge Loan: Wharf Lane Apartments, Burlington

Name:	Wharf Lane Apartments	Location:	Burlington
Housing Type:	General Occupancy	Unit Type:	Flats
Unit Count:	37 Total 37 LIHTC	Unit Sizes:	2 – Eff. Bedroom 510 sq. ft. 29 – One Bedroom 715 sq. ft. 6 – Two Bedroom 911 sq. ft.
Total Cost:	\$3,568,740	Per S.F. Acquisition Cost:	\$131
Loan Requested:	\$3,468,740 MacArthur	Sponsor:	Burlington Housing Authority
Secured Funding:	None		
Unsecured Funding:	City Trust Fund, KSNRC 0% Loan		

Summary of Request: Burlington Housing Authority requests a \$3,468,740 MacArthur Bridge Loan for the acquisition of Wharf Lane Apartments – a 37 unit Section 8 project located in Burlington. This amount may be reduced equal to any amount of City Trust Fund dollars granted to the project.

Project Discussion: The sponsor, Burlington Housing Authority, plans to acquire Wharf Lane Apartments, a family housing project originally developed in 1980 by Pizzagalli Properties. VHFA holds a preservation agreement on the property which includes the right to an option on the property based on the appraised value. The option agreement for Wharf Lane was assigned to BHA; an appraisal for Wharf Lane concluded a value of \$4,800,000. Since that time Housing Vermont, in partnership with BHA, has negotiated a packaged deal to acquire Wharf Lane and Bobbin Mill Apartments (another Section 8 project owned by Pizzagalli Properties) resulting in a bargain sale for Wharf Lane.

Both Wharf Lane and Bobbin Mill Apartments are at high risk of converting to market rate housing. A smaller, privately owned Section 8 property also located on Maple Street, which had reached the end of its 30 year contract in July, 2010, displaced its low income residents and converted to student housing.

BHA and HVT have an agreement with the sellers to purchase Wharf Lane for \$3,515,000 and Bobbin Mill for \$6,485,000. BHA will acquire Wharf Lane “as is” by March 31, 2011. In later 2011 or early 2012, BHA will transfer the ownership of Wharf Lane into a to-be-formed limited partnership which will rehabilitate the property completely.





Vermont Housing Finance Agency

To: VHFA Board of Commissioners
From: Joshua Slade, Development Underwriter *JS*
Date: March 14, 2011
Re: Request for Equity Bridge Loan: Cedar's Edge Apartments

Summary: Housing Vermont, on behalf of the to-be-formed Cedar's Edge Apartments Limited Partnership, has requested an 18-month \$2,300,000 Equity Bridge Loan.

Housing Vermont is working to replace the Green Mountain Equity Fund IV (GMEF IV) equity commitment with one from Royal Bank of Canada (RBC). A condition of the proposed agreement is a twelve month period between the second and final capital calls.

Cedar's Edge Apartments is being developed as a turn-key project by Susie Wilson Housing Company, LLC (a subsidiary of Snyder Homes). VHFA is the construction lender and has provided a commitment of \$458,000 in 9% housing credits to Housing Vermont and Champlain Housing Trust. Originally the GMEF IV was the anticipated equity investor; however, Housing Vermont has been working with RBC to replace GMEF IV as the investor in order to maximize the GMEF IV on other, more difficult, projects.

Upon completion of the construction, estimated to be July 1, 2011, the Partnership will acquire the project from Susie Wilson Housing Company, LLC. RBC will contribute \$1,234,186 of equity at that time, so they will have a substantial investment and interest in the project.

RBC will make the final capital call on July 1, 2012 so long as certain conditions are met. These conditions include verification that the project is in compliance with Section 42 rules as well as it is occupied and financially feasible.

Recommendation: Staff recommends Board approval for the Equity Bridge Loan to Cedar's Edge Apartments Limited Partnership.



VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: BRIDGE FINANCING FOR CEDAR'S EDGE
APARTMENTS, TOWN OF ESSEX**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Cedar's Edge Apartments Limited Partnership in which the General Partners are H.V. 2010, Inc. and BCLT Rental Development, Inc. are the general partners (the "Borrower") involving the acquisition and of thirty (30) units of general occupancy rental housing in the Town of Essex (the "Development"); and

WHEREAS, the application contemplates one or more mortgage loans for bridge financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Borrower qualifies as a housing sponsor within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade dated March 14, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.
2. The acquisition costs to be incurred by the Borrower are for housing development costs within the meaning of the Act.
3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.
4. The Borrower undertaking the Development will increase the supply of well-

planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Borrower is financially responsible and is a qualified housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the Borrower for the acquisition financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Borrower in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the acquisition financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter shall be conditioned on the satisfaction by the Borrower of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
4. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.

08-Mar-11 Susie Wilson Apartments

Total Residential Units:	30	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	25	Increase in Income from Other Sources:	1.50%
Percent Restricted:	83.33%	Increase in Income from Commercial:	1.50%
Total Development Cost:	5,557,027	Expense increase:	3.00%
Total Development Cost per Unit:	185,234	Vacancy Rate:	5%
Total Development Cost Per SF:	196	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	457,315	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	458,000	Sponsor's Estimated Yield:	80.30%

LIHTC - 9%	9.00%	(June 2010)
LIHTC - 4%	3.35%	

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
First Mortgage	632,000	11.37%	7.13%	20	16
REEP Loan	15,000	0.27%	0.00%	30	30
HOME	400,000	7.20%	1.00%	20	int. only
VCDP	515,500	9.28%	4.00%	30	deferred
HUD edi	231,425	4.16%	0.00%	30	deferred
Other Equity	236,500	4.26%	N/A	N/A	
Tax Credit Equity	3,526,600	63.46%	N/A	N/A	
TOTAL SOURCES	5,557,025	100.00%			

USES

Acquisition	548,000	9.86%
Construction Hard Costs	4,022,710	72.39%
Soft Costs	986,317	17.75%
TOTAL USES	5,557,027	100%

Gap 2

General Partner's Capital Contribution	35,378	1.00%
Limited Partner's Capital Contribution	3,502,373	99.00%
Total Equity	3,537,750	

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	25
Total Units	30
Unit Fraction	83.33%
Tax Credit Square Footage	23,609
Total Residential Square Footage	28,417
Square Footage Fraction	83.08%
Applicable Fraction	83.08%

08-Mar-11 Susie Wilson Apartments

	Budget	Per Unit	Per s.f.
ACQUISITION			
1 Land	515,000	17,167	18.12
2 Option Payment	19,500	650	0.69
3 Misc Closing Costs	5,000	167	0.18
4 Property Appraisal	4,500	150	0.16
5 Legal - Title and Recording	4,000	133	0.14
Subtotal - Acquisition	548,000	18,267	19.28
CONSTRUCTION HARD COSTS			
6 Rehabilitation		0	0.00
7 New Building(s)	3,799,472	126,649	133.70
8 Seller Soft Cost	132,528	4,418	4.66
9 Sitework		0	0.00
10 Commercial Space Costs (if any)		0	0.00
11 General Requirements		0	0.00
12 Contractor Overhead		0	0.00
13 Contractor Profit		0	0.00
14 Construction Contingency	81,210	2,707	2.86
15 Construction Management		0	0.00
16 Construction Bond Fee		0	0.00
17 Hazardous Materials Abatement		0	0.00
18 Off-Site Improvements		0	0.00
19 Furnishings, Fixtures, & Equipment	9,500	317	0.33
20 Other ()		0	0.00
Subtotal - Hard Costs	4,022,710	134,090	141.56
SOFT COSTS			
21 Architectural	25,000	833	0.88
22 Engineering		0	0.00
23 Legal/Accounting	50,000	1,667	1.76
24 Relocation		0	0.00
25 Environmental Assessment	3,500	117	0.12
26 Energy Assessment		0	0.00
27 Permits/Fees	5,000	167	0.18
28 Independent Market Study	4,000	133	0.14
29 Construction Period Insurance		0	0.00
30 Construction Interest		0	0.00
31 Construction Loan Origination Fee		0	0.00
32 Taxes During Construction		0	0.00
33 Clerk of the Works	80,454	2,682	2.83
34 Marketing		0	0.00
35 Tax Credit Fees	20,363	679	0.72
36 Soft Cost Contingency	8,000	267	0.28
37 VCDP Admin Fee	10,000	333	0.35
38 Lender's Counsel's Fee	12,000	400	0.42
39 Other (Bridge Loan Interest)		0	0.00
SYNDICATION COSTS			
40 Organizational (Partnership)		0	0.00
41 Bridge Loan Fees and Expenses	110,000	3,667	3.87
42 Syndication Consultant	20,000	667	0.70
43 Tax Opinion		0	0.00
DEVELOPER'S FEES			
44 Developer's Fees	490,000	16,333	17.24
45 Other Partnership Fees		0	0.00
46 Consultant Fees		0	0.00
RESERVES			
47 Working Capital		0	0.00
48 Rent-up (Deficit Escrow) Reserve	18,000	600	0.63
49 Other Operating Reserves	130,000	4,333	4.57
50 Sinking Fund		0	0.00
51 Replacement Reserves		0	0.00
Subtotal - Soft Costs	986,317	32,877	34.71
TOTAL DEVELOPMENT COSTS	5,557,027	185,234	196
COST BASIS FOR DEVEL FEE			
DEVELOPER FEE	4,899,027		
DEVELOPER FEE	510,000		
DEVELOPER FEE %	10.41%		

	Budget	Acquisition Basis	Construction Basis	Residential Depreciation	Historic Credit Basis	Other
ACQUISITION						
1 Land	515,000					
2 Option Payment	19,500	19,500		19,500		
3 Misc Closing Costs	5,000			5,000		
4 Property Appraisal	4,500	4,500		4,500		
5 Legal - Title and Recording	4,000	4,000		4,000		
Subtotal - Acquisition	548,000					
CONSTRUCTION HARD COSTS						
6 Rehabilitation	0		0	0		
7 New Building(s)	3,799,472		3,799,472	3,799,472		
8 Seller Soft Cost	132,528		132,528	132,528		
9 Sitework	0		0	0		
10 Commercial Space Costs (if any)	0					
11 General Requirements	0		0	0		
12 Contractor Overhead	0		0	0		
13 Contractor Profit	0		0	0		
14 Construction Contingency	81,210		81,210	81,210		
15 Construction Management	0		0	0		
16 Construction Bond Fee	0		0	0		
17 Hazardous Materials Abatement	0		0	0		
18 Off-Site Improvements	0		0	0		
19 Furnishings, Fixtures, & Equipment	9,500		9,500	9,500		
20 Other ()	0		0	0		
Subtotal - Hard Costs	4,022,710					
SOFT COSTS						
21 Architectural	25,000		25,000	25,000		
22 Engineering	0		0	0		
23 Legal/Accounting	50,000		50,000	50,000		
24 Relocation	0		0	0		
25 Environmental Assessment	3,500		3,500	3,500		
26 Energy Assessment	0		0	0		
27 Permits/Fees	5,000		5,000	5,000		
28 Independent Market Study	4,000		0	4,000		
29 Construction Period Insurance	0		0	0		
30 Construction Interest	0		0	0		
31 Construction Loan Origination Fee	0		0	0		
32 Taxes During Construction	0		0	0		
33 Clerk of the Works	80,454		80,454	80,454		
34 Marketing	0					
35 Tax Credit Fees	20,363		0	20,363		
36 Soft Cost Contingency	8,000		8,000	8,000		
37 VCDP Admin Fee	10,000					
38 Lender's Counsel's Fee	12,000		12,000	12,000		
39 Other (Bridge Loan Interest)	0		0	0		
SYNDICATION COSTS						
40 Organizational (Partnership)	0					
41 Bridge Loan Fees and Expenses	110,000					
42 Syndication Consultant	20,000					
43 Tax Opinion	0					
DEVELOPER'S FEES						
44 Developer's Fees	490,000		490,000	490,000		
45 Other Partnership Fees	0		0	0		
46 Consultant Fees	0		0	0		
RESERVES						
47 Working Capital	0					
48 Rent-up (Deficit Escrow) Reserve	18,000					
49 Other Operating Reserves	130,000					
50 Sinking Fund	0					
51 Replacement Reserves	0					
Subtotal - Soft Costs	986,317					
TOTALS	5,537,027	28,000	4,696,664	4,744,527	0	
LESS: Amount of Non-qualified Financing						
LESS: Historic tax Credit (Residential Portion)			0	0		
Total Eligible Basis		28,000	4,696,664		20% Historic Credit Rate	
TIMES: Adjusted for QCT/DDA	130.0%		6,105,663		0 Annual Historic Credit	
TIMES: Applicable Fraction	83.08%	23,263	5,072,619			
Total Qualified Basis		23,263	5,072,619	4,744,527	Long Term Depreciable Basis	
TIMES: Applicable Percentage		3.35%	9.00%	27.5	Depreciation Schedule	
Total Annual Credit Qualified		779	456,336	172,528	Annual Depreciation	
Total Tax Credits Requested	445,000			9,500	Short Term Depreciable Basis	
Estimated Net Syndication Proceeds (Sec. 42 Housing Credit only)	3,537,750			7	Depreciation Schedule	
Estimated Yield - Housing Credit Syndication	80.30%			1,357	Annual Depreciation	
Equity Gap	3,526,602					
Credits Needed to fill Equity Gap	443,598					

08-Mar-11 Susie Wilson Apartments

HC Restricted Units Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
0 Br			0	0		0
1 Br		765	6	727	27	52,344
2 Br		1,001	19	817	41	186,276
3 Br			0	0		0
4+ Br			0	0		0
Totals		23,609	25			238,620

Non-HC Restricted Units Bedrooms	Type	Square Feet	Number	Rent	Utilities	Total Annual Rent
0 Br			0	0		0
1 Br		852	1	850	27	10,200
2 Br		989	4	1,050	41	50,400
3 Br			0	0		0
4+ Br			0	0		0
Totals		4,808	5			60,600

Common Area Square Footage 0

Grand Totals 28,417 30 299,220

Less Vacancy 5.00% (14,961)

NET RENT 284,259

OTHER INCOME

Laundry 3,000
 Parking 0
 Commercial Space Income 0
 Other 500

TOTAL INCOME 287,759

08-Mar-11 **Susie Wilson Apartments**

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	25,000	2,083	69	8.7%
Admin Salaries/Benefits	15,000	1,250	42	
Audit/Accounting	4,500	375	13	
Legal	2,000	167	6	
Compliance Monitoring	2,592	216	7	
Office Expense	1,400	117	4	
Other	7,880	657	22	
TOTAL ADMINISTRATIVE	58,372	4,864	162	
Utilities				
Electricity	8,500	708	24	
Fuel	20,000	1,667	56	
Water and Sewer	8,650	721	24	
Fire Alarm / Emergency	1,800	150	5	
Other	0	0	0	
TOTAL UTILITIES	38,950	3,246	108	
Maintenance				
Maintenance / Janitor Payroll	6,200	517	17	
Janitor Supplies		0	0	
Exterminating	300	25	1	
Trash Removal	7,500	625	21	
Snow Removal	5,000	417	14	
Grounds	3,900	325	11	
Repairs Material	9,250	771	26	
Repairs Contract	9,250	771	26	
HVAC Repairs / Maintenance	3,500	292	10	
Elevator Contract / Repairs	3,000	250	8	
Painting and Decorating		0	0	
Other		0	0	
TOTAL MAINTENANCE	47,900	3,992	133	
Real Estate Taxes	29,045	2,420	81	<div>per unit month excl. ds & res. 514</div>
Property Insurance	10,606	884	29	
Replacement Reserves	16,360	1,363	45	
Primary Debt Service		0	0	
Other "must pay" debt service		0	0	
Other		0	0	
Total	201,233	16,769	559	

[illegible]

08-Mar-11																
Suite Willow Apartments																
	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Operating Income																
Gross Rent		299,220	303,708	308,264	312,888	317,581	322,345	327,180	332,088	337,069	342,125	347,257	352,466	357,753	363,119	368,566
Other Income		3,500	3,555	3,606	3,660	3,715	3,770	3,827	3,884	3,943	4,002	4,062	4,123	4,185	4,247	4,311
Vacancy and Other Losses		(14,961)	(15,413)	(15,644)	(15,947)	(16,117)	(16,331)	(16,537)	(16,694)	(16,833)	(17,066)	(17,363)	(17,623)	(17,888)	(18,156)	(18,428)
Total Operating Income		287,759	292,850	296,226	300,503	305,179	309,988	314,668	319,268	324,158	329,021	333,956	338,965	344,030	349,211	354,449
Operating Expenses (incl. Reserves)																
Total Operating Expense		184,873	190,419	196,132	202,016	208,076	214,318	220,748	227,370	234,192	241,217	248,454	255,907	263,585	271,492	279,637
Reserves		16,500	16,605	16,854	17,107	17,364	17,624	17,889	18,157	18,429	18,706	18,986	19,271	19,560	19,854	20,152
Total Operating Expense		201,253	207,025	212,986	219,125	225,440	231,943	238,637	245,528	252,621	259,923	267,440	275,179	283,145	291,346	299,789
Net Operating Income																
Net Operating Income		86,526	85,051	83,470	81,780	79,977	78,055	76,011	73,840	71,537	69,098	66,516	63,787	60,905	57,865	54,660
Less Primary Debt Service																
Less Primary Debt Service		59,392	59,392	59,392	59,392	59,392	59,392	59,392	59,392	59,392	59,392	59,392	59,392	59,392	59,392	59,392
Less Secondary Debt Service																
Less Secondary Debt Service		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Annual Cash Flow																
Annual Cash Flow		23,134	21,659	20,078	18,388	16,585	14,663	12,619	10,448	8,145	5,706	3,124	395	2,487	5,527	8,732
Operating Statement / Staking Fund																
Operating Statement / Staking Fund		23,134	21,659	20,078	18,388	16,585	14,663	12,619	10,448	8,145	5,706	3,124	395	2,487	5,527	8,732
Net Cash																
Net Cash		23,134	21,659	20,078	18,388	16,585	14,663	12,619	10,448	8,145	5,706	3,124	395	2,487	5,527	8,732
Cumulative Cash Flow																
Cumulative Cash Flow		136,699	134,176	131,679	129,011	126,166	123,136	119,919	116,489	112,859	109,040	104,939	100,629	96,088	91,288	86,239
Beginning Balance		130,000	155,965	180,960	204,859	227,528	248,829	268,616	286,734	303,021	317,309	329,418	339,161	346,343	350,783	352,271
Deposits		22,134	21,659	20,078	18,388	16,585	14,663	12,619	10,448	8,145	5,706	3,124	395	2,487	5,527	8,732
Interest		2,831	3,356	3,820	4,281	4,716	5,123	5,499	5,859	6,142	6,403	6,620	6,787	6,927	7,016	7,045
Withdrawals:																
Project Operating Needs		0	0	0	0	0	0	0	0	0	0	0	0	(2,487)	(5,527)	(8,732)
Special LP or GP Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement of Deferred David Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Partnership Audit or K-1 Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution of Cash to Owner		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Building Balance		155,965	180,960	204,859	227,528	248,829	268,616	286,734	303,021	317,309	329,418	339,161	346,343	350,783	352,271	350,585
Cumulative Replacement Reserves																
Cumulative Replacement Reserves		0	16,524	33,626	51,321	58,901	77,616	96,969	114,488	90,788	111,217	91,755	112,767	117,109	139,207	77,723
Beginning Balance		0	16,500	16,854	17,107	17,364	17,624	17,889	18,157	18,429	18,706	18,986	19,271	19,560	19,854	20,152
Deposits		0	164	497	841	1,197	1,352	1,729	2,471	2,000	2,411	2,025	2,448	2,538	2,983	1,756
Interest		0	16,524	33,626	51,321	58,901	77,616	96,969	114,488	90,788	111,217	91,755	112,767	117,109	139,207	77,723
Building Balance		0	16,524	33,626	51,321	58,901	77,616	96,969	114,488	90,788	111,217	91,755	112,767	117,109	139,207	77,723
Net Operating Income																
Net Operating Income		86,526	85,051	83,470	81,780	79,977	78,055	76,011	73,840	71,537	69,098	66,516	63,787	60,905	57,865	54,660
Plus Reserves		16,500	16,605	16,854	17,107	17,364	17,624	17,889	18,157	18,429	18,706	18,986	19,271	19,560	19,854	20,152
Less Interest Expense		(69,204)	(68,938)	(68,624)	(68,258)	(67,831)	(67,351)	(66,798)	(66,157)	(65,461)	(64,663)	(63,768)	(62,771)	(61,653)	(60,413)	(59,028)
Less Start Depreciation		(172,528)	(172,528)	(172,528)	(172,528)	(172,528)	(172,528)	(172,528)	(172,528)	(172,528)	(172,528)	(172,528)	(172,528)	(172,528)	(172,528)	(172,528)
Less Start Depreciation		(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)	(1,357)
Less Start Depreciation		(140,203)	(141,167)	(142,183)	(143,256)	(144,381)	(145,557)	(146,783)	(148,001)	(148,022)	(149,388)	(150,794)	(152,238)	(153,716)	(155,223)	(156,754)
Building Balance		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Tax Savings		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Historic Basis Credits		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Federal Housing Credits		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Tax Cash Flow		49,071	49,408	49,765	50,140	50,533	50,945	51,374	51,345	51,808	52,286	52,778	53,283	53,801	54,328	54,864
Total Years																
Total Years		15	6.00%													
Reinvestment Rate																
Reinvestment Rate		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Current After Tax Cash Flows		507,071	507,408	507,765	508,140	508,533	508,945	509,374	509,345	509,808	510,286	52,778	53,283	53,801	54,328	54,864
Future Value of Cash Flows at Yr 15:		1,215,226	1,147,202	1,083,026	1,022,477	965,548	911,443	860,577	811,819	766,563	723,850	70,629	67,269	64,077	61,043	58,156
Discount Rate:																
Discount Rate:		3.00%														
Capital Contribution Number:		1	2	3												
Date of Capital Contribution:		01-Jan-11	01-Jul-11	01-Jul-12												
Amount of Capital Contribution:		100	1,234,186	2,291,960												
Present Value of Contribution:		100	1,215,711	2,189,834												
Cash Flows		(3,405,645)	0	0	0	0	0	0	0	0	0	0	0	0	0	9,828,703
RBC:																
RBC:		7.32%														
Equity Yield:		(0.75)														

9-10-11 Single Withdraw Agreement

PRINCIPAL 62,000
INTEREST 1,796
AMORTIZATION FEE 20
TOTAL PAYMENT 63,816
MONTHLY PAYMENT 496
ANNUAL PAYMENT 5,952

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INTEREST 1,796
AMORTIZATION FEE 20
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MONTHLY PAYMENT 496
ANNUAL PAYMENT 5,952



Vermont Housing Finance Agency

VHFA Audit Risk Meeting Minutes
Vermont Housing Finance Agency, Burlington
Board Room
Monday, December 13, 2010 at 8:00 a.m.

VHFA Board Member Present:

Tom Pelletier, Tom Candon, Lisa Randall, Beth Pearce (via phone), Bart Frisbie, Lisa Randall

Staff Present:

Sarah Carpenter, Tom Connors, George Demas, Martha Fidalgo, Pat Loller, Dave Adams, Joe Erdelyi, Sam Falzone, Kim Roy

AUDIT RISK MEETING

Mr. Pelletier called the meeting to order at 8:10 a.m.

MULTIFAMILY

Risk Management Report

Mr. Adams reviewed the Risk Management Report memo. He noted this was the first time 0% loans were included in the analysis and balance.

Depot Square Apartments

Ms. Roy reviewed the project as presented in the memo. She added that although the project owner has said the project is for sale they have not had much interest because of their price expectations. Mr. Candon expressed concern in the auditor's assumption about the budget over the next 15 months. It was noted that they have consistent income from the Section 8 portion of the project. Ms. Roy noted the project has had chronic vacancies even before they had bed bug issues.

Black River Outlook

Ms. Roy reviewed the project as presented in the memo. She explained that although the project needs significant renovations, they cannot economically be done until the end of the tax credit period which is 12/31/11. Mr. Falzone noted that they have discussed selling the apartments as condominiums.

Round Barn

Ms. Roy reviewed the project as presented in the memo. She added that the project is now fully occupied. Mr. Frisbie said this project has been a problem since day one and asked if there is a point where the Agency cuts its losses and lets go of the project. Mr. Falzone said it may be too early to make such a decision because they have been gradually improving. Ms. Carpenter



added the project could potentially participate in the Seniors Aging Safely at Home Program (SASH), adding services for frail elders.

Mr. Adams reviewed the loans at risk for prepayment. Ms. Carpenter provided an update on one of the projects, Wharf Lane. The appraisal for it is in and it determined the property would be most profitable as student housing. Champlain College and UVM have both indicated they will not bid on Wharf Lane. Mr. Candon asked what they plan to do for the current occupants. Ms. Carpenter explained they can receive Section 8 vouchers Mr. Frisbie said we should make sure we are looking at whether putting money into rehabilitating older buildings or investing in new construction is more effective. Ms. Carpenter agreed it should be evaluated but redevelopment tends to be less expensive.

Mr. Adams reviewed the Single Family development/pre-development loan watch list including Cascades, East Branch Farms and Middlebury South Village. Staff has been relieved that Cascades continues to generate one sale per month. Mr. Adams reported East Branch is becoming a growing concern as they have not had a sale since April. Early in the summer of 2011 staff will have to look at the TD Bond Replacement as they will probably not extend the credit for East Branch. Mr. Frisbie observed that developments in wealthier towns tend to struggle. Mr. Adams reported that although sales have stalled at Middlebury South Village, staff is satisfied with what is happening.

Mr. Adams reviewed the Single Family REO Inventory Report. He feels the Agency is adequately reserved for loan losses. Mr. Candon observed that a majority of the homes on the list are mobile homes.

OTHER BUISNESS

Ms. Pearce asked Mr. Connors to report on the Standard and Poor's downgrade of the multifamily indenture. The Agency was put on a watch list for a negative downgrade. We should know next month if it will affect the Agency's rating.

MINUTES

Mr. Candon moved that the Committee approve the October 1, 2010 Audit Risk Committee meeting minutes. Mr. Frisbie seconded the motion, which was unanimously approved.

The meeting adjourned at 9:00 a.m.



Vermont Housing Finance Agency

VHFA Board of Commissioners Meeting Minutes
Agency of Commerce and Community Development
Calvin Coolidge Conference Room
National Life Building, 6th Floor, Montpelier
Monday, March 14, 2011 at 9:00 a.m.

VHFA Board Members Present:

Tom Pelletier, Beth Pearce, Tom Candon, Dagne Canney, Bart Frisbie, Polly Nichol
(designee for Gus Seelig), Jennifer Hollar

Staff Present:

Sarah Carpenter, Tom Connors, George Demas, Martha Fidalgo, Pat Loller, Joe Erdelyi,
Josh Slade, Brenda Howley, Pat Crady

Guests Present:

Nancy Owens (Housing Vermont), Kathy Beyer (Housing Vermont), Paul Dettman
(Burlington Housing Authority), Chris Flannery via conference call (Piper Jaffray)

BOARD MEETING

Mr. Pelletier called the Board meeting to order at 9:07 a.m.

BOARD MINUTES

Mr. Candon moved that the Board approve the February 7, 2011 Board of Commissioners meeting minutes. Ms. Pearce seconded the motion, which was unanimously approved.

PUBLIC COMMENT

Mr. Pelletier opened the meeting to public comment. No members of the public offered comment.

EXECUTIVE DIRECTOR'S REPORT

Ms. Carpenter reviewed the Executive Director's report.

She reported on her visit to the NCSHA Legislative Conference in Washington, DC. There was a lot of discussion regarding various housing cuts which could affect the FY11 baseline and the FY12 budget. Ms. Carpenter reported that at the Federal level it appeared that while certain programs were in line for deep cuts, Section 8 renewal programs seem to be ok for now. In regard to her meeting with the Treasury, she reported she wasn't sure what is happening with Fannie Mae and Freddie Mac and a secondary market program with federal involvement. No one could guess what might be happening with either entity. She also noted that there seems to be three options on the table at present time; one which is more about privatizing the GSE's. The message was that they need to include HFAs in discussions.

Mr. Candon asked about the tax reform. Ms. Carpenter stated tax reform was talked about but no one seemed to think that this was realistic this year. Mr. Candon asked about tax credits, and Ms.



Carpenter stated everyone feels that this is still popular, and that the administration had proposed certain changes to make the program more flexible.

At the State level, Ms. Carpenter reported there was not a lot that would directly affect VHFA now. She stated that the current version of a Housing Preservation Bill is problematic and there are no incentives to keep owners in as part of this bill. Other bills, like the bill adopting recommendations from the Blue Ribbon tax commission have not really taken off yet. Ms. Carpenter stated there was a bill requiring energy audits at the time of the sale of a house. She stated that it has some popularity, but she wasn't sure how far it was going to go in the House and would probably get more scrutiny in the Senate.

Mr. Frisbie expressed concern the Housing Preservation Bill could create expectations with owners, tenants and towns that the Agency will take on projects that we do not think are prudent. Ms. Hollar agreed and commented that there is a need to think of ways to hang on to affordable housing with State resources diminishing.

Ms. Canney noted that a version of tax legislation was recently revised to include a 2% tax on services and on rents, and should be monitored. Ms. Canney also raised concerns about discussions at the federal level to limit or repeal the mortgage interest deduction. Ms. Carpenter noted that most VHFA borrowers did not itemize their tax deductions, so this would not have much effect on them. Finally, Ms. Canney noted that the requirement for energy audits could create significant costs and delays at closings, and that these various legislative issues needed to remain on the Agency's radar screen.

Ms. Pearce advised that her office had been working through its advisors to develop an amendment to the Agency's moral obligation statute to meet certain concerns raised by Standard & Poor's in its recent downgrade of the Agency's multifamily bonds. Ms. Pearce stated that these changes were in process for introduction and passage in this legislative session.

CONSENT AGENDA

HRA Plan

Mr. Pelletier discussed the HRA Plan Document Resolution and opened it up for discussion. With there being no discussion, Mr. Candon moved that the board approve the resolution as presented. Ms. Pearce seconded the motion, which was unanimously approved.

ADMINISTRATION

Annual Meeting

Mr. Demas presented the Annual Meeting Resolution.

Ms. Hollar moved that the Board approve the Resolution as presented. Ms. Pearce seconded the motion. Ms. Canney said she would be voting no for Mr. Seelig because she feels it is a conflict of interest for the VHCB representative to serve as Vice President but agreed with all other items of the Annual Meeting Resolution.

Mr. Pelletier requested that Ms. Hollar amend the motion allowing it to have two parts. Ms. Hollar and Ms. Pearce agreed to amend the motion on the table. The first vote would be for Mr. Seelig as Vice Chair. The motion was approved by all members of the board except Ms. Nichol who abstained, Ms. Canney who voted no, and Mr. Frisbie who voted no.

The second vote would be for the remaining appointments within the resolution. Ms. Pearce moved that the Board approve the remaining items on the Resolution. Ms. Canney seconded the motion which was approved by all members of the Board except Ms. Nichol who abstained.

FINANCE

Piper Jaffray Financial Study Update

Mr. Connors reviewed the financial study proposal by Piper Jaffray. Mr. Frisbee inquired about the reasoning in doing the financial study with a 3 year (rather than a 5 year) time frame. Mr. Flannery suggested that given the economic environment that it would be important to get a handle on the Agency's cash flow expectations and needs over the next few years and that the financial study can run specific scenarios as requested. Mr. Connors noted that the volatility in the market would make projections beyond 3 years fairly unreliable. Ms. Carpenter added that the biggest questions are surrounding the secondary mortgage markets, and how Freddie Mac and Fannie Mae will be reformed or changed.

Ms. Carpenter added that Piper can carry this report out further if we ask them, and she asked Mr. Flannery if Piper could take this 3 year plan and extend it out. Mr. Flannery stated that they can extend the plan if needed.

Ms. Pearce indicated that she was in favor of the proposed study but had to leave the meeting before the vote at which point Ms. Pearce exited the meeting.

After further discussion, Ms. Canney moved that the Board approve the request for a financial study to be prepared by Piper Jaffray. Mr. Frisbee seconded the motion which was unanimously approved.

DEVELOPMENT

Wharf Lane Update

Mr. Slade reviewed the Wharf Lane memo and explained that it is one building which contains 37 units of very low income housing. He handed out an updated memo which proposes Burlington Housing Authority purchase Wharf Lane by March 31, 2011 using some of the City of Burlington Trust Fund, a loan from KSNRC and VHFA\MacArthur financing in the amount of \$3,568,740. The MacArthur financing would be interim financing for acquisition and the other debt will be assumed by the to-be-formed Partnership. He further explained that by December 2011 or January 2012, Burlington Housing Authority and Housing Vermont would form a limited partnership which would acquire and rehabilitate the property using interim financing that would be paid back. The project would borrow \$4,100,000 from VHFA and \$1,200,000 from VHFA\ MacArthur for construction financing. Mr. Slade stated that the anticipated loans of \$4,100,000 and \$1,200,000 would be repaid upon completion of construction which is expected to be about twelve months. Permanent financing from VHFA would be \$1,950,000 and would be construction/permanent debt.

Mr. Slade discussed the issue of the Burlington Housing funds of \$200,000 may not be available by closing and the plan would be to increase the MacArthur funds by the difference.

Ms. Canney moved that the Board approve the two Wharf Lane requests. Ms. Hollar seconded the motion which was unanimously approved.

Ms. Carpenter reminded the Board that the sister property, the Bobbin Mill will be coming before the Board within one year and that if that property falls through, Wharf Lane could become more

expensive. Mr. Dettman stated that there would be no increase because this possible cost had already been factored into the existing Wharf Lane financial plan.

Cedar's Edge

Mr. Slade reviewed the Cedar's Edge memo and explained that Housing Vermont on behalf of a to-be-formed limited partnership has requested an 18-month Bridge Loan in the amount of \$2,300,000 which would be taken out by a tax credit investment from Royal Bank of Canada (RBC). Mr. Candon inquired about what would happen if all the conditions imposed by RBC were not met. Ms. Owens explained the conditions and how the conditions would be met, and noted that these conditions were standard in tax credit projects.

Ms. Nichol moved that the Board approve the bridge equity loan for Cedar's Edge. Mr. Frisbee seconded the motion, which was approved by all members of the Board except Ms. Pearce who was absent for the vote.

Ms. Canney moved that the Board adjourn at 11:00 a.m. Mr. Candon seconded the motion, which was unanimously approved.

Respectfully submitted,

Sarah E. Carpenter
Executive Director

I hereby certify that the foregoing is a true copy of the Minutes of the Vermont Housing Finance Agency Board of Commissioners Meeting held on March 14, 2011. The minutes were approved at a lawful meeting of the Commissioners at Burlington, Vermont on April 25, 2011.

Sarah E. Carpenter
Executive Director and Secretary
Vermont Housing Finance Agency



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners

FROM: Cynthia Reid, Senior Development Underwriter

DATE: April 14, 2011

RE: Request for Additional State Credits: Spring, Elliot & Valgar, Brattleboro

Summary of Request: Windham Housing Trust (on behalf of Spring Elliot Valgar Limited Partnership) is requesting an additional \$6,000 in State Tax Credits for the Spring Elliot Valgar residential rental project in Brattleboro which is currently under renovation.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution and authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.

Project Summary: The Spring Elliot Valgar development (28 units under renovation in Brattleboro) closed on its construction financing with VHFA on February 1st. The rehabilitation work is going well, but the owner is seeking additional State Credit of \$6,000 (what we have remaining for FY11) in order to address roof replacements on two buildings. When we closed, construction costs were higher than anticipated and the owner in conjunction with the architect, engineer and our construction consultant, value engineered a number of elements of the original scope of work. The roofs on 11 Spring Street and 15 Spring Street were deleted because the roofs seemed to have some remaining useful life in them. The plan was to replace them later using reserves. However, the insulation contractor needs to insulate attic spaces (under the flat roofs) by drilling holes into the existing roofs. Additionally, installation of the solar hot water system will compromise the existing roofing when the system is secured. By allocating the remaining \$6,000 of FY11 State Credit to the project (it currently has \$50,000 in State Credit so this will be the project's State Credit allocation to a total of \$56,000), the project can put the resulting \$26,000 in equity to roof replacement of these two buildings. The project's development consultant expects that their current State Credit investor will purchase the additional \$6,000 in Credit. The roof work can be done in May/June and the project will remain on schedule.



Year	Project	City/Town	Sponsor(s)	Total # Units	# Tax Credit Units	Project Type	Amount Allocated	8609 to State
FY 2007	Sadawga Springs Apts	Whitingham	BACLT	9	7	Acq/Rehab	47,000	✓
	Vernon Senior Housing	Vernon	BACLT/VSH/HVT	24	17	New Const	29,000	✓
	Farrell St Senior Housing	So. Burlington	CSC	63	63	New Const	74,000	✓
	Enosburg Falls Housing	Enosburg Falls	HVT/LCHDC	28	25	New/Rehab	92,500	✓
	Conant Square	Brandon	RCCLT	19	19	Acq/Rehab	32,500	✓
	Rutland AFS	Rutland	RCCLT	13	13	Rehab/New	25,000	✓
							300,000	
FY 2008	Bradford Scattered Site	Bradford	CVCLT/HVT	32	27	Acq/Rehab	62,500	✓
	Enosburg Falls Housing	Enosburg Falls	HVT/LCHDC	28	25	New/Rehab	32,500	✓
	Stowe Family Housing	Stowe	LHP/HVT	28	22	New Const	55,000	✓
	West River Valley Assisted Living	Townshend	VC/HVT	28	15	New Const	60,000	✓
	Rutland AFS	Rutland	RCCLT	13	13	Rehab/New	31,000	✓
	Esteyville Housing	Brattleboro	BACLT	20	20	Rehab	53,500	✓
	Middlebury South Village (MF)	Middlebury	HVT/ACCAG/ACCT	30	25	New Const	50,000	✓
	Willard Mill	St Albans	HVT	27	24	Acq/Rehab	55,500	✓
							400,000	
FY 2009	Mill Brook Allocated	Windsor	RACLT/HVT	43	37	Acq/Rehab	124,500	✓
	Essex Senior Housing	Essex Junction	CSC	48	48	New Const	31,875	✓
	Tontine Canal	Guilford, Brattleboro	BACLT	21	18	Acq/Rehab	37,450	✓
	West River Assisted Living	Townshend	VC/HVT	28	15	New Const	53,815	✓
	Wheeler Brook	Warren	CVCLT/HVT	18	16	New Const	84,660	✓
	Grange Hill	Woodstock	TPHT/HVT	26	22	New Const	67,700	✓
							400,000	
FY 2009	HOMEOWNERSHIP CREDIT							
	Sylvan Woods Condo 111A	Stowe	LHP/HVT	1	1	New Const	25,000	✓
	Sylvan Woods Condo 155B	Stowe	LHP/HVT	1	1	New Const	25,000	✓
	River Station Condo A101	Montpelier	CVCLT/HVT	1	1	New Const	20,000	✓
	River Station Condo C203	Montpelier	CVCLT/HVT	1	1	New Const	20,000	✓
	44 Oliver Howe Court	Shoreham	ACCT	1	1	New & Rehab	5,000	✓
	82 Oliver Howe Court	Shoreham	ACCT	1	1	New & Rehab	5,000	✓
							100,000	
FY 2010	MF RENTAL							
	Abbott Neighborhood Housing	Brattleboro	WHT	28	25	Acq/Rehab	83,000	✓
	Bellows Falls - Williams & South St	Bellows Falls	RACLT/HVT	17	17	Acq/Rehab	29,400	✓
	Brookside Village Housing	Colchester	CHT/HVT	42	36	New Constr	188,600	✓
	Rutland Scattered Sites 2008	Rutland	RCCLT	27	25	Acq/Rehab/Ne	87,000	✓
	Vergennes Senior Housing	Vergennes	ACCT/HVT	25	20	New Constr	12,000	✓
							400,000	
FY2010	HOMEOWNERSHIP CREDIT							
	Proctorsville Condo 12	Proctorsville	RACLT	1	1	New Constr	12,500	✓
	Proctorsville Condo 16	Proctorsville	RACLT	1	1	New Constr	12,500	✓
	Proctorsville Condo 20	Proctorsville	RACLT	1	1	New Constr	12,500	✓
	Proctorsville Condo 24	Proctorsville	RACLT	1	1	New Constr	12,500	✓
	Butterfield Common Condo 20B	West Dover	WHT	1	1	New Constr	11,600	✓
	Butterfield Common Condo 18A	West Dover	WHT	1	1	New Constr	11,700	✓
	Butterfield Common Condo 20A	West Dover	WHT	1	1	New Constr	11,700	✓
	East Branch Farms Unit 3	Manchester	Josh Wein	1	1	New Constr	7,500	✓
	East Branch Farms	Manchester	Josh Wein	1	1	New Constr	7,500	✓
							100,000	
FY 2011	MF RENTAL							
	Alburgh Family Housing	Alburgh	HVT/CHT	13	13	Acq/Rehab	52,000	✓
	Ellis Block	Springfield	HVT/SHA	9	9	Acq/Rehab	50,000	✓
	Forest Park - Phase II	Rutland	HVT/RHA	45	39	New Constr	50,000	✓
	Pine Manor Senior Housing	Alburgh	HVT/CHT	16	16	New Constr	20,000	✓
	Stanislaus Housing	West Rutland	HTRC (RCCLT)	21	20	Acq/Rehab	59,000	✓
	Cedar's Edge Apartments	Essex Jct	HVT/CHT	30	25	New Constr	55,000	✓
	Vergennes Senior Housing	Vergennes	ACCT/HVT	25	20	New Constr	28,000	✓
	Spring, Elliot & Valgar	Brattleboro	WHT	28	27	Acq/Rehab	50,000	✓
	Windsor Village	Windsor	RACLT/HVT	77	77	Acq/Rehab	30,000	✓
							394,000	
FY 2011	HOMEOWNERSHIP CREDIT							
	Cascades Condominiums	Winooski	HKW Cascades LLC/CHT	70	1	New Const	11,577	✓
	Cascades Unit 1302	Winooski	HKW Cascades LLC/CHT		1	New Const	9,365	✓
	Cascades Unit 1415	Winooski	HKW Cascades LLC/CHT		1	New Const	8,941	✓
	Cascades Unit 1402	Winooski	HKW Cascades LLC/CHT		1	New Const	10,117	✓
	Charlotte Green Cottages	Charlotte	CHT	4	4	New Const	40,000	✓
	River Station Condo C101	Montpelier	CVCLT/HVT	1	1	New Const	20,000	✓
							100,000	

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: PROPOSED ALLOCATION OF VERMONT AFFORDABLE
HOUSING TAX CREDITS (FY2011 STATE RENTAL CREDITS) FOR SPRING
ELLIOT VALGAR HOUSING, TOWN OF BRATTLEBORO**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Spring Elliot Valgar Limited Partnership (the "Borrower") involving the rehabilitation of a total of twenty-eight (28) units of general occupancy rental housing in the Town of Brattleboro (the "Development"); and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Cynthia Reid dated April 14, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

WHEREFORE, it is hereby RESOLVED:

1. The recommendations for the allocation of FY2011 State Rental Credits, subject to State appropriation, contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the proposed allocation of FY2011 State Rental Credits in the amount of \$6,000.00 for the Spring Elliot Valgar Housing project in the Town of Brattleboro, Vermont.
3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Tom Connors, Chief Financial Officer
RE: **Renewal of Existing and Establishment of New KeyBank Credit Facilities**
DATE: April 18, 2011 for April 25, 2011 Board Meeting

Board Action Requested: Adoption of the attached "Resolutions Regarding KeyBank Borrowings."

Summary of Request

The Agency currently has two *active* lines of credit with KeyBank that are scheduled to expire in May 2011: the Revolving Credit Facility and the 2010 Purpose and Ability Non-Revolving Credit Facility.

Staff is requesting:

1. Renewal of the Revolving Credit Facility;
2. Authority to open a new construction line of credit, to be known as the 2011 Purpose and Ability Non-Revolving Credit Facility;
3. Authority to open a new warehousing line of credit, to be known as the Warehouse Revolving Credit Facility;
4. Reduction of the cap on the 2010 Purpose and Ability Non-Revolving Credit Facility, from which no new project loans can be made after May 31, 2011; and

These requests, spelled out in more detail below, are similar to those approved by the Board last year at its May 2010 meeting.

Existing Lines

The Agency's \$5 million Revolving Credit Facility currently in place with KeyBank is used to fund predevelopment and other related costs as well as for general working capital purposes. The Agency is asking the Board to approve the renewal of this credit facility at terms similar to the existing facility. The interest rate has been lowered from LIBOR plus 250 bps to LIBOR plus 150 bps. This arrangement has been working well for the Agency and there is a need for this type of facility going forward.

The Agency's 2010 Purpose and Ability Non-Revolving Credit Facility (used for short-term construction loans) with KeyBank was initiated in May of 2010 and is currently capped at \$24.1

--over--



million. No new project loans will be made after May 31, 2011. There are currently four project loans on this line. Taking into account additional commitments to draw as well as anticipated payoffs, the cap on this line will be lowered to \$15.6 million. KeyBank will close out this line upon payoff of the last project loan.

New Lines

The Agency is asking the Board to approve authority for a 2011 Purpose and Ability Non-Revolving Credit Facility (to be used for short-term construction loans) with KeyBank for up to \$20.0 million at terms similar to the existing purpose and ability non-revolving credit facilities.

The Agency is also asking the Board to approve authority for a Warehouse Revolving Credit Facility (to be used to provide bridge financing for the purchase of mortgages and mortgage-backed securities in anticipation of the issuance of bonds) with KeyBank for up to \$20 million. This facility will be similar to the warehouse line approved by the Board in May 2010, which expired on December 31, 2010.

Attached please find the Resolution as well as the proposed term sheet from KeyBank.



149 Bank Street
Burlington, VT 05401

PRELIMINARY TERM SHEET

Dated April 14, 2011

Four Proposed Facilities*

VERMONT HOUSING FINANCE AGENCY

(the "Borrower" for all facilities)

164 St. Paul Street

Burlington, VT 05401

* Does not include
existing direct pay letter of credit
or interest rate swap facilities

1. Renewal of Existing 2005 Revolving Credit Facility

(a)	Credit Facility:	Renewal of existing 2005 revolving credit facility for an additional 364 days
(b)	Principal Amount:	\$5,000,000 revolving line of credit
(c)	Collateral:	None
(d)	Guarantor/3rd Party Support:	None
(e)	Repayment Terms:	Monthly interest payments with all principal and accrued interest due at maturity
(f)	Purpose:	The facility will continue to be used (i) to fund predevelopment costs and (ii) for general corporate purposes
(g)	Rate:	Overnight LIBOR plus 1.50%.
(h)	Fees:	0.1% Unused Portion Fee
(i)	Expenses:	Borrower shall pay all costs and expenses, including KeyBank's outside counsel fees and any other fees invoiced to KeyBank in connection with this facility
(j)	Source(s) of Repayment:	The primary source of repayment will continue to be cash flow derived from the lending operations of the Borrower

Please note that the information contained in this preliminary term sheet is for discussion purposes only, may change at any time, and is not to be construed as any formal or final offer to finance. The issuance of this preliminary term sheet is subject to due diligence and final credit review, and the final financing documents may include different or additional terms and conditions not disclosed herein. This information is provided for Vermont Housing Finance Agency's internal use only and is not to be disclosed to any other person or entity without KeyBank's prior written consent.

2. Renewal of Existing 2010 Purpose and Ability Non-Revolving Credit Facility

(a)	Credit Facility:	Renewal of existing 2010 purpose and ability non-revolving credit facility
(b)	Principal Amount:	\$15,600,000 (reduced from \$24,100,000)
(c)	Collateral:	None
(d)	Guarantor/3rd Party Support:	None
(e)	Repayment Terms:	Monthly interest payments with all principal and accrued interest due at maturity. The commitment for initial advances expires on May 31, 2011. For a project meeting the May 31, 2011 initial advance deadline, additional advances will continue to be allowed with terms up to 24 months from the booking date of the initial advance for such project. The maturity date for advances on a project may be accelerated to 30 days after permanent take-out financing for such project is put in place.
(f)	Purpose:	The facility will continue to be used to provide funds that Borrower lends to developers and rehabilitators of multi-family housing projects
(g)	Rate:	Variable at Overnight LIBOR plus 2.75% or fixed at the one-year cost of funds plus 2.00%. The Borrower may also choose a tax-exempt equivalent option for either the variable or fixed rate.
(h)	Fees:	None
(i)	Expenses:	Borrower shall pay all costs and expenses, including KeyBank's outside counsel fees and any other fees invoiced to KeyBank in connection with this facility
(j)	Source(s) of Repayment:	The primary source of repayment will be the issuance of bonds or the sale or refinance of the respective projects. Borrower must provide KeyBank with written statement/documentation regarding a verified take-out being in place prior to any advances for individual projects. Advances for any single project shall not exceed \$6,000,000.

Please note that the information contained in this preliminary term sheet is for discussion purposes only, may change at any time, and is not to be construed as any formal or final offer to finance. The issuance of this preliminary term sheet is subject to due diligence and final credit review, and the final financing documents may include different or additional terms and conditions not disclosed herein. This information is provided for Vermont Housing Finance Agency's internal use only and is not to be disclosed to any other person or entity without KeyBank's prior written consent.

3. **New 2011 Purpose and Ability Non-Revolving Credit Facility**

(a)	Credit Facility:	New 2011 purpose and ability non-revolving credit facility
(b)	Principal Amount:	\$20,000,000
(c)	Collateral:	None
(d)	Guarantor/3rd Party Support:	None
(e)	Repayment Terms:	Monthly interest payments with all principal and accrued interest due at maturity. The commitment for initial advances will expire on the first anniversary of the closing date. For a project meeting the initial advance deadline, additional advances will continue to be allowed with terms up to 24 months from the booking date of the initial advance for such project. The maturity date for advances on a project may be accelerated to 30 days after permanent take-out financing for such project is put in place.
(f)	Purpose:	The facility will be used to provide funds that Borrower lends to developers and rehabilitators of multi-family housing projects
(g)	Rate:	Variable at Overnight LIBOR plus 2.50% or fixed at the one-year cost of funds plus 2.00%. The Borrower may also choose a tax-exempt equivalent option for either the variable or fixed rate.
(h)	Fees:	None
(i)	Expenses:	Borrower shall pay all costs and expenses, including KeyBank's outside counsel fees and any other fees invoiced to KeyBank in connection with this facility
(j)	Source(s) of Repayment:	The primary source of repayment will be the issuance of bonds or the sale or refinance of the respective projects. Borrower must provide KeyBank with written statement/documentation regarding a verified take-out being in place prior to any advances for individual projects. Advances for any single project shall not exceed \$6,000,000.

4. **New \$20,000,000 "Warehouse" Revolving Credit Facility**

Please note that the information contained in this preliminary term sheet is for discussion purposes only, may change at any time, and is not to be construed as any formal or final offer to finance. The issuance of this preliminary term sheet is subject to due diligence and final credit review, and the final financing documents may include different or additional terms and conditions not disclosed herein. This information is provided for Vermont Housing Finance Agency's internal use only and is not to be disclosed to any other person or entity without KeyBank's prior written consent.

(a)	Credit Facility:	New revolving credit facility
(b)	Principal Amount:	\$20,000,000
(c)	Collateral:	Mortgage backed securities
(d)	Guarantor/3rd Party Support:	None
(e)	Repayment Terms:	Monthly interest payments with all principal and accrued interest due at maturity. The maturity date will be December 31, 2011.
(f)	Purpose:	The facility will be used to facilitate the Borrower's participation in the U.S. Treasury New Issue Bond Program
(g)	Rate:	Overnight LIBOR plus 1.50%
(h)	Fees:	Commitment Fee of 0.25% paid quarterly, in advance.
(i)	Expenses:	Borrower shall pay all costs and expenses, including KeyBank's outside counsel fees and any other fees invoiced to KeyBank in connection with this facility
(j)	Source(s) of Repayment:	The primary source of repayment will be the issuance of bonds

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Please note that the information contained in this preliminary term sheet is for discussion purposes only, may change at any time, and is not to be construed as any formal or final offer to finance. The issuance of this preliminary term sheet is subject to due diligence and final credit review, and the final financing documents may include different or additional terms and conditions not disclosed herein. This information is provided for Vermont Housing Finance Agency's internal use only and is not to be disclosed to any other person or entity without KeyBank's prior written consent.

Please Note: These Resolutions authorize the *Revolving Credit Facility*, amendments to the *2010 Purpose and Ability Non-Revolving Credit Facility*, the *2011 Purpose and Ability Non-Revolving Credit Facility* (all purpose and ability non-revolving credit facilities for multifamily project construction loans), and the *2011 Warehouse Credit Facility* (for single family loans) with KeyBank.

VERMONT HOUSING FINANCE AGENCY ("VHFA")

RESOLUTIONS REGARDING KEYBANK BORROWINGS

WHEREAS, VHFA desires to renew an existing revolving line of credit, amend existing purpose and ability lines of credit for construction loans, create a new 2011 purpose and ability line of credit for construction loans and create a new 2011 warehousing credit facility for the purchase of mortgage-backed securities with KeyBank National Association (the "Bank") at terms that are considered commercially viable, and to extend and/or renew these credit facilities at similar terms in the future, all as described in the attached Memorandum;

NOW, THEREFORE, the following resolutions are hereby unanimously adopted:

I. REGARDING THE REVOLVING CREDIT FACILITY

RESOLVED: That, the Executive Director of VHFA or the Chief Financial Officer of VHFA be, and each hereby is, authorized for, in the name of, and on behalf of, VHFA (each acting singly) to renew and borrow up to the maximum principal amount of Five Million Dollars (\$5,000,000.00) under a revolving line of credit from the Bank and to extend and/or renew this facility at similar terms in the future to provide funds for costs associated with predevelopment and other related projects and for general working capital purposes.

RESOLVED: That, without limiting the generality of the above resolution, the Executive Director of VHFA or the Chief Financial Officer of VHFA be, and each hereby is, authorized to renew a line of credit facility in the maximum amount of Five Million Dollars (\$5,000,000.00) to be secured by a pledge of the general revenues of VHFA, on such terms and conditions deemed appropriate by the Executive Director of VHFA or the Chief Financial Officer of VHFA.

RESOLVED: That, in connection with the above resolutions, the Executive Director of VHFA or the Chief Financial Officer of VHFA or their designees be, and each hereby is, authorized, individually and without the concurrence of any other officer, to make, execute and deliver such loan agreements and promissory notes, security agreements, and any other notes, agreements, trusts, receipts, guarantees and any other evidences of VHFA's indebtedness and obligations to the Bank (collectively, the "Line of Credit

Documents”); such Line of Credit Documents to contain such terms and conditions as the signing officer may approve, his or her signature being conclusive evidence of the authorization and approval thereof by VHFA.

RESOLVED: That, in connection with the above resolutions, any one of the following officers or employees of VHFA (each acting singly) be, and hereby are, authorized, from time to time, to prepare, execute and submit to the Bank requisitions and other requests for advances and disbursements of funds pursuant to or in connection with such credit facility: Executive Director, Chief Financial Officer or Chief of Program Operations or their designees, and to direct and instruct the Bank as to the payment or disbursement thereof, and to certify to the Bank from time to time the name(s) and title(s) of such officer(s) and employees, and to modify and amend such certifications from time to time.

II. REGARDING AMENDMENT OF THE EXISTING 2010 PURPOSE AND ABILITY NON-REVOLVING CREDIT FACILITY

RESOLVED: That, the Executive Director of VHFA or the Chief Financial Officer of VHFA be, and each hereby is, authorized for, in the name of, and on behalf of, VHFA (each acting singly) to amend the Existing 2010 Purpose and Ability Non-Revolving Credit Facility to a new maximum principal amount of Fifteen Million Six Hundred Thousand Dollars (\$15,600,000.00) (a) to provide short-term bridge financing for residential housing projects in anticipation of permanent take-out financing, (b) to provide for both taxable and tax-exempt advances, and (c) to provide financing to complete site control, site due diligence, site acquisition, development, rehabilitation, and construction with respect to individual projects.

RESOLVED: That, without limiting the generality of the above resolution, the Executive Director of VHFA or the Chief Financial Officer of VHFA be, and each hereby is, authorized to amend the Existing 2008 Purpose and Ability Non-Revolving Credit Facility to a maximum amount of Fifteen Million Six Hundred Thousand Dollars (\$15,600,000.00) to be secured by a pledge of the general revenues of VHFA, on such terms and conditions deemed appropriate by the Executive Director of VHFA or the Chief Financial Officer of VHFA. In addition, VHFA is hereby authorized to provide or obtain a negative pledge for the real property and improvements for each project that is funded under this loan facility.

RESOLVED: That, in connection with the above resolutions, the Executive Director of VHFA or the Chief Financial Officer of VHFA or their designees be, and each hereby is, authorized, individually and without the concurrence of any other officer, to make, execute and deliver such loan agreements and promissory notes, security agreements, and any other notes, agreements, trusts, receipts, guarantees and any other evidences of VHFA's

indebtedness and obligations to the Bank (collectively, the "Existing 2010 Ability Line of Credit Documents"); such Existing 2010 Ability Line of Credit Documents to contain such terms and conditions as the signing officer may approve, his or her signature being conclusive evidence of the authorization and approval thereof by VHFA.

RESOLVED:

That, in connection with the above resolutions, any one of the following officers or employees of VHFA (each acting singly) be, and hereby are, authorized, from time to time, to prepare, execute and submit to the Bank requisitions and other requests for advances and disbursements of funds pursuant to or in connection with such credit facility: Executive Director, Chief Financial Officer or Chief of Program Operations or their designees, and to direct and instruct the Bank as to the payment or disbursement thereof, and to certify to the Bank from time to time the name(s) and title(s) of such officer(s) and employees, and to modify and amend such certifications from time to time.

III. REGARDING THE 2011 PURPOSE AND ABILITY NON-REVOLVOING CREDIT FACILITY

RESOLVED:

That, the Executive Director of VHFA or the Chief Financial Officer of VHFA be, and each hereby is, authorized for, in the name of, and on behalf of, VHFA (each acting singly) to borrow the maximum principal amount of up to Twenty Million Dollars (\$20,000,000.00) from the Bank and to extend and/or renew this facility at similar terms in the future (a) to provide short-term bridge financing for residential housing projects in anticipation of permanent take-out financing, (b) to provide for both taxable and tax-exempt advances at variable and fixed interest rates, and (c) to provide financing to complete site control, site due diligence, site acquisition, development, rehabilitation, and construction with respect to individual projects.

RESOLVED:

That, without limiting the generality of the above resolution, the Executive Director of VHFA or the Chief Financial Officer of VHFA be, and each hereby is, authorized to obtain from the Bank a line of credit facility in the maximum amount of up to Twenty Million Dollars (\$20,000,000.00) to be secured by a pledge of the general revenues of VHFA, on such terms and conditions deemed appropriate by the Executive Director of VHFA or the Chief Financial Officer of VHFA. In addition, VHFA is hereby authorized to provide or obtain a negative pledge for the real property and improvements for each project that is funded under this loan facility.

RESOLVED:

That, in connection with the above resolutions, the Executive Director of VHFA or the Chief Financial Officer of VHFA or their designees be, and each hereby is, authorized, individually and without the concurrence of any other officer, to make, execute and deliver such loan agreements and

promissory notes, security agreements, and any other notes, agreements, trusts, receipts, guarantees and any other evidences of VHFA's indebtedness and obligations to the Bank (collectively, the "2011 Ability Line of Credit Documents"); such 2011 Ability Line of Credit Documents to contain such terms and conditions as the signing officer may approve, his or her signature being conclusive evidence of the authorization and approval thereof by VHFA.

RESOLVED: That, in connection with the above resolutions, any one of the following officers or employees of VHFA (each acting singly) be, and hereby are, authorized, from time to time, to prepare, execute and submit to the Bank requisitions and other requests for advances and disbursements of funds pursuant to or in connection with such credit facility: Executive Director, Chief Financial Officer or Chief of Program Operations or their designees, and to direct and instruct the Bank as to the payment or disbursement thereof, and to certify to the Bank from time to time the name(s) and title(s) of such officer(s) and employees, and to modify and amend such certifications from time to time.

IV. REGARDING THE 2011 WAREHOUSE REVOLVING CREDIT FACILITY

RESOLVED: That, the Executive Director of VHFA or the Chief Financial Officer of VHFA be, and each hereby is, authorized for, in the name of, and on behalf of, VHFA (each acting singly) to borrow the maximum principal amount of up to Twenty Million Dollars (\$20,000,000.00) from the Bank and to extend and/or renew this facility at similar terms in the future to provide bridge financing for the purchase of mortgages and mortgage-backed securities in anticipation of the issuance of bonds.

RESOLVED: That, without limiting the generality of the above resolution, the Executive Director of VHFA or the Chief Financial Officer of VHFA be, and each hereby is, authorized to obtain from the Bank a line of credit facility in the maximum amount of up to Twenty Million Dollars (\$20,000,000.00) to be secured by a pledge of the general revenues of VHFA, on such terms and conditions deemed appropriate by the Executive Director of VHFA or the Chief Financial Officer of VHFA.

RESOLVED: That, in connection with the above resolutions, the Executive Director of VHFA or the Chief Financial Officer of VHFA or their designees be, and each hereby is, authorized, individually and without the concurrence of any other officer, to make, execute and deliver such loan agreements and promissory notes, security agreements, and any other notes, agreements, trusts, receipts, guarantees and any other evidences of VHFA's indebtedness and obligations to the Bank (collectively, the "2011 Warehousing Line of Credit Documents"); such 2011 Warehousing Line of Credit Documents to contain such terms and conditions as the signing

officer may approve, his or her signature being conclusive evidence of the authorization and approval thereof by VHFA.

RESOLVED: That, in connection with the above resolutions, any one of the following officers or employees of VHFA (each acting singly) be, and hereby are, authorized, from time to time, to prepare, execute and submit to the Bank requisitions and other requests for advances and disbursements of funds pursuant to or in connection with such credit facility: Executive Director, Chief Financial Officer or Chief of Program Operations or their designees, and to direct and instruct the Bank as to the payment or disbursement thereof, and to certify to the Bank from time to time the name(s) and title(s) of such officer(s) and employees, and to modify and amend such certifications from time to time.

V. REGARDING ALL RESOLUTIONS

RESOLVED: That the following resolutions shall apply to all Resolutions stated herein and, generally, to VHFA's relationship with the Bank.

RESOLVED: That each of the Executive Director of VHFA or the Chief Financial Officer of VHFA or their designees, is hereby authorized, acting singly or jointly, to do any and all other things and perform any and all other actions necessary to effectuate the issuance, execution and delivery of any and all additional agreements, documents, certificates, financing statements or other parts as may be necessary to effectuate any of the foregoing, and such execution and delivery shall be conclusive evidence of the authorization and approval thereof by VHFA.

RESOLVED: That the Secretary or the Treasurer of VHFA be, and hereby is, authorized and directed to certify, from time to time, to the Bank the contents of these Resolutions; to certify that the provisions hereof are in conformity with the Vermont Housing Finance Agency Act (Title 10 Chapter 25), By-Laws and other documents governing the conduct of the business of VHFA, all as amended; and to certify and attest to the names of the officers of VHFA and their respective specimen signatures.

I hereby certify that the foregoing is a true copy of a resolution of the Vermont Housing Finance Agency adopted at a lawful meeting of the Commissioners of the Vermont Housing Finance Agency held by conference call initiated at Burlington, Vermont on April __, 2011.

Sarah E. Carpenter
Executive Director and Secretary
Vermont Housing Finance Agency



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Joshua Slade, Development Underwriter
RE: Allen Canal – Request for Permanent Financing
DATE: April 25, 2011

Name:	Allen Canal Apartments	Location:	Winooski
Housing Type:	General Occupancy	Unit Type:	Flats/Duplex
Unit Count:	17 units	Unit Sizes:	1 0-BR @ 220 s.f. 3 1-BR @ 600 s.f. 13 3-BR @ 900 s.f.
Total Cost:	\$699,027	Per S.F. Acquisition & Construction Cost:	\$46
Loans Requested:	\$514,796 Permanent \$199,000 0% Deferred	Sponsor:	Champlain Housing Trust

Recommendation: Staff recommends approving the permanent and zero percent financing request for the acquisition of the Allen Canal Apartments in Winooski by the Champlain Housing Trust.

Project Summary: Champlain Housing Trust (CHT) proposes the acquisition of Allen Canal Apartments – an existing 17 unit tax credit project in Winooski.

Allen Canal Housing Limited Partnership is in year eleven of the initial tax credit compliance period. The Limited Partner and Co-General Partners have agreed to Champlain Housing Trust acquiring the property using the New Issue Bond Program (NIBP) financing. Champlain Housing Trust has also requested the assumption of the existing \$199,000 zero-percent deferred financing which was already lent to Allen Canal HLP.

As part of the proposed transaction, CHT will be repaid approximately \$70,000 it has lent the project for capital improvements over the last few years. In addition to this repayment, the loan includes an additional \$80,000 which will be used for window upgrades, bath fan and duct work, roof maintenance, structural work on decks and paving. Further capital improvements will be funded in years 2 – 5 from the replacement reserve.

CHT will lend \$32,000 to the project for operating reserves. This loan will be repaid from surplus cash flow.



13-Apr-11

Allen Canal

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Operating Income															
Gross Rent	222,991	226,335	229,730	233,176	236,674	240,224	243,828	247,485	251,197	254,965	258,790	262,672	266,612	270,611	274,670
Other Income	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Vacancy and other losses	(2,249)	(11,317)	(11,487)	(11,659)	(11,834)	(12,011)	(12,191)	(12,374)	(12,560)	(12,748)	(12,939)	(13,134)	(13,331)	(13,531)	(13,733)
Total Operating Income	221,041	215,319	218,544	221,818	225,140	228,513	231,936	235,411	238,937	242,517	246,150	249,838	253,581	257,380	261,236
Operating Expenses															
Total Expenses (excl. Reserves)	132,288	136,257	140,344	144,555	148,891	153,358	157,959	162,698	167,578	172,606	177,784	183,118	188,611	194,269	200,097
Reserves	26,160	26,552	26,951	27,355	27,765	28,182	28,604	29,034	29,469	29,911	30,360	30,815	31,277	31,747	32,223
Total Operating Expense	158,448	162,809	167,295	171,910	176,657	181,540	186,563	191,731	197,048	202,517	208,144	213,933	219,888	226,016	232,320
Net Operating Income	62,593	52,510	51,249	49,908	48,484	46,973	45,373	43,680	41,890	40,000	38,006	35,905	33,693	31,364	28,916
Less Primary Debt Service	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636
Annual Cash Flow	28,957	18,874	17,613	16,272	14,848	13,337	11,737	10,044	8,254	6,364	4,370	2,269	57	(2,272)	(4,720)
Operating Subsidies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sinking Fund	28,957	18,874	17,613	16,272	14,848	13,337	11,737	10,044	8,254	6,364	4,370	2,269	57	(2,272)	(4,720)
Net Cash	28,957	18,874	17,613	16,272	14,848	13,337	11,737	10,044	8,254	6,364	4,370	2,269	57	0	0
Cumulative Cash Flow	186.09%	156.11%	152.36%	148.38%	144.14%	139.65%	134.89%	129.86%	124.54%	118.92%	112.99%	106.75%	100.17%	93.25%	85.97%
Beginning Balance	0	29,247	63,894	99,961	118,395	135,759	151,945	166,838	180,319	192,262	202,535	211,000	217,512	221,919	226,358
Deposits	28,957	18,874	17,613	16,272	14,848	13,337	11,737	10,044	8,254	6,364	4,370	2,269	57	0	0
Interest	290	774	1,454	2,162	2,516	2,849	3,156	3,437	3,689	3,909	4,094	4,243	4,351	4,438	4,527
Withdrawals	15,000	17,000	17,000	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	29,247	63,894	99,961	118,395	135,759	151,945	166,838	180,319	192,262	202,535	211,000	217,512	221,919	226,358	230,885
Cumulative Replacement Reserves															
Beginning Balance	0	26,422	46,418	88,737	110,640	115,895	146,677	178,501	211,395	245,387	262,504	298,418	335,510	373,810	413,350
Deposits	26,160	41,552	43,951	27,355	27,765	28,182	28,604	29,034	29,469	29,911	30,360	30,815	31,277	31,747	32,223
Interest	262	944	1,368	2,048	2,490	2,600	3,220	3,860	4,523	5,207	5,554	6,277	7,023	7,794	8,589
Withdrawals	0	(22,500)	(3,000)	(7,500)	(25,000)	0	0	0	0	(18,000)	0	0	0	0	(18,000)
Ending Balance	26,422	46,418	88,737	110,640	115,895	146,677	178,501	211,395	245,387	262,504	298,418	335,510	373,810	413,350	436,162

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: PERMANENT FINANCING AND PROPOSED USE OF BOND
HOUSING CREDITS FOR ALLEN CANAL APARTMENTS, CITY OF WINOOSKI**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Champlain Housing Trust (the "Borrower") involving the acquisition and rehabilitation of seventeen (17) units of general occupancy rental housing in the City of Winooski (the "Development"); and

WHEREAS, the Agency desires to take "official action" for the purpose of, and to reimburse itself or the Borrower for any advances of funds prior to, the issuance and sale of tax-exempt bonds (the "Bonds") to finance one or more loans to the Borrower; and

WHEREAS, the application contemplates one or more mortgage loans for permanent financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Borrower qualifies as a housing sponsor within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade dated April 25, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.

2. The acquisition, construction or rehabilitation costs to be incurred by the housing sponsor are for housing development costs within the meaning of the Act.

3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.

4. The housing sponsor undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Borrower is financially responsible and is a qualified housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the Borrower for the permanent financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Borrower in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the permanent financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter shall be conditioned on the satisfaction by the Borrower of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The issuance of the Bonds for the purpose of financing one or more loans to the Borrower is hereby preliminarily approved, and, pursuant to Section 1:150-2 of the Internal Revenue Code Regulations, the Agency hereby states its intention to reimburse itself from Bond proceeds for any advances of Agency funds prior to the issuance of the Bonds.

4. The preliminary approval described in the preceding paragraph does not obligate the Agency to give final approval for the issuance of said Bonds. Final approval of the issuance of the Bonds can only be authorized by independent action, which may contain such conditions thereto as the Agency may deem appropriate. The Agency in its absolute discretion may refuse to finally authorize the issuance of the Bonds and shall not be liable to the Borrower or any other person for its refusal to do so.
5. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
6. The recommendations for the use of Bond Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
7. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the use of Bond Housing Credits in an amount necessary for the Development's feasibility for the Allen Canal Apartments housing project in the City of Winooski, Vermont.
8. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.

Total Residential Units:	17	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	0	Increase in Income from Other Sources:	0.00%
Percent Restricted:	0.00%	Increase in Income from Commercial:	0.00%
Total Development Cost:	699,027	Expense increase:	3.00%
Total Development Cost per Unit:	41,119	Vacancy Rate:	5%
Total Development Cost Per SF:	51	Partner's Tax Rate:	35%
		Long Depreciation Schedule:	27.5 years
		Short Depreciation Schedule:	7 years

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
VHFA	514,796	73.64%	5.13%	30	30
VHFA Deferred	199,000	28.47%	0.00%	N/A	N/A
	0	0.00%	N/A	N/A	N/A
	0	0.00%	N/A	N/A	N/A
	0	0.00%	N/A	N/A	N/A
	0	0.00%	N/A	N/A	N/A
	0	0.00%	N/A	N/A	N/A
	0	0.00%	N/A	N/A	N/A
TOTAL SOURCES	713,796	102.11%			

1.86

USES

Acquisition	515,000	73.67%
Construction Hard Costs	80,000	11.44%
Soft Costs	104,027	14.88%
TOTAL USES	699,027	100.00%
Gap	(14,769)	

	Budget	Per Unit	Per s.f.	Allocation of Sources					TOTAL SOURCES
				VHFA	0	VCDP	Debt	Equity	
				Terms: 5.125% 30 yr	Terms: 0% Deferred	Terms:	Terms:	Terms:	
ACQUISITION									
1 Land		0	0.00						0
2 Purchase of Building(s)	509,000	29,941	37.10	310,000	199,000				509,000
3 Demolition (without replacement)		0	0.00						0
4 Property Appraisal	3,000	176	0.22	3,000					3,000
5 Legal - Title and Recording	3,000	176	0.22	3,000					3,000
Subtotal - Acquisition	515,000	30,294	37.54						
CONSTRUCTION HARD COSTS									
6 Rehabilitation	80,000	4,706	5.83	80,000					80,000
7 New Building(s)		0	0.00						0
8 Accessory Buildings		0	0.00						0
9 Sitework		0	0.00						0
10 Commercial Space Costs (if any)		0	0.00						0
11 General Requirements		0	0.00						0
12 Contractor Overhead		0	0.00						0
13 Contractor Profit		0	0.00						0
14 Construction Contingency		0	0.00						0
15 Construction Management		0	0.00						0
16 Construction Bond Fee		0	0.00						0
17 Hazardous Materials Abatement		0	0.00						0
18 Off-Site Improvements		0	0.00						0
19 Furnishings, Fixtures, & Equipment		0	0.00						0
20 Other ()		0	0.00						0
Subtotal - Hard Costs	80,000	4,706	5.83						
SOFT COSTS									
21 Architectural		0	0.00						0
22 Engineering		0	0.00						0
23 Legal/Accounting		0	0.00						0
24 Relocation		0	0.00						0
25 Environmental Assessment		0	0.00						0
26 Energy Assessment		0	0.00						0
27 Permits/Fees		0	0.00						0
28 Independent Market Study		0	0.00						0
29 Construction Period Insurance		0	0.00						0
30 Construction Interest		0	0.00						0
31 Construction Loan Origination Fee		0	0.00						0
32 Taxes During Construction		0	0.00						0
33 Clerk of the Works		0	0.00						0
34 Marketing		0	0.00						0
35 Tax Credit Fees		0	0.00						0
36 Soft Cost Contingency		0	0.00						0
37 Permanent Loan Origination Fee	30,000	1,765	2.19	30,000					30,000
38 Lender's Counsel's Fee	5,000	294	0.36	5,000					5,000
39 Other (CHT Receivables)	69,027	4,060	5.03	69,027					69,027
SYNDICATION COSTS									
40 Organizational (Partnership)		0	0.00						0
41 Bridge Loan Fees and Expenses		0	0.00						0
42 Syndication Consultant		0	0.00						0
43 Tax Opinion		0	0.00						0
DEVELOPER'S FEES									
44 Developer's Fees		0	0.00						0
45 Other Partnership Fees		0	0.00						0
46 Consultant Fees		0	0.00						0
RESERVES									
47 Working Capital		0	0.00						0
48 Rent-up (Deficit Escrow) Reserve		0	0.00						0
49 Other Operating Reserves		0	0.00						0
50 Sinking Fund		0	0.00						0
51 Replacement Reserves		0	0.00						0
Subtotal - Soft Costs	104,027	6,119	7.58						
TOTAL DEVELOPMENT COSTS	699,027	41,119	51	500,027	199,000	0	0	0	699,027

05-Aug-11 **Allen Canal**

Bedrooms	Type	Square Feet	Number	Rent	Utilities	Total Annual Rent
0 Br		220	1	670	29	8,040
1 Br		600	3	825	44	29,700
2 Br		0	0	0	0	0
3 Br		900	13	1,200	59	187,200
4+ Br		0	0	0	0	0
Totals		13,720	17			224,940
Grand Totals		13,720	17			224,940
Less Vacancy			1.00%			(2,249)
NET RENT						222,691
OTHER INCOME						
Laundry						
Parking						0
Commercial Space Income						
Other						300
TOTAL INCOME						222,991

05-Aug-11 **Allen Canal**

	Annual	Monthly	Per Unit Per Month
Administration			
Management Fee	17,340	1,445	85
Supportive Services		0	0
Audit/Accounting	4,100	342	20
Legal	2,000	167	10
Compliance Monitoring	4,611	384	23
Marketing		0	0
Other		0	0
TOTAL ADMINISTRATIVE	28,051	2,338	138
Utilities			
Electricity	2,650	221	13
Fuel	17,000	1,417	83
Water and Sewer	11,500	958	56
Fire Alarm / Emergency	350	29	2
Other		0	0
TOTAL UTILITIES	31,500	2,625	154
Maintenance			
Maintenance / Janitor Payroll	8,195	683	40
Janitor Supplies	500	42	2
Exterminating	2,000	167	10
Trash Removal	6,600	550	32
Snow Removal	6,000	500	29
Grounds	3,500	292	17
Repairs Material	2,625	219	13
Repairs Contract	11,000	917	54
HVAC Repairs / Maintenance	2,000	167	10
Elevator Contract / Repairs		0	0
Painting and Decorating		0	0
Other		0	0
TOTAL MAINTENANCE	42,420	3,535	208
Real Estate Taxes	26,070	2,173	128
Property Insurance	4,247	354	21
Replacement Reserves	26,160	2,180	128
Primary Debt Service	33,636	2,803	165
Other "must pay" debt service		0	0
Other		0	0
Total	192,084	16,007	942

05-Aug-11		Allen Canal														
		Year														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Operating Income	Gross Rent	222,991	226,335	229,730	233,176	236,674	240,224	243,828	247,485	251,197	254,965	258,790	262,672	266,612	270,611	274,670
	Other Income	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
	Vacancy and other losses	(2,249)	(11,317)	(11,487)	(11,659)	(11,834)	(12,011)	(12,191)	(12,374)	(12,560)	(12,748)	(12,939)	(13,134)	(13,331)	(13,531)	(13,733)
Total Operating Income		221,041	215,319	218,544	221,818	225,140	228,513	231,936	235,411	238,937	242,517	246,150	249,838	253,581	257,380	261,236
Operating Expenses	Total Expenses (excl. Reserves)	132,288	136,257	140,344	144,555	148,891	153,358	157,959	162,698	167,578	172,606	177,784	183,118	188,611	194,269	200,097
	Reserves	26,160	26,552	26,951	27,355	27,765	28,182	28,604	29,034	29,469	29,911	30,360	30,815	31,277	31,747	32,223
	Total Operating Expense	158,448	162,809	167,295	171,910	176,657	181,540	186,563	191,731	197,048	202,517	208,144	213,933	219,888	226,016	232,320
Net Operating Income		62,593	52,510	51,249	49,908	48,484	46,973	45,373	43,680	41,890	40,000	38,006	35,905	33,693	31,364	28,916
Less Primary Debt Service		33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636	33,636
Annual Cash Flow		28,957	18,874	17,613	16,272	14,848	13,337	11,737	10,044	8,254	6,364	4,370	2,269	57	(2,272)	(4,720)
Operating Subsidies / Sinking Fund		0	0	0	0	0	0	0	0	0	0	0	0	0	2,272	4,720
Net Cash		28,957	18,874	17,613	16,272	14,848	13,337	11,737	10,044	8,254	6,364	4,370	2,269	57	0	0
DCR		186.09%	156.11%	152.36%	148.38%	144.14%	139.65%	134.89%	129.86%	124.54%	118.92%	112.99%	106.75%	100.17%	93.25%	85.97%
Cumulative Cash Flow	Beginning Balance	0	29,247	48,894	67,661	85,449	102,154	117,668	131,876	144,657	155,887	165,432	173,155	178,910	182,546	186,197
	Deposits	28,957	18,874	17,613	16,272	14,848	13,337	11,737	10,044	8,254	6,364	4,370	2,269	57	0	0
	Interest	290	774	1,154	1,516	1,857	2,176	2,471	2,738	2,976	3,181	3,352	3,486	3,579	3,651	3,724
	Withdrawals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Ending Balance	29,247	48,894	67,661	85,449	102,154	117,668	131,876	144,657	155,887	165,432	173,155	178,910	182,546	186,197	189,921
Cumulative Replacement Reserves																
Cumulative Replacement Reserves	Beginning Balance	0	26,422	31,268	36,114	40,954	45,794	50,634	55,474	60,314	65,154	70,000	74,840	79,680	84,520	89,360
	Deposits	26,160	26,552	26,951	27,355	27,765	28,182	28,604	29,034	29,469	29,911	30,360	30,815	31,277	31,747	32,223
	Interest	262	794	895	1,396	1,825	1,921	2,527	3,154	3,802	4,472	4,804	5,512	6,243	6,998	7,778
	Withdrawals	0	(22,500)	(3,000)	(7,500)	(25,000)	0	0	0	0	(18,000)	0	0	0	0	(18,000)
	Ending Balance	26,422	31,268	36,114	40,954	112,057	143,189	175,376	208,648	225,031	260,195	296,522	334,043	372,787	394,788	

YH-A

PRINCIPAL 114.796
INTEREST 5.136
AMORTIZATION PERIOD 30
TERM 30
MONTHLY PAYMENT 2.361
ANNUAL PAYMENT 70.936

YEAR	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
BEGINNING BALANCE	114.796	567.471	996.555	101.350	107.671	173.962	460.973	403.881	443.959	402.086	626.315	407.932	994.899	981.182	566.746	191.552	335.541	118.734	981.018	282.575	262.751	587.104	256.979	197.495	173.621	149.081	121.416	93.619	63.810	32.721
ENDING BALANCE	567.471	996.555	101.350	107.671	173.962	460.973	403.881	443.959	402.086	626.315	407.932	994.899	981.182	566.746	191.552	335.541	118.734	981.018	282.575	262.751	587.104	256.979	197.495	173.621	149.081	121.416	93.619	63.810	32.721	0
PRINCIPAL	425	7.815	3.225	8.657	9.111	9.389	10.492	10.422	11.179	11.766	12.585	13.035	13.717	14.436	15.194	15.994	16.838	17.711	18.643	19.629	20.659	21.734	22.851	24.007	25.308	26.661	28.067	29.539	31.089	32.721
INTEREST	262.116	29.823	29.401	24.979	24.225	24.637	23.544	23.011	22.437	21.879	21.233	20.603	19.919	19.286	18.602	17.865	17.076	16.233	15.335	14.381	13.370	12.302	11.175	10.000	8.776	7.503	6.179	4.804	3.377	1.900
TOTAL PAID	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616	13.616



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners

FROM: Cynthia Reid, Senior Development Underwriter *CR*

DATE: April 14, 2011

RE: Request for MacArthur Pre-Development and Energy/Capital Improvement Loans:
Northgate Apartments, Burlington

Name:	Northgate Apartments	Location:	Burlington
Housing Type:	General	Unit Type:	Flats & Townhouses
Unit Count:	336 total units (163 have project-based Section 8)	Unit Mix:	36 1-Brs 203 2-Brs 97 3-Brs
Total Cost:	\$24,892,932	Sponsor:	Northgate Residents Ownership Corporation
MacArthur Loans Requested: \$270,000 Pre-development Loan \$319,200 Energy & Capital Improvement Loan			
Other Funding: VHCB Feasibility, NIBP Treasury Bond (from VHFA), Weatherization, Reserves			

Summary of Request: Northgate Residents Ownership Association is seeking a MacArthur Pre-development loan of \$270,000 for the pre-development work associated with a financial restructure plan, and a MacArthur Energy & Capital Improvement loan of \$319,200 to match weatherization funds for "Northgate Apartments", a 336-unit residential rental development in Burlington.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution approving the two MacArthur loans.

Project Summary: Northgate Apartments was re-developed in 1989 when it was transferred from a for-profit owner to a limited partnership, rehabilitated, and made into an affordable mixed-income community. In 2007 when the 15 year low income housing tax credit period ended, the property was transferred to Northgate Residents Ownership Corporation (NROC), a resident controlled non-profit organization. Northgate has been a very successful resident controlled community, with a low vacancy rate, healthy reserves, long term affordability; it is well managed, is mixed-income, and is a desirable place to live near Lake Champlain in Burlington.

In 1989, the limited partnership (owner) borrowed \$3 million from HUD under the Flexible Subsidy program for the rehabilitation work. Payment on the loan was deferred until April 1, 2011. It was originally expected that HUD would either forgive or defer the loan at maturity. However, a recently published HUD policy requires repayment. In addition, an updated Capital Needs Assessment shows that the property needs approximately \$5 million in improvements, mainly roof replacements, weatherization, and new boilers. These two issues have necessitated work on a financial restructuring plan.



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NROC is working on a scenario which takes into account a repayment plan for the HUD Flex Sub and making the capital improvements over an 18-month period. NROC is working on an application for a permanent VHFA loan of approximately \$12,250,000 (costs are still being compiled, and assumptions discussed and tested). The proceeds of the loan will pay off existing VHFA debt and be used to rehab the property. Other outstanding loans will be assumed and deferred and/or forgiven. NROC has a commitment for weatherization funds. VHFA staff have been working with NROC on the restructure assumptions, and plan to utilize the HUD Risk Share mortgage insurance program with tax exempt bond financing from the New Issue Bond Program of the Treasury, to get 5.21% long term fixed rate financing into the deal.

Many things need to happen on a fairly aggressive timeline to make this transaction come together, including but not limited to: a Mark-up to Market rent structure approval by HUD (approval of revised rent levels that support the financial re-structure while still preserving affordability); HUD approval to combine the two projects into one (currently Northgate Apartments is actually Northgate and Greenfield Apartments, two separate HUD projects that together constitute "Northgate Apartments"); HUD approval of the proposed HUD Flexible Subsidy repayment plan. NROC is working with Kathy Luce of Maloney Properties (the management company), Amy Wright, Emily Achtenberg (a consultant from Boston who has worked on Northgate since 1989) and Jonathan Klein, a Boston based attorney (who also has worked on Northgate since 1989). The NROC development team is working closely with VHFA staff on the progress of the work-plan.

NROC at this time is seeking pre-development financing (\$270,000) and energy/capital improvement financing (\$319,200) from VHFA's MacArthur Program. These loans require Board approval since the amounts are higher than what staff can approve. Attached is the budget for the pre-development loan and the energy/capital improvement loan, the proposed restructure development budget, and the work-plan/timeline.

NROC has been in the process of upgrading boilers and doing weatherization work in the apartments through a phased-in plan with reserve funds. Since 2009 work has been completed in 60 apartments. In 2011 a combination of funding from VHCB, Vermont Fuel Efficiency Partnership, Weatherization Program and Efficiency Vermont was awarded to the property to improve another 60 units. The funding has a match requirement that the MacArthur Energy/Capital Improvement loan will meet.

The take out source for the two MacArthur loans is the VHFA permanent loan (NIBP bond). Staff anticipate bringing the Permanent Loan for Board approval to the June 20th Board meeting. If the permanent loan for whatever reason does not go through, the MacArthur loans will be paid back from the project's reserves and/or an alternative re-finance plan. The term of both loans is three years, with interest on the outstanding balance paid monthly. The loans will be secured by the real estate. Staff recommends approval of both loans.

15-Apr-11

Northgate Apartments

Budget for MacArthur Loans

Pre-Development Loan

Architectural & Engineering	85,000
Legal	45,000
Environmental Assessment	10,000
Permits	25,000
Survey	10,000
Market Study	2,000
Application & Commitment Fee	5,250
Soft Cost Contingency	7,750
Development Consultants	80,000
Total	270,000

Energy/Capital Improvement Loan

Rehab in process (Seller)	303,944
Contingency	15,256
Total	319,200

VHCB Feasibility

Development Consulting	15,000
Capital Needs Assessment	5,000
Total	20,000

15-Apr-11 Northgate Apartments

Total Residential Units:	336	Increase in Income from Rental Units:	2.00%
Section 8 Units	163	Increase in Income from Other Sources:	2.00%
Unrestricted Units	173	Increase in Income from Commercial:	2.00%
Total Development Cost:	24,892,932	Expense increase:	3.00%
Total Development Cost per Unit:	74,086	Vacancy Rate S8 Units:	2%
		Vacancy Rate Other Units:	5%
		Long Depreciation Schedule:	27.5 years
		Short Depreciation Schedule:	7 years

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
VHFA - NIBP	12,250,000	49.21%	5.21%	40	40
HUD Flex Subsidy Loan Paying	2,852,215	11.46%	1.00%	40	40
HUD Flex Subsidy Loan CF	2,852,215	11.46%	0.00%	40	CF
Assumed Debt*	5,603,513	22.51%	N/A	N/A	N/A
Deficit Escrow - Working Capital	314,010	1.26%	N/A	N/A	N/A
Replacement Reserve	654,083	2.63%	N/A	N/A	N/A
Weatherization	366,896	1.47%	N/A	N/A	N/A
Gap Financing	0	0.00%			
TOTAL SOURCES	24,892,932	100.00%			

USES

Acquisition	16,718,704	67.16%
Construction Hard Costs	6,220,840	24.99%
Soft Costs	1,953,388	7.85%
TOTAL USES	24,892,932	100.00%

* Existing Debt to be Assumed

4,872,309	VHCB
381,204	VHFA 0%
350,000	City
5,603,513	

5,704,430 Total Current Flex Sub Balance

15-Apr-11 Northgate Apartments

	Budget	Per Unit	Per s.f.
ACQUISITION			
1 Land		0	
2 Purchase of Building(s)	16,655,704	49,571	50.36
3 Transfer Tax	18,000	54	0.05
4 Property Appraisal	10,000	30	0.03
5 Legal - Title and Recording	35,000	104	0.11
Subtotal - Acquisition	16,718,704	49,758	50.55
CONSTRUCTION HARD COSTS			
6 Rehabilitation - in process - Seller	670,840	1,997	2.03
7 Rehabilitation	5,000,000	14,881	15.12
8 Accessory Buildings		0	
9 Sitework		0	
10 Commercial Space Costs (if any)		0	
11 General Requirements		0	
12 Contractor Overhead		0	
13 Contractor Profit		0	
14 Construction Contingency	500,000	1,488	1.51
15 Construction Management		0	
16 Construction Bond Fee	50,000	149	0.15
17 Hazardous Materials Abatement		0	
18 Off-Site Improvements		0	
19 Furnishings, Fixtures, & Equipment		0	
20 Other ()		0	
Subtotal - Hard Costs	6,220,840	18,514	18.81
SOFT COSTS			
21 Architectural	100,000	298	0.30
22 Preliminary A & E	10,000	30	0.03
23 Legal/Accounting	110,000	327	0.33
24 Relocation	120,000	357	0.36
25 Environmental Assessment	10,000	30	0.03
26 Rehab Oversight	275,000	818	
27 Permits/Fees	50,000	149	0.15
28 Independent Market Study	2,000	6	0.01
29 Construction Period Insurance		0	
30 Construction Interest		0	0.00
31 First Year MIP	30,625	91	0.09
32 Application Fee	250	1	
33 Clerk of the Works	104,000	310	0.31
34 Bond Issuance Costs	55,000	164	0.17
35 Survey	10,000	30	0.03
36 Soft Cost Contingency	115,170	343	0.35
37 Permanent Loan Origination Fee	183,750	547	0.56
38 Lender's Counsel's Fee	3,500	10	0.01
39 Other (Construction Inspection Fee)	6,000	18	0.02
SYNDICATION COSTS			
40 Organizational (Partnership)			
41 Bridge Loan Fees and Expenses			
42 Syndication Consultant			
43 Tax Opinion			
DEVELOPER'S FEES			
44 Developer's Fees			
45 Project Management	100,000	298	0.30
46 Consultant Fees	100,000	298	0.30
RESERVES			
47 Working Capital		0	
48 Rent-up (Deficit Escrow) Reserve			
49 Other Operating Reserves	314,010	935	0.95
50 Sinking Fund			
51 Replacement Reserves	254,083	756	0.77
Subtotal - Soft Costs	1,953,388	5,814	5.91
TOTAL DEVELOPMENT COSTS	24,892,932	74,086	75.27

15-Apr-11

Northgate & Greenfield Combined

Type Unit	Number	Current Rent	Proposed Rent	Utilities	Total Annual Rent
1 BR S8	24	670	755	0	217,440
1 BR Voucher	2	590	620	0	14,880
1 BR Low 1	1	408	428	0	5,136
1 BR Low 2	0	0		0	0
1 BR Low 3	0				0
1 BR Moderate	9	590	620		66,960
2 BR S8	87	859	970		1,012,680
2 BR Voucher	8	679	713		68,448
2 BR Low 1	12	449	471		67,824
2 BR Low 2	5	547	574		34,440
2 BR Low 3	3	643	675		24,300
2 BR Moderate	88	679	713		752,928
3 BR S8	52	1,065	1,200		748,800
3 BR Vouchers	6	852	895		64,440
3 BR Low 1	0				0
3 BR Low 2	1	606	636		7,632
3 BR Low 3	4	716	752		36,096
3 BR Moderate	34	852	895		365,160
	336				3,487,164

1,978,920 Section 8 Income

1,508,244 Non S8 Income

(39,578) Vacancy S8

(75,412) Vacancy Non S8

3,487,164 Total

(114,991) Less Vacancy

4,235 Other Income

3,376,408 Total Net Income

330,722 total residential square footage

15-Apr-11 Northgate Apartments

	Annual	Monthly	Per Unit Per Month
Administration			
Management Fee	143,719	11,977	36
Admin	164,715	13,726	41
Payroll taxes, benefits	56,528	4,711	14
Board training, services	36,303	3,025	9
Audit	14,500	1,208	4
Legal	10,000	833	2
Marketing	3,000	250	1
Telephone	15,000	1,250	4
Office Expense	36,000	3,000	9
Staff Training	10,927	911	3
Other Admin	3,000	250	1
Other			
TOTAL ADMINISTRATIVE	493,692	41,141	122
Resident Services	126,632	10,553	31
Utilities			
Electricity	25,753	2,146	6
Fuel - Gas	12,817	1,068	3
Water and Sewer	190,046	15,837	47
Other			
TOTAL UTILITIES	228,616	19,051	57
Maintenance			
Maintenance Payroll	331,968	27,664	82
Payroll taxes, benefits	76,937	6,411	19
Janitor Supplies	5,352	446	1
Exterminating	3,000	250	1
Trash Removal	75,000	6,250	19
Snow Removal	10,000	833	2
Grounds / landscaping	17,600	1,467	4
Repairs Material	36,318	3,027	9
Repairs Contract	19,000	1,583	5
Equipment Repairs / Maintenance	15,000	1,250	4
Decorating	62,200	5,183	15
Fire & Safety Equipment	2,701	225	1
Uniforms, locks, keys	4,100	342	1
TOTAL MAINTENANCE	659,176	54,931	163
Real Estate Taxes	256,462	21,372	64
Other Taxes & Insurance	84,461	7,038	21
Workers Comp	27,316	2,276	7
Motor Vehicle Ins	4,545	379	1
Other Taxes, Ins	28,700	2,392	7
Misc Financial Exp	8,424	702	2
Ground Lease	44,759	3,730	11
Mort Insu Premium (MIP)	30,625	2,552	8
Replacement Reserves	423,972	35,331	105
Primary Debt Service	729,395	60,783	181
Other "must pay" debt service	86,544	7,212	21
Other			
Total	3,233,319	269,443	802

15-Apr-11 Northgate Apartments																
Operating Income	Year															
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Section 8 Rent	1,978,920	2,018,498	2,038,868	2,100,046	2,142,047	2,184,888	2,228,385	2,273,157	2,318,620	2,364,993	2,412,292	2,460,538	2,509,749	2,559,944	2,611,143	2,662,342
Non Section 8 Rent	1,508,244	1,538,409	1,569,177	1,600,561	1,632,572	1,665,223	1,698,528	1,732,498	1,767,148	1,802,491	1,838,541	1,875,312	1,912,818	1,951,074	1,990,096	2,029,874
Other Income	4,235	4,320	4,406	4,494	4,584	4,676	4,769	4,865	4,962	5,061	5,162	5,266	5,371	5,478	5,588	5,698
Vacancy Section 8	(39,578)	(40,370)	(41,177)	(42,001)	(42,841)	(43,698)	(44,572)	(45,463)	(46,372)	(47,300)	(48,246)	(49,211)	(50,195)	(51,199)	(52,223)	(53,267)
Vacancy Non-Section 8	(75,412)	(76,920)	(78,459)	(80,028)	(81,629)	(83,261)	(84,926)	(86,625)	(88,357)	(90,125)	(91,927)	(93,766)	(95,641)	(97,554)	(99,505)	(101,496)
Total Operating Income	3,376,408	3,443,937	3,512,815	3,583,072	3,654,733	3,727,828	3,803,384	3,878,432	3,956,001	4,035,121	4,115,833	4,198,139	4,282,102	4,367,744	4,455,099	4,544,174
Operating Expenses																
Ground Lease	44,758	45,653	46,566	47,497	48,447	49,416	50,404	51,413	52,441	53,490	54,559	55,651	56,764	57,899	59,057	60,237
MIP Pmt	30,625	30,392	30,146	29,887	29,614	29,326	29,024	28,705	28,369	28,015	27,642	27,250	26,836	26,400	25,942	25,462
Total Expenses (excl. Reserves)	1,918,024	1,975,564	2,034,831	2,095,876	2,158,753	2,223,515	2,290,221	2,358,927	2,429,695	2,502,586	2,577,664	2,654,993	2,734,643	2,816,683	2,901,183	2,988,245
Reserves	423,972	432,451	441,100	449,922	458,921	468,099	477,461	487,011	496,751	506,686	516,820	527,156	537,699	548,453	559,422	570,605
Total Operating Expense	2,417,379	2,408,016	2,475,932	2,545,799	2,617,674	2,691,615	2,767,682	2,845,938	2,926,446	3,009,272	3,094,483	3,182,149	3,272,342	3,365,136	3,460,605	3,558,850
Net Operating Income	959,030	1,035,921	1,036,883	1,037,273	1,037,059	1,036,213	1,034,702	1,032,494	1,029,555	1,025,849	1,021,340	1,015,990	1,009,760	1,002,609	994,494	985,324
Less Flex Sub - Supportable Debt	86,544	86,544	86,544	86,544	86,544	86,544	86,544	86,544	86,544	86,544	86,544	86,544	86,544	86,544	86,544	86,544
Less VHA Permanent Loan	729,395	729,395	729,395	729,395	729,395	729,395	729,395	729,395	729,395	729,395	729,395	729,395	729,395	729,395	729,395	729,395
Annual Cash Flow	143,091	219,982	220,944	221,334	221,120	220,774	218,763	216,555	213,616	209,910	205,401	200,051	193,821	186,670	178,555	170,380
Operating Subsidies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sinking Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash	143,091	219,982	220,944	221,334	221,120	220,774	218,763	216,555	213,616	209,910	205,401	200,051	193,821	186,670	178,555	170,380
DCR	117.54%	126.96%	127.08%	127.13%	127.10%	127.00%	126.81%	126.54%	126.18%	125.73%	125.17%	124.52%	123.75%	122.88%	121.88%	120.78%
Cash Flow Allocation:																
Flex Sub	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Cash Flow Loan	71,545	109,991	110,472	110,667	110,560	110,137	109,382	108,278	106,808	104,955	102,700	100,026	96,910	93,335	89,278	84,753
Supportable Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Flow to Owner	71,545	109,991	110,472	110,667	110,560	110,137	109,382	108,278	106,808	104,955	102,700	100,026	96,910	93,335	89,278	84,753
End Balances:																
Flex Sub Supportable Loan	2,793,927	2,735,052	2,675,587	2,615,524	2,554,858	2,493,582	2,431,691	2,369,178	2,306,037	2,242,261	2,177,845	2,112,782	2,047,065	1,980,688	1,913,644	1,846,449
Flex Sub Cash Flow Loan	2,852,215	2,780,670	2,670,679	2,560,207	2,449,540	2,338,979	2,228,842	2,119,461	2,011,183	1,904,375	1,799,421	1,696,720	1,596,695	1,499,784	1,406,449	1,317,172
VHFA Mortgage	12,250,000	12,058,259	11,954,649	11,845,509	11,730,546	11,609,447	11,481,887	11,347,520	11,205,982	11,056,892	10,899,846	10,734,420	10,560,167	10,376,614	10,183,267	9,980,642
Cumulative Cash Flow																
Beginning Balance	71,545	72,976	185,527	300,814	418,604	538,642	660,653	784,342	909,389	1,035,452	1,162,166	1,289,137	1,415,945	1,542,144	1,667,255	1,791,770
Deposits	1,431	2,559	4,815	7,123	9,478	11,874	14,302	16,770	19,256	21,759	24,270	26,783	29,288	31,776	34,238	36,674
Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Withdrawals	72,976	185,527	300,814	418,604	538,642	660,653	784,342	909,389	1,035,452	1,162,166	1,289,137	1,415,945	1,542,144	1,667,255	1,791,770	1,917,444
Ending Balance	254,083	432,451	610,509	789,018	967,070	1,144,822	1,322,014	1,500,014	1,677,945	1,855,806	2,033,681	2,211,574	2,389,489	2,567,425	2,745,373	2,923,327
Cumulative Replacement Reserves																
Beginning Balance	254,083	263,404	272,997	282,868	293,025	303,474	314,225	325,284	336,660	348,360	360,394	372,770	385,497	398,584	412,041	425,876
Deposits	423,972	432,451	441,100	449,922	458,921	468,099	477,461	487,011	496,751	506,686	516,820	527,156	537,699	548,453	559,422	570,605
Interest	9,321	9,593	9,871	10,157	10,450	10,750	11,059	11,376	11,701	12,034	12,376	12,727	13,087	13,456	13,835	14,214
Withdrawals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	263,404	272,997	282,868	293,025	303,474	314,225	325,284	336,660	348,360	360,394	372,770	385,497	398,584	412,041	425,876	439,690
0.012835																

Northgate Restructure Timeline & Workplan

When		What	Details	Who	Status	Comments
APRIL		Capital Needs Assessment	Finalize: incorporate into proforma	Kathy/Emily		awaiting TNP
		Order Appraisal	Lender Value appraisal - indicate vacancy rate - Steve Allen	Sam		in process: Sam has commissioned
		Vacancy Rate Letter	Letter of Vacancy Rate - Steve Allen (if not <3%)	Kathy		will be included with rent study
		Order Market Study	Rent comparability study update - also from Steve Allen \$1800	Kathy	done: 5/20	need for MUp2M submission
		Legal opinion re: structure	Jonathan Klein, John Wagner, George Demas to discuss and develop conceptual approval of legal ownership structure to meet requirements	KH/ Emily	done: ok	awaiting bond counsel memo
		Review Rent Comp Study	Hire appraiser to review rent comp study	Ann Marie	done	Kurt Kaffenburger hired; will review when study is done
		Good/Bad Costs	Bond counsel review of bad cost plan	Emily/KH	done: ok	will be covered by surplus r funds in cap needs assessment
		Hing Sub Covenant (HSC)	Discuss income/rent level requirements in HSC with Jonathan Klein & decide how to proceed with HUD	Emily/ KH		discussion underway
		VHFA Loan Committee	VHFA Loan Comm to discuss <2 mos operating reserve and deferral of 0% Loan	Cindy/Sam	done: ok	
4 4 2011		VHFA Info -> Devel team	Cindy to send to devel team (Kathy/Emily) the MF loan appl, Risk share appl, proforma drafted to date	Cindy	done	
4 11 week		Proforma Updates	Adjust proforma to consider repl res account balance and contributions, tweak so DCR is 1.15 or higher	Emily	in process	awaiting TNP, role/ fee clarifications
		Clarify roles, costs	MPI, Amy, Emily, CHT - clarify roles & costs (incl. A&E, rehab monitoring)	Team		proforma implications/ Emily finalizing
		NROC Exec Comm to meet	to discuss ownership structure	Kathy	done	
		NROC Board to meet	to discuss ownership structure	Kathy	done	NROC Board Mtg 4/14/11
		Check bylaws for proper process	Make sure we follow the process to transfer property as written in by-laws	Kathy	done	
		CHT-NROC entity	MOU or other	KH/ Kathy/Amy		pending additional bond counsel info
		VHCB Deferral	Request deferral from VHCB of their funds	Kathy/Amy		Talk to Gus/Polly after NROC Board meeting - Kathy to have
		Perm with holdback structure	Review the structure of perm closing with holdback (escrow) for repairs with NIBP/Risk Share rules/regs (18 mo period)	Cindy	done: ok	
4 11 or 5 9		More Soft \$S	Investigate other potential sources of deferred soft \$S	Amy		need proof of effort for Flex Sub submission -- maybe can be
		Pre-Devel Loan	apply for VHFA MacArthur pre-devel loan: VHFA needs 2 weeks ahead order enviro assessment	Amy w. Kathy	done	4/25/11 vhfa board mtg
		Enviro		Kathy		MPI getting proposals; due back 4/23
		TEFRA Notice/Bond Intent Memo		Cindy	done 4/4	
4 4 2011		Amy Wright - TA	VHCB - can MacArthur TA \$S cover Amy to work on Northgate	Amy	?	Waiting to hear back from VHCB/Amy to follow up with Po
4 25 2011		Flex Sub App	Prepare & Submit HUD Flex Sub repayment proposal to HUD (subject to VHFA attment) incl request to combine properties	Emily w. Kathy		WHEN? Once we have #s blessed by VHFA - late April/early
		Mac-A Loan to Board	MacArthur loan requests to VHFA Board for approval	Cindy		4/25/11 board mtg
		M2M	Prepare & Submit Markup to Market proposal to VHFA, incl waiver request and contract consolidation	Kathy/ Emily		needs market rent comp study; in process will be done by 5/2
		P & S Agmt	VHFA submits to VSHA and HUD	Ann Marie		Kathy will discuss process with Sam/Ann Marie
mid-May		VHFA Loan App	Needs to be done	Jonathan		Move up to be done soon after the Board approval
		P&S Agreement	Submit Perm Loan Appl to VHFA for 6/20 Board Mtg	Amy/ Kathy		Emily to confirm with Cindy on proforma format required
		Org Documents	Numbers	Emily		need constr. Pd cash flows?
		HUD Risk Share Appl	NROC & purchaser Partnership Agreement, etc. for new entity	KH		for VHFA loan app
JUNE		Bid packages	Work on elements of the Risk Share Appl - 2530s	KH		for VHFA loan app
			enviro review	Emily/KH w. others		CHT & NROC & MPI - identifies roles
			Affirmative FH Marketing	Amy		Kathy will discuss w. Cindy; substantial lead time; notice -
			Finalize plans & specs	Kathy		
6 20 2011		VHFA Board Mtg	Complete bid packages	MPI & some A/E		Kathy contacted Tom O'Brien. Will begin preliminary work for
		Risk Share Appl		MPI & some A/E		In process
		GC selection	Seek VHFA Board Approval for Permanent Loan	Cindy		
			Submit Risk Share Appl to HUD for firm commitment	Cindy		
JULY			Select GC, firm up costs	MPI		

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: PRE-DEVELOPMENT, ENERGY AND
CAPITAL IMPROVEMENT LOAN FINANCING FOR
NORTHGATE APARTMENTS, CITY OF BURLINGTON**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Northgate Residents Ownership Corporation (the "Borrower") involving the rehabilitation of a total of three hundred thirty-six (336) units of general occupancy rental housing in the City of Burlington (the "Development"); and

WHEREAS, the application contemplates one or more mortgage loans for pre-development, energy and capital improvement Loan financing for the Development with the interest rate to be determined by the Agency depending on the source of funds; and

WHEREAS, the Borrower qualifies as a housing sponsor within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Cynthia Reid dated April 14, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.
2. The predevelopment, energy and capital improvement costs to be incurred by the housing sponsor are for housing development costs within the meaning of the Act.
3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.
4. The housing sponsor undertaking the Development will increase the supply of well-

planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Borrower is financially responsible and is a qualified housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the Borrower for the predevelopment, energy and capital improvement financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Borrower in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the predevelopment, energy and capital improvement financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter shall be conditioned on the satisfaction by the Borrower of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
4. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.



Vermont Housing Finance Agency

VHFA Board of Commissioners Meeting Minutes
Agency of Commerce and Community Development
Calvin Coolidge Conference Room
National Life Building, 6th Floor, Montpelier
Monday, April 25, 2011 at 9:30 a.m.

VHFA Board Members Present:

Tom Pelletier, Beth Pearce, Tom Candon, Dayne Canney, Bart Frisbie, Gus Seelig, Lisa Randall

Staff Present:

Sarah Carpenter, Tom Connors, Dave Adams, George Demas, Pat Loller, Josh Slade, Cindy Reid, Brenda Howley, Pat Crady, Jacklyn Santerre, Maura Collins

Guests Present:

Michael Monte (Champlain Housing Trust), Kathy Tyrell Luce (Northgate Residents Ownership Corporation)

BOARD MEETING

Mr. Pelletier called the Board meeting to order at 9:20 a.m.

BOARD MINUTES

Ms. Canney moved that the Board approve the March 14, 2011 Board of Commissioners meeting minutes. Mr. Frisbie seconded the motion, which was unanimously approved except for Gus Seelig and Lisa Randall who abstained.

CONSENT AGENDA

Spring Elliot Valgar Housing Request for Additional State Credits

Mr. Adams discussed the need for the extra tax credits to pay for the cost of replacing two roofs. Mr. Adams explained that these few tax credits would not be able to be used elsewhere and would make a difference for this project. Mr. Seelig moved that the board approve the resolution as presented. Ms. Canney seconded the motion, which was unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Ms. Carpenter reviewed the Executive Director's report. She reported that through the work of the Treasurer's office VHFA was able to get a small change in the Moral Obligation language that S & P was looking for. There were no bills that would immediately impact VHFA in the legislature. Ms. Pearce inquired about the MacArthur Foundation sponsored report on energy. Ms. Carpenter explained that the report was complete and is on the Agency's website. Staff is developing policy recommendations based on the report to bring to the Board at a later meeting.

Mr. Candon inquired about the renewal of the SF Series 17 liquidity facility with TD Bank rather than FHLB. Ms. Carpenter responded that the terms were better with TD Bank. She also commented that FHLB has been difficult to work with.



PUBLIC COMMENT

Mr. Pelletier opened the meeting to public comment. No members of the public offered comment.

FINANCE

Renewal of Existing and Establishment of Keybank Credit Facilities

Mr. Connors reviewed the Preliminary Term Sheet for the Keybank Credit Facilities and requested the Board approve the attached resolutions with respect to renewing the 2005 Revolving Line of Credit, renewing the 2010 Purpose and Ability Non-Revolving Credit Facility, entering the 2011 Purpose and Ability Non-Revolving Line of Credit and entering a new Warehouse Revolving Credit Facility. After brief discussion, Mr. Seelig moved that the Board approve the attached resolutions, and Ms. Canney seconded the motion which was unanimously approved.

Independent Auditing Firm

Mr. Connor requested that based on the recommendation of the Audit Risk Committee, the Board approve retaining the Reznick Group as the independent auditors for the Agency. Mr. Seelig moved that the Board approve the request subject to confirmation of no objection from the State Auditor, and Ms. Pearce seconded the motion which was unanimously approved.

DEVELOPMENT

Cedar's Edge – Update of Equity Bridge Loan

Mr. Slade updated the Board on the Merchants Bank position regarding the financing. He reviewed steps taken to insure that the loan by VHFA was secure as a second position.

Allen Canal Apartments – Permanent Financing

Mr. Slade reviewed project and indicated that this would be a good project for the NIBP program. Mr. Monte explained that the acquisition of this project would also allow it to upgrade windows, bath fan and duct work, roof maintenance, along with needed structural work on decks and paving.

Ms. Canney moved that the Board approve the request, and Mr. Seelig seconded the motion which was unanimously approved.

Northgate Apartments – MacArthur Pre-development and Energy & Capital Improvement

Financing - Ms. Reid reviewed the Northgate Apartments memo. She explained that this project is owned by Northgate Residents Ownership Corporation (NROC), a nonprofit, and that they are working on a financial re-structuring plan to address the repayment requirement of the HUD Flexible Subsidy loan, and capital improvements outlined in a recent Capital Needs Assessment. Ms. Reid explained that this project became resident-owned in 2007. The MacArthur pre-development loan and Energy & Capital Improvement loan would allow the project to work on the financial restructuring plan and provide match funding for weatherization/energy funds. Ms. Reid expressed that the project intends to apply to VHFA for permanent debt, through the Treasury's New Issue Bond Program (NIBP), and that request will be coming before the Board in June.

Ms. Canney moved that the Board approve the request, and Ms. Randall seconded the motion which was unanimously approved

Multifamily Conduit Bond Review Parameters

Mr. Adams reviewed the parameters of Staff had developed for reviewing future proposed conduit bond projects. He and Mr. Demas answered questions from the Board and assured the Board that it would have final approval for any future projects.

HOMEOWNERSHIP

SF Portfolio Analysis

Mr. Adams presented a powerpoint presentation aided by Ms. Carpenter, Ms. Crady, Ms. Collins and Mr. Connors that reviewed Single Family performance of the whole loan portfolio from January 2000 through December 2010. The analysis included whole loan originated for this period of time and loan performance (performing vs. nonperforming) with projections for 2011. They responded to questions from the Board.

OTHER BUSINESS

2011 Strategic Planning Sessions

Ms. Collins reviewed plans for 2011 strategic planning sessions touching briefly dates and subject matters.

Ms. Carpenter inquired from the Board if they would rather receive the Board Packets electronically instead of by hard copy. The majority of the Board requested hard copies of the Board Packets.

Mr. Seelig moved that the Board adjourn at 11:30 a.m. Ms. Pearce seconded the motion, which was unanimously approved.

I hereby certify that the foregoing is a true copy of the Minutes of the Vermont Housing Finance Agency Board of Commissioners meeting held on April 25, 2011. The Minutes were approved at a lawful meeting of the Commissioners held at Montpelier, Vermont on May 23, 2011.

*Sarah E. Carpenter
Executive Director and Secretary
Vermont Housing Finance Agency*



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners

FROM: Cynthia Reid, Senior Development Underwriter *CR*

DATE: May 16, 2011

RE: Request for Construction and Permanent Loans & Bond Housing Credits:
Graystone Village, Hartford

Name:	Graystone Village	Location:	Hartford
Housing Type:	Senior	Unit Type:	Flats
Unit Count:	34 units 34 tax credit units	Unit Sizes:	31 1-BR @ 625 s.f. 3 2-BR @ 720 s.f.
Total Cost:	\$2,429,324	Per S.F. Acquisition & Construction Cost:	\$83
Credits Requested:	\$80,000 4% Credits	Sponsors:	Twin Pines Housing Trust & Housing Vermont
Loans Requested:	\$650,000 Construction \$1,650,000 Permanent		
Other Funding: VFEP, SEVCA, Efficiency Vermont			

Summary of Request: Twin Pines Housing Trust (TPHT) and Housing Vermont (HVT) are requesting \$650,000 in tax-exempt construction financing, \$1,650,000 in tax-exempt permanent financing, and \$80,000 in 4% (bond) Housing Credits to re-develop 34 residential rental units for seniors in Hartford.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution and make the required findings as outlined in the second section of the resolution ("It is hereby determined:"), and that the Board authorize the Executive Director to issue a Letter of Interest and/or a Commitment Letter to finance this property upon satisfactory completion of staff underwriting and due diligence, and authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.

Project Background: Graystone Village, a 34-unit senior residential rental property, was built in 1978 as part of a planned unit development. It is located in the Town of Hartford, in the Village of White River Junction. The development consists of five one-story residential buildings and a sixth building which is the well-used community center (which has activity space, maintenance office, kitchen and laundry).

In 1993 HVT purchased the property and moderately rehabilitated the buildings. The project used tax credits at that time, and now is past its 15 year compliance period. The property is in average condition and has been well maintained. Given the age of the property, some major systems are at the end of their useful life and now require replacement, the cost of which exceeds available project reserves. The planned rehabilitation will include boiler replacement, new windows and doors, new roofs and siding, and solar domestic hot water, conservation measures, insulation, ventilation, electrical and safety code updates, and some kitchen



replacements. The development team has worked closely with the Vermont Fuel Energy Partnership staff over the past months on a plan to boost the property's energy efficiency.

The development has a historically low vacancy rate and a waiting list of 50. The residents are all below 50% of area median income (approximately one half of the residents have less than \$10,000 in annual income). All units have Section 8 rental assistance through a 40-year Housing Assistance Payments Contract which expires in 2018. Stewart Property Management manages the property and reports that they generally have one vacancy per year and it is filled within two weeks. Stewart will continue to manage the property.

The property has municipal water and wastewater, is located within a mile of downtown White River Junction, and 4.2 miles from Dartmouth Hitchcock Hospital. There is a bus which services the development.

An Act 250 permit amendment is not required. Other funding has been committed from Vermont Fuel Energy Partnership, South East Vermont Community Action (weatherization) and Efficiency Vermont. The source of the permanent loan will be the Treasury 'New Issue Bond Program', insured through HUD Risk Share.

This property is currently in VHFA's portfolio and covered by a perpetual VHFA Preservation Agreement (circa 1993). At closing, the existing debt will be paid off with the new debt, which is sized to also pay for the capital improvements. The as-completed appraisal values the property at \$2,130,000, which indicates a loan to value ratio for the permanent loan of 77%. A Level I Environmental Site Assessment has been completed and indicates no adverse conditions.

Once VHFA staff obtains a commitment for HUD Risk Share mortgage insurance (anticipated July), we will close on the loan and construction can begin. Construction will be completed by the end of the year.

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: CONSTRUCTION AND PERMANENT FINANCING AND
PROPOSED USE OF BOND HOUSING CREDITS FOR GRAYSTONE VILLAGE,
TOWN OF HARTFORD**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont and Twin Pines Housing Trust (the "Sponsors") on behalf of a to be formed limited partnership in which one or more of the Sponsors or their subsidiaries or affiliates will be general or co-general partner(s) (the "Borrower") involving the acquisition and rehabilitation of a total of thirty-four (34) units of senior rental housing in the Town of Hartford (the "Development"); and

WHEREAS, the Agency desires to take "official action" for the purpose of, and to reimburse itself or the Borrower for any advances of funds prior to, the issuance and sale of tax-exempt bonds (the "Bonds") to finance one or more loans to the Borrower; and

WHEREAS, the application contemplates one or more mortgage loans for construction and permanent financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Sponsors qualify and the Borrower will qualify as housing sponsors within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Cynthia Reid dated May 16, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.
2. The acquisition, construction or rehabilitation costs to be incurred by the housing sponsors are for housing development costs within the meaning of the Act.
3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.
4. The housing sponsors undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.
5. The security value of the Development will equal at least the amount of the Agency's loan(s).
6. The Sponsors are financially responsible and are qualified housing sponsors within the meaning of the Act. The Borrower will be required to qualify as a housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the limited partnership to be created by the Sponsors for the construction and permanent financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Sponsors in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the construction and permanent financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter may be issued to the Sponsors as the representatives of the Borrower. The Commitment Letter shall be conditioned on the satisfaction by the Sponsors of all

requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.

3. The issuance of the Bonds for the purpose of financing one or more loans to the Borrower is hereby preliminarily approved, and, pursuant to Section 1:150-2 of the Internal Revenue Code Regulations, the Agency hereby states its intention to reimburse itself from Bond proceeds for any advances of Agency funds prior to the issuance of the Bonds.
4. The preliminary approval described in the preceding paragraph does not obligate the Agency to give final approval for the issuance of said Bonds. Final approval of the issuance of the Bonds can only be authorized by independent action, which may contain such conditions thereto as the Agency may deem appropriate. The Agency in its absolute discretion may refuse to finally authorize the issuance of the Bonds and shall not be liable to the Borrower or any other person for its refusal to do so.
5. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
6. The recommendations for the use of Bond Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
7. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the use of Bond Housing Credits in an amount necessary for the Development's feasibility for the Graystone Village housing project in the Town of Hartford, Vermont.
8. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.

16-May-11 **Graystone Village Energy Retrofit**

Total Rental Residential Units:	34	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	34	Increase in Income from Other Sources:	1.50%
Percent Restricted:	100.00%	Increase in Income from Commercial:	0.00%
Total Rental Development Cost:	2,429,324	Expense increase:	3.00%
Total Rental Dev. Cost per Unit:	71,451	Vacancy Rate:	2.00%
Total Rental Dev. Cost Per SF:	105	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	83,135	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	80,000	Sponsor's Estimated Yield:	0.72

LIHTC - 9%- rehab	3.33%	May 2011
LIHTC - 4% acqu	3.33%	

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
Permanent Debt - NIBP	1,650,000	67.92%	5.21%	30	30
VFEP	75,000	3.09%	0.00%	0	30
EVT	8,500	0.35%	0.00%	0	30
SEVCA	65,920	2.71%	N/A	N/A	N/A
Cash accounts	57,700	2.38%	N/A	N/A	N/A
LIHTC equity	572,204	23.55%	N/A	N/A	N/A
TOTAL SOURCES	2,429,324	100.00%			

USES

Acquisition	814,540	33.53%
Construction Hard Costs	1,109,756	45.68%
Soft Costs	505,028	20.79%
TOTAL USES	2,429,324	100.00%

VHFA Construction Loan 650,000

Gap 0

General Partner's Capital Contribution	6	0.001%
Limited Partner's Capital Contribution	572,147	99.99%
Total Equity	572,153	100.0%

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	34
Total Units	34
Unit Fraction	100.00%
Gross building SF	23,215
Tax Credit Square Footage	21,535
Total Residential Square Footage	21,535
Square Footage Fraction	100.00%
Applicable Fraction	100.00%

	Budget	Per Unit	Per s.f.	Permanent Debt - NIBP	VFEP	EVT	SEVCA	Cash accounts	LIHTC equity	TOTAL SOURCES
ACQUISITION										
1 Land	0	0	0.00						0	0
2 Purchase of Building(s)	803,740	23,639	34.62	803,740					0	803,740
3 Demolition (without replacement)	0	0	0.00						0	0
4 Property Appraisal	5,300	156	0.23	5,300					0	5,300
5 Legal - Title and Recording	5,500	162	0.24	5,500					0	5,500
Acquisition/Carrying Costs	0	0	0.00						0	0
Subtotal - Acquisition	814,540	23,957	35.09							
CONSTRUCTION HARD COSTS										
6 Rehabilitation	956,836	28,142	41.22	835,460	75,000				46,376	956,836
7 New Building(s)	0	0	0.00						0	0
8	0	0	0.00						0	0
9 Sitework	0	0	0.00						0	0
10 Solar DHW	65,920	1,939	2.84				65,920		0	65,920
11	0	0	0.00						0	0
12 Contractor Overhead	0	0	0.00						0	0
13 Contractor Profit	0	0	0.00						0	0
14 Construction Contingency	53,000	1,559	2.28						53,000	53,000
15 Construction Management	0	0	0.00						0	0
16 Construction Bond Fee	0	0	0.00						0	0
17 Hazardous Materials Abatement	0	0	0.00						0	0
18 Off-Site Improvements	0	0	0.00						0	0
19 Furnishings, Fixtures, & Equipment	34,000	1,000	1.46			8,500			25,500	34,000
20 Other ()	0	0	0.00						0	0
Subtotal - Hard Costs	1,109,756	32,640	47.80							
SOFT COSTS										
21 Architectural/Eng/Consultants	50,743	1,492	2.19						50,743	50,743
22 Engineering	0	0	0.00						0	0
23 Legal/Accounting	36,500	1,074	1.57						36,500	36,500
24 Relocation	8,500	250	0.37						8,500	8,500
25 Environmental Assessment	4,450	131	0.19						4,450	4,450
26 Energy Assessment	0	0	0.00						0	0
27 Permits/Fees	9,130	269	0.39						9,130	9,130
28 Independent Market Study	1,200	35	0.05						1,200	1,200
29 Construction Period Insurance	2,500	74	0.11						2,500	2,500
30 Construction Interest	32,580	958	1.40						32,580	32,580
31 Construction Loan Origination Fee	8,900	262	0.38						8,900	8,900
32 Taxes During Construction	0	0	0.00						0	0
33 Clerk of the Works	0	0	0.00						0	0
34 Marketing	0	0	0.00						0	0
35 Tax Credit Fees	3,600	106	0.16						3,600	3,600
36 Soft Cost Contingency	5,500	162	0.24						5,500	5,500
37 Permanent Loan Origination Fee	48,875	1,438	2.11						48,875	48,875
38 Lender's Counsel's Fee	0	0	0.00						0	0
39 Other (CDBG grants management)	0	0	0.00						0	0
SYNDICATION COSTS										
40 Organizational (Partnership)		0	0.00						0	0
41 Bridge Loan Fees and Expenses		0	0.00						0	0
42 Syndication Consultant		0	0.00						0	0
43 Tax Opinion		0	0.00						0	0
DEVELOPER'S FEES										
44 Developer's Fees	140,000	4,118	6.03						140,000	140,000
45 Other Partnership Fees		0	0.00						0	0
46 Consultant Fees		0	0.00						0	0
RESERVES										
47 Working Capital	10,000	294	0.43						10,000	10,000
48 Rent-up (Deficit Escrow) Reserve	0	0	0.00						0	0
49 Other Operating Reserves	120,050	3,531	5.17					35,200	84,850	120,050
50 Sinking Fund		0	0.00						0	0
51 Replacement Reserves	22,500	662	0.97					22,500	0	22,500
Subtotal - Soft Costs	505,028	14,854	21.75							
TOTAL DEVELOPMENT COSTS	2,429,324	71,451	104.64	1,650,000	75,000	8,500	65,920	57,700	572,204	2,429,324
	2,429,324			0	0	0	0	0	0	2,429,324
COST BASIS FOR DEVEL FEE										
DEVELOPER FEE	2,136,774									
DEVELOPER FEE	140,000									
DEVELOPER FEE %	6.55%									

16-May-11 Graystone Village Energy Retrofit

	Budget	Acquisition Basis	Construction Basis	Residential Depreciation	Other
ACQUISITION					
1 Land	0				
2 Purchase of Building(s)	803,740	683,179		803,740	0
3 Demolition (without replacement)	0			0	0
4 Property Appraisal	5,300	5,300		5,300	0
5 Legal - Title and Recording	5,500	5,500		5,500	0
Subtotal - Acquisition	814,540				
CONSTRUCTION HARD COSTS					
6 Rehabilitation	956,836		956,836	956,836	0
7 New Building(s)	0		0	0	0
8 0	0		0	0	0
9 Sitework	0		0	0	0
10 Solar DHW	65,920		65,920		0
11 0	0		0	0	0
12 Contractor Overhead	0		0	0	0
13 Contractor Profit	0		0	0	0
14 Construction Contingency	53,000		53,000	53,000	0
15 Construction Management	0		0	0	0
16 Construction Bond Fee	0		0	0	0
17 Hazardous Materials Abatement	0		0	0	0
18 Off-Site Improvements	0		0	0	0
19 Furnishings, Fixtures, & Equipment	34,000		34,000	34,000	0
20 Other ()	0		0	0	0
Subtotal - Hard Costs	1,109,756				
SOFT COSTS					
21 Architectural/Eng/Consultants	50,743		50,743	50,743	0
22 Engineering	0		0	0	0
23 Legal/Accounting	36,500		36,500	36,500	0
24 Relocation	8,500		8,500	8,500	0
25 Environmental Assessment	4,450		4,450	4,450	0
26 Energy Assessment	0		0	0	0
27 Permits/Fees	9,130		9,130	9,130	0
28 Independent Market Study	1,200		0	1,200	0
29 Construction Period Insurance	2,500		2,500	2,500	0
30 Construction Interest	32,580		27,693	32,580	0
31 Construction Loan Origination Fee	8,900		8,900	8,900	0
32 Taxes During Construction	0		0	0	0
33 Clerk of the Works	0		0	0	0
34 Marketing	0				
35 Tax Credit Fees	3,600		0	3,600	0
36 Soft Cost Contingency	5,500		5,500	5,500	0
37 Permanent Loan Origination Fee	48,875		48,875		0
38 Lender's Counsel's Fee	0		0	0	0
39 Other (CDBG grants management)	0		0	0	0
SYNDICATION COSTS					
40 Organizational (Partnership)	0				
41 Bridge Loan Fees and Expenses	0				
42 Syndication Consultant	0				
43 Tax Opinion	0				
DEVELOPER'S FEES					
44 Developer's Fees	140,000		140,000	140,000	0
45 Other Partnership Fees	0		0	0	0
46 Consultant Fees	0		0	0	0
RESERVES					
47 Working Capital	10,000				
48 Rent-up (Deficit Escrow) Reserve	0				
49 Other Operating Reserves	120,050				
50 Sinking Fund	0				
51 Replacement Reserves	22,500				
Subtotal - Soft Costs	505,028				
TOTALS	2,429,324	693,979	1,452,547	2,127,979	0
LESS: Amount of Non-qualified Financing			65,920		
LESS: Historic tax Credit (Residential Portion)			0		
Total Eligible Basis		693,979	1,386,601		
TIMES: Adjusted for QCT/DDA	130.0%		1,802,581		
TIMES: Applicable Fraction	100.00%	693,979	1,802,581		
Total Qualified Basis		693,979	1,802,581	2,127,979	Long Term Depreciable Basis
TIMES: Applicable Percentage		3.33%	3.33%	27.5	Depreciation Schedule
Total Annual Credit Qualified		23,110	60,026	77,381	Annual Depreciation
Total Tax Credits Requested	80,000			34,000	Short Term Depreciable Basis
Estimated Net Syndication Proceeds (Sec. 42 Housing Credit only)	572,204			7	Depreciation Schedule
Estimated Yield - Housing Credit Syndication	0.7153			4,857	Annual Depreciation
Equity Gap	572,204				
Credits Needed to fill Equity Gap	80,803				

16-May-11 **Graystone Village Energy Retrofit**

HC Restricted Units Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
0 Br		0	0	0	0	0
1 Br		625	31	963	0	358,236
2 Br		720	3	1,070	0	38,520
3 Br		0	0	0	0	0
Totals		21,535	34			396,756
Non-HC Restricted Units Bedrooms	Type	Square Feet	Number	Rent	Utilities	Total Annual Rent
0 Br		0	0	0	0	0
1 Br		0	0	0	0	0
2 Br		0	0	0	0	0
3 Br		0	0	0	0	0
4+ Br		0	0	0	0	0
Totals		0	0			0
Common Area Square Footage		1,680				
Grand Totals		23,215	34			396,756
Less Vacancy			2.00%			(7,935)
NET RENT						388,821
OTHER INCOME						
Laundry						2,500
Parking						0
Commercial Space Income						0
Other (interest income)						850
TOTAL INCOME						392,171

revision date: 8/6/2007

16-May-11 **Graystone Village Energy Retrofit**

PROPOSED FOR 2012

**2011 Budget
from Ann Marie**

	Annual	Monthly	Per Unit Per Month		
Administration					
Management Fee	28,000	2,333	69	7.1%	26,991
Supportive Services	2,500	208	6		600
Audit/Accounting	4,325	360	11		4,300
Legal	1,500	125	4		
Compliance Monitoring	3,264	272	6		
Marketing	300	25	1		
Other	4,264	355	10		7,064
TOTAL ADMINISTRATIVE	44,153	3,679	108		38,955
Utilities					
Electricity	22,613	1,884	55		24,000
Fuel - oil/solar	20,000	1,667	49		31,000
Water and Sewer	7,693	641	19		8,700
Fire Alarm / Emergency	937	78	2		1,000
Other	0	0	0		
TOTAL UTILITIES	51,243	4,270	126		64,700
Maintenance					
Maintenance / Janitor Payroll	34,325	2,860	84		44,890
Janitor Supplies	695	58	2		700
Exterminating	1,025	85	3		1,100
Trash Removal	5,655	471	14		5,700
Snow Removal	5,025	419	12		1,000
Grounds	777	65	2		850
Repairs Material	14,928	1,244	37		12,500
Repairs Contract	20,000	1,667	49		
HVAC Repairs / Maintenance	2,500	208	6		
Elevator Contract / Repairs	0	0	0		
Painting and Decorating	1,500	125	4		
Other	0	0	0		
TOTAL MAINTENANCE	86,430	7,203	212		66,740
Real Estate Taxes	33,677	2,806	83	per unit month excl. ds & res.	33,650
Property Insurance	7,300	608	18	546	7,200
Replacement Reserves	22,500	1,875	55		11,904
Primary Debt Service	108,846	9,071	267		123,372
Other "must pay" debt service		0	0		
Other- land lease	6,000	500	15		6,250
Total	360,149	30,012	883		352,771
"Below-the-Line" Expenses:					
Special LP or GP Fee	0				
Repayment of Deferred Fee	0				
Partnership Audit or K-1 Fee	0				
Distribution	0				
Net to Residual					
Receipts/Cumulative Cash Flow	360,149				

vhfa fee

Graystone Village Energy Retrofit																
16-May-11																
Year																
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Operating Income																
Gross Rent	396,756	402,707	408,748	414,879	421,102	427,419	433,830	440,338	446,943	453,647	460,452	467,358	474,369	481,484	488,706	
Other Income	3,350	3,400	3,451	3,503	3,556	3,609	3,663	3,718	3,774	3,830	3,888	3,946	4,005	4,065	4,126	
Vacancy and other losses	(7,935)	(8,054)	(8,175)	(8,298)	(8,422)	(8,548)	(8,677)	(8,807)	(8,939)	(9,073)	(9,209)	(9,347)	(9,487)	(9,630)	(9,774)	
Total Operating Income	392,171	398,053	404,024	410,085	416,236	422,479	428,817	435,249	441,778	448,404	455,130	461,957	468,887	475,920	483,059	
Operating Expenses																
Total Expenses (excl. Reserves)	228,803	235,667	242,737	250,019	257,520	265,245	273,203	281,399	289,841	298,536	307,492	316,717	326,218	336,005	346,085	
Reserves	22,500	22,838	23,180	23,528	23,881	24,239	24,602	24,972	25,346	25,726	26,112	26,504	26,901	27,305	27,715	
Total Operating Expense	251,303	258,505	265,917	273,547	281,400	289,484	297,805	306,370	315,187	324,262	333,604	343,221	353,120	363,310	373,800	
Net Operating Income	140,868	139,549	138,107	136,538	134,835	132,995	131,011	128,879	126,591	124,142	121,526	118,737	115,767	112,610	109,259	
Less Primary Debt Service	108,846	108,846	108,846	108,846	108,846	108,846	108,846	108,846	108,846	108,846	108,846	108,846	108,846	108,846	108,846	
Less Secondary Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Annual Cash Flow	32,022	30,703	29,261	27,691	25,989	24,149	22,165	20,032	17,744	15,296	12,680	9,890	6,921	3,764	413	
Operating Subsidies / Sinking Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net Cash	32,022	30,703	29,261	27,691	25,989	24,149	22,165	20,032	17,744	15,296	12,680	9,890	6,921	3,764	413	
Cumulative Cash Flow																
Beginning Balance	129,42%	128,21%	126,88%	125,44%	123,88%	122,19%	120,36%	118,40%	116,30%	114,05%	111,65%	109,09%	106,36%	103,46%	100,38%	
Deposits	120,050	152,752	184,295	214,550	243,384	270,655	296,217	319,919	341,601	361,097	378,237	392,839	404,719	413,680	419,522	
Interest	32,022	30,703	29,261	27,691	25,989	24,149	22,165	20,032	17,744	15,296	12,680	9,890	6,921	3,764	413	
Withdrawals:	680	841	995	1,142	1,282	1,414	1,536	1,650	1,752	1,844	1,923	1,989	2,041	2,078	2,099	
Project Operating Needs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Special LP or GP Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Repayment of Deferred Devel. Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Partnership Audit or K-1 Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Distribution of Cash to Owner	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Ending Balance	152,752	184,295	214,550	243,384	270,655	296,217	319,919	341,601	361,097	378,237	392,839	404,719	413,680	419,522	422,033	
Cumulative Replacement Reserves																
Beginning Balance	22,500	45,169	68,289	88,019	108,195	128,827	149,920	152,349	174,295	196,725	196,542	219,852	239,634	262,311	257,072	
Deposits	22,500	22,838	23,180	23,528	23,881	24,239	24,602	24,972	25,346	25,726	26,112	26,504	26,901	27,305	27,715	
Interest	169	283	399	499	601	705	811	824	935	1,048	1,166	1,285	1,408	1,530	1,655	
Withdrawals	0	0	(3,850)	(3,850)	(3,850)	(3,850)	(22,985)	(3,850)	(3,850)	(26,958)	(3,850)	(7,887)	(5,490)	(33,924)	(164,028)	
Ending Balance	45,169	68,289	88,019	108,195	128,827	149,920	152,349	174,295	196,725	196,542	219,852	239,634	262,311	257,072	122,113	
Net Operating Income	140,868	139,549	138,107	136,538	134,835	132,995	131,011	128,879	126,591	124,142	121,526	118,737	115,767	112,610	109,259	
Plus Reserves	22,500	22,838	23,180	23,528	23,881	24,239	24,602	24,972	25,346	25,726	26,112	26,504	26,901	27,305	27,715	
Less Interest Expense	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	(85,965)	
Less Long Depreciation	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	(75,836)	
Less Short Depreciation	(4,857)	(4,857)	(4,857)	(4,857)	(4,857)	(4,857)	(4,857)	0	0	0	0	0	0	0	0	
Taxable Income (Loss)	(3,290)	(4,272)	(5,371)	(6,593)	(7,942)	(9,424)	(11,044)	(7,951)	(9,864)	(11,933)	(14,163)	(16,561)	(19,133)	(21,886)	(24,827)	
Cash Flow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Plus Tax Savings	1,152	1,495	1,880	2,307	2,780	3,298	3,865	2,783	3,452	4,176	4,957	5,796	6,696	7,660	8,690	
Plus Historic Rehab Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Plus State Credits	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	
Plus Federal Housing Credits	81,152	81,495	81,880	82,307	82,780	83,298	83,865	82,783	83,452	84,176	4,957	5,796	6,696	7,660	8,690	
After Tax Cash Flow																

Graystone Village Energy Retrofit

Construction Flow of Funds

Sources:

	2019	2018	2017	2016	2015
Construction Loan					
Permanent Debt - NIBP	1,650,000	1,050,044	223,708	223,558	152,690
VFEP	75,000				
EVI	8,500				75,000
SEVCA	65,920				8,500
Cash accounts	57,700	57,700			65,920
GP Cap Contrib					
LP Cap. Contrib.	572,204	100			286,102
TOTALS:	2,429,324	1,107,844	223,708	223,558	286,002
			0	0	286,002
			0	0	0
			0	0	0

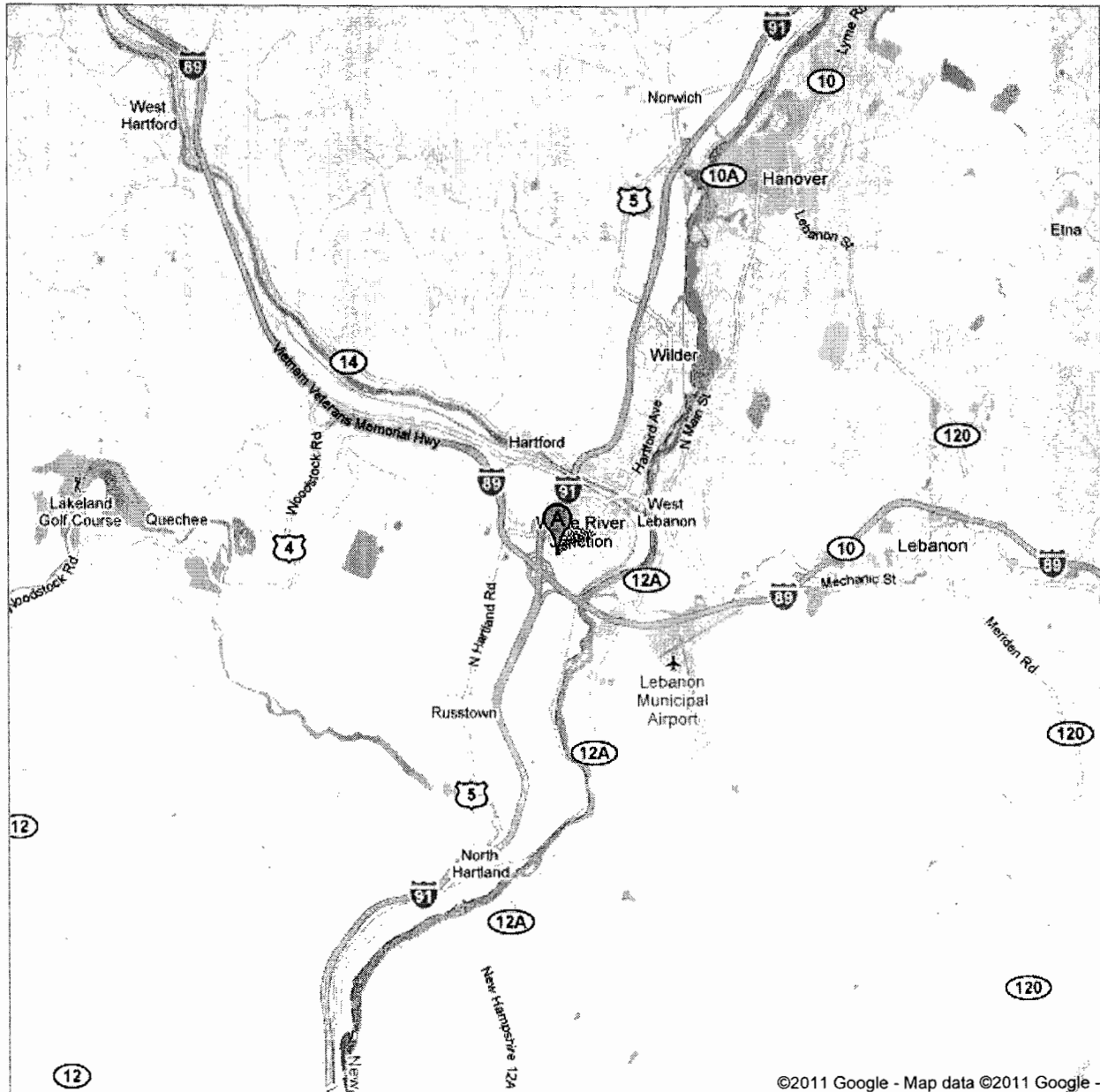
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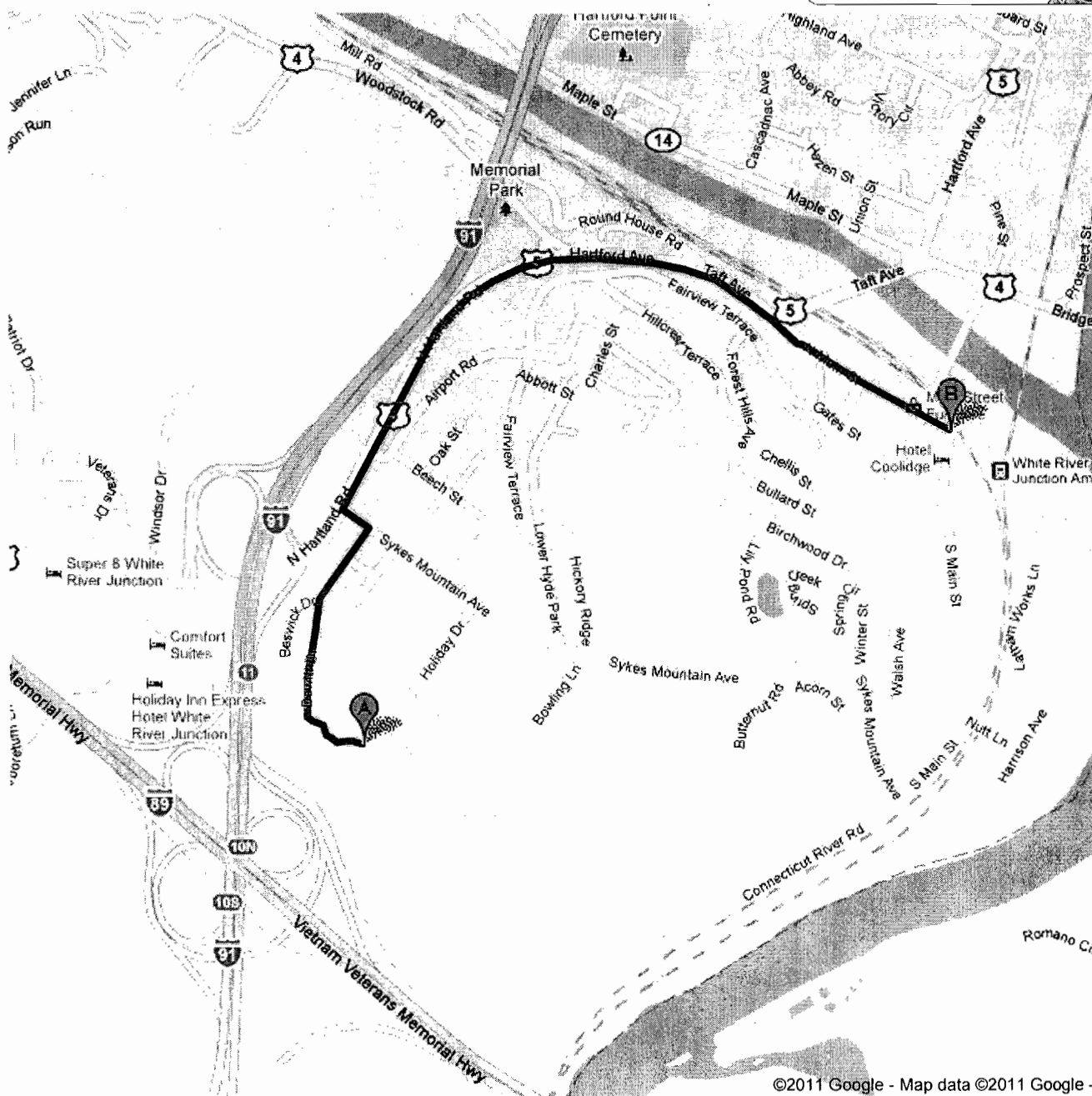
Google maps

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White River Junction, VT 05001

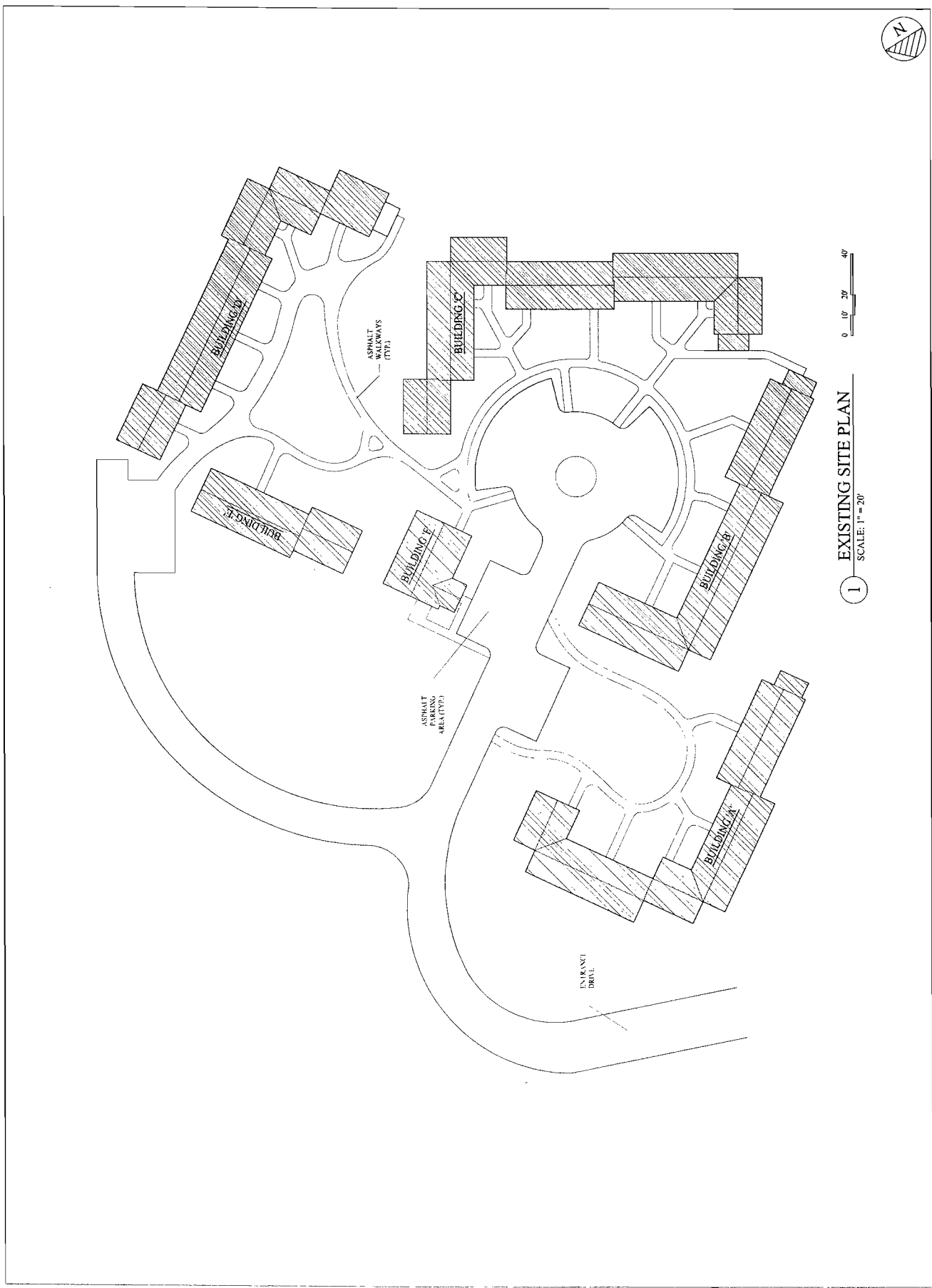
Notes Graystone Village
Regional Location Map



Google maps

Directions to S Main St
1.5 mi – about 4 mins**Save trees. Go green!**Download Google Maps on your
phone at google.com/gmm

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Graystone
Village

White River Junction, VT

OWNER:
Hillside Associates
123 St. Paul Street
Burlington, VT 05401

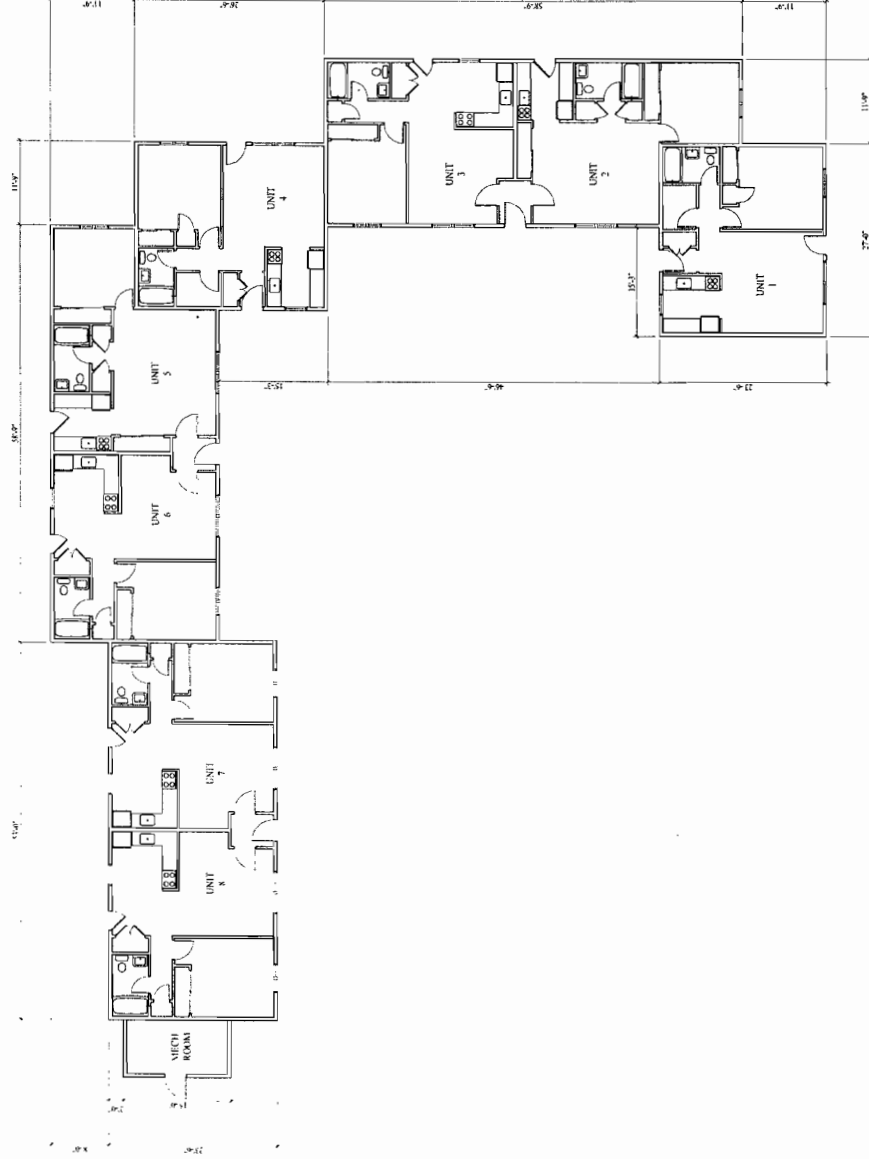
ARCHITECT:
S.S. Architecture
100 North Main Street
St. Albans, VT 05482
Phone: (802) 255-5555
Fax: (802) 255-5555

DATE: 3.28.11

REVISIONS

EXISTING/DEMOLITION
PLANS

A1.1



1 EXISTING FLOOR PLAN - BUILDING 'A'
SCALE: 1/8" = 1'-0"



Graystone
Village

White River Junction, VT

OWNER:
Graystone Village
123 St. Paul Street
Burlington, VT 05401

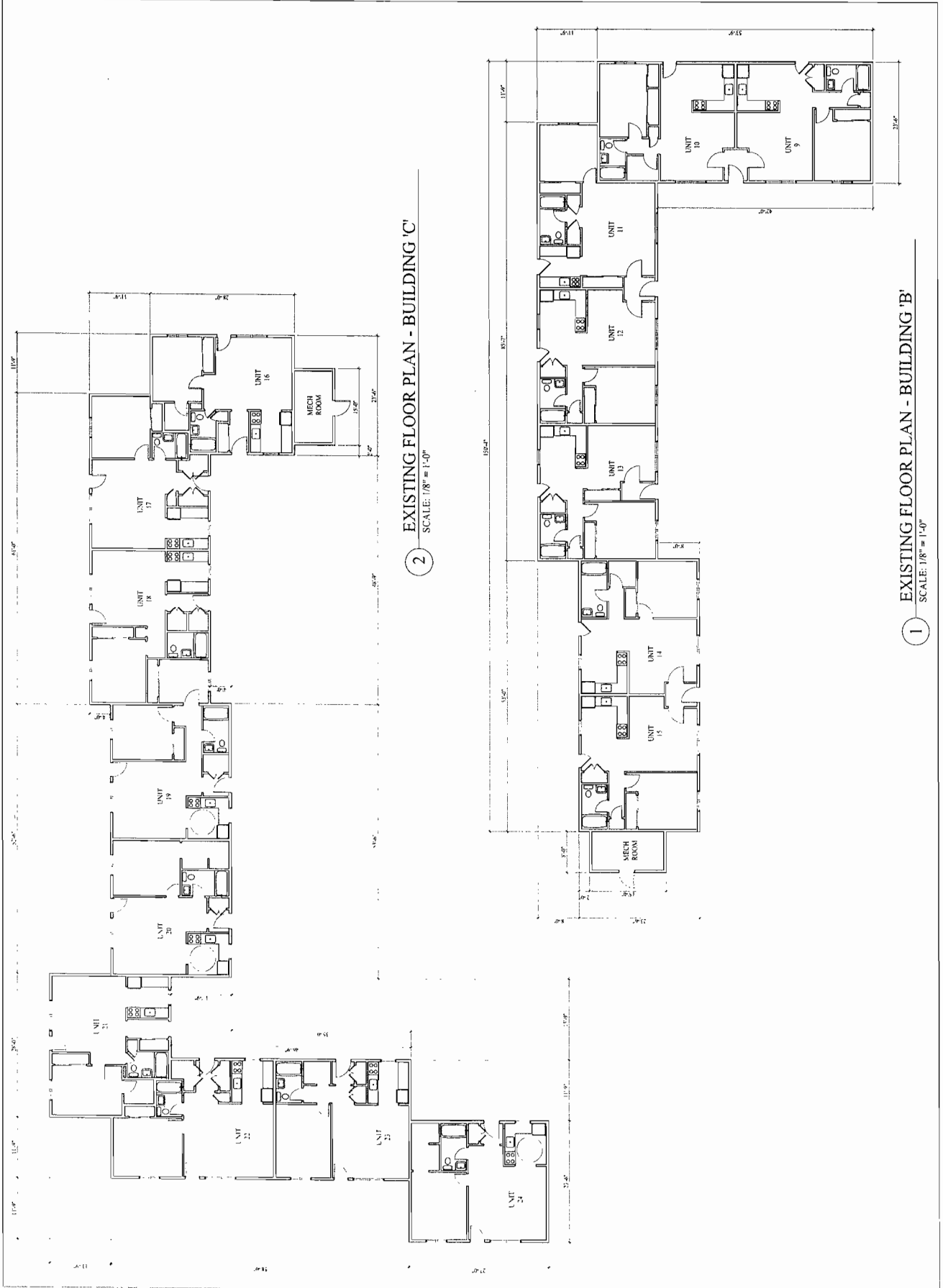
ARCHITECT:
S. A. Associates
123 St. Paul Street
Burlington, VT 05401
Phone: (802) 555-5555
Fax: (802) 555-5556

DATE: 3.28.11

REVISIONS

EXISTING / DEMOLITION
PLANS

A1.2



1 EXISTING FLOOR PLAN - BUILDING 'B'

SCALE: 1/8" = 1'-0"

OWNER:
Graystone Village
123 N. Main Street
Burlington, VT 05401

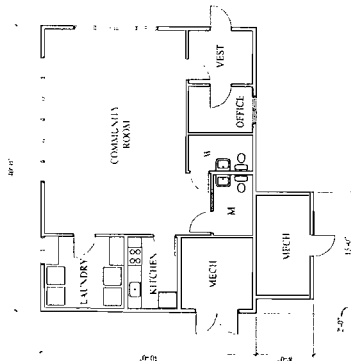
ARCHITECT:
S.A. Architecture
123 N. Main Street
Burlington, VT 05401
Phone: (802) 555-5555
Fax: (802) 555-5555

DATE: 12.28.11

REVISIONS

EXISTING / DEMOLITION
PLANS

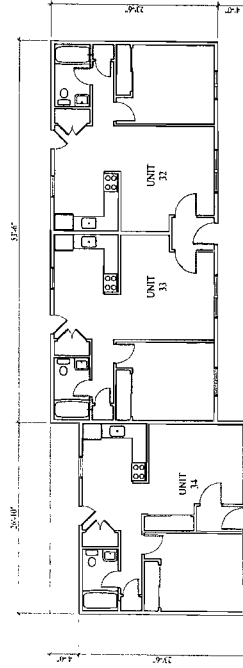
A1.3



EXISTING FLOOR PLAN - BUILDING 'F'
(COMMUNITY BUILDING)

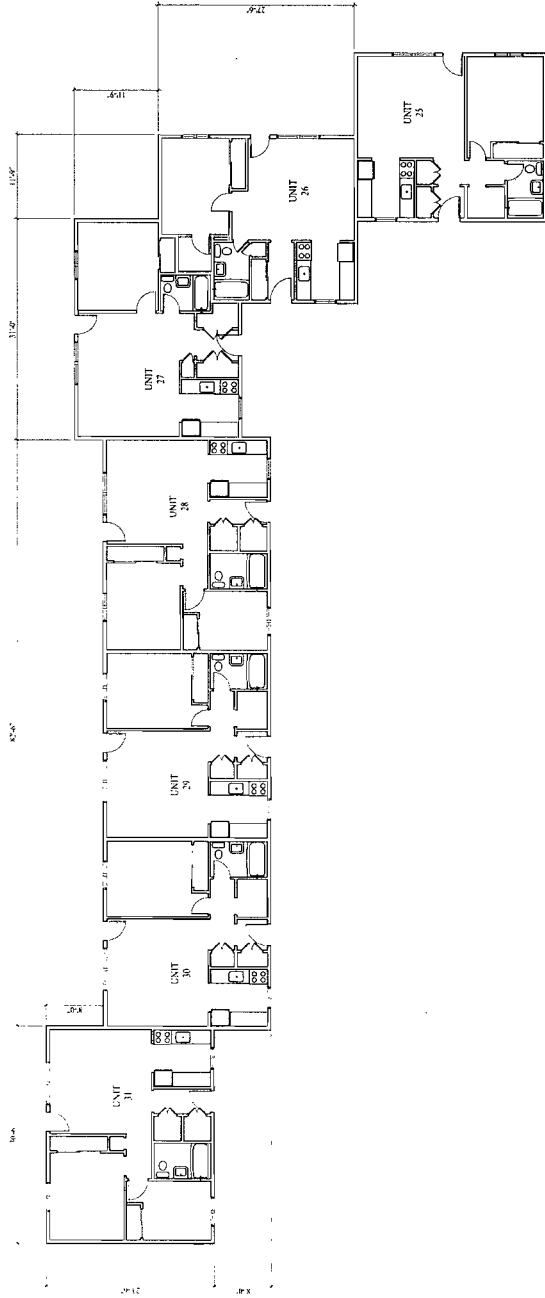
SCALE: 1/8" = 1'-0"

3



EXISTING FLOOR PLAN - BUILDING 'E'

SCALE: 1/8" = 1'-0"



EXISTING FLOOR PLAN - BUILDING 'D'

SCALE: 1/8" = 1'-0"

1

2 TYP. GABLE END WALL SECTION
SCALE: 1" = 1'-0"



Vermont Housing Finance Agency

VHFA Board of Commissioners Meeting Minutes

VHFA Board Room
164 St. Paul Street
Burlington, VT 05401
Monday May 23, 2011 - 08:30 a.m.

VHFA Board Members Present:

Tom Pelletier, Tom Candon, Dagyne Canney, Bart Frisbie, Larry Mires (for Gus Seelig),
Lisa Randall and Jennifer Hollar

Staff Present:

Sarah Carpenter, Tom Connors, Dave Adams, George Demas, Pat Loller, Cindy Reid,
Joe Erdelyi, Maura Collins, Tim Gutchell, Scott Baker, Robin Howe, Abby Smith, Sam
Falzone and Brenda Howley

Guests Present:

Matt Moore (Housing Vermont),

BOARD MEETING

Mr. Pelletier called the Board meeting to order at 8:32 a.m.

BOARD MINUTES

Ms. Randall moved that the Board approve the April 25, 2011 Board of Commissioners meeting minutes. Mr. Frisbie seconded the motion, which was approved unanimously except that Ms. Canney was not present for the vote.

PUBLIC COMMENT

Mr. Pelletier opened the meeting to public comment. No members of the public offered comment.

EXECUTIVE DIRECTOR'S REPORT

Ms. Carpenter stated that Mr. Connors and Mr. Adams will be attending a meeting of state HFA officials and representatives of the GSEs to discuss the future of the GSEs and HFA mortgage products. Ms. Carpenter expressed her concern over cuts at the Federal level that would potentially affect Section 8, HOME, CDBG and other programs.

She reported that the legislature ended quietly noting that VHCB received almost full state funding. Ms. Carpenter also stated that she was concerned about the effects of cuts in non-housing programs on tenants.



Mr. Candon inquired about KPMG's exit as VHFA's independent financial auditing firm. Ms. Carpenter reported that it was an amicable parting and that a Resnick representative had come up for an initial visit.

FINANCE

3/31 Quarterly Financial Review

Mr. Connors reviewed the 3rd Quarter financials through a PowerPoint presentation. Ms. Randall inquired about collection of deficiency balances. Mr. Adams agreed to follow-up with Pat Crady or Jacklyn Santerre and report back to the Board. Ms. Carpenter noted that one reason reserves had been increased was that the slow housing market was causing foreclosures to take longer to resolve than previously.

MULTIFAMILY

State Housing Priorities & Performance Measurements

Mr. Adams reviewed his memo and noted that staff was looking for input from the Board on the kind of data the Agency was collecting and the draft performance measures that had been developed as a result of meetings with ACCD/DEHCD and VHCB.

Mr. Candon asked if the legislature requested the Interagency Funding report and Ms. Carpenter stated that no legislative committee requested the report but the affiliated agencies agreed to proceed with the ongoing update of the data base and generation of periodic reports. Mr. Adams further explained that each agency retains their own report with VHFA maintaining the consolidated report. Ms. Carpenter added that there is a lot of data contained in the data base which would be available for reporting. Mr. Mires noted that the various other housing agencies involved would also have input as to the scope of the reporting and the performance measures that would be adopted.

Mr. Frisbie inquired about using this process to monitor development fees. Ms. Carpenter explained that the Interagency Database at this point does not have that level of line item detail. She reminded the board that each project VHFA does fund reports this information and is monitored to be sure it is in the range of the board adopted policy. Several reviews of this have been presented to the board in conjunction with the Tax Credit QAP process. Staff suggested that once full development budgets and line item detail are incorporated into the multifamily's core HDS system in connection with a coming upgrade, staff could report on developer fees separately to the Board.

Ms. Carpenter stated that staff is asking the Board to review the information provided and send an email on additional desired reporting requests.

DEVELOPMENT

Graystone Village – Request for Construction and Permanent Loans & Bond

Ms. Reid reviewed the project and commented that this project is ideal for the NIBP program. She also added that this development has had historically low vacancy rates and a waiting list of 50.

This discussion led to further discussion of NIBP fees and the plan to combine projects to lower bond issuance closing closes per project. Mr. Moore added that there were plans to bring additional services to this development.

Mr. Candon moved that the Board approve the request, and Ms. Canney seconded the motion which was unanimously approved.

OTHER BUSINESS

Vendor Risk

Ms. Collins reviewed her memo regarding Vendor Risks and responded to inquiries about financial information the Agency collects with respect to its vendors. Financial risks with respect to Mitas and HDS were discussed as being the most difficult to investigate as they are privately held family companies with no public financial information. Ms. Loller agreed to follow-up to see what information was available.

Ms. Randall moved that the Board adjourn at 10:20 a.m. Mr. Candon seconded the motion, which was unanimously approved.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Patricia M. Loller, Director of Administration
DATE: June 20, 2011
RE: Safe Deposit Box Resolution

Recommendation: Approval of the attached resolution open 3 safe deposit boxes for the purpose of offsite storage of computer data tapes.

As was mentioned in the Audit Risk meeting on Jun 1st, staff have been looking at alternative solutions for our offsite storage of computer data tapes. The Agency's current provider is unreliable relative to availability of pickup and delivery. Other solutions have been evaluated, but the safety and security of a bank vault was the best option for the Agency.

All tapes will be moved from the current offsite storage site to TD Bank upon approval of the necessary resolution to open the accounts.



CORPORATE CERTIFICATE OF RESOLUTION
(For Deposit Accounts)

Depositor (Name of Corporation): VERMONT HOUSING FINANCE AGENCY Address: 164 SAINT PAUL ST BURLINGTON, VT 05401-4634	Financial Institution: TD Bank, N.A. 11000 Atrium Way Mt. Laurel, NJ 08054
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I HEREBY CERTIFY that I am the duly elected and qualified Secretary and keeper of records for the Depositor (also referred to as "Corporation") named above, that the following is a true and complete copy of a Resolution duly adopted at a meeting of the Board or Directors or shareholders of said Corporation held on, or dated on the date shown below in accordance with the law and the by-laws of, or consent of, said Corporation, and that my delivery of this Certificate of Resolution to Financial Institution certifies to Financial Institution that such Resolution is still in full force and effect.

I FURTHER CERTIFY that the name of the Depositor set forth above is the complete and correct name of the Corporation and that the Corporation is organized and existing under and by virtue of the laws of the State/Commonwealth/District of ~~VERMONT~~ as a corporation.

RESOLVED, that the Financial Institution named above, at any one or more of its offices or branches, be and it hereby is designated as a Financial Institution of and depository for the funds of this Corporation, which may be withdrawn on checks, drafts, advices of debit, notes or other orders for the payment of monies (including electronic orders) bearing the signature of, or as otherwise authorized by, any one (1) of the following officers, employees or agents of this Corporation ("Agents"), whose actual signatures are shown below:

Title	Name	Signature
	RICK E JEAN	<i>Rick Jean</i>
	CHRIS F MACASKILL	
	SHERRI MULLIN	
	PATRICIA M LOLLER	<i>Patricia M Loller</i>

FURTHER RESOLVED, the Agents, whose names and signature appear above, are hereby authorized to open and maintain a deposit account or accounts of the Corporation with the Financial Institution, subject to the terms and conditions in the applicable Account agreement(s), as may be amended from time to time.

FURTHER RESOLVED, that the Financial Institution is hereby directed to accept and pay without further inquiry any item or payment order drawn against any of the Corporation's accounts with the Financial Institution bearing the signature of or as otherwise authorized by any such Agents even though drawn or endorsed to the order of any Agent signing or tendered by such Agent for cashing or in payment of the individual obligation of such Agent or for deposit to the Agent's personal account, and the Financial Institution shall not be required or be under any obligation to inquire as to the circumstances of the issue or use of any item signed, or payment order authorize, in accordance with the resolutions contained herein, or the application or disposition of such item or the proceeds of the item.

FURTHER RESOLVED, that any one of such Agents is authorized to endorse all checks, drafts, notes and other items payable to or owned by this Corporation for deposit with the Financial Institution, or for collection or discount by the Financial Institution, and to accept drafts and other items payable at the Financial Institution.

FURTHER RESOLVED, that the Bank is authorized to conduct Debit Card/ATM Card transactions in accordance with Financial Institution's Visa Debit Card Application and Agreement for Businesses.

FURTHER RESOLVED, that the above named agents are authorized and empowered to execute such other agreements, including, but not limited to, special depository agreements and arrangements regarding the manner, conditions or purposes for which funds, checks or items of the Corporation may be deposited, collected, or withdrawn and to perform such other acts as they deem reasonably necessary to carry out the provisions of these resolutions.

FURTHER RESOLVED, that the authority hereby conferred upon the above named Agents shall be and remains in full force and effect until written notice of the revocation thereof shall have been delivered to and received by the Financial Institution at the location where an account is maintained and Financial Institution has had a reasonable period of time to act upon such notice.

I FURTHER CERTIFY that the persons named above occupy the positions set forth opposite their respective names and signatures; that the foregoing resolutions now stand of record on the books of the Corporation; that they are in full force and effect and have not been modified in any manner whatsoever.

IN TESTIMONY WHEREOF, I have hereunto set my hand on 6/30/2011 and attest that the signatures set opposite the names listed above are their genuine signatures.

CERTIFIED TO AND ATTESTED BY:
 X *Paul Compton*
 Secretary or Assistant Secretary
EXECUTIVE DIRECTOR
 (Title)

Note: In case the Secretary or other certifying officer is designated by the foregoing resolutions as one of the signing officers, this certificate should also be signed by a second Officer or Director of the Corporation and that the Financial Institution shall be and is authorized to honor and pay the same whether or not they are payable to bearer or to the individual order of any Agent or Agents signing the same.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Patricia M. Loller, Director of Administration
DATE: June 13, 2011
RE: VHFA Flexible Benefit Plan Amendment

A handwritten signature in black ink, appearing to read "Patricia M. Loller", is written over the "FROM:" line.

Recommendation: Approval of the attached resolution to amend the VHFA Flexible Benefit Plan to incorporate changes associated with the new Health Reimbursement Arrangement plan for the period of March 1, 2011 - December 31, 2011.

Change in Reimbursement Order

With the implementation of the new health insurance plan in March of this year, the Agency commenced the use of a Health Reimbursement Arrangement (HRA) plan. In order to have a period of adjustment for plan participants in 2011, the Agency's contribution to the HRA plan reimburses first dollar toward participants' deductible (though plan participants will pay first dollar starting January 1, 2012).

The Flex Plan requires an amendment to allow for this interim arrangement. The attached amendment states that for the period of March 1, 2011 through December 31, 2011 reimbursements for the Health Flexible Benefit Plan will be second to the HRA plan. In January the order of reimbursements of HRA and the Flex plans will revert back to allowing Flex Plan reimbursements for first dollar spent by plan participants.

Please let me know if you have any questions - 652-3425



Vermont Housing Finance Agency
RESOLUTION RE:
AMENDMENT #2 TO FLEXIBLE BENEFIT PLAN

The Board of Commissioners of the Vermont Housing Finance Agency (the "Agency") do hereby resolve as follows:

Resolved: that Amendment #2 to the Flexible Benefit Plan effective March 1, 2011 presented to this meeting is hereby approved and adopted and that the proper officers of the Corporation are hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the Plan.

Resolved: that the Administrator shall be instructed to take such actions that are deemed necessary and proper in order to implement the amendment to the Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Plan.

Amendment #2

Vermont Housing Finance Agency Flexible Benefit Plan

The following section is amended by substitution of the attached:

Section 6.4

The revised section is hereby adopted and is to be substituted for the originals. This change is retroactively effective to March 1, 2011. This change will have no adverse effect on any Plan Participant during the period from the effective date of this Amendment and the below execution date.

Executed at _____, Vermont, this ____ day of _____, 2011.

BY:

Name, Title

Plan #: 510

Employer Identification #: 03-0239902

6.4 LIMITATION ON ALLOCATIONS

Notwithstanding any provision contained in this Health Flexible Spending Account to the contrary, the maximum amount that may be allocated to the Health Flexible Spending account by a Participant in or on account of any Plan Year is \$2,500. Effective for 3/1/2011 – 12/31/2011 any expenses should first be submitted for reimbursement under the VHFA Health Reimbursement Arrangement, and any applicable balance can be submitted under your Health Flexible Spending Account. Beginning with 1/1/2012 any expenses should first be submitted for reimbursement under your Health Flexible Spending Account and any applicable balance can be submitted under the VHFA Health Reimbursement Arrangement.



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners

FROM: Joe Erdelyi, Director of Development
Cynthia Reid, Senior Development Underwriter
Josh Slade, Development Underwriter

DATE: June 10, 2011

RE: Requests for FY12 State Credits

Recommendation:

Staff recommends that the VHFA Board of Commissioners pass the attached resolutions and authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.

Summary:

The projects listed below have applied for FY12 State Affordable Housing Credits. Our process has been to allocate State Credits not more than two years out. Since we're now close to the beginning of FY12, we are proposing to allocate FY12 Credit. We received applications and inquiries for \$596,800 in State Credits. After careful review of each project's specifics, we recommend the slate of projects in the amounts shown on the attached list. Similar to last year, we are bringing all of the projects to the Board at one time. Attached for your information also is a history of what has been allocated to date prior to this Board meeting.

Summary of Multifamily Projects:

Abenaki Acres: Please see the enclosed write up in a separate memo, a request for approval for financing and Federal Housing Credits .

Algiers Village: A 17 unit family housing project being developed by Housing Vermont and Windham & Windsor Housing Trust in the town of Guilford. The sponsors obtained a 9% Housing Credit commitment in February. They had applied for State Credits at that time. The project has secured all funding except for VCDP which they have applied for and are awaiting a decision this month. Once all of the funding is in place the sponsors will be able to move forward.

Avenue Apartments: A 33 unit family housing project being developed by Housing Vermont and Champlain Housing Trust in the New North End of Burlington. This project received a commitment for 9% Housing Credits in February. The project is currently under construction (closed on June 14th) with an estimated completion date of December 2012. The sponsors have intended to apply for State Credits and were waiting for them to be available.

Bennington Family Housing: Regional Affordable Housing Corporation (RAHC) and Housing Vermont (HVT) received an allocation of Housing Credits in February of this year, and have been working on securing the remaining funding and permits (no Act 250 is needed for this development). The sponsor intended to use State Credits at the time they applied for Federal Housing Credits. The project consists of twelve units of rehab / preservation and 14 units of new construction. The sponsor plans to begin construction in the fall and complete it within one year.



City Neighborhoods: A 40 unit scattered site redevelopment by Champlain Housing Trust and Housing Vermont in Burlington and Winooski which received Federal Credits in February, this project has all of its funding in place except for VCDP (VCDP funding decision will be made in June). Once the funding is secure the sponsor will begin construction with an estimated completion of June 2012.

Packard Lofts: The Hartland Group purchased this property and has invested substantial time and money on design and permitting. VHFA committed and spent predevelopment funds on it as well. The decline in the real estate market has caused the developer to look for alternate uses and now is considering making the property a rental, but also later selling off the units as condominiums when the market rebounds. Staff have been working with the developer on ways to implement this plan, and technical questions about how to finance it. The State Credit rules require that state rental credits go to projects with Federal credits, and the Packard Lofts do not have an allocation of credits at this time. Staff recommend deferral of any award of State Credits to this project until we have resolution on some of the technical questions. (There are \$120,000 in unallocated rental state credits after this meeting, if the staff recommendations are followed, that if available could be awarded simultaneous to Federal credits later this year.)

Thayer Senior Housing Phase I: Cathedral Square Corporation (CSC) is developing 33 units of service enriched senior housing in the New North End of Burlington. Due to the higher cost of the site improvements and building infrastructure (remember that Phase I contains all of the infrastructure) some green alternatives were not feasible. The State Credit will allow the project to move forward as originally planned. The project has closed on its construction loan and is under construction with an anticipated completion of December 2012.

Wharf Lane: Burlington Housing Authority and Housing Vermont are redeveloping this 37 unit preservation project in downtown Burlington. Since approval for permanent, construction and 9% housing credits, BHA has acquired the property from the Pizzagalli family and work towards a construction closing has continued. As the scope of work has developed some costs have increased including the need for a central air conditioning system due to Historic Preservation and the windows. The sponsors will close on the construction loan prior to the end of the year with a 12-month construction period.

Summary of Single Family Projects:

The Cascades: HKW Cascades has developed a 70 unit condominium development in downtown Winooski. Sales have continued to move along and there are currently only 16 condos left to sell. HKW Cascades has partnered with Champlain Housing Trust to provide grants to income eligible households. This partnership has been successful and Cascades has used most of the State Credit awarded from FY 2011. This additional request will provide one more grant to assist a homebuyer. Homeownership units assisted by the State Credit become permanently affordable, and the value of the State Credit is preserved through either a second mortgage or a Housing Subsidy Covenant.

East Branch Farms: Regional Affordable Housing Corporation (RAHC) administers the HOMELAND subsidies and homeownership credits at this development. The developers are Josh and Linda Wien of Manchester. VHFA has previously awarded 15,000 in homeownership credits, of which 7,500 have been used. Due to slow sales the sponsor has again dropped the prices, and VHFA and VHCB have worked together to try to target resources so households at or below 100% of area median can afford these homes. There are two unsold affordable units (of ten newly constructed units), and three market rate units for sale. In addition one of the affordable units has come back on the market. VHFA and VHCB staff would like to coordinate to make all three affordable homes target a similar "net" sales price. The sponsors request Credits from FY12 to implement this strategy.

Village Glen: (Formerly known as The Cottages at Middlebury) VHFA has a construction loan on this development, which has all of its infrastructure in and seven of 27 homes constructed. NeighborWorks of Western Vermont is the owner and the Snyder Companies has taken over marketing and construction of the remaining units. The Snyder Companies is coordinating with NeighborWorks of Western Vermont and Addison County Community Trust in order to utilize the State Credits to assist more homebuyers.

Village Haven: Champlain Housing Trust has an option to purchase three turn-key homes from Dousevicz, Inc. in Essex Junction. The development is the first to use the "Vermont Neighborhood" designation which exempts the State's Act 250 requirement and necessitates development in a downtown, town center or new town center. The list price of the homes is \$258,000 but Dousevicz, Inc. is providing \$18,000 back at closing (\$8,000 to homebuyer, \$5,900 to CHT and \$4,100 for soft costs). CHT intends to provide an additional \$80,000 from the credit equity making the net price \$170,000 which is affordable to a household of four at 71% AMI.

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: PROPOSED ALLOCATIONS OF
VERMONT AFFORDABLE HOUSING TAX CREDITS
(FY2012 STATE RENTAL AND STATE HOMEOWNERSHIP CREDITS)**

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the 2010-2011 Qualified Allocation Plan; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joe Erdelyi, Cynthia Reid and Joshua Slade dated June 20, 2011, containing information, conditions and recommendations for the proposed allocations of FY2011 State Rental and State Homeownership Credits (the "Memorandum");

WHEREFORE, it is hereby RESOLVED:

1. The recommendations for the allocations of FY2012 State Rental and State Homeownership Credits, subject to State appropriation, contained in the Memorandum, as modified, which is attached and incorporated by this reference are hereby approved;
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the 2010-2011 Qualified Allocation Plan regarding the proposed allocations of FY2012 State Rental and State Homeownership Credits in the amounts below;
3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.

[Remainder of this page intentionally left blank.]

Project	City/Town	Sponsor(s)	# Units	State <u>Rental</u> Credits
Abenaki Acres	Swanton	The Housing Foundation, Inc.	12	65,000
Algiers Village	Guilford	Housing Vermont and Windham & Windsor Housing Trust	17	35,000
Avenue Apartments	Burlington	Housing Vermont and Champlain Housing Trust	33	20,000
Bennington Family Housing	Bennington	Regional Affordable Housing Corporation and Housing Vermont	26	55,000
City Neighborhoods	Burlington	Champlain Housing Trust and Housing Vermont	40	55,000
Packard Lofts	Burlington	The Hartland Group	25	0
Thayer Senior Housing Phase I	Burlington	Cathedral Square Corporation	33	20,000
Wharf Lane	Burlington	Burlington Housing Authority and Housing Vermont	37	70,000
FY2012 STATE RENTAL CREDITS AVAILABLE TO ALLOCATE				440,000
FY2012 STATE RENTAL CREDITS ALLOCATED BY THIS RESOLUTION				320,000

Project	City/Town	Sponsor(s)	# Units	State <u>Homeownership</u> Credits
Cascades Condominiums	Winooski	HKW Cascades LLC	1	8,000
East Branch Farms	Manchester	Regional Affordable Housing Corporation	3	39,000
Village Glen (f/k/a The Cottages at Middlebury)	Middlebury	The Snyder Companies and Addison County Community Trust	6	33,000
Village Haven	Essex Jct.	Champlain Housing Trust	3	20,000
FY2012 STATE HOMEOWNERSHIP CREDITS AVAILABLE TO ALLOCATE				100,000
FY2012 STATE HOMEOWNERSHIP CREDITS ALLOCATED BY THIS RESOLUTION				100,000

5/24/2011

Vermont Affordable Housing Tax Credit

Year	Project	City/Town	Sponsor(s)	Total # Units	# Tax Credit Units	Project Type	Amount Allocated
FY 2007	Sadawga Springs Apts	Whitingham	BACLT	9	7	Acq/Rehab	47,000
	Vernon Senior Housing	Vernon	BACLT/VSH/HVT	24	17	New Const	29,000
	Farrell St Senior Housing	So. Burlington	CSC	63	63	New Const	74,000
	Enosburg Falls Housing	Enosburg Falls	HVT/LCHDC	28	25	New/Rehab	92,500
	Conant Square	Brandon	RCCLT	19	19	Acq/Rehab	32,500
	Rutland AFS	Rutland	RCCLT	13	13	Rehab/New	25,000
							300,000
FY 2008	Bradford Scattered Site	Bradford	CVCLT/HVT	32	27	Acq/Rehab	62,500
	Enosburg Falls Housing	Enosburg Falls	HVT/LCHDC	28	25	New/Rehab	32,500
	Stowe Family Housing	Stowe	LHP/HVT	28	22	New Const	55,000
	West River Valley Assisted Living	Townshend	VC/HVT	28	15	New Const	60,000
	Rutland AFS	Rutland	RCCLT	13	13	Rehab/New	31,000
	Esteyville Housing	Brattleboro	BACLT	20	20	Rehab	53,500
	Middlebury South Village (MF)	Middlebury	HVT/ACCAG/ACCT	30	25	New Const	50,000
	Willard Mill	St Albans	HVT	27	24	Acq/Rehab	55,500
							400,000
FY 2009	Mill Brook Allocated	Windsor	RACLT/HVT	43	37	Acq/Rehab	124,500
	Essex Senior Housing	Essex Junction	CSC	48	48	New Const	31,875
	Tontine Canal	Guilford, Brattleboro	BACLT	21	18	Acq/Rehab	37,450
	West River Assisted Living	Townshend	VC/HVT	28	15	New Const	53,815
	Wheeler Brook	Warren	CVCLT/HVT	18	16	New Const	84,660
	Grange Hill	Woodstock	TPHT/HVT	26	22	New Const	67,700
							400,000
FY 2009	HOMEOWNERSHIP CREDIT						
	Sylvan Woods Condo 111A	Stowe	LHP/HVT	1	1	New Const	25,000
	Sylvan Woods Condo 155B	Stowe	LHP/HVT	1	1	New Const	25,000
	River Station Condo A101	Montpelier	CVCLT/HVT	1	1	New Const	20,000
	River Station Condo C203	Montpelier	CVCLT/HVT	1	1	New Const	20,000
	44 Oliver Howe Court	Shoreham	ACCT	1	1	New & Rehab	5,000
	82 Oliver Howe Court	Shoreham	ACCT	1	1	New & Rehab	5,000
							100,000
FY 2010	MF RENTAL						
	Abbott Neighborhood Housing	Brattleboro	WHT	28	25	Acq/Rehab	83,000
	Bellows Falls - Williams & South St	Bellows Falls	RACLT/HVT	17	17	Acq/Rehab	29,400
	Brookside Village Housing	Colchester	CHT/HVT	42	36	New Constr	188,600
	Rutland Scattered Sites 2008	Rutland	RCCLT	27	25	Acq/Rehab/Ne	87,000
	Available to Allocate					New Constr	12,000
							400,000
FY2010	HOMEOWNERSHIP CREDIT						
	Proctorsville Condo 12	Proctorsville	RACLT	1	1	New Constr	12,500
	Proctorsville Condo 16	Proctorsville	RACLT	1	1	New Constr	12,500
	Proctorsville Condo 20	Proctorsville	RACLT	1	1	New Constr	12,500
	Proctorsville Condo 24	Proctorsville	RACLT	1	1	New Constr	12,500
	Butterfield Common Condo 20B	West Dover	WHT	1	1	New Constr	11,600
	Butterfield Common Condo 18A	West Dover	WHT	1	1	New Constr	11,700
	Butterfield Common Condo 20A	West Dover	WHT	1	1	New Constr	11,700
	East Branch Farms Unit 3	Manchester	Josh Wein	1	1	New Constr	7,500
	East Branch Farms	Manchester	Josh Wein	1	1	New Constr	7,500
							100,000
FY 2011	MF RENTAL						
	Alburgh Family Housing	Alburgh	HVT/CHT	13	13	Acq/Rehab	52,000
	Ellis Block	Springfield	HVT/SHA	9	9	Acq/Rehab	50,000
	Forest Park - Phase II	Rutland	HVT/RHA	45	39	New Constr	50,000
	Pine Manor Senior Housing	Alburgh	HVT/CHT	16	16	New Constr	20,000
	Stanislaus Housing	West Rutland	HTRC (RCCLT)	21	20	Acq/Rehab	59,000
	Cedar's Edge Apartments	Essex Jct	HVT/CHT	30	25	New Constr	55,000
	Available to Allocate						28,000
	Spring, Elliot & Valgar	Brattleboro	WHT	28	27	Acq/Rehab	56,000
	Windsor Village	Windsor	RACLT/HVT	77	77	Acq/Rehab	30,000
							400,000
FY 2011	HOMEOWNERSHIP CREDIT						
	Cascades Condominiums	Winooski	HKW Cascades LLC/CHT	70	1	New Const	3,106
	Cascades Unit 1302	Winooski	HKW Cascades LLC/CHT		1	New Const	9,365
	Cascades Unit 1415	Winooski	HKW Cascades LLC/CHT		1	New Const	8,941
	Cascades Unit 1402	Winooski	HKW Cascades LLC/CHT		1	New Const	10,117
	Cascades Unit 1216	Winooski	HKW Cascades LLC/CHT		1	New Const	8,471
	Charlotte Green Cottages	Charlotte	CHT	4	4	New Const	40,000
	River Station Condo C101	Montpelier	CVCLT/HVT	1	1	New Const	20,000
							100,000

6/13/11

FY2012 State Credit Applications

Rental Applications						Recommended Allocation	
Project	Amount	# Units	Town	County	Could Start Construction		
Abenaki Acres	65,000	12	Swanton	Franklin	Nov-11	65,000	
Algiers Village	35,000	17	Guilford	Windham		35,000	
Avenue Apartments	20,000	33	Burlington	Chittenden		20,000	
Bennington Family Housing	55,000	26	Bennington	Bennington		55,000	
City Neighborhoods	55,000	40	Burlington	Chittenden		55,000	
Packard Lofts	105,000	25	Burlington	Chittenden		-	
Thayer Commons Phase I	20,000	33	Burlington	Chittenden		20,000	
Wharf Lane	70,000	37	Burlington	Chittenden		70,000	
Total	425,000					320,000	
Amount Available	440,000						
Homeownership Applications							
Project	Amount		Town	County			
The Cascades	8,000	1	Winooski	Chittenden		8,000	1 home
East Branch Farms	39,000	3	Manchester	Bennington		39,000	3 homes
Village Glen	64,800	6	Middlebury	Addison		33,000	3 homes
Village Haven	60,000	3	Essex Jct	Chittenden		20,000	1 home
Total	171,800					100,000	
Amount Available	100,000						

TOTAL:



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners

FROM: Cynthia Reid, Senior Development Underwriter *CR*

DATE: June 13, 2011

RE: Request for Permanent Loan: Northgate Apartments, Burlington

Name:	Northgate Apartments	Location:	Burlington
Housing Type:	General	Unit Type:	Flats & Townhouses
Unit Count:	336 total units (163 have project-based Section 8)	Unit Mix:	36 1-Brs 203 2-Brs 97 3-Brs
Total Cost:	\$25,721,683	Sponsor:	Northgate Residents Ownership Corporation
Loan Requested: \$13,165,000 Permanent (Tax Exempt Bond)			
Other Funding: VHCB Feasibility, Vermont Fuel Efficiency Partnership, Reserves			

Summary of Request: Northgate Residents Ownership Corporation is seeking a permanent loan of \$13,165,000 for "Northgate Apartments", a 336-unit residential rental development in Burlington.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution and make the required findings as outlined in the second section of the resolution ("It is hereby determined:"), and that the Board authorize the Executive Director to issue a Letter of Interest and/or a Commitment Letter to finance this property upon satisfactory completion of staff underwriting and due diligence.

Project Summary: Northgate Apartments was re-developed in 1989 when it was transferred from a for-profit owner to a limited partnership, rehabilitated, and made into an affordable mixed-income community. In 2007 when the 15 year low income housing tax credit period ended, the property was transferred to Northgate Residents Ownership Corporation (NROC), a resident controlled non-profit organization. Northgate has been a very successful resident controlled community, with a low vacancy rate, healthy reserves, long term affordability; it is well managed, is mixed-income, and is a desirable place to live near Lake Champlain in Burlington.

In 1989, the limited partnership (owner) borrowed \$3 million from HUD under the Flexible Subsidy program for the rehabilitation work. Payment on the loan was deferred until April 1, 2011. It was expected that HUD would either forgive or defer the loan at maturity. However, a recently published HUD policy requires repayment. In addition, an updated Capital Needs Assessment shows that the property needs approximately \$5.2 million in improvements, mainly roof replacements, weatherization, and new boilers. These two issues have necessitated work on a financial restructuring plan. Here is a summary of the proposed plan:



mailing address P.O. Box 408, Burlington, VT 05402-0408

phone (802) 864-5743

delivery address 164 Saint Paul St., Burlington, VT 05401-4364

fax (802) 864-5746

www.vhfa.org



- New VHFA permanent debt of \$13,165,000 will pay off existing VHFA amortizing debt and also pay for rehabilitation outlined in the Capital Needs Assessment: weatherization, boiler replacement, roof replacement on 55 buildings plus seamless gutters. The loan will also pay off the “Lease Acquisition Note” which VHFA has been paying on since 1989. The lease will be transferred to the owner at closing. This will result in a savings both for the owner and for the Agency.
- NROC is proposing a repayment plan for the HUD Flexible Subsidy (which totals \$5,615,442 including accrued interest, after reduction by existing Residual Receipts): one half of the balance will be amortized and repaid at 1% over a 40 year period; the other half will be repaid ‘below the line’ with surplus cash.
- NROC is proposing a “Mark Up to Market” revised rent structure to HUD which is supported by a recently commissioned rent comparability study.
- The majority of the debt lent by NROC (from equity, federal and city funds) in the past will be forgiven (a total amount of \$6,690,000 including accrued interest).
- Some debt will be assumed and deferred (\$5,603,513): this includes loans from VHCB and the City, and the sponsors are requesting that VHFA defer a \$381,204 0% loan.
- NROC is requesting HUD approval to combine the two projects, “Northgate Apartments” and “Greenfield Apartments” into one consolidated project, “Northgate Apartments”. This is a very complicated project, and consolidating it into one unified property will make it less so.

NROC has been in the process of upgrading boilers and doing weatherization work in the apartments through a phased-in plan with reserve funds. Since 2009 work has been completed in 60 apartments. The boiler replacement and weatherization work will continue on another 60 rental units between June and October this year, funded by the Vermont Fuel Efficiency Partnership and a previously-approved MacArthur energy loan (totaling approximately \$700,000). Once the permanent loan closes (October/November), work will commence on the \$5.2 million rehabilitation, take approximately 18 months, and be completed by April 2013. The bid packages included a job training requirement. Northgate has had a successful experience with *Vermont Works for Women* on recent weatherization and energy efficiency work, and plans to continue this partnership during the next phase of rehabilitation. The development will remain occupied during construction.

The permanent loan will be included in the New Issue Bond Program of the Treasury and be insured through HUD Risk Share. An appraisal has been commissioned from Steve Allen, which we anticipate being completed by late June. A Level I Environmental Site Assessment has been commissioned and indicates no environmental problems. The vacancy rate historically has been approximately 1.5%.

The borrower, “New Northgate Housing LLC”, is a new for profit limited liability company comprised of NROC as managing member with a majority interest, and Champlain Housing Trust with a minority interest. The structuring of the ownership entity was done with legal guidance in order to assure eligibility for both the NIBP bond financing and the Mark Up to Market HUD approval.

The permanent loan closing will be conditional upon HUD approval of the Mark Up to Market proposal and the HUD Flexible Subsidy Repayment Proposal and an appraisal acceptable to staff.

NROC is working with Kathy Luce of Maloney Properties (the management company), Amy Wright (made available by MacArthur funding for preservation through VHCB), Emily Achtenberg (a development consultant from Boston who has worked on Northgate since 1989) Jonathan Klein, a Boston-based attorney (who also has worked on Northgate since 1989), and local attorney Celia Daly on the restructure plan. Maloney Properties will continue to manage the development.

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: PERMANENT FINANCING FOR PROPOSED TAX EXEMPT
BOND FOR NORTHGATE APARTMENTS, CITY OF BURLINGTON**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Northgate Resident Ownership Corporation (the "Sponsor") on behalf of New Northgate Housing LLC in which the Sponsor or its subsidiary or affiliate will be the member or manager (the "Borrower") involving the acquisition and rehabilitation of Northgate Apartments in the City of Burlington (the "Development"); and

WHEREAS, the Agency desires to take "official action" for the purpose of, and to reimburse itself or the Borrower for any advances of funds prior to, the issuance and sale of tax-exempt bonds (the "Bonds") to finance one or more loans to the Borrower; and

WHEREAS, the application contemplates one or more mortgage loans for permanent financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Sponsor qualifies and the Borrower will qualify as housing sponsors within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Cynthia Reid dated June 13, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.
2. The acquisition, construction or rehabilitation costs to be incurred by the housing sponsors are for housing development costs within the meaning of the Act.
3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or

there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.

4. The housing sponsors undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Sponsor is financially responsible and is a qualified housing sponsor within the meaning of the Act. The Borrower will be required to qualify as a housing sponsor within the meaning of the Act.

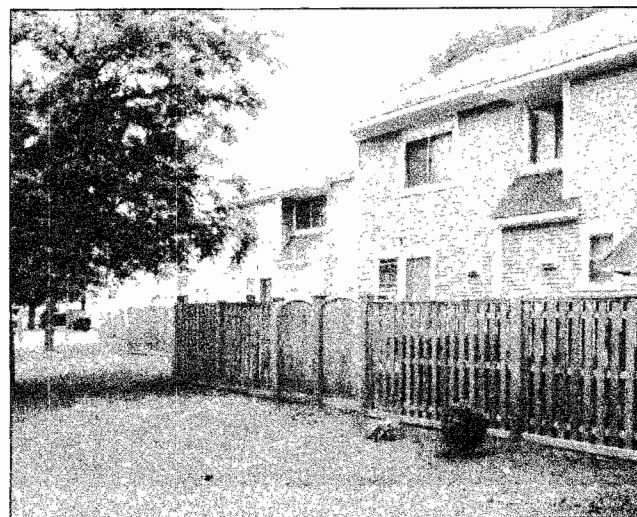
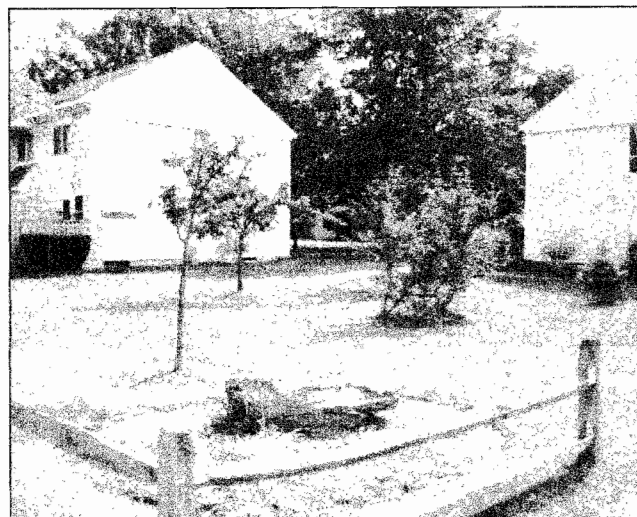
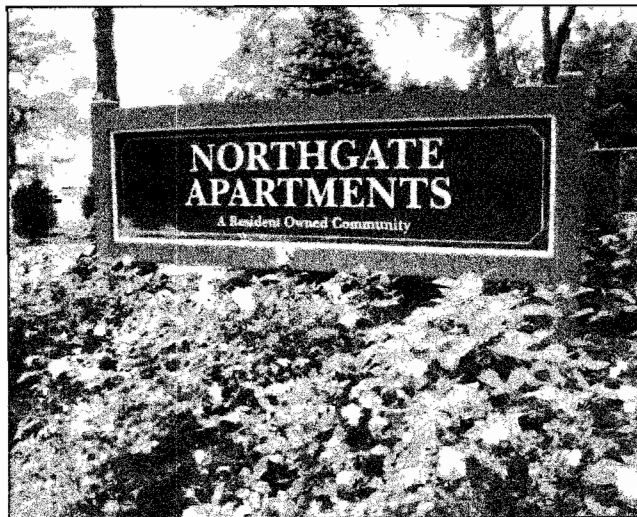
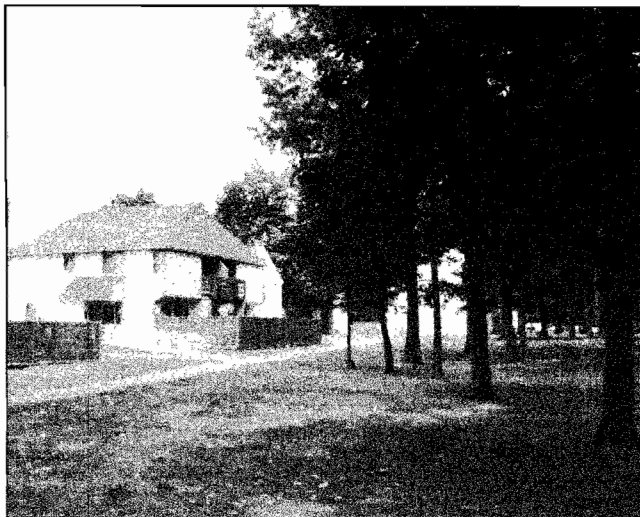
WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the limited liability company to be created by the Sponsor for the permanent financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Sponsor in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the permanent financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter may be issued to the Sponsor as the representative of the Borrower. The Commitment Letter shall be conditioned on the satisfaction by the Sponsor of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The issuance of the Bonds for the purpose of financing one or more loans to the Borrower is hereby preliminarily approved, and, pursuant to Section 1:150-2 of the Internal Revenue Code Regulations, the Agency hereby states its intention to reimburse itself from Bond proceeds for any advances of Agency funds prior to the issuance of the Bonds.
4. The preliminary approval described in the preceding paragraph does not obligate the Agency to give final approval for the issuance of said Bonds. Final approval of the issuance of the Bonds can only be authorized by independent action, which may contain such conditions thereto as the Agency may deem appropriate. The Agency

in its absolute discretion may refuse to finally authorize the issuance of the Bonds and shall not be liable to the Borrower or any other person for its refusal to do so.

5. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
6. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.

Northgate Apartments
Burlington



13-Jun-11 Northgate Apartments

Total Residential Units:	336	Mark up to Market Inc every 5 yrs	2.00%
Section 8 Units	163	Increase in Income from S8 Rental Units:	1.75%
Unrestricted Units	173	Increase in Income from Non S8 Rental Units:	2.00%
Total Development Cost:	25,721,683	Increase in Income from Other Sources:	2.00%
Total Development Cost per Unit:	76,553	Increase in Income from Commercial:	2.00%
		Expense increase:	3.00%
		Vacancy Rate S8 Units:	2%
		Vacancy Rate Other Units:	4%
		Long Depreciation Schedule:	27.5 years
		Short Depreciation Schedule:	7 years

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
VHFA - NIBP	13,165,000	51.18%	5.31%	40	40
HUD Flex Subsidy Loan Paying	2,807,721	10.92%	1.00%	40	40
HUD Flex Subsidy Loan CF	2,807,721	10.92%	0.00%	40	CF
Assumed Debt*	5,603,513	21.79%	N/A	N/A	N/A
Deficit Escrow - Working Capital	314,010	1.22%	N/A	N/A	N/A
Replacement Reserve	656,822	2.55%	N/A	N/A	N/A
Weatherization	366,896	1.43%	N/A	N/A	N/A
TOTAL SOURCES	25,721,683	100.00%			

USES

Acquisition	17,259,715	67.10%
Construction Hard Costs	6,442,840	25.05%
Soft Costs	2,019,128	7.85%
TOTAL USES	25,721,683	100.00%

Gap 0

* Existing Debt to be Assumed

	principal	interest	total	
HUD Flex Sub	3,000,000	2,659,321	5,615,421	(less 43,879.18 residual receipts)
VHCB	4,872,309		4,872,309	
VHFA 0%	381,204		381,204	
City	350,000		350,000	
			11,218,934	

Existing Debt Forgiven

	principal	interest	total	12/31/11
NNP I	695,000	3,869,149	4,564,149	
NNP II	1,166,000		1,166,000	
NNP (originally City)	159,000	901,758	960,758	(100,000) less amount req
			6,690,907	

Existing Debt Repaid

	principal		
VHFA Wrap Note	4,637,927		4,637,927
VHFA Perm Note	665,954		665,954
Flex Sub Loan	43,879	(portion repaid from residual receipts required by HUD)	43,879 balance as of 12/31/10
NNP			100,000
			5,447,760

Existing Reserves

	12/31/10	12/31/11
Deficit Escrow	264,805	0
Working Capital	49,205	0
Replacement Reserves	382,505	656,822
Residual Receipts	43,879	0
	740,394	656,822

				Allocation of Sources					TOTAL SOURCES	All Bad Costs	Bad Costs Paid with Bond \$
Budget	Per Unit	Per s.f.									
				Tax Exempt	Weatherization	Reserves	Flex Sub	Assumed Debt			
ACQUISITION				Bond Funds							
1	Lease Acquisition Cost	525,000	1,563	5	525,000				525,000		
2	Purchase of Building(s)	16,666,715	49,603	50.39	5,447,760			5,615,442	5,603,513	16,666,715	
3	Transfer Tax	18,000	54	0.05	18,000					18,000	
4	Property Appraisal	10,000	30	0.03			10,000			10,000	10,000
5	Legal - Title and Recording	40,000	119	0.12	40,000					40,000	
Subtotal - Acquisition		17,259,715	51,368	52.19							
CONSTRUCTION HARD COSTS											
6	Rehabilitation - in process - Seller	670,840	1,997	2.03	303,944	366,896				670,840	
7	Rehabilitation	5,200,000	15,476	15.72	5,200,000					5,200,000	
8	Accessory Buildings		0	0.00						0	
9	Sitework		0	0.00						0	
10	Commercial Space Costs (if any)		0	0.00						0	
11	General Requirements		0	0.00						0	
12	Contractor Overhead		0	0.00						0	
13	Contractor Profit		0	0.00						0	
14	Construction Contingency	520,000	1,548	1.57	520,000					520,000	
15	Construction Management		0	0.00						0	
16	Construction Bond Fee	52,000	155	0.16	52,000					52,000	
17	Hazardous Materials Abatement		0	0.00						0	
18	Off-Site Improvements		0	0.00						0	
19	Furnishings, Fixtures, & Equipment		0	0.00						0	
20	Other ()		0							0	
Subtotal - Hard Costs		6,442,840	19,175	19.48							
SOFT COSTS											
21	Architectural	100,000	298	0.30	100,000					100,000	
22	Preliminary A & E	10,000	30	0.03	10,000					10,000	
23	Legal/Accounting	110,000	327	0.33	110,000					110,000	27,000
24	Relocation	140,000	417	0.42	140,000					140,000	
25	Environmental Assessment	10,000	30	0.03	10,000					10,000	
26	Rehab Oversight	275,000	818	0.83	275,000					275,000	
27	Permits/Fees	52,000	155	0.16	52,000					52,000	
28	Independent Market Study	2,000	6	0.01	2,000					2,000	2,000
29	Construction Period Insurance		0	0.00						0	
30	Construction Interest		0	0.00						0	
31	First Year MIP	32,913	98	0.10	32,233		680			32,913	16,456
32	Application Fee	250	1	0.00	250					250	250
33	Clerk of the Works	104,960	312	0.32	104,960					104,960	
34	Bond Issuance Costs	55,000	164	0.17			55,000			55,000	55,000
35	Survey	10,000	30	0.03	10,000					10,000	
36	Soft Cost Contingency	136,845	407	0.41			136,845			136,845	136,845
37	Permanent Loan Origination Fee	197,475	588	0.60			197,475			197,475	197,475
38	Lender's Counsel's Fee	4,000	12	0.01	4,000					4,000	4,000
39	Other (Construction Inspection Fee)	7,853	23	0.02	7,853					7,853	
SYNDICATION COSTS											
40	Organizational (Partnership)		0	0.00						0	
41	Bridge Loan Fees and Expenses		0	0.00						0	
42	Syndication Consultant		0	0.00						0	
43	Tax Opinion		0	0.00						0	
DEVELOPER'S FEES											
44	Developer's Fees		0	0.00						0	
45	Project Management	100,000	298	0.30	100,000					100,000	100,000
46	Consultant Fees	100,000	298	0.30	100,000					100,000	30,000
RESERVES											
47	Working Capital		0	0.00						0	
48	Rent-up (Deficit Escrow) Reserve		0	0.00						0	
49	Other Operating Reserves	314,010	935	0.95			314,010			314,010	
50	Sinking Fund		0	0.00						0	
51	Replacement Reserves	256,822	764	0.78			256,822			256,822	256,822
Subtotal - Soft Costs		2,019,128	6,009	6.11							
TOTAL DEVELOPMENT COSTS		25,721,683	76,553	77.77	13,165,000	366,896	970,832	5,615,442	5,603,513	25,721,683	1,149,858
											179,026

1.36%

13-Jun-11

Northgate & Greenfield Combined

Type Unit	Number	Current Rent	Proposed Rent	% Increase	Utilities	Total Annual Rent
1 BR S8	24	670	790	118%	0	227,520
1 BR Voucher	2	590	605	103%	0	14,520
1 BR Low 1	1	408	418	102%	0	5,016
1 BR Low 2	0	0			0	0
1 BR Low 3	0					0
1 BR Moderate	9	590	605	103%		65,340
2 BR S8	87	859	980	114%		1,023,120
2 BR Voucher	8	679	696	103%		66,816
2 BR Low 1	12	449	460	102%		66,240
2 BR Low 2	5	547	561	103%		33,660
2 BR Low 3	3	643	659	102%		23,724
2 BR Moderate	88	679	696	103%		734,976
3 BR S8	52	1,065	1,300	122%		811,200
3 BR Vouchers	6	852	873	102%		62,856
3 BR Low 1	0					0
3 BR Low 2	1	606	621	102%		7,452
3 BR Low 3	4	716	734	103%		35,232
3 BR Moderate	34	852	873	102%		356,184
	336					3,533,856

2,061,840	Section 8 Income		
1,472,016	Non S8 Income	1 BR Avg	312,396
(41,237)	Vacancy S8		36
(58,881)	Vacancy Non S8		723
3,433,739	Total	2 BR avg	1,948,536
	Less Vacancy		203
4,235	Other Income		800
3,437,974	Total Net Income	3 BR Avg	1,272,924
			97
330,722	total residential square footage		1,094
			336

13-Jun-11 **Northgate Apartments**

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	143,719	11,977	36	
Admin Payroll	164,715	13,726	41	
Payroll taxes, benefits	56,528	4,711	14	
Board training, services	36,303	3,025	9	
Audit	14,500	1,208	4	
Legal	10,000	833	2	
Marketing	3,000	250	1	
Telephone	15,000	1,250	4	
Office Expense	36,000	3,000	9	
Staff Training	10,927	911	3	
Other Admin	3,000	250	1	
Other				
TOTAL ADMINISTRATIVE	493,692	41,141	122	
Resident Services	126,632	10,553	31	
Utilities				
Electricity	25,753	2,146	6	
Fuel - Gas	12,817	1,068	3	
Water and Sewer	190,046	15,837	47	
Other				
TOTAL UTILITIES	228,616	19,051	57	
Maintenance				
Maintenance Payroll	331,968	27,664	82	
Payroll taxes, benefits	76,937	6,411	19	
Janitor Supplies	5,352	446	1	
Exterminating	3,000	250	1	
Trash Removal	75,000	6,250	19	
Snow Removal	10,000	833	2	
Grounds / landscaping	17,600	1,467	4	
Repairs Material	36,318	3,027	9	
Repairs Contract	19,000	1,583	5	
Equipment Repairs / Maintenance	15,000	1,250	4	
Painting & Decorating	62,200	5,183	15	
Fire & Safety Equipment	2,701	225	1	
Uniforms, locks, keys	4,100	342	1	
TOTAL MAINTENANCE	659,176	54,931	163	
Real Estate Taxes	256,462	21,372	64	
Other Taxes & Insurance	84,461	7,038	21	
Workers Comp	27,316	2,276	7	
Motor Vehicle Ins	4,545	379	1	
Other Taxes, Ins	28,700	2,392	7	
Misc Financial Exp	8,424	702	2	
Ground Lease	0	0	0	
Mort Insu Premium (MIP)	32,913	2,743	8	
Replacement Reserves	423,972	35,331	105	
Primary Debt Service	794,491	66,208	197	
Other "must pay" debt service	85,194	7,099	21	
Other				
Total	3,254,594	271,216	807	476 PUM

Northgate Apartments

13-Jun-11

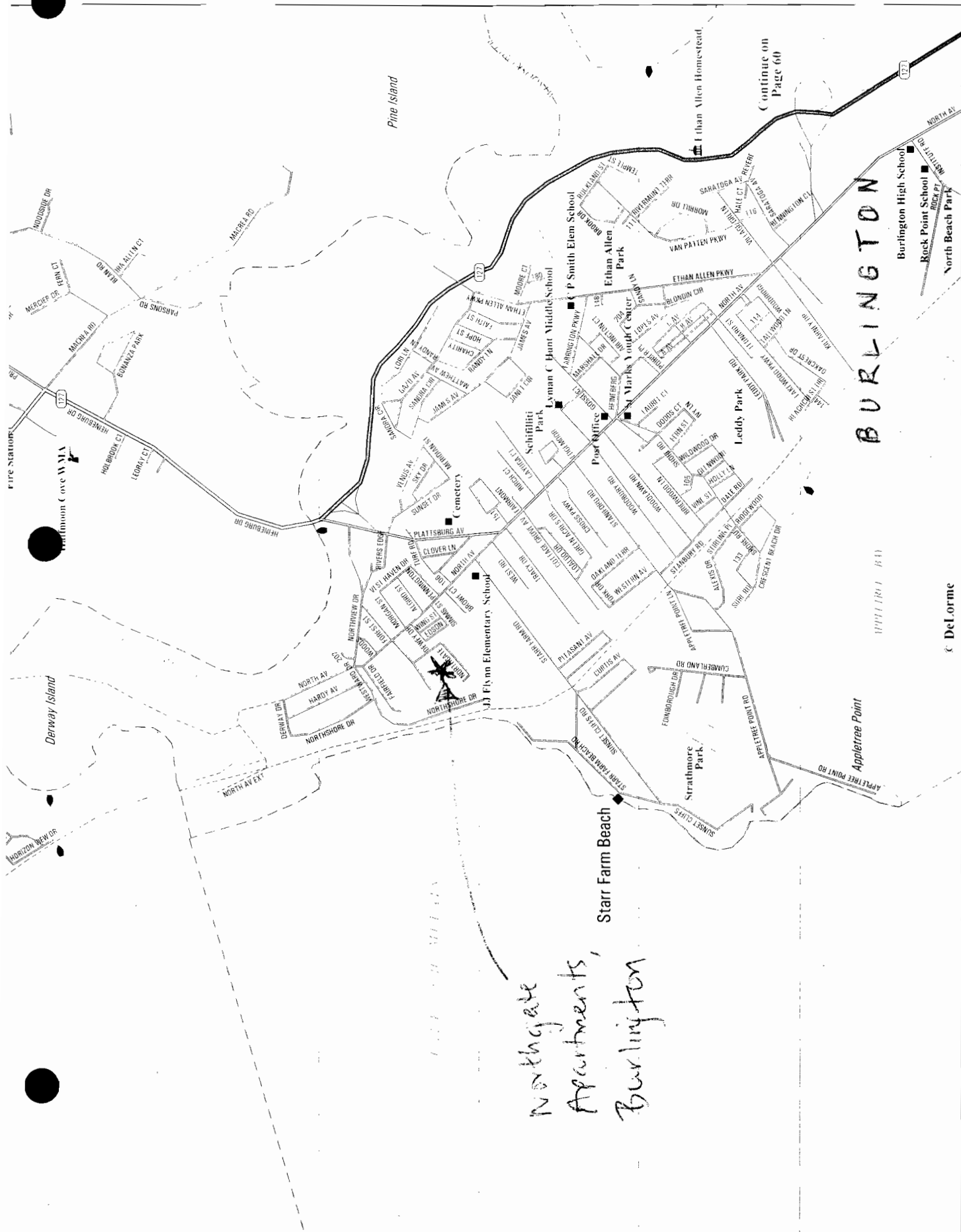
	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Operating Income																
Section 8 Rent		2,061,840	2,097,922	2,134,636	2,171,992	2,210,002	2,276,438	2,316,276	2,356,810	2,398,055	2,464,090	2,513,371	2,557,355	2,602,109	2,647,646	2,720,554
Non Section 8 Rent		1,472,016	1,501,456	1,531,485	1,562,115	1,593,357	1,625,225	1,657,729	1,690,884	1,724,701	1,759,195	1,794,379	1,830,267	1,866,872	1,904,210	1,942,294
Other Income		4,235	4,320	4,406	4,494	4,584	4,676	4,769	4,865	4,962	5,061	5,162	5,266	5,371	5,478	5,588
Vacancy Section 8		(41,237)	(41,958)	(42,693)	(43,440)	(44,200)	(45,529)	(46,326)	(47,136)	(47,961)	(49,282)	(50,267)	(51,147)	(52,042)	(52,953)	(54,411)
Vacancy Non Section 8		(58,881)	(60,058)	(61,259)	(62,485)	(63,734)	(65,009)	(66,309)	(67,635)	(68,988)	(70,368)	(71,775)	(73,211)	(74,675)	(76,168)	(77,692)
Total Operating Income		3,437,974	3,501,682	3,566,575	3,632,677	3,700,009	3,795,801	3,866,139	3,937,787	4,010,769	4,108,697	4,190,871	4,268,530	4,347,635	4,428,213	4,536,333
Operating Expenses																
Ground Lease		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MIP Print		32,913	32,668	32,410	32,138	31,852	31,550	31,231	30,895	30,541	30,167	29,774	29,358	28,920	28,459	27,972
Total Expenses (excl. Reserves)		1,918,024	1,975,364	2,034,831	2,095,876	2,158,753	2,223,515	2,290,221	2,358,927	2,429,695	2,502,586	2,577,664	2,654,993	2,734,643	2,816,683	2,901,183
Reserves		423,972	432,451	441,100	449,922	458,922	468,099	477,461	487,011	496,751	506,686	516,820	527,156	537,699	548,453	559,422
Total Operating Expense		2,374,908	2,440,684	2,508,342	2,577,937	2,649,525	2,723,164	2,798,913	2,876,833	2,956,987	3,039,439	3,124,257	3,211,508	3,301,263	3,393,594	3,488,577
Net Operating Income		1,063,065	1,060,998	1,058,233	1,054,740	1,050,484	1,072,636	1,067,226	1,060,954	1,053,782	1,069,257	1,066,614	1,057,023	1,046,373	1,034,619	1,047,756
Less Flex Sub - Supportable Debt		85,194	85,194	85,194	85,194	85,194	85,194	85,194	85,194	85,194	85,194	85,194	85,194	85,194	85,194	85,194
Less VHFA Permanent Loan		794,491	794,491	794,491	794,491	794,491	794,491	794,491	794,491	794,491	794,491	794,491	794,491	794,491	794,491	794,491
Annual Cash Flow		183,380	181,313	178,548	175,055	170,799	192,951	187,541	181,269	174,097	189,573	186,929	177,338	166,688	154,934	168,071
Operating Subsidies / Sinking Fund		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash		183,380	181,313	178,548	175,055	170,799	192,951	187,541	181,269	174,097	189,573	186,929	177,338	166,688	154,934	168,071
DCR		120.85%	120.61%	120.30%	119.90%	119.42%	121.93%	121.32%	120.61%	119.79%	121.55%	121.25%	120.16%	118.95%	117.61%	119.11%
Cash Flow Allocation:																
Flex Sub																
Cash Flow Loan	50%	91,690	90,656	89,274	87,527	85,399	96,476	93,771	90,635	87,049	94,786	93,465	88,669	83,344	77,467	84,036
Supportable Loan	50%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Flow to Owner	50% (69,500 max)	91,690	90,656	89,274	87,527	85,399	96,476	93,771	90,635	87,049	94,786	93,465	88,669	83,344	77,467	84,036
End Balances:																
Flex Sub Supportable Loan	1.01	2,750,342	2,692,386	2,633,848	2,574,722	2,515,002	2,454,683	2,393,757	2,332,219	2,270,063	2,207,282	2,143,871	2,079,823	2,015,131	1,949,790	1,883,792
Flex Sub Cash Flow Loan		2,716,031	2,625,374	2,536,100	2,448,573	2,363,174	2,266,698	2,172,927	2,082,292	1,995,244	1,900,457	1,806,993	1,718,324	1,634,980	1,557,513	1,473,478
VHFA Mortgage		13,067,213	12,964,106	12,855,389	12,740,756	12,619,885	12,492,438	12,358,057	12,216,363	12,066,960	11,909,427	11,743,323	11,568,180	11,383,508	11,188,788	10,983,473
Cumulative Cash Flow																
Beginning Balance		91,690	92,836	185,220	277,367	368,909	459,453	562,275	663,660	763,157	860,289	966,422	1,072,551	1,175,180	1,273,735	1,367,608
Deposits		1,146	1,727	2,873	4,014	5,145	6,346	7,615	8,862	10,084	11,346	12,664	13,961	15,211	16,406	17,620
Interest	1.25%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Withdrawals		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance		92,836	185,220	277,367	368,909	459,453	562,275	663,660	763,157	860,289	966,422	1,072,551	1,175,180	1,273,735	1,367,608	1,469,264
Cumulative Replacement Reserves																
Beginning Balance		256,822	332,008	420,386	558,249	607,496	691,690	723,074	692,304	462,393	216,900	147,021	111,608	(8,263)	207,469	438,201
Deposits		423,972	432,451	441,100	449,922	458,922	468,099	477,461	487,011	496,751	506,686	516,820	527,156	537,699	548,453	559,422
Interest	1.25%	5,860	6,853	8,012	9,790	10,462	11,572	12,023	11,698	8,885	5,878	5,068	4,690	3,361	6,021	8,974
Withdrawals		(354,646)	(350,926)	(311,250)	(410,465)	(385,189)	(448,287)	(520,254)	(728,619)	(751,129)	(582,442)	(557,301)	(651,717)	(325,327)	(323,742)	(352,218)
Ending Balance		332,008	420,386	558,249	607,496	691,690	723,074	692,304	462,393	216,900	147,021	111,608	(8,263)	207,469	438,201	654,379

Northgate Apartments

Construction Flow of Funds

Sources:

[illegible]



Northgate
Apartments,
Burlington

Continue on
Page 60

BURLINGTON

DeLorme

Burlington High School

Rock Point School

North Beach Park

Starr Farm Beach

J.J. Flynn Elementary School

P Smith Elen School

Ethan Allen Park

St Marks Loud Center

Post Office

Schiffli Park

Lynan C Hunt Middle School

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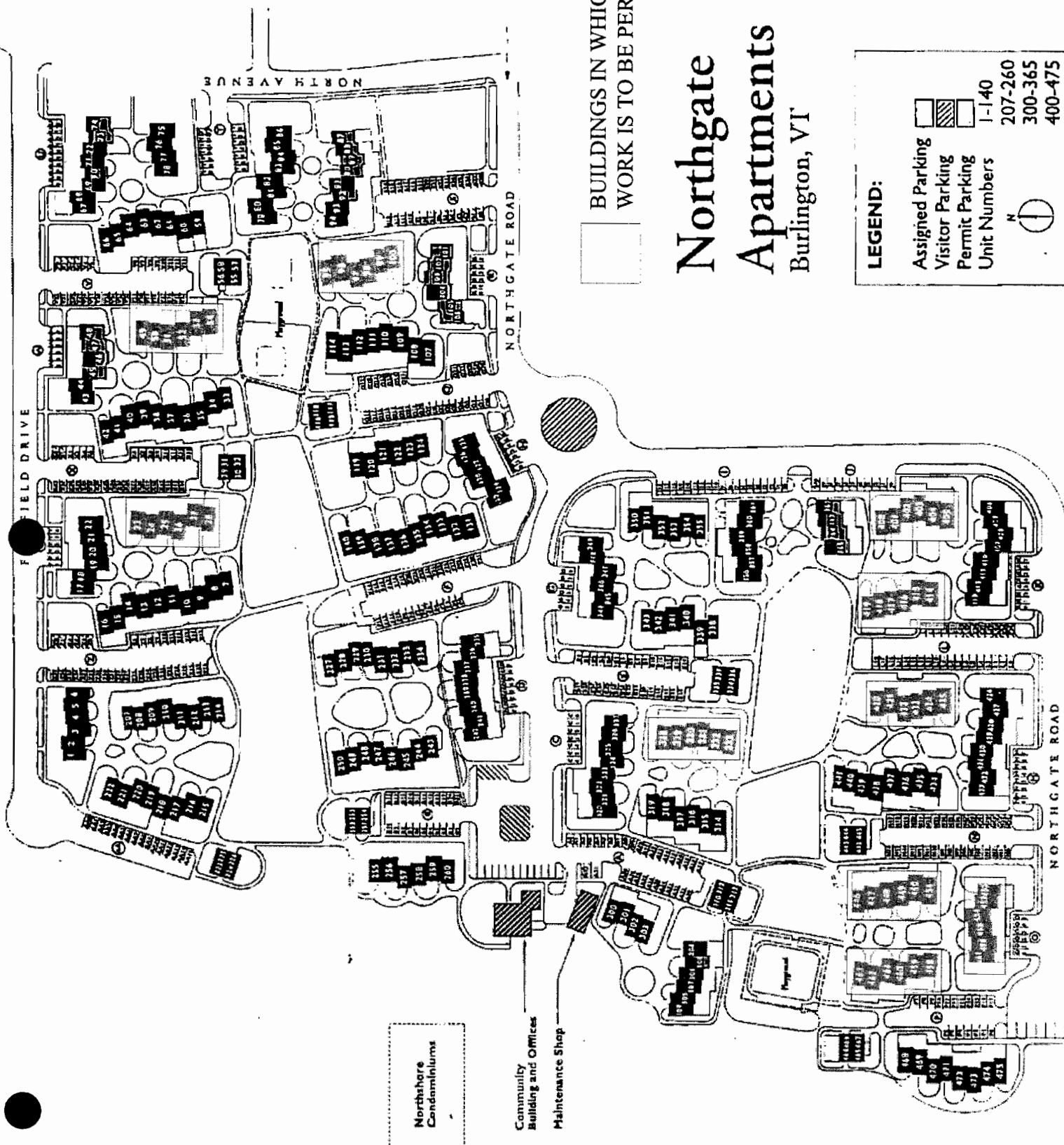
Northgate

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BUILDINGS IN WHICH
WORK IS TO BE PERFORMED

Northgate Apartments

Burlington, VT

LEGEND:

- Assigned Parking
- Visitor Parking
- Permit Parking
- Unit Numbers

1-140
207-260
300-365
400-475

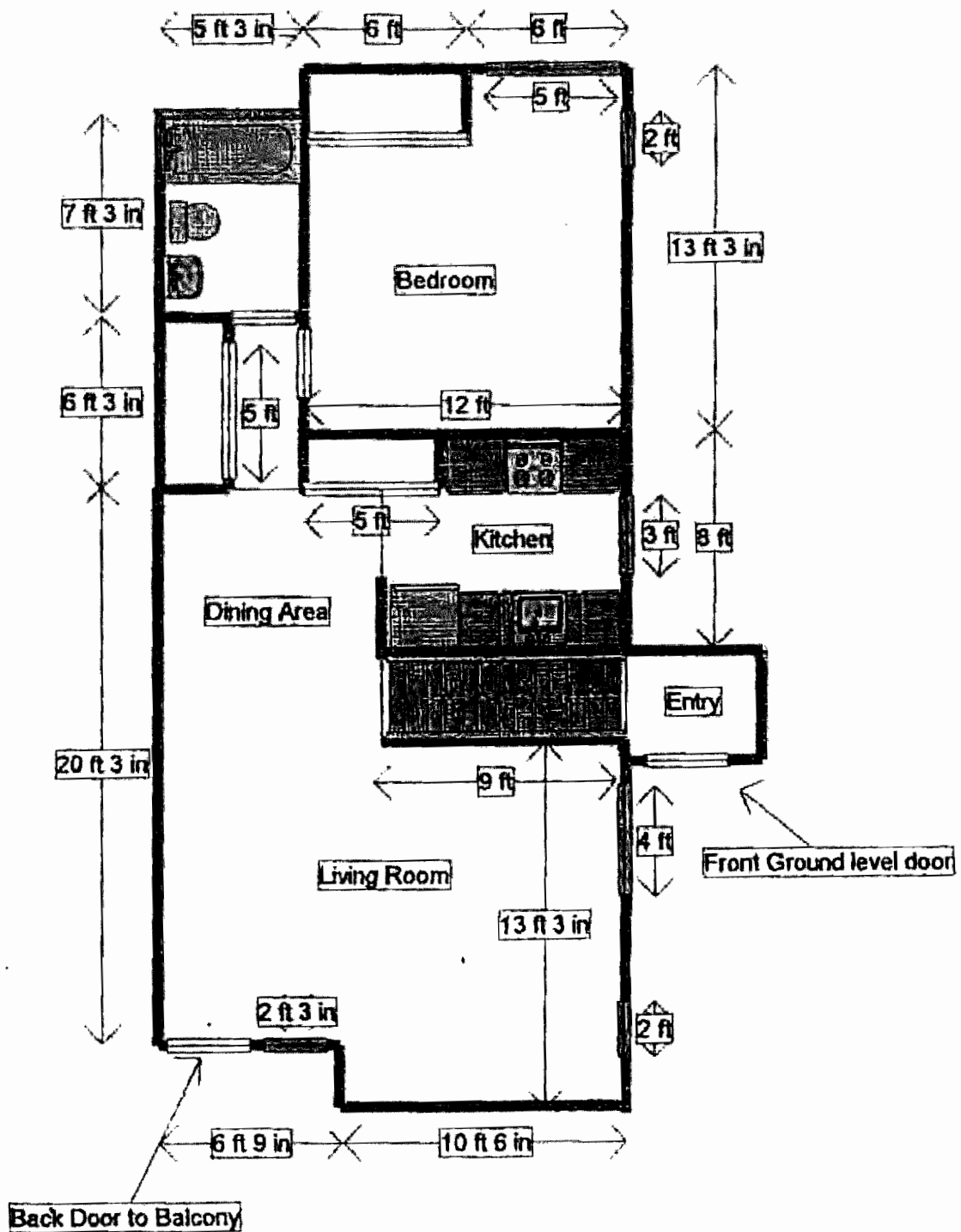
N

The floor plan for the 2nd floor is rectangular, measuring 17 ft by 22 ft. The layout includes the following rooms and features:

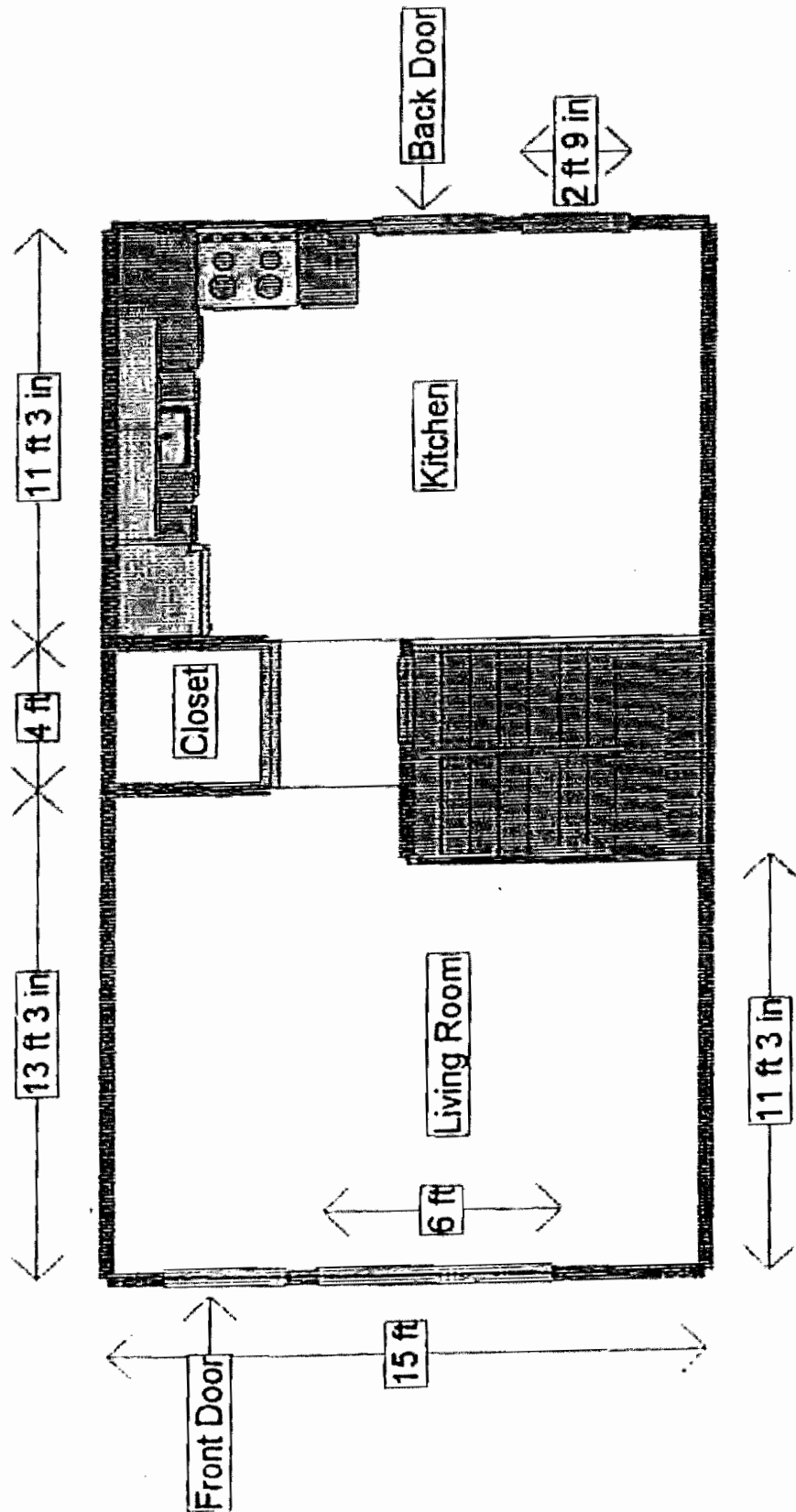
- Bedroom:** Located at the top, measuring 12 ft by 11 ft. It contains a bed (2 ft wide) and a closet (2 ft wide).
- Bath:** Located to the left of the bedroom, measuring 5 ft by 4 ft. It contains a bathtub and a toilet.
- Dining Area:** Located to the left of the kitchen, measuring 8 ft by 9 ft. It contains a dining table and chairs.
- Kitchen:** Located to the right of the dining area, measuring 4 ft by 4 ft. It contains a stove, sink, and refrigerator.
- Living Room:** Located at the bottom, measuring 17 ft by 11 ft. It contains a sofa and a coffee table.
- 2nd Floor Entry:** Located to the right of the living room, measuring 3 ft by 3 ft. It contains a closet (CL).
- Front Door:** Located at the bottom right, measuring 3 ft by 3 ft.
- Back Door:** Located at the bottom left, measuring 3 ft by 3 ft.

Other dimensions and features include a 5 ft wide hallway, a 9 ft wide living room area, and a 12 ft wide bedroom area.

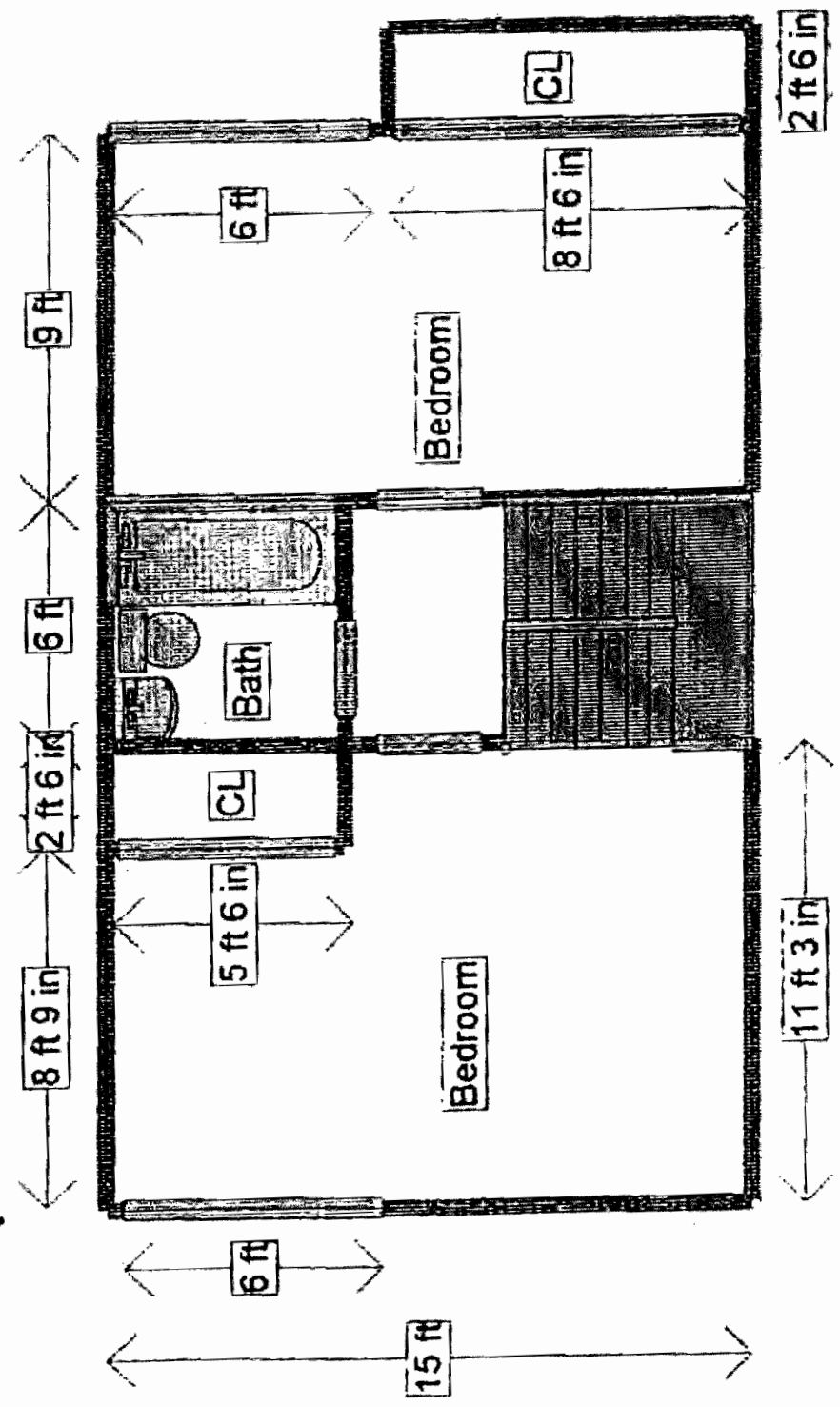
Northgate 1 Bedroom 2nd Floor



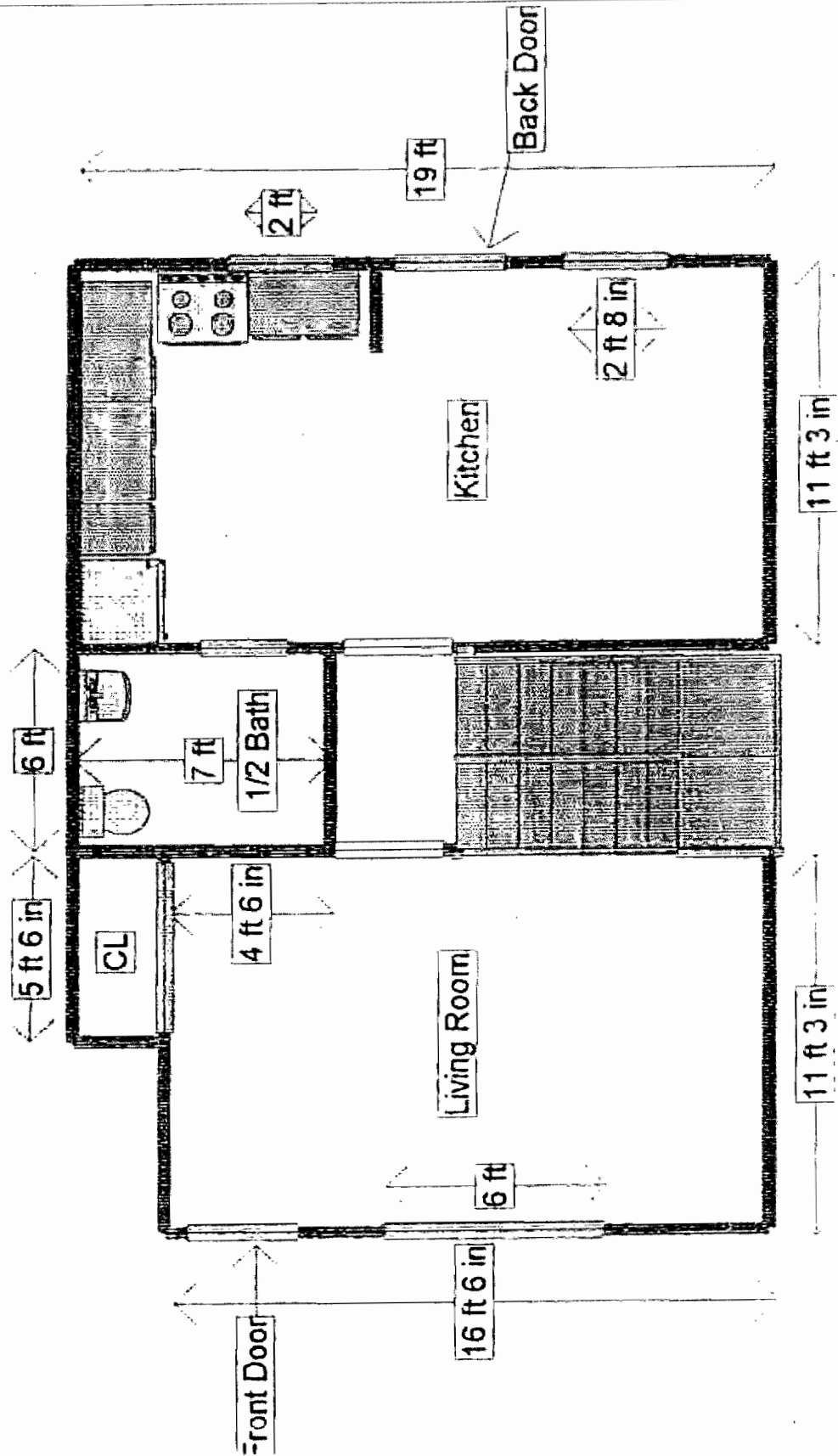
Northgate Apartments 2 Bedroom 1st Floor



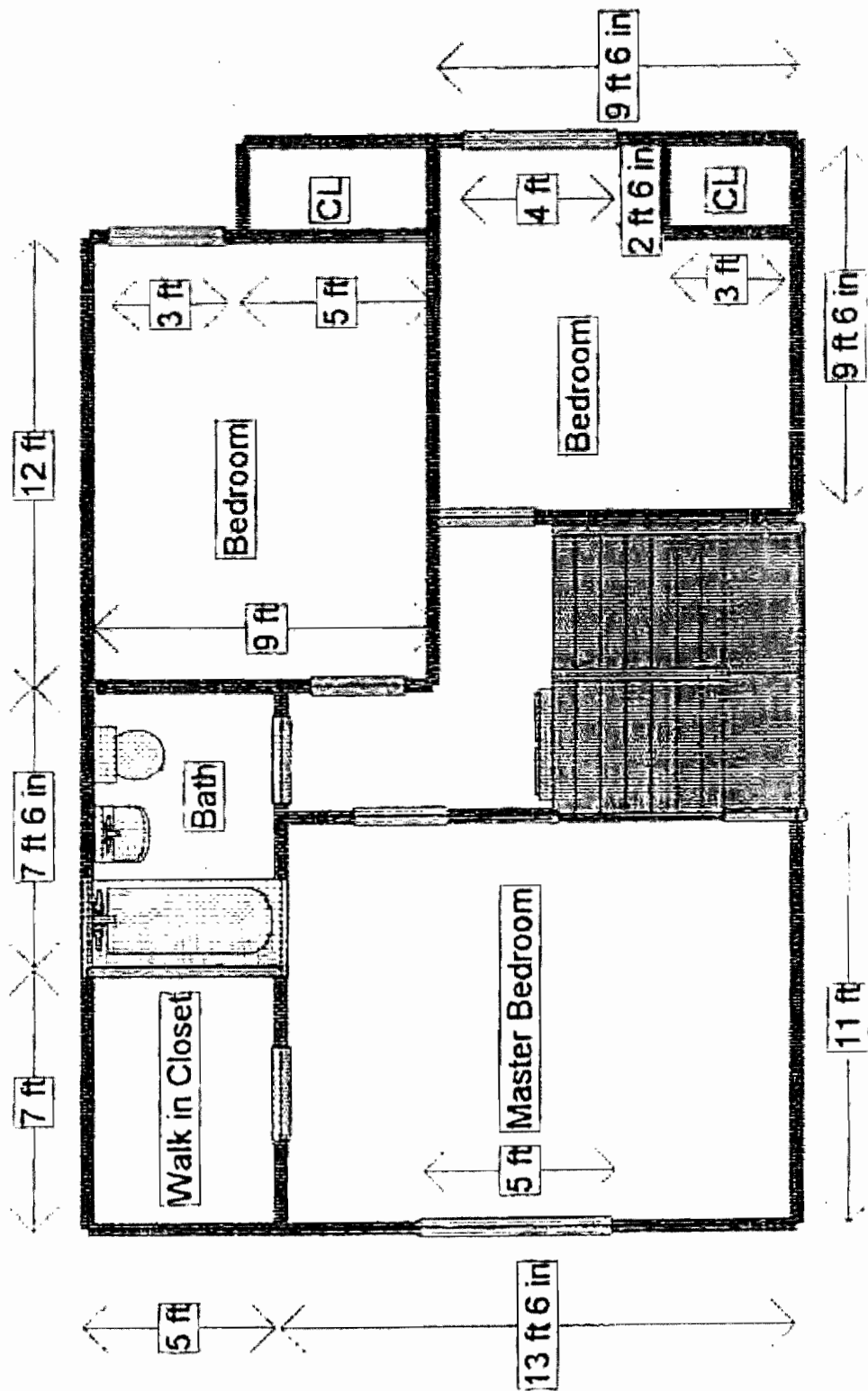
Northgate Apartments 2 bedroom 2nd Floor



Northgate Apartments 3 bedroom 1st Floor



Northgate Apartments 3 Bedroom 2nd Floor





Vermont Housing Finance Agency

TO: VHFA Board of Commissioners

FROM: Cynthia Reid, Senior Development Underwriter *CR*

DATE: June 15, 2011

RE: Request for MacArthur Energy/Capital Improvement Loan of \$100,000:
Northgate Apartments, Burlington

Summary of Request: Northgate Residents Ownership Corporation is seeking a second MacArthur Energy/Capital Improvement Loan of \$100,000 for work to be accomplished this summer at Northgate Apartments in Burlington.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution approving the MacArthur loan.

Project Summary: Last month the Board approved two MacArthur Loans for Northgate Apartments, a \$270,000 pre-development loan, and a \$319,200 energy/capital improvement loan. The energy loan was needed to match federal energy grant funds. The energy grant funds are from the Vermont Fuel Efficiency Partnership (VFEP) and Vermont Housing and Conservation Board ARRA (stimulus funds). The funds are awarded on a formulaic basis according to the scope of work and projected energy savings, and subject to availability. The funds have been in high demand and are maxed out, and the grant award is less than had been anticipated, by \$12,500. In addition, the bids came in high, mainly in the area of weatherization. The labor came in high for attic work based on OSHA regulations, the job training piece was higher than budgeted due to lack of federal subsidy at this time for job training, and there has been an increase in material cost. Together, this means a \$98,000 gap. We are recommending an additional MacArthur loan of \$100,000 in order that the weatherization and boiler replacement can still occur in 60 units this summer. If we scaled back the work instead, there would be a corresponding decrease in federal energy funding to apply to the work. Following is a breakdown of the sources and uses for the \$773,616 scope of work to be completed this summer. This work is a precursor to the \$5.2 million rehab which will occur once the closing occurs on the new permanent financing in October 2011.

SOURCES

\$234,416	VFEP
\$120,000	VHCB ARRA
<u>\$419,200</u>	VHFA MacArthur
\$773,616	

USES

\$771,937	Weatherization & Boiler Replacement
\$1,679	Contingency
<u>\$773,616</u>	Total

The take out source for the MacArthur loans is the VHFA permanent loan (NIBP bond). With the additional MacArthur loan request of \$100,000, staff is also requesting a corresponding \$100,000 increase in the permanent loan, to \$13,265,000. If the permanent loan for whatever reason does not go through, the MacArthur loan will be paid back from the project's reserves and/or an alternative re-finance plan. The term of the MacArthur loan is three years, with interest on the outstanding balance paid monthly. The loan will be secured by the real estate. Staff recommends approval of the MacArthur loan of \$100,000.



VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: ENERGY/
CAPITAL IMPROVEMENT LOAN FINANCING FOR
NORTHGATE APARTMENTS, CITY OF BURLINGTON**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Northgate Residents Ownership Corporation (the "Borrower") involving the rehabilitation of a total of three hundred thirty-six (336) units of general occupancy rental housing in the City of Burlington (the "Development"); and

WHEREAS, the application contemplates one or more mortgage loans for energy and capital improvement Loan financing for the Development with the interest rate to be determined by the Agency depending on the source of funds; and

WHEREAS, the Borrower qualifies as a housing sponsor within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Cynthia Reid dated June 15, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.
2. The energy and capital improvement costs to be incurred by the housing sponsor are for housing development costs within the meaning of the Act.
3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.
4. The housing sponsor undertaking the Development will increase the supply of well-

planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Borrower is financially responsible and is a qualified housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the Borrower for the energy and capital improvement financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Borrower in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the energy and capital improvement financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter shall be conditioned on the satisfaction by the Borrower of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
4. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners
FROM: Joshua Slade, Development Underwriter
DATE: June 20, 2011
RE: Request for Construction Financing and Bond Credits: Thayer Senior Phase II, Burlington

Name:	Thayer House Phase II	Location:	Burlington
Housing Type:	Senior	Unit Type:	Flats
Unit Count:	32 Units 28 Tax Credit	Unit Sizes:	28 One Bd – 610 sq ft 4 Two Bd – 880 sq ft
Total Cost:	\$6,060,209	Per S.F. Acquisition & Construction Cost:	\$154/sq ft
Request:	\$3,950,000 Tax Exempt Construction Loan \$160,932 Bond Credits	Sponsor:	Cathedral Square Corporation
Other Funding: HUD 202, Efficiency VT & VT Gas, VHCB, Deferred Development Fee			

Summary of Request: Cathedral Square Corporation (CSC) is requesting a tax exempt 18 month construction loan in the amount of \$3,950,000 and \$160,932 in Bond Credits for the construction of 32 units of senior housing in Burlington.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution and make the required findings as outlined in the second section of the resolution ("It is hereby determined:"), and that the Board authorize the Executive Director to issue a Letter of Interest and/or a Commitment Letter to finance this property upon satisfactory completion of staff underwriting and due diligence; and authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan..

Project Background: Thayer Senior Housing is part of the larger planned development Thayer Commons in the New North End of Burlington. Currently under construction is Phase I of this project, a 33 unit senior housing building, as well as the separate 33 unit general occupancy project developed by Champlain Housing Trust and Housing Vermont, and 47 market apartments and commercial space developed by Eric Farrell.

The sponsor intends to apply for HUD 202 which will provide a capital advance to the project and much needed rental assistance to residents. (The capital advance is a 30 year deferred zero percent loan/grant.) In addition to the rental assistance, CSC is committed to providing services through the Support and Services at Home (SASH) program. A team, composed of a SASH Coordinator (50 hours/week), a Wellness Nurse (16 hours/week) and designated community partner staff, will meet weekly to review resident assessments and create the first drafts of individual Healthy Aging Plans. These plans outline suggested goals and interventions to meet the needs identified. The SASH team will also develop a Community Healthy Aging



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Plan (CHAP) which will address the broader needs of the community. For example, a CHAP could focus on medication management, falls prevention or chronic condition management. CSC already uses this model at the nearby Heineberg Senior Housing. The need for both subsidized and service enriched housing for seniors is supported by the market study. The completion of this project will result in 65 new units of senior housing in Burlington's New North End (Phase I has 33 units).

All major permits are approved (Act 250 and some local permits). Jeffrey Kantor is the development consultant and is working on placing the tax credit equity.

The Sponsors have applied to VHCB and will know the outcome of that application by June 20, 2011. The Sponsors should know about the HUD 202 funding in the Fall of this year.

Construction is anticipated to begin in May 2012 and be completed by October 2013. CSC will manage the property as well as coordinate the supportive services.

VERMONT HOUSING FINANCE AGENCY

RESOLUTION RE: CONSTRUCTION FINANCING AND PROPOSED USE OF BOND HOUSING CREDITS FOR THAYER HOUSE PHASE II, CITY OF BURLINGTON

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Cathedral Square Corporation (the "Sponsor") on behalf of a to be formed limited partnership in which the Sponsor or its subsidiary or affiliate will be the general partner (the "Borrower") involving the acquisition and new construction of the total of thirty-two (32) units of senior occupancy in the City of Burlington (the "Development"); and

WHEREAS, the Agency desires to take "official action" for the purpose of, and to reimburse itself or the Borrower for any advances of funds prior to, the issuance and sale of tax-exempt bonds (the "Bonds") to finance one or more loans to the Borrower; and

WHEREAS, the application contemplates one or more mortgage loans for construction financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Sponsor qualifies and the Borrower will qualify as housing sponsors within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade dated June 20, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at

least 20 percent of the units are for occupancy by persons and families of low and moderate income.

2. The acquisition and construction costs to be incurred by the housing sponsors are for housing development costs within the meaning of the Act.

3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.

4. The housing sponsors undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Sponsor is financially responsible and is a qualified housing sponsor within the meaning of the Act. The Borrower will be required to qualify as a housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the limited partnership to be created by the Sponsor for the construction financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Sponsor in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the construction financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter may be issued to the Sponsor as the representative of the Borrower. The Commitment Letter shall be conditioned on the satisfaction by the Sponsor of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The issuance of the Bonds for the purpose of financing one or more loans to the Borrower is hereby preliminarily approved, and, pursuant to Section 1:150-2 of the Internal Revenue Code Regulations, the Agency hereby states its intention to

3. The issuance of the Bonds for the purpose of financing one or more loans to the Borrower is hereby preliminarily approved, and, pursuant to Section 1:150-2 of the Internal Revenue Code Regulations, the Agency hereby states its intention to reimburse itself from Bond proceeds for any advances of Agency funds prior to the issuance of the Bonds.
4. The preliminary approval described in the preceding paragraph does not obligate the Agency to give final approval for the issuance of said Bonds. Final approval of the issuance of the Bonds can only be authorized by independent action, which may contain such conditions thereto as the Agency may deem appropriate. The Agency in its absolute discretion may refuse to finally authorize the issuance of the Bonds and shall not be liable to the Borrower or any other person for its refusal to do so.
5. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
6. The recommendations for the use of Bond Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
7. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the use of Bond Housing Credits in an amount necessary for the Development's feasibility for the Thayer Senior Housing Phase II development in the City of Burlington, Vermont.
8. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.

10-Jun-11 **Thayer Senior Housing Phase II**

Total Residential Units:	32	Increase in Income from Rental Units:	1.90%	2.25%
Housing Credit Restricted Units:	28	Increase in Income from Other Sources:	1.50%	
Percent Restricted:	87.50%	Increase in Income from Commercial:	0.00%	
Total Development Cost:	6,060,209	Expense increase:	2.50%	
Total Development Cost per Unit:	189,382	Vacancy Rate:	4.00%	
Total Development Cost Per SF:	195	Partner's Tax Rate:	35%	
		Long Depreciation Schedule:	40.0	years
Max Credit Potential:	161,199	Short Depreciation Schedule:	5	years
Credit Amount requested:	160,393	Sponsor's Estimated Yield:	86.86%	

VT State Credit

Historic Credit	0
LIHTC - 4%	3.31% June 2011

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term	
HUD 202	3,948,000	65.15%	5.50%	10	16	123,375
AHP		0.00%	0.00%	30	deferred	0
Efficiency VT & VT Gas	15,000	0.25%	0	0	Cap Contribution	469
VHCB	610,000	10.07%	0	30	deferred	19,063
VHCB feasibility	10,000				Cap Contribution	313
Deferred Development Fee	77,209	1.27%	0	30	deferred	2,413
		0.00%	0	30	deferred	0
Tax Credit Equity LP	1,400,000	23.10%	N/A	N/A	Equity	43,750
TOTAL SOURCES	6,060,209	100.00%				189,382

USES

Acquisition	81,687	1.35%
Construction Hard Costs	4,702,000	77.59%
Soft Costs	1,276,522	21.06%
TOTAL USES	6,060,209	

GAP (0)

Construction Loan	3,950,000	4.50%	74,063	10
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General Partner's Capital Contribution	139	0.01%
Limited Partner's Capital Contribution	1,393,000	99.99%
Total Equity	1,393,139	

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	28
Total Units	32
Unit Fraction	87.50%
Tax Credit Square Footage	17,080
Total Residential Square Footage	20,600
Square Footage Fraction	82.91%
Applicable Fraction	82.91%

32	Total Project									VHCB Feas.	
	4,477,000	4,352,002	Budget	Per Unit	Per s.f.	Equity	VHCB	HUD202	Eff VT	GP Loan	
ACQUISITION											
1	Land		70,000	2,188	2.26	70,000					
2	Building infrastructure			0	0.00						
3	Demolition (without replacement)			0	0.00						
4	Property Appraisal		3,500	109	0.11		3,500				
5	Legal - Title and Recording		8,187	256	0.26		8,187				
4,691,500	Subtotal - Acquisition		81,687	2,553	2.63						
CONSTRUCTION HARD COSTS											
6	New Construction		4,352,000	136,000	140.29	265,709	123,291	3,948,000	15,000		
7	Solar		125,000	3,906	4.03	125,000					
8	off site			0	0.00						
9	Sitework			0	0.00						
10	Commercial Space Costs (if any)			0	0.00						
11	General Requirements			0	0.00						
12				0	0.00						
13	Contractor Profit			0	0.00						
14	Construction Contingency		175,000	5,469	5.64	175,000					
15	Construction Management			0	0.00						
16	Construction Bond Fee			0	0.00						
17	Hazardous Materials Abatement			0	0.00						
18	Off-Site Improvements			0	0.00						
19	Furnishings, Fixtures, & Equipment		50,000	1,563	1.61	50,000					
20				0	0.00						
	Subtotal - Hard Costs		4,702,000	146,938	151.57						
SOFT COSTS											
21	Architect		240,000	7,500	7.74	50,000	180,000			10,000	
22	Survey		5,000	156	0.16	5,000					
23	Legal/Accounting		35,000	1,094	1.13	10,000	25,000				
24	owners representative/ Clerk		50,000	1,563	1.61	15,000	35,000				
25	Environmental Assessment		1,250	39	0.04		1,250				
26	Civil Engineering		15,000	469	0.48		15,000				
27	Permits/Fees		56,864	1,777	1.83		56,864				
28	Archeology		0	0	0.00						
29	Compaction/Testing/soils		5,000	156	0.16	5,000					
30	Independent Market Study		3,800	119	0.12		3,800				
31	Construction Period Insurance		17,608	550	0.57		17,608				
32	Construction Interest		75,000	2,344	2.42	75,000					
33	Loan Origination Fee			0	0.00						
34	Taxes During Construction		0	0	0.00						
35	Inspection Fee		5,000	156	0.16		5,000				
36	Marketing		5,000	156	0.16	5,000					
37	Tax Credit Fees		7,000	219	0.23		7,000				
38	Soft Cost Contingency		5,000	156	0.16	5,000					
39	Lender's Council Fee		3,500	109	0.11		3,500				
40				0	0.00						
41				0	0.00						
42	Cost Cert IRS & HUD		6,000	188	0.19	6,000					
43	Capital Needs Assessment		2,500	78	0.08	2,500					
SYNDICATION COSTS											
44	Organizational (Partnership)		1,500	47	0.05	1,500					
45	Bridge Loan Fees and Expenses		20,000	625	0.64	20,000					
46	Syndication Consultant		2,500	78	0.08	2,500					
47	Tax Opinion		0	0	0.00						
DEVELOPER'S FEES											
48	Developer's Fees		586,000	18,313	18.89	383,791	125,000			77,209	
49	Deferred Development Fee										
50	Consultant Fees		50,000	1,563	1.61	50,000					
RESERVES											
51	Working Capital			0	0.00						
52	Rent-up (Deficit Escrow) Reserve		15,000	469	0.48	15,000					
53	Operating Reserves		53,000	1,656	1.71	53,000					
54	Sinking Fund (services			0	0.00						
55	Replacement Reserves		10,000	313	0.32	10,000					
	Subtotal - Soft Costs		1,276,522	39,891	41.15						
TOTAL DEVELOPMENT COSTS			6,060,209	189,382	195.35	0	1,400,000	610,000	3,948,000	15,000	87,209

	Itemized Cost	Acquisition Basis	Construction Basis	Residential Depreciation	
ACQUISITION					
1 Land	70,000				
2 Building infrastructure	0			0	
3 Demolition (without replacement)	0				
4 Property Appraisal	3,500	3,500			
5 Legal - Title and Recording	8,187	8,187			
Subtotal - Acquisition	81,687				
CONSTRUCTION HARD COSTS					
6 New Construction	4,352,000		4,352,000	4,352,000	
7 Solar	125,000		125,000	125,000	
8 off site	0				
9 Sitework	0		0	0	
10 Commercial Space Costs (if any)	0				
11 General Requirements	0		0	0	
12 0	0		0	0	
13 Contractor Profit	0		0	0	
14 Construction Contingency	175,000		175,000	175,000	
15 Survey	0		0	0	
16 Architectural/Engineering	0		0	0	
17 Hazardous Materials Abatement	0		0	0	
18 Off-Site Improvements	0		0	0	
19 Furnishings, Fixtures, & Equipment	50,000		50,000	50,000	
20 0	0		0	0	
Subtotal - Hard Costs	4,702,000				
SOFT COSTS					
21 Architect	240,000		240,000	240,000	
22 Survey	5,000		5,000	5,000	
23 Legal/Accounting	35,000		35,000	35,000	
24 owners representative/ Clerk	50,000		50,000	50,000	
25 Environmental Assessment	1,250		1,250	1,250	
26 Civil Engineering	15,000		15,000	15,000	
27 Permits/Fees	56,864		56,864	56,864	
28 Archeology	0		0	0	
29 Compaction/Testing	5,000		5,000	5,000	
30 Independent Market Study	3,800		3,800	3,800	
31 Construction Period Insurance	17,608		17,608	17,608	
32 Construction Interest	75,000		75,000	75,000	
33 Loan Origination Fee	0		0	0	
34 Taxes During Construction	0		0	0	
35 Inspection Fee	5,000		5,000	5,000	
36 Marketing	5,000				
37 Tax Credit Fees	7,000				
38 Soft Cost Contingency	5,000		5,000	5,000	
39 Lender's Council Fee	3,500		3,500	3,500	
40 0	0				
41 0	0				
42 Cost Cert IRS & HUD	6,000		6,000	6,000	
43 Capital Needs Assessment	2,500				
SYNDICATION COSTS					
44 Organizational (Partnership)	1,500				
45 Bridge Loan Fees and Expenses	20,000				
46 Syndication Consultant	2,500				
47 Tax Opinion	0				
DEVELOPER'S FEES					
48 Developer's Fees	586,000		586,000	586,000	
49 deferred fee	0		0	0	
50 Consultant Fees	50,000		50,000	50,000	
RESERVES					
51 Working Capital	0				
52 Rent-up (Deficit Escrow) Reserve	15,000				
53 Operating Reserves	53,000				
54 Sinking Fund (services)	0				
55 Replacement Reserves	10,000				
Subtotal - Soft Costs	1,276,522				
TOTALS	6,060,209	11,687	5,862,022	5,812,022	
LESS: Amount of Non-qualified Financing					
LESS: Adjustment for per unit cost limits	100.00%		0		
LESS: Historic tax Credit (Residential Portion)			0	0	
Total Eligible Basis		11,687	5,862,022		
TIMES: Adj for QCT/DDA; Special Construction	100.00%		5,862,022		
TIMES: Applicable Fraction	82.91%	9,690	4,860,356		
Total Qualified Basis		9,690	4,860,356	5,762,022	Long Term Depreciable Basis
TIMES: Applicable Percentage		3.31%	3.31%	40.0	Depreciation Schedule
Total Annual Credit Qualified		321	160,878	144,051	Annual Depreciation
Total Tax Credits Requested	161,199		161,199	50,000	Short Term Depreciable Basis
Estimated Net Syndication Proceeds (excluding historic credit equity)	1,400,000	1,400,000		5	Depreciation Schedule
Estimated Yield - Housing Credit Syndication	86.86%			10,000	Annual Depreciation
Equity Gap	0				
Credits Needed to fill Equity Gap	0				
					mid term depreciation basis
					15 depreciation schedule
					0 annual depreciation

10-Jun-11 **Thayer Senior Housing Phase II**

HC UNITS

Bedrooms

1 Br

2 Br

1 br

1 Br

Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
HUD 202	610	28	620		208,320
No RA	880		850		0
No RA	610		775		0
Manager	610		0		0
					0
					0
					0
					0
				0	0

Common & Utility Space

Common Circulation area

Totals

4,422

6,000

27,502

28

15,092

208,320

NON HC UNITS

Bedrooms

0 Br

1 Br

2 Br

2 Br

3 Br

4 Br

Type	Square Feet	Number	Rent	Utilities	Annual Rent
				0	0
	610		900	0	0
	880	4	1,050	0	50,400
				0	0
				0	0
	3,520			0	0

(31,022)

Totals

31,022

4

50,400

37,532

Total Units

32

TOTAL All Units

258,720

Less Vacancy

4.00%

(10,349)

36,480

OTHER INCOME

NET RENT

248,371

Laundry

250

3,000

Interest

500

Commercial Space Income

Other

0

tax credit SF

TOTAL INCOME

251,871

10-Jun-11

	32		Per Unit Per Month
Administration		Monthly	
Management Fee	20,736	1,728	54
Support Services	16,000	1,333	42
Audit/Accounting	9,000	750	23
Legal	500	42	1
Compliance Monitoring	2,376	198	6
Marketing	500	42	1
On site Management	16,000	1,333	42
TOTAL ADMINISTRATIVE	65,112	5,426	170
Utilities			
Electricity	21,000	1,750	55
Fuel	21,000	1,750	55
Water and Sewer	7,500	625	20
Fire Alarm / Emergency	3,000	250	8
Other	1,000	83	3
TOTAL UTILITIES	53,500	4,458	139
Maintenance			
Maintenance / Janitor Payroll	16,000	1,333	42
Janitor supplies	1,152	96	3
Exterminating	1,536	128	4
Trash Removal	4,608	384	12
Snow Removal	5,000	417	13
Grounds	5,000	417	13
Repairs Material	6,000	500	16
Repairs Contract	6,000	500	16
HVAC Repairs / Maintenance	3,000	250	8
Elevator Contract / Repairs	3,000	250	8
Painting and Decorating	500	42	1
Other	1,000	83	3
TOTAL MAINTENANCE	52,796	4,400	137
Real Estate Taxes	35,000	2,917	91
Property Insurance	11,520	960	30
Replacement Reserves	19,200	1,600	50
Primary Debt Service		0	0
Other "must pay" debt service		0	0
Other	0	0	0
Total	237,128	19,761	618

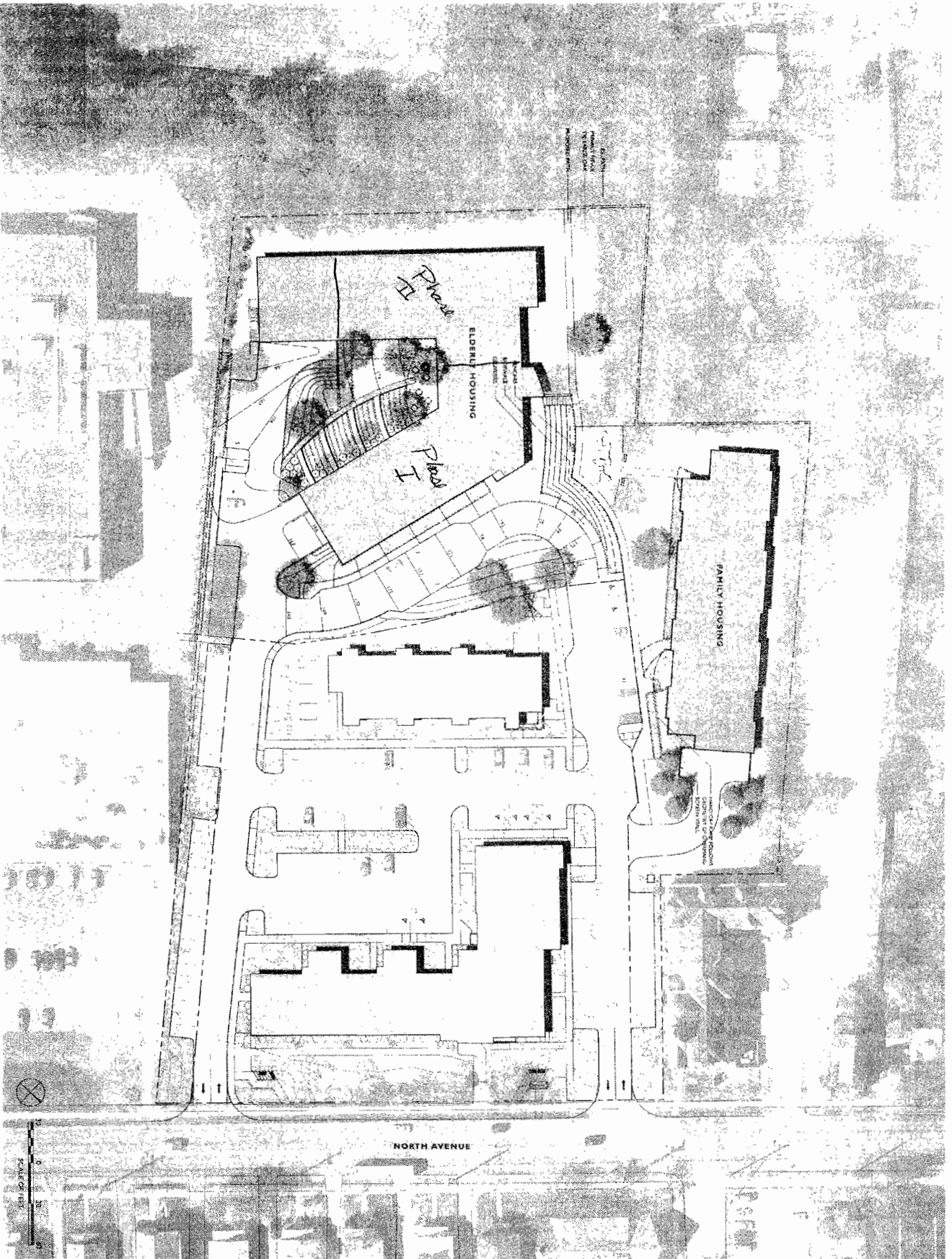
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10-Jun-11		Thayer Senior Housing Phase II																			
	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Operating Income	Gross Rent	258,720	263,636	268,645	273,749	278,950	284,250	289,651	295,154	300,762	306,477	312,300	318,234	324,280	330,441	336,720	343,117	349,637	356,280	363,049	369,947
	Other Income	3,500	3,553	3,606	3,660	3,715	3,770	3,827	3,884	3,943	4,002	4,062	4,123	4,185	4,247	4,311	4,376	4,441	4,508	4,576	4,644
	Vacancy and other losses	(10,349)	(10,545)	(10,746)	(10,950)	(11,158)	(11,370)	(11,586)	(11,806)	(12,030)	(12,259)	(12,492)	(12,729)	(12,971)	(13,218)	(13,469)	(13,725)	(13,985)	(14,251)	(14,522)	(14,798)
	Total Operating Income	251,871	256,643	261,505	266,459	271,507	276,651	281,892	287,233	292,675	298,220	303,870	309,627	315,493	321,471	327,562	333,769	340,093	346,537	353,103	359,793
Operating Expenses	Total Expenses (excl. Reserves)	217,928	223,376	228,961	234,685	240,532	246,566	252,730	259,048	265,524	272,162	278,966	285,940	293,089	300,416	307,927	315,625	323,515	331,603	339,893	348,391
	Reserves	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200
	Sub-Total Operating Expense	237,128	242,576	248,161	253,885	259,732	265,766	271,930	278,248	284,724	291,362	298,166	305,140	312,289	319,616	327,127	334,825	342,715	350,803	359,093	367,591
	GP services fee	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total Operating Expense		239,128	244,576	250,161	255,885	261,732	267,766	273,930	280,248	286,724	293,362	300,166	307,140	314,289	321,616	329,127	336,825	342,715	350,803	359,093	367,591
	Net Operating Income	12,743	12,067	11,344	10,574	9,755	8,885	7,962	6,985	5,950	4,857	3,704	2,487	1,205	(145)	(1,564)	(1,056)	(2,623)	(4,267)	(5,991)	(7,797)
Less Debt Service		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Annual Cash Flow	12,743	12,067	11,344	10,574	9,755	8,885	7,962	6,985	5,950	4,857	3,704	2,487	1,205	(145)	(1,564)	1,056	2,623	4,267	5,991	7,797
Net Cash		12,743	12,067	11,344	10,574	9,755	8,885	7,962	6,985	5,950	4,857	3,704	2,487	1,205	(145)	(1,564)	0	0	0	0	0
	DCR																N/A	N/A	N/A	N/A	N/A
Cumulative Cash Flow	Beginning Balance	53,000	66,008	78,405	90,141	101,166	111,427	120,869	129,436	137,068	143,704	149,280	153,730	156,985	158,975	159,624	158,858	159,391	158,562	155,679	151,245
	Deposits	12,743	12,067	11,344	10,574	9,755	8,885	7,962	6,985	5,950	4,857	3,704	2,487	1,205	(145)	(1,564)	0	0	0	0	0
	Interest	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	Withdrawals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance		66,008	78,405	90,141	101,166	111,427	120,869	129,436	137,068	143,704	149,280	153,730	156,985	158,975	159,624	158,858	159,391	158,562	155,679	151,245	144,960
	Cumulative Replacement Reserves																				
Beginning Balance	Deposits	19,392	38,786	58,374	78,158	98,139	118,320	138,704	159,291	180,084	201,084	222,295	243,718	265,355	287,209	309,281	329,974	352,784	384,711	423,959	470,778
	Interest	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	Withdrawals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Ending Balance	19,392	38,786	58,374	78,158	98,139	118,320	138,704	159,291	180,084	201,084	222,295	243,718	265,355	287,209	309,281	329,974	352,784	384,711	423,959	470,778
Net Operating Income		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15					
	Net Operating Income	12,743	12,067	11,344	10,574	9,755	8,885	7,962	6,985	5,950	4,857	3,704	2,487	1,205	(145)	(1,564)					
	Plus Reserves	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200	19,200					
	Less Interest Expense	(20,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
Less Long Depreciation		(144,051)	(144,051)	(144,051)	(144,051)	(144,051)	(144,051)	(144,051)	(144,051)	(144,051)	(144,051)	(144,051)	(144,051)	(144,051)	(144,051)	(144,051)					
	Less Mid Term Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
	Less Short Depreciation	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)					
	Taxable Income (Loss)	(142,107)	(122,784)	(123,506)	(124,276)	(125,095)	(115,965)	(116,888)	(117,866)	(118,900)	(119,993)	(121,147)	(122,364)	(123,646)	(124,996)	(126,415)					
Cash Flow																					
	Plus Tax Savings	49,738	42,974	43,227	43,783	44,588	45,911	47,253	48,615	49,998	51,398	52,814	54,246	55,694	57,158	58,638					
	Plus Tax Credits	160,393	160,393	160,393	160,393	160,393	160,393	160,393	160,393	160,393	160,393	160,393	160,393	160,393	160,393	160,393					
	After Tax Cash Flow	210,130	203,367	203,620	203,889	204,176	200,980	201,303	201,646	202,008	202,390	202,801	203,241	203,710	204,208	204,735	205,290				

**LIMITED PARTNER
AFTER TAX INTERNAL RATE OF RETURN PROJECTION**

Projection					
Year	Quarter	Pay In	Total Pay Out	Net by Qtr	Net by Year
2,011	1	0	0	0	0
	2	0	0	0	
	3	0	0	0	
	4		0	0	
2,012	1		0	0	0
	2		0	0	
	3		0	0	
	4		0	0	
2,013	1	-1,000,000	52,533	-947,467	-1,189,870
	2	-400,000	52,533	-347,467	
	3		52,533	52,533	
	4		52,533	52,533	
2,014	1		50,842	50,842	203,367
	2		50,842	50,842	
	3		50,842	50,842	
	4		50,842	50,842	
2,015	1		50,905	50,905	203,620
	2		50,905	50,905	
	3		50,905	50,905	
	4		50,905	50,905	
2,016	1		50,972	50,972	203,889
	2		50,972	50,972	
	3		50,972	50,972	
	4		50,972	50,972	
2,017	1		51,044	51,044	204,176
	2		51,044	51,044	
	3		51,044	51,044	
	4		51,044	51,044	
2,018	1		50,245	50,245	200,980
	2		50,245	50,245	
	3		50,245	50,245	
	4		50,245	50,245	
2,019	1		50,326	50,326	201,303
	2		50,326	50,326	
	3		50,326	50,326	
	4		50,326	50,326	
2,020	1		50,411	50,411	201,646
	2		50,411	50,411	
	3		50,411	50,411	
	4		50,411	50,411	
2,021	1		50,502	50,502	202,008
	2		50,502	50,502	
	3		50,502	50,502	
	4		50,502	50,502	
2,022	1		50,598	50,598	202,390
	2		50,598	50,598	
	3		50,598	50,598	
	4		50,598	50,598	
2,023	1		10,600	10,600	42,401
	2		10,600	10,600	
	3		10,600	10,600	
	4		10,600	10,600	
2,024	1		10,707	10,707	42,827
	2		10,707	10,707	
	3		10,707	10,707	
	4		10,707	10,707	
2,025	1		10,819	10,819	43,276
	2		10,819	10,819	
	3		10,819	10,819	
	4		10,819	10,819	
2,026	1		10,937	10,937	43,748
	2		10,937	10,937	
	3		10,937	10,937	
	4		10,937	10,937	
2,027	1		11,061	11,061	44,245
	2		11,061	11,061	
	3		11,061	11,061	
	4		11,061	11,061	
TOTALS		Equity In (1,400,000)	Total Benefit 2,250,008	Net Benefit (805,762)	Net Benefit (805,762)
			IRR		10.91%

Pay In Event	Amount	Date
Enter Partnership		
Substantial Completion		
8609's & Jan 2013	0	



**VILLAGE AT
 LEDDY PARK**

SITE PLAN

PERSONS

DATE: 01/23/10

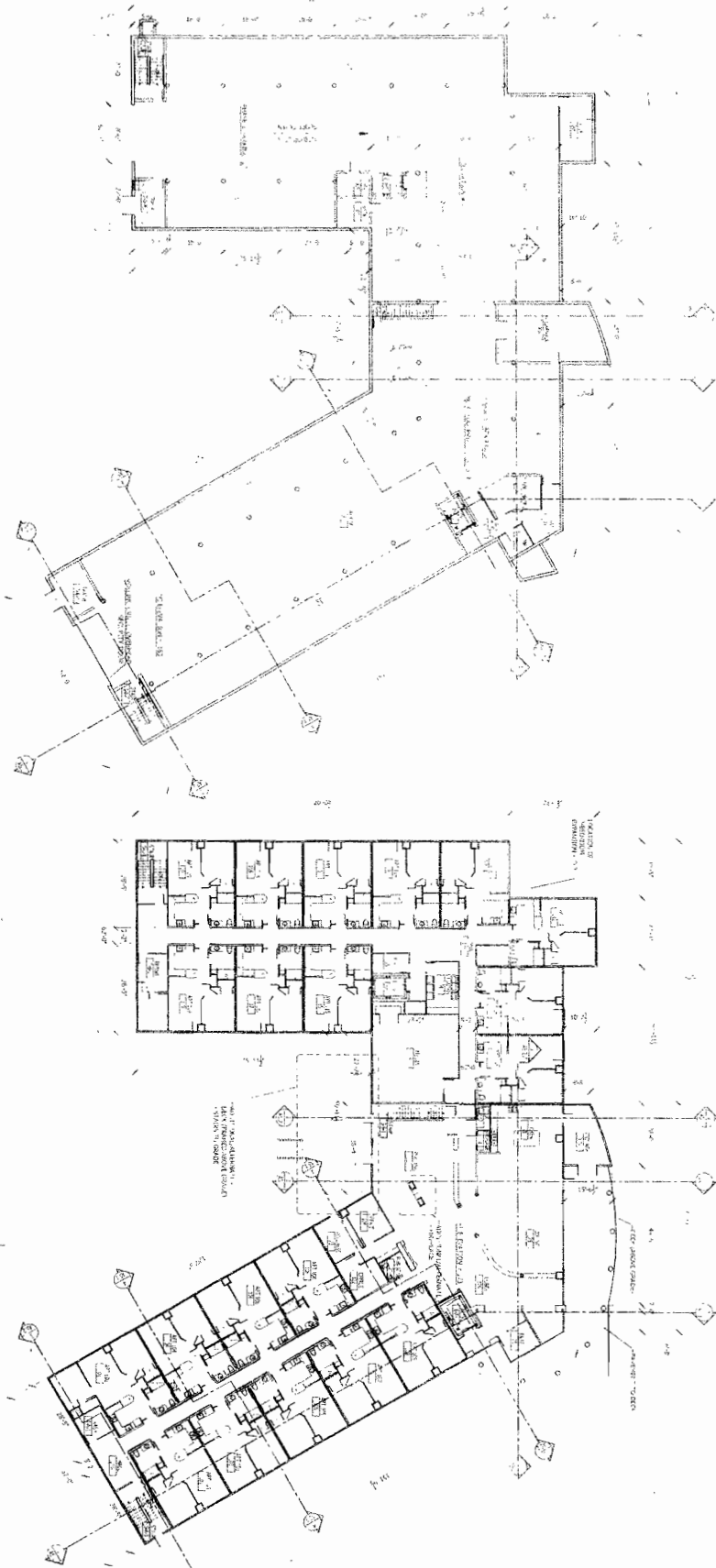
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PARKING QUANTITY:
PHASE 1 = 30
PHASE 2 = 27

APARTMENT QUANTITY:
PHASE 1 = 33
PHASE 2 = 31

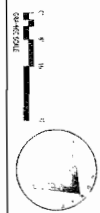
APARTMENTS THIS FLOOR:
PHASE 2 = 11

APARTMENTS THIS FLOOR:
PHASE 1 = 9



1 PARKING GARAGE PLAN

2 FIRST FLOOR PLAN



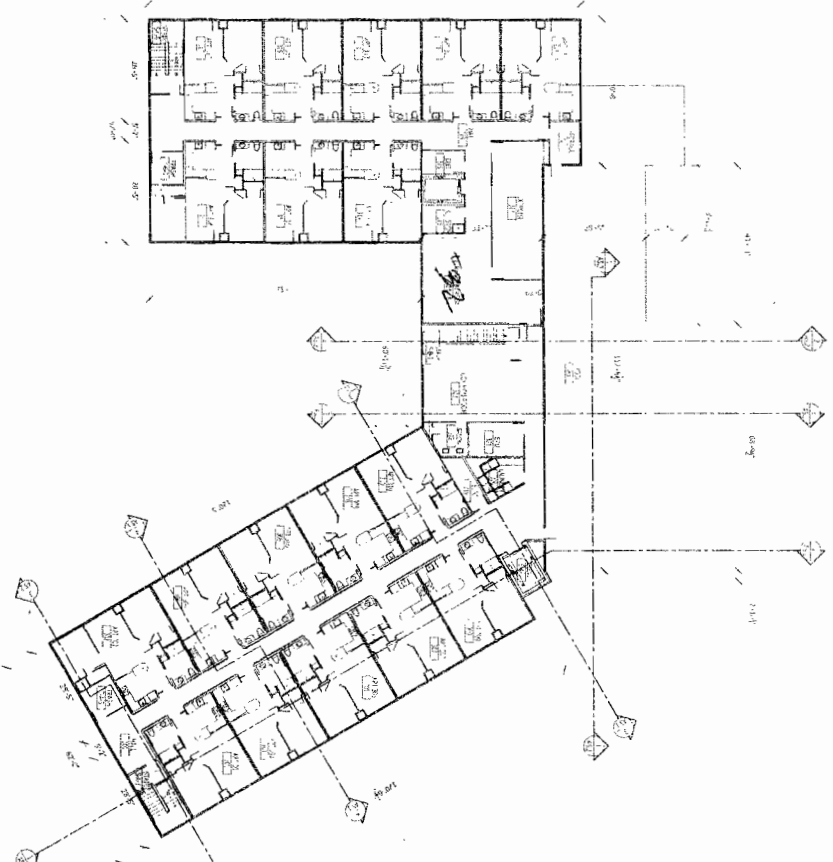
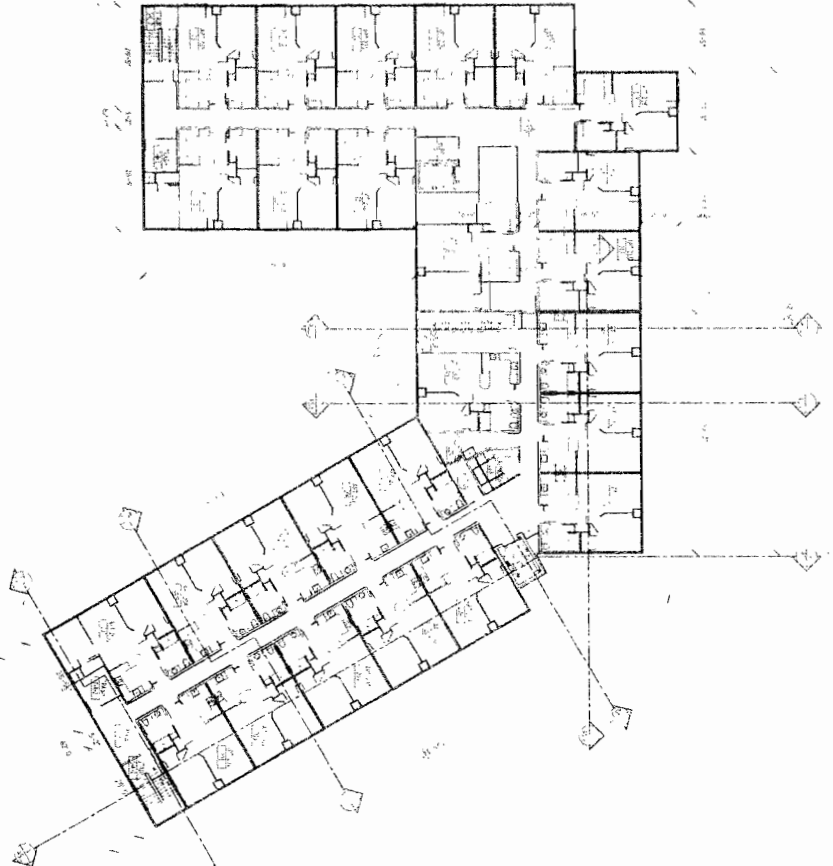
<p>A2.1</p> <p>PG + 1ST FLOOR PLAN</p>	<p>SCALE: AS NOTED</p> <p>PROJECT: 197 NORTH AVENUE, BURLINGTON, VERMONT</p> <p>DESIGNED BY: SFP</p> <p>DATE: 1/1/11</p> <p>1/2 FLOOR</p>	<p>PROJECT: VILLAGE AT LEDDY PARK</p> <p>197 NORTH AVENUE, BURLINGTON, VERMONT</p> <p>NEW SENIOR HOUSING BUILDING</p> <p>CONSTRUCTION DRAWINGS PROGRESS SET</p>	<p>SCOTT + PARNERS</p> <p>ARCHITECTS</p> <p>30 main street east junction vermont 05402</p> <p>p. 802.879.5803 f. 802.872.2764</p> <p>architecture planning interiors</p>		
	<p>DATE: 1/1/11</p> <p>PROJECT: 197 NORTH AVENUE, BURLINGTON, VERMONT</p> <p>DESIGNED BY: SFP</p> <p>DATE: 1/1/11</p> <p>1/2 FLOOR</p>				

APARTMENTS THIS FLOOR:
PHASE 2 = 12

APARTMENTS THIS FLOOR:
PHASE 1 = 14

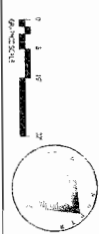
APARTMENTS THIS FLOOR:
PHASE 2 = 8

APARTMENTS THIS FLOOR:
PHASE 1 = 10



1 SECOND FLOOR PLAN

2 THIRD FLOOR PLAN



PROJECT VILLAGE AT LEDDY PARK 197 NORTH AVENUE, BURLINGTON, VERMONT		SCOTT + PARTNERS ARCHITECTS 20 main street, east jackson, vermont 05430 p 802.879.9500 f 802.877.2764		SHEET NO. A2.2
TITLE NEW SENIOR HOUSING BUILDING CONSTRUCTION DRAWINGS PROGRESS SET		DATE: 1/8/11 DRAWN BY: JCE CHECKED BY: JCE SCALE: 1/8"=1'-0"		PROJECT NO. 05-100
REVISIONS		REFERENCE 2ND + 3RD FLOOR PLANS		SHEET NO. A2.2



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners

FROM: Cynthia Reid, Senior Development Underwriter *CR*

DATE: June 8, 2011

RE: Request for Construction & Permanent Loans & Bond & State Housing Credits:
Abenaki Acres, Swanton

Name:	Abenaki Acres	Location:	Swanton
Housing Type:	General Occupancy	Unit Type:	Flats & Townhouses
Unit Count:	12 total units 12 tax credit units	Unit Sizes:	4 2-BR @ 990 s.f. 6 3-BR @ 1,050 s.f. 2 4-BR @ 1,388 s.f.
Total Cost:	\$2,794,035	Per S.F. Acquisition & Construction Cost:	\$155
Credits Requested:	\$86,000 4% Credits \$65,000 State Credits	Sponsor:	The Housing Foundation Inc.
Loans Requested:	\$1,500,000 Construction \$850,000 Permanent \$85,035 0% Loan Assumption		
Other Funding: VHCB, HOME, ARRA Energy Funds, Efficiency Vermont, Reserves			

Summary of Request: The Housing Foundation Inc. (HFI) is requesting \$1,500,000 in tax-exempt construction financing, \$850,000 in permanent financing, \$86,000 in 4% (bond) Housing Credits and \$65,000 in State of Vermont Affordable Housing Tax Credits to re-develop 12 residential rental units for families in Swanton.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution and make the required findings as outlined in the second section of the resolution ("It is hereby determined:"), and that the Board authorize the Executive Director to issue a Letter of Interest and/or a Commitment Letter to finance this property upon satisfactory completion of staff underwriting and due diligence; and authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.

Project Background: Abenaki Acres was built as a Section 8 New Construction project in 1983 by the Abenaki Self-Help Association (ASHA) and financed by VHFA. The development consists of six buildings on an 11-acre site, totaling 12 rental units, all of which have Section 8 rent assistance. The property is managed by the Vermont State Housing Authority (VSHA). The ASHA is under financial distress and needs to sell the property. VHFA has a Preservation Agreement on the property and was able to work successfully to get a signed Purchase & Sale Agreement between ASHA and The Housing Foundation Inc. (HFI). HFI has



put together a financing plan and scope of work to: financially stabilize and strengthen the property; and do needed rehabilitation including insulation, ventilation, new roofs, siding, triple glazed windows, energy efficient lighting, replacement of kitchen and bathroom cabinets and counters, new flooring, doors, appliances, plumbing fixtures, new front entry ways and site grading around buildings. The financing and restructure plan will also ensure that HFI renews the Section 8 Contract which expires in April 2012, thereby preserving the property as affordable housing. Development of the scope of work is being guided by a Capital Needs Assessment as well as investigation being done by the project's architect.

There are three existing VHFA loans on the property. Two amortizing loans will be paid off at closing and the Sponsor has requested that VHFA approve the assumption and deferral of a third loan, a 0% loan in the amount of \$85,035. Staff supports this request. The Sponsor is requesting an \$850,000 permanent loan and a \$1,500,000 construction loan which will be paid off with tax credit equity and soft sources of funding. An appraisal has been ordered but not yet completed. The permanent loan will be conditioned upon receipt of an appraisal that is satisfactory to staff and that supports the loan amount. The loan closing will be conditioned upon clearance of all existing liens (including tax liens) on the property. The development fee is below the allowable limit.

The development is in a residential area, and close to services, schools, grocery stores, post office. The development has municipal water and wastewater.

The vacancy rate historically is 1%. There are currently 21 families on the waiting list.

An environmental site assessment has been completed and revealed no environmental issues.

The permits required include a building permit and a storm water permit.

VHCB, HOME, ARRA energy, and Efficiency Vermont funding requests have been submitted. These funding decisions will be made in September.

Jeffrey Kantor is the development consultant and is working on placing the tax credit equity. Staff plans to apply for HUD Risk Share mortgage insurance for the permanent loan, and utilize the Treasury New Issue Bond Program to fund the loan.

HFI and Mr. Kantor are also working on the feasibility of adding a 9-unit building on the same site, and plan to submit an application to USDA Rural Development for permanent financing and rental assistance. The proposal to restructure the existing 12 units, however, is a stand-alone proposal, and is financially feasible by itself, as it is proposed.

Construction is anticipated to begin soon after closing, in October or November 2011, and be completed by November 2012. VSHA will continue to manage the property.

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: CONSTRUCTION AND PERMANENT FINANCING AND
PROPOSED USE OF BOND HOUSING CREDITS FOR ABENAKI ACRES, TOWN OF
SWANTON**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by The Housing Foundation, Inc. (the "Sponsor") on behalf of a to be formed limited partnership in which the Sponsor or its subsidiary or affiliate will be the general partner (the "Borrower") involving the acquisition and rehabilitation of a total of twelve (12) units of generally occupancy in the Town of Swanton (the "Development"); and

WHEREAS, the Agency desires to take "official action" for the purpose of, and to reimburse itself or the Borrower for any advances of funds prior to, the issuance and sale of tax-exempt bonds (the "Bonds") to finance one or more loans to the Borrower; and

WHEREAS, the application contemplates one or more mortgage loans for construction and permanent financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Sponsor qualifies and the Borrower will qualify as housing sponsors within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Cynthia Reid dated June 8, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.

2. The acquisition, construction or rehabilitation costs to be incurred by the housing sponsors are for housing development costs within the meaning of the Act.

3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.

4. The housing sponsors undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Sponsor is financially responsible and is a qualified housing sponsor within the meaning of the Act. The Borrower will be required to qualify as a housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the limited partnership to be created by the Sponsor for the construction and permanent financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Sponsor in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.

2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the construction and permanent financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter may be issued to the Sponsor as the representative of the Borrower. The Commitment Letter shall be conditioned on the satisfaction by the Sponsor of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.

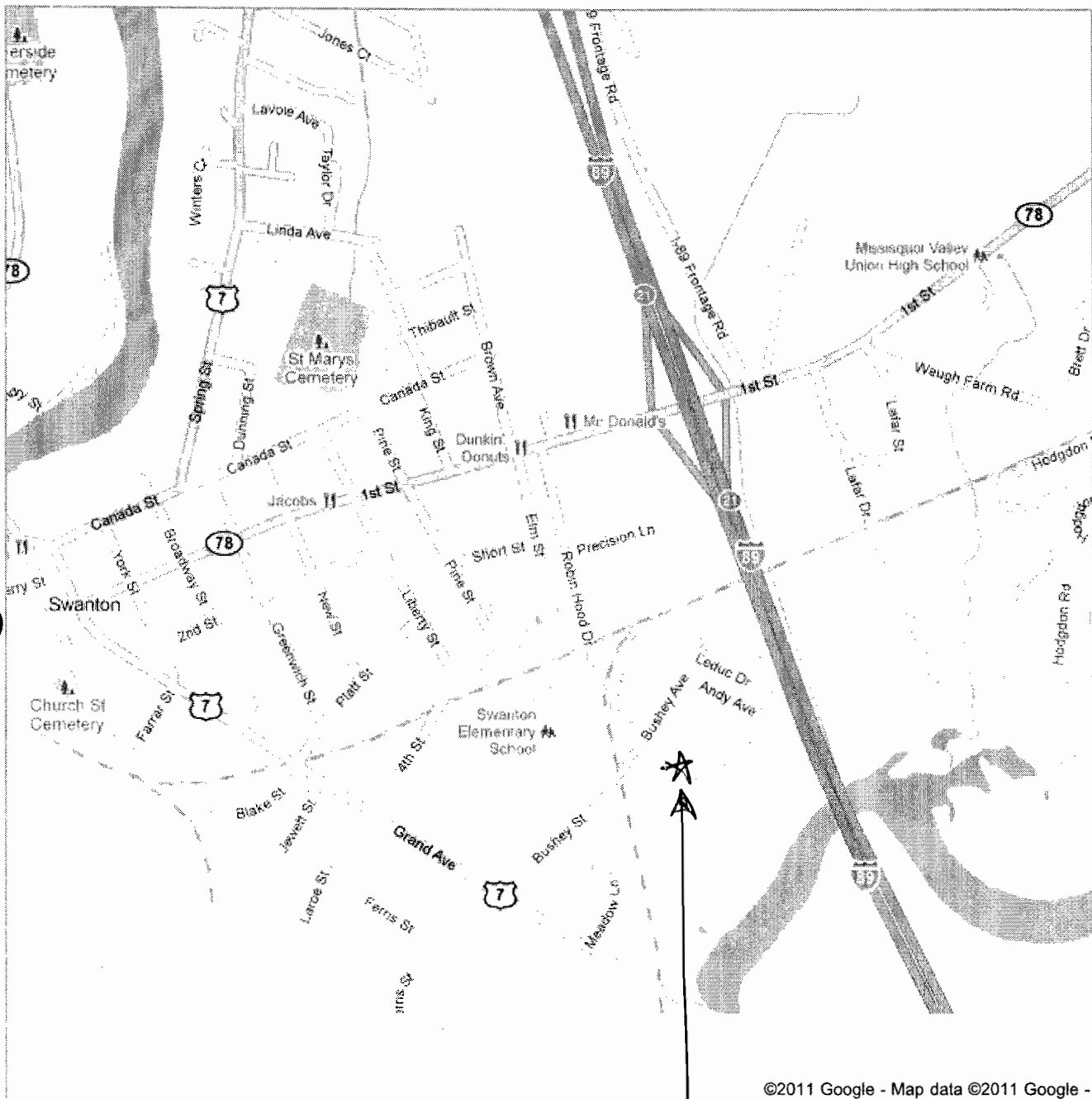
3. The issuance of the Bonds for the purpose of financing one or more loans to the Borrower is hereby preliminarily approved, and, pursuant to Section 1:150-2 of the Internal Revenue Code Regulations, the Agency hereby states its intention to reimburse itself from Bond proceeds for any advances of Agency funds prior to the issuance of the Bonds.
4. The preliminary approval described in the preceding paragraph does not obligate the Agency to give final approval for the issuance of said Bonds. Final approval of the issuance of the Bonds can only be authorized by independent action, which may contain such conditions thereto as the Agency may deem appropriate. The Agency in its absolute discretion may refuse to finally authorize the issuance of the Bonds and shall not be liable to the Borrower or any other person for its refusal to do so.
5. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
6. The recommendations for the use of Bond Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
7. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the use of Bond Housing Credits in an amount necessary for the Development's feasibility for the Abenaki Acres housing development in the Town of Swanton, Vermont.
8. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.

Google maps

Address **Abenaki Acres**
Swanton, VT 05488

Get Google Maps on your phone

Text the word "GMAPS" to 466453



©2011 Google - Map data ©2011 Google -

Abenaki Acres

NOTES

ALL MEASUREMENTS TAKEN BY STADIA AND/OR CLOTH TAPES. NO FIELD EXCAVATIONS WERE PERFORMED TO CONFIRM LOCATIONS OF UTILITIES. NO STRUCTURES OR ITEMS BUILT OR PLACED BY CURRENT RESIDENCES WERE LOCATED OR SHOWN.

AS BUILT



MISSISSOQUI RIVER

ESTATE OF PORTER

ESTATE OF HENRY PORTER

FENCE LINE IN POLAR REPAIR

REMARKS OF FENCE LINE

PLAYGROUND

APPROX. EDGE OF STREET LINE
EDGE OF PAVEMENT

WATER LINE AND CURB STOP INFORMATION OBTAINED FROM PLUMBER FOR THESE UNITS AND WAS NOT CONFIRMED IN FIELD DUE TO EXISTING CONDITIONS.

CURB STOPS LOCATED IN SLAB FOR THESE UNITS

FLOYD HANDY

LEGEND

- CROWN
- CURB STOP
- FENCE
- STREET
- SIDEWALK
- RIGHT OF WAY
- PROPERTY LINE
- HYDRANT
- LIGHT POLE
- CATCHBASIN
- WATER VALVE
- STORMDRAIN
- ELECTRIC SERVICE
- WATER
- SEWER
- MANHOLE
- CURB STOP
- FORCE MAIN
- TIE DISTANCE

AS BUILT

REVISIONS
11 OCT 15 1982
21 FEB 9 1983

AS BUILT PLAN
FLOYD HANDY
ABENAKI SELF HELP
ASSOCIATION
SWANTON
VERMONT



Total Residential Units:	12	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	12	Increase in Income from Other Sources:	1.00%
Percent Restricted:	100.00%	Increase in Income from Commercial:	0.00%
Total Development Cost:	2,794,035	Expense increase:	3.00%
Total Development Cost per Unit:	232,836	Vacancy Rate:	4%
Total Development Cost Per SF:	200	Partner's Tax Rate:	35%
		Long Depreciation Schedule:	27.5 years
Max Credit Potential:	86,872	Short Depreciation Schedule:	5 years
4% Credit Amount Allocated:	86,000	Sponsor's Estimated Yield:	87.30%
VT State Credit	65,000		
LIHTC - 4%	3.31%	June 2011	
LIHTC - 4%	3.31%		

SOURCES		% of Total Development Cost	Interest Rate	Amortization	Term
VHFA loan (NIBP)	850,000	30.42%	5.40%	30	30
HOME	415,000	14.85%	0.00%	deferred	30
VHCB	350,000	12.53%	0.00%	deferred	30
Efficiency VT	3,600	0.13%		Cap Contribution	
VHCB ARRA SEP	25,400	0.91%	0	deferred	30
VHCB Feasibility	10,000	0.36%		Cap Contribution	
VHFA loan assumption	85,035	3.04%	0	deferred	30
Project Reserves	19,000	0.68%		cash non basis	
State Credit equity	286,000	10.24%	0	deferred	10
Tax Credit Equity LP	750,000	26.84%	N/A	N/A	
	2,794,035	100.00%			

USES

Acquisition	568,500	20.35%	1,036,000
Construction Hard Costs	1,587,535	56.82%	
Soft Costs	638,000	22.83%	
TOTAL USES	2,794,035	100.00%	

Gap 0

	Rate	Term (months)	Interest
VHFA Construction Loan	3.50%	11	24,063
General Partner's Capital Contribution	751	0.10%	
Limited Partner's Capital Contribution	750,000	99.90%	
Total Equity	750,751		

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	12
Total Units	12
Unit Fraction	100.00%
Tax Credit Square Footage	13,036
Total Residential Square Footage	13,036
Square Footage Fraction	100.00%
Applicable Fraction	100.00%

	Budget	Acquisition Basis	Construction Basis	Residential Depreciation	Historic Credit Basis	Other
ACQUISITION						
1 Land	70,000					
2 Purchase site improvements	490,000	490,000		490,000		
3 Demolition (without replacement)	0			0		
4 Property Appraisal	2,500	2,500		2,500		
5 Legal - Title and Recording	6,000	6,000		6,000		
Subtotal - Acquisition	568,500					
CONSTRUCTION HARD COSTS						
6 Rehab Construction	1,423,500		1,423,500	1,423,500		
7 Energy efficiency/Solar HW	0		0	0		
8 Accessory Buildings	0		0	0		
9 Sitework	0		0	0		
10 Commercial Space Costs (if any)	0					
11 General Requirements	0		0	0		
12 Contractor Overhead & profit	0		0	0		
13 Contractor Profit	0		0	0	0	
14 Construction Contingency	146,035		146,035	146,035		
15 0	0		0	0		
16 Construction Bond Fee	0		0	0		
17 Hazardous Materials Abatement	0		0	0		
18 Off-Site Improvements	0		0	0	0	
19 Furnishings, Fixtures, & Equipment	18,000		18,000	18,000	0	
20 0	0		0	0	0	
Subtotal - Hard Costs	1,587,535					
SOFT COSTS						
21 Architectural / Engineering	82,000		82,000	82,000		
22 Survey	4,500		4,500	4,500		
23 Legal	29,000		29,000	29,000		
24 Cost Certification audit	6,000		6,000	6,000		
25 Environmental Assessment	2,500		2,500	2,500		
26 Civil Engineering	15,000		15,000	15,000	0	
27 Permits/Fees	10,000		10,000	10,000		
28 Taxes - Insurance	6,500		6,500	6,500		
29 Compaction/Testing	1,500		1,500	1,500		
30 Independent Market Study	2,000		2,000	2,000		
31 Relocation	69,300		69,300	69,300		
32 Construction Interest	42,000		42,000	42,000		
33 Loan Origination Fee	0					
34 VCDP Admin	0					
35 VHFA Inspection Fee	5,000		5,000	5,000		
36 Marketing	5,000					
37 Tax Credit Fees	0					
38 Soft Cost Contingency	12,000		12,000	12,000		
39 VHFA Lender's Council Fee	4,000		4,000	4,000		
43 Capital Needs Assessment	2,500					
SYNDICATION COSTS						
44 Organizational (Partnership)	1,500					
45 Bridge Loan Fees and Expenses	15,000					
46 Syndication Consultant	2,500					
47 Bond fee permanent loan	18,000					
DEVELOPER'S FEES						
48 Developer's Fees	189,200		189,200	189,200		
49 Deferred Fee	0		0	0		
50 Consultant Fees	58,000		58,000	58,000		
RESERVES						
51 Working Capital	0					
52 Rent-up (Deficit Escrow) Reserve	10,000					
53 Replacement Reserves	25,000					
54 Operating Reserve	20,000					
55 0	0					
Subtotal - Soft Costs	638,000					
TOTALS	2,794,035	498,500	2,126,035	2,606,535	0	
LESS: Amount of Non-qualified Financing				0	0	
LESS: Adjustment for per unit cost limits	100.00%		0			
LESS: Historic tax Credit (Residential Portion)			0	0	20% Historic Credit Rate	
Total Eligible Basis		498,500	2,126,035		0 Annual Historic Credit	
TIMES: Adjusted for QCT/DDA	100.00%		2,126,035			
TIMES: Applicable Fraction	100.00%	498,500	2,126,035			
Total Qualified Basis		498,500	2,126,035	2,588,535	Long Term Depreciable Basis	
TIMES: Applicable Percentage		3.31%	3.31%	27.5	Depreciation Schedule	
Total Annual Credit Qualified		16,500	70,372	94,129	Annual Depreciation	
Total Tax Credits Requested	86,000		86,872	18,000	Short Term Depreciable Basis	
Estimated Net Syndication Proceeds (excluding historic credit equity)	750,000				5 Depreciation Schedule	
Estimated Yield - Housing Credit Syndication	87.30%			3,600	Annual Depreciation	
Equity Gap	750,000					
Credits Needed to fill Equity Gap	86,000				0 Mid Term Depreciation	
					15 Depreciation Schedule	
					0 Mid Annual Depreciation	

HC Units	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
1 Br		540			0	0
2 Br		990	4	1,016	104	48,768
3 Br		1,050	1	1,185	142	14,220
3 Br		1,050	5	1,173	142	70,380
4 Br		1,388	2	1,361	157	32,664
Non HC Units						0
1 Br					0	0
Storage					0	
Common Space		901				
	Totals	13,937	12			166,032
	Less Vacancy		3.50%			(5,811)
					NET RENT	160,221
	OTHER INCOME					
	Laundry					
	Interest					
	Commercial Space Income					0
	Other					
	Service Coordinator HUD Grant					
	TOTAL INCOME					160,221

Building #	Unit #	Check all Applicable						A				B						C									
		HOME Unit	Lead Paint Unit	Project Based Assistance	Tax Credit Unit	VHCB Restricted	Accessible	Adaptable	Unrestricted	Number of Bedrooms	Proposed Square Footage	Proposed Rent	Utility Allowance for Tenant-Paid Utilities	Gross Rent (Rent + Tenant-Paid Utilities)	OCCUPIED BY: Income level of residents to be served:						AFFORDABLE TO: Units affordable to residents at:						
															<30%	<50%	<60%	<80%	<100%	>100%	30%	50%	60%	65%	80%	100%+	
1	1	1		1	1	1	1	1	3	1,050	1,173	142	1,315	1													
1	2	1		1	1	1	1	1	3	1,040	1,173	142	1,315	1													
2	3	1		1	1	1	1	1	3	1,055	1,173	142	1,315	1													
2	4	1		1	1	1	1	1	3	1,045	1,173	142	1,315	1													
3	5	1		1	1	1	1	1	3	1,055	1,173	142	1,315	1													
3	6	1		1	1	1	1	1	3	1,045	1,182	142	1,324	1													
4	7	1		1	1	1	1	1	4	1,387	1,361	157	1,518	1													
4	8	1		1	1	1	1	1	2	977	1,016	104	1,120	1													
5	9	1		1	1	1	1	1	2	986	1,016	104	1,120	1													
5	10	1		1	1	1	1	1	2	986	1,016	104	1,120	1													
6	11	1		1	1	1	1	1	2	983	1,016	104	1,120	1													
6	12	1		1	1	1	1	1	4	1,399	1,361	157	1,518	1													
		4	0	12	12	12	1	0	0		13,008	13,833			6	6	0	0	0	0	12	0	0	0	0	0	0

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	12,159	1,013	84	7.6%
Office salaries		0	0	
Audit/Accounting	3,100	258	22	
Manager Salary		0	0	
Service Coordinator		0	0	
Legal	2,000	167	14	
LIHTC compliance monitoring	864	72	6	
Marketing		0	0	
Other	2,824	235	20	office phone, mileage
TOTAL ADMINISTRATIVE	20,947	1,746	145	
Utilities				
Electricity	250	21	2	
Fuel	600	50	4	
Water and Sewer	12,000	1,000	83	
Fire Alarm / Emergency		0	0	
Other	85	7	1	
TOTAL UTILITIES	12,935	1,078	90	
Maintenance				
Maintenance / Janitor Payroll	13,200	1,100	92	
Maintenance Overhaed				
janitor supplies	4,400	367	31	
Trash Removal	2,800	233	19	
Snow Removal	3,200	267	22	
Grounds	1,200	100	8	
Repairs Material		0	0	
Repairs Contract	6,000	500	42	
Elevator Contract / Repairs		0	0	
Painting and Decorating	900	75	6	
Other Common Area Fee		0	0	
TOTAL MAINTENANCE	31,700	2,642	220	
Real Estate Taxes	13,162	1,097	91	per unit month excl. ds & res. 586
Property Insurance	5,617	468	39	
Replacement Reserves	9,000	750	63	
Primary Debt Service		0	0	
Other "must pay" debt service		0	0	
WCins-health ins, other		0	0	
Total	93,361	7,780	648	

09-Jun-11

Abenaki Acres

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Operating Income															
Gross Rent	166,032	168,522	171,050	173,616	176,220	178,864	181,547	184,270	187,034	189,839	192,687	195,577	198,511	201,489	204,511
Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vacancy and other losses	(5,811)	(5,898)	(5,987)	(6,077)	(6,168)	(6,260)	(6,354)	(6,449)	(6,546)	(6,644)	(6,744)	(6,845)	(6,948)	(7,052)	(7,158)
Total Operating Income	160,221	162,624	165,064	167,540	170,053	172,603	175,192	177,820	180,488	183,195	185,943	188,732	191,563	194,436	197,353
Operating Expenses															
Total Expenses (excl. Reserves)	84,361	86,892	89,499	92,184	94,949	97,798	100,731	103,753	106,866	110,072	113,374	116,775	120,279	123,887	127,604
Reserves	9,000	9,135	9,272	9,411	9,552	9,696	9,841	9,989	10,138	10,291	10,445	10,602	10,761	10,922	11,086
Sub-Total Operating Expense	93,361	96,027	98,771	101,595	104,501	107,493	110,572	113,742	117,004	120,362	123,819	127,377	131,039	134,809	138,689
Total Operating Expense	93,361	96,027	98,771	101,595	104,501	107,493	110,572	113,742	117,004	120,362	123,819	127,377	131,039	134,809	138,689
Net Operating Income	66,860	66,597	66,293	65,945	65,551	65,110	64,620	64,078	63,483	62,832	62,124	61,355	60,524	59,627	58,664
Less Primary Debt	57,276	57,276	57,276	57,276	57,276	57,276	57,276	57,276	57,276	57,276	57,276	57,276	57,276	57,276	57,276
Annual Cash Flow	9,584	9,321	9,017	8,669	8,275	7,834	7,344	6,802	6,207	5,556	4,848	4,079	3,248	2,351	1,387
GP Admin Fee	9,584	9,321	9,017	8,669	8,275	7,834	7,344	6,802	6,207	5,556	4,848	4,079	3,248	2,351	1,387
Net Cash	116.73%	116.27%	115.74%	115.13%	114.45%	113.68%	112.82%	111.88%	110.84%	109.70%	108.46%	107.12%	105.67%	104.11%	102.42%
DCR															
Cumulative Cash Flow															
Beginning Balance	20,000	29,734	39,278	48,589	57,622	66,330	74,661	82,565	89,987	96,869	103,152	108,773	113,668	117,768	121,002
Deposits after Return	9,584	9,321	9,017	8,669	8,275	7,834	7,344	6,802	6,207	5,556	4,848	4,079	3,248	2,351	1,387
Interest	150	223	295	364	432	497	560	619	675	727	774	816	853	883	908
Withdrawals	29,734	39,278	48,589	57,622	66,330	74,661	82,565	89,987	96,869	103,152	108,773	113,668	117,768	121,002	123,297
Ending Balance	25,000	34,068	43,458	52,905	62,330	71,734	81,109	90,456	99,766	109,032	118,257	127,441	136,584	145,686	154,748
Cumulative Replacement Reserves															
Beginning Balance	25,000	34,068	43,458	52,905	62,330	71,734	81,109	90,456	99,766	109,032	118,257	127,441	136,584	145,686	154,748
Deposits	9,000	9,135	9,272	9,411	9,552	9,696	9,841	9,989	10,138	10,291	10,445	10,602	10,761	10,922	11,086
Interest	68	256	326	218	290	139	213	288	140	217	296	152	232	315	174
Withdrawals	0	43,458	29,056	38,685	18,527	28,362	38,416	18,692	28,971	39,479	20,220	30,973	41,966	23,202	34,462
Ending Balance	34,068	43,458	52,905	62,330	71,734	81,109	90,456	99,766	109,032	118,257	127,441	136,584	145,686	154,748	163,800
Net Operating Income	66,860	66,597	66,293	65,945	65,551	65,110	64,620	64,078	63,483	62,832	62,124	61,355	60,524	59,627	58,664
Plus Reserves	9,000	9,135	9,272	9,411	9,552	9,696	9,841	9,989	10,138	10,291	10,445	10,602	10,761	10,922	11,086
GP Admin Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Long Depreciation	(60,614)	(44,969)	(44,287)	(43,568)	(42,809)	(42,009)	(41,163)	(40,272)	(39,330)	(38,337)	(37,288)	(36,182)	(35,014)	(33,782)	(32,481)
Less Long Depreciation mid term depreciation	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)	(94,129)
Less Short Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Taxable Income (Loss)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)
Cash Flow	(82,483)	(66,965)	(66,451)	(65,941)	(65,434)	(64,927)	(64,420)	(63,913)	(63,406)	(62,899)	(62,392)	(61,885)	(61,378)	(60,871)	(60,364)
Plus Tax Savings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Tax Credits	28,869	23,438	23,258	23,079	22,902	21,466	21,291	21,117	20,943	20,770	20,597	20,424	20,250	20,076	19,901
After Tax Cash Flow	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000	86,000
After Tax Cash Flow	114,869	109,438	109,258	109,079	108,902	107,466	107,291	107,117	106,943	106,770	106,597	106,424	106,250	106,076	105,901



Vermont Housing Finance Agency

VHFA Board of Commissioners Meeting Minutes

VHFA Board Room
164 St. Paul Street
Burlington, VT 05401
Monday June 20, 2011 – 8:00 a.m.

VHFA Board Members Present:

Tom Pelletier, Tom Candon, Dayne Canney, Bart Frisbie, Larry Mires (for Gus Seelig),
Lisa Randall, Jennifer Hollar and Beth Pearce

Staff Present:

Sarah Carpenter, Tom Connors, Dave Adams, George Demas, Pat Loller, Cindy Reid,
Joe Erdelyi, Josh Slade, Maura Collins, Tim Gutchell, Scott Baker, Robin Howe, Sam
Falzone, Ann-Marie Plank, Pat Crady, Jacklyn Santerre and Brenda Howley

Guests Present:

Chris Flannery and Melanie Lien from Piper Jaffray, John Broderick from Regional
Affordable Housing Corporation, Krister Adams and Susan Kuegel from Vermont State
Housing Authority, Kathy Luce for Northgate Residents Ownership Corporation and
Amy Wright from Cathedral Square Corporation

BOARD MEETING

Mr. Pelletier called the Board meeting to order at 8:05 a.m.

BOARD MINUTES

Ms. Randall moved that the Board approve the May 23, 2011 Board of Commissioners meeting minutes. Ms. Hollar seconded the motion, which was approved unanimously, except that Ms. Pearce was not present.

PUBLIC COMMENT

Mr. Pelletier opened the meeting to public comment. No members of the public offered comment.

EXECUTIVE DIRECTOR'S REPORT

Ms. Carpenter reviewed highlights of the Atlanta NCSHA Tax Credit and board meeting she recently attended. She commented that on the federal level the Low Income Housing Tax Credit programs seem safe, but that there was a great deal of uncertainty about other federal programs. She also added that the State is studying the private bond cap allocation process, and it is also looking at activities of out-of-state conduit issuers that may try to finance projects in Vermont.



CONSENT AGENDA

Flexible Benefit Plan Resolution

Ms. Loller reviewed her memo regarding the Flexible Benefit Plan Amendment. Mr. Candon moved that the Board approve the proposed resolution, and Ms. Randall seconded the motion which was unanimously approved.

Safety Deposit Box Resolution

Ms. Loller reviewed her memo regarding the Safety Deposit Box Resolution. Ms. Canney moved that the Board approve the proposed resolutions, and Ms. Randall seconded the motion which was unanimously approved.

DEVELOPMENT

State Housing Credits Allocation

Mr. Erdelyi reviewed the memo, and he and Mr. Broderick clarified questions about Bennington Family Housing and East Branch Farms. Mr. Erdelyi also answered questions from Ms. Pearce and Mr. Frisbie regarding Village Glen, Middlebury. Ms. Carpenter added that the credits benefit the buyers of the properties. Ms. Hollar moved that the Board approve the request, and Ms. Pearce seconded the motion which was unanimously approved.

Northgate Apartments - Permanent Loan of \$13,265,000 and MacArthur Energy & /Capital Improvement Loan of \$100,000

Ms. Reid reviewed her memo for an additional \$100,000 MacArthur Energy & Capital Improvement Loan due to bid results and lack of Federal Funds available for the job training aspect of the energy work. Ms. Reid also reviewed her memo for permanent financing for the acquisition and rehabilitation of the project by a new for-profit entity. Ms. Randall inquired about the need for a for-profit entity to hold ownership to the property. Ms. Reid explained that it was part of the requirements from HUD associated with its "mark-up to market" program for adjusting rent subsidies. Ms. Reid stated that the sponsor was requesting that VHFA approve assumption and deferral of its 0% loan of \$381,204. After further discussion about various aspects related to the restructuring of the project, Ms. Canney moved that the Board approve the proposed resolutions relating to a permanent loan of \$13,265,000 and the additional MacArthur loan of \$100,000, and Mr. Candon seconded the motion which was unanimously approved with exception that Mr. Mires abstained.

Thayer House Phase II - Construction Loan

Mr. Slade reviewed his memo and added that VHCB recently approved a grant for this project. He noted that VHFA approval would help the project's application for HUD 202 financing. Ms. Wright added that this was the only HUD 202 application in Vermont. Mr. Slade added that Thayer I and Avenue Apartments are under construction. Ms. Pearce moved that the Board approve the proposed resolution, and Ms. Canney seconded the motion which was unanimously approved.

Abenaki Acres – Construction and Permanent Financing, Bond and State Housing Credits

Ms. Reid reviewed her memo and added that an appraisal is being completed on this project prior to it moving forward. Mr. Adams noted VSHA's long involvement with the project. Ms. Pearce

moved that the Board approve the proposed resolution, and Ms. Canney seconded the motion which was unanimously approved.

Ms. Pearce moved that the Board adjourn and move into an executive session to discuss a personnel matter. Mr. Candon seconded the motion which was unanimously approved. The meeting adjourned for an executive session at 9:30 a.m. The meeting reconvened at 9:55 a.m.

FINANCE

FY2012 Budget Review

Mr. Connors reviewed the FY2012 Budget and FY2011 financials through a PowerPoint presentation. Ms. Randall inquired about the SF marketing budget. Ms. Carpenter stated that the marketing budget would not be spent unless we had competitive programs worth advertising. Mr. Connors responded to questions by Ms. Pearce about the Piper report.

Ms. Loller added that a change in the budget was needed to reflect an additional one-year temporary position to support Homeownership Loan Servicing for REOs and possibly the NSP/HARP program. She stated that Pat Crady's retirement precipitated a need for temporary support with the Agency's REO. And the addition of the NSP III program may require additional support given the reporting requirements for NSPI and NSPIII need to remain separate. The additional expense to salaries and benefits for NSP/HARP will be offset by an equal amount in income.

Mr. Connors noted that bank rates on bonds backed by Dexia liquidity had increased dramatically recently due to the bank's exposure to Greek debt. The Agency was looking to find replacement liquidity for the three series currently backed by Dexia. No budget adjustment was currently being requested, but an adjustment may be needed if the issue was not resolved in the next few months.

Mr. Candon moved that the Board approve the FY 2012 compensation for the Executive Director. Ms. Canney seconded the motion which was unanimously approved.

Ms. Randall moved that the board approve the FY 2012 Operating and Capital budget request as amended to reflect the additional staff member referenced by Ms. Loller, (not to exceed \$40,000 in salary and benefits), and Ms. Canney seconded the motion. Ms. Pearce requested that the resolution be amended to reflect that the Board would continue to monitor the budget in light of actual revenues, expenses and cash flow, and Ms. Randall and Ms. Canney accepted the amendment. The resolution, as amended, was unanimously approved.

SINGLE FAMILY

Review of Single Family Housing Program

Mr. Adams advised the Board that with Pat Crady's upcoming retirement that this would be the last Board meeting she would be attending as a member of the Staff. Mr. Adams also introduced Jacklyn Santerre in her new role as Director of the Single Family Program.

Mr. Adams reviewed his memo regarding the status of the Agency's single family program. He noted that the Agency has not had competitive rates for some time due to changes in the bond markets, and regardless of the pricing available through the New Issue Bond Program, and from

the Fannie Mae Affinity Agreement. Cost of bond issuance remains high due to the reserve requirements to cover negative arbitrage. It is evident that a different business strategy needs to be explored until the mortgage revenue bond market and more favorable rates return for the Agency. Mr. Adams then introduced Chris Flannery and Melanie Lien from Piper Jaffray to discuss possible alternatives.

Mr. Flannery presented a review of the Single Family Bond and Program Update which included the current HFA Bond Market. Mr. Flannery added that Piper Jaffray was very comfortable with the Agency's approved budget and that the Agency is on pace with the rest of the HFA market. Mr. Flannery reviewed three options for the single family loan programs: Bond Financing, Reverting back to Whole Loans and Sale of Loans or Mortgage Backed Securities (MBS) for cash. He noted that each alternative had its own set of risks and benefits and that the overall report regarding VHFA's financing structure and a fuller discussion of these alternatives would be provided at the Board's meeting in August.

Mr. Adams reported to the Board that Staff is looking at moving in the direction of pricing more closely aligned with the conventional markets with less reliance on pricing achievable through mortgage revenue bonds. Staff has the authority to sell loans for cash and has done so in the past. Staff is looking for consensus from the Board that authority also extends to the sale of Mortgage Backed Securities as well. The Board concurred with no members expressing objections. Mr. Adams told the Board that Staff is looking into different business strategies for the single family program, including forward commitments using cash executions or mortgage backed securities and the Staff plans to have a proposal for the Board by its August meeting.

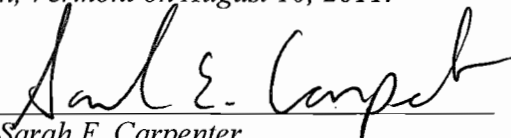
New Income and Purchase Price Limits

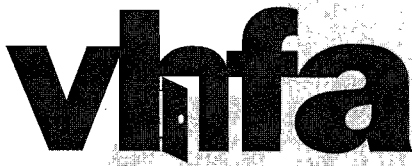
Ms. Crady reviewed her memo regarding new income and purchase price limits for single family homes. Ms. Carpenter commented that there is a proposal by the Treasury to drop income limits but she is uncertain whether it will be effective. Ms. Pearce moved that the Board approve the request, and Ms. Canney seconded the motion which was unanimously approved.

Mr. Pelletier noted that this would be the last meeting with Ms. Crady attending as a staff member, and on behalf of the Board he thanked Ms. Crady for her service to the Agency and wished her well in her retirement.

Mr. Canney moved that the Board adjourn at 11:50 a.m. Mr. Candon seconded the motion, which was unanimously approved.

I hereby certify that the foregoing is a true copy of the Minutes of the Vermont Housing Finance Agency Board of Commissioners meeting held on June 20, 2011. The Minutes were approved at a lawful meeting of the Commissioners held at Burlington, Vermont on August 10, 2011.


Sarah E. Carpenter
Executive Director and Secretary
Vermont Housing Finance Agency



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners

FROM: Tom Connors, Chief Financial Officer

RE: **General Authorizing Resolution of up to \$35 Million
in Bonds for Funding Multifamily Projects**

DATE: July 26, 2011 for August 10, 2011 Board Meeting

Board Action Requested: **Approve attached resolution authorizing the issuance of
up to \$35 million in bonds for multifamily loans**

In order to meet expected future funding demands, staff requests that the Board approve additional authority to issue bonds to fund multifamily loans. Please find attached a "Resolution Authorizing the Issuance and Sale of a Maximum of \$35,000,000 of Bonds In One or More Series to Finance Multi-Family Projects" (like prior resolutions for the same purpose.) The Board last approved a similar resolution on June 28, 2010.



VERMONT HOUSING FINANCE AGENCY

Resolution Authorizing the Issuance and Sale of a Maximum of \$35,000,000
of Bonds In One or More Series to Finance Multi-Family Projects

Adopted August 10, 2011

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**VERMONT HOUSING FINANCE AGENCY
SERIES RESOLUTION AUTHORIZING THE ISSUANCE AND
SALE OF A MAXIMUM OF \$35,000,000 OF BONDS
IN ONE OR MORE SERIES TO FINANCE MULTI-FAMILY PROJECTS**

August 10, 2011

WHEREAS, the Vermont Housing Finance Agency (hereinafter referred to as the "Agency") is authorized to finance Mortgage Loans for multifamily housing for persons and families of low and moderate income in the State of Vermont pursuant to the provisions of the Vermont Housing Finance Agency Act, being No. 260 of the Vermont Acts of 1973, Adjourned Session, as amended (hereinafter referred to as the "Act"), and to issue its bonds to obtain funds for such purpose and to refund the same; and

WHEREAS, in order to obtain funds with which to provide financing for mortgage loans to acquire, construct, rehabilitate or refinance various developments for persons and families of low and moderate income, such developments as or to be separately approved by the Commissioners of the Agency, it is deemed necessary and advisable to issue and sell one or more series of bonds of the Agency, not to exceed \$35,000,000 in the aggregate, all as hereinafter provided;

NOW, THEREFORE, BE IT RESOLVED BY THE VERMONT HOUSING FINANCE AGENCY and the Commissioners thereof, as follows:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 1.01. Definitions. As used in this Resolution, unless the context shall otherwise require, the following terms shall have the following respective meanings:

"*Bonds*" means the Bonds of the Agency of the Series authorized by this Resolution and a Series Certificate.

"*Code*" means the Internal Revenue Code of 1986, as amended.

"*DTC Eligible*" means Bonds issued in book-entry form through the facilities of a securities depository, to provide for the registration of such depository's nominee as owner thereof.

"*General Resolution*" means the resolution entitled "Multi-Family Mortgage Bond Resolution" adopted on February 3, 1977, as amended and supplemented, the resolution entitled "Multi-Family Housing Bond Resolution" adopted on September 25, 1981, as amended and supplemented, or any other resolution adopted by the Agency, and where appropriate shall also include the Trust Indenture approved by the Agency on April 2, 2007, as amended and supplemented, the Trust Indenture dated as of January 1, 2007, as amended and supplemented, the Trust Indenture approved by the Agency on the date hereof and dated as of December 1, 2009, as amended and supplemented, and any other trust indenture approved by the Agency,

which resolution or trust indenture permits the issuance of one or more series of bonds thereunder to finance Mortgage Loans or Projects upon the adoption or execution of a series supplemental resolution or trust indenture satisfying the terms and provisions thereof.

“Mortgage Loan” means any mortgage loan with respect to a Project authorized by the Act to be made or financed by the Agency.

“Program” means the general program of the Agency under which it finances Mortgage Loans for Projects.

“Project” means any Residential Housing the Agency is authorized to finance by the Act and which has been approved by separate resolution of the Agency.

“Offering Statement” means the Official Statement, Private Placement Memorandum or similar offering document of the Agency describing the Bonds and used in conjunction with the sale thereof.

“Resolution” means this Resolution Authorizing the Issuance and Sale of a Maximum of \$35,000,000 of Bonds In One or More Series to Finance Multi-Family Projects.

“Series Certificate” means the Series Certificate or Certificates of the Agency dated on or before the date of issuance of the related Series of Bonds which Series Certificate shall establish certain terms and provisions of such Bonds as provided herein; a Series Certificate may also be and include a Supplemental Indenture which contains the provisions required hereby of a Series Certificate.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Resolution, refer to this Resolution.

Section 1.02. Authority for Resolution. This Resolution is adopted pursuant to and in accordance with the provisions of the Act and any General Resolution that may be applicable as hereinafter set forth.

ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF BONDS

Section 2.01. Authorization of Bonds, Principal Amount and Series. In order to provide sufficient funds necessary for the Program, in accordance with and subject to the terms, conditions and limitations established in this Resolution and in any General Resolution applicable thereto, one or more series of Bonds are hereby authorized to be issued, from time to time, each by the execution and delivery of a Series Certificate, in an aggregate principal amount not to exceed \$35,000,000. Such Series Certificate shall be signed by at least two of the following—Chairman, Vice-Chairman, Executive Director, Chief Financial Officer or Chief of Program Operations; provided that if the amount of Bonds authorized by such Series Certificate exceeds \$5,000,000 one of the signatories thereto must be the Chairman or Vice-Chairman. The Agency is of the opinion and hereby determines (a) that the issuance of Bonds in said amount is necessary to provide sufficient funds to be used and expended from time to time for the Program;

(b) that the Mortgage Loans to be made or financed on behalf of the Agency with the proceeds of the Bonds can be issued bearing a rate or rates of interest which will be less than the prevailing rate of interest on comparable mortgage loans available in the State of Vermont without the assistance of the Agency; and (c) that the Agency will derive receipts, revenues and other income from the Mortgage Loans purchased or made with the proceeds of the Bonds sufficient to provide, together with all other available receipts, revenues and income of the Agency, for the payment of the Bonds and the payment of all costs and expenses incurred by the Agency with respect to the Program or purpose for which the Bonds are issued.

Section 2.02. Purposes. The purposes for which the Bonds are being issued are to provide funds to make or finance Mortgage Loans, including making deposits in any funds or accounts of a General Resolution, and include refunding bonds of the Agency issued for such purpose, all as shall be specified in detail in one or more Series Certificates as hereinafter described. Only Mortgage Loans and Projects approved by separate resolution of the Agency may be financed by the proceeds of Bonds authorized hereby.

Section 2.03. Bond Provisions; Series Certificate. A Series of Bonds shall be issued hereunder only upon the delivery of a Series Certificate which shall specify the terms and conditions of such Bonds and the sale and delivery thereof, including without limitation the following:

- (a) the principal amount of Bonds to be issued pursuant thereto;
- (b) the Series or sub-Series designation and title;
- (c) the maturity or maturities of the Bonds, which in no event shall exceed 40 years, provided that if the Agency otherwise approves a Mortgage Loan with a maturity in excess of 40 years from the date of issuance of the Bonds intended to fund such Mortgage, such Bonds may have a maturity not to exceed six months following the maturity of such Mortgage Loan, subject in any case to limitations imposed by the Act;
- (d) the interest rate or rates on the Bonds or the method of determining the same, provided that the interest rate or rates on the Bonds (or the initial rate or rates if the rates are not fixed rates) shall not exceed 7% if the interest on the Bonds is to be exempt from federal income taxation or 9% otherwise, and provided further that if the initial rate or rates are not fixed rates the maximum permitted rate in any case may not exceed 12%;
- (e) the date or dates on which interest on the Bonds is payable;
- (f) the dated date or dates of the Bonds, or the method of determining the same;
- (g) the redemption provisions for the Bonds, which may include optional, mandatory and/or sinking fund redemptions, provided that the Bonds shall be optionally redeemable no later than 15 years after their date of issuance and at a redemption premium not exceeding 3% and reducing by at least 1% annually thereafter;
- (h) the minimum and authorized denominations of the Bonds;

(i) whether or not the interest on the Bonds is to be exempt from federal income taxation;

(j) whether or not the Bonds are to be DTC Eligible;

(k) the form or forms of the Bonds, the manner of numbering and lettering such Bonds, and the Agency commissioners or officers authorized to execute and deliver the same;

(l) whether or not the Bonds are to be general obligations of the Agency and in any event the source of revenues to be pledged and used to pay the same, which pledge shall be immediately effective as provided by the Act;

(m) that the Agency will derive receipts, revenues and other income from the Mortgage Loan(s) made or purchased with the proceeds of such Series of Bonds sufficient to provide, together with all other available receipts, revenues and income of the Agency, for the payment of such Series of Bonds and the payment of all costs and expenses incurred by the Agency with respect to the Program or for the purpose for which such Series of Bonds are issued;

(n) the reserve fund or funds, any requirements with respect to the Bonds, and the method of funding the same;

(o) whether the Bonds shall be insured or guaranteed by a third party, and the premium or fee therefor, provided that such premium or fee shall be less than the present value of the interest rate savings on the Bonds occasioned by such insurance or guaranty;

(p) the specific use of the proceeds of the sale of the Bonds, the Mortgage Loans to be financed or refinanced thereby, and any bonds of the Agency to be refunded thereby;

(q) the manner in which the Bonds are to be sold, the purchaser or purchasers of the Bonds, the form of the agreement used to sell the Bonds (which form shall be comparable to the forms previously used by the Agency in similar sales of bonds) and the sale price of the Bonds, which may include a sale discount or fee paid to the purchaser not to exceed 1.5% of the principal amount of the Bonds;

(r) if the Bonds are to be remarketed, the remarketing agent therefor and the remarketing agent fee (which shall not exceed 0.50% per annum);

(s) if the Bonds are subject to tender by the owners thereof, the tender agent therefor and any liquidity facility therefor, provided that any liquidity facility fee shall not exceed 0.50% per annum;

(t) the form of the documents pursuant to which the Bonds are to be issued, and any and all documents in connection therewith;

(u) the form of the Offering Statement, if any used to sell or market the Bonds (which form shall be comparable to the forms previously used by the Agency in similar sales of bonds);

(v) the form of continuing disclosure agreement, if any, required to satisfy the federal securities laws (which form shall be comparable to the forms previously used by the Agency in similar sales of Bonds);

(w) the trustee and/or paying agent, if any for the Bonds, provided that if the Bonds are issued under a General Resolution the trustee and/or paying agent thereunder shall be the trustee or paying agent, as the case may be, for the Bonds;

(x) whether or not any investment agreements, repurchase agreements or similar instruments are to be used for the investment of all or any Bond proceeds, and any conditions thereto or limitations thereon;

(y) if the Bonds do not pay interest at a fixed rate, whether or not any third party agreements will be used to reduce the risks of possible interest rate fluctuations and, if so, any conditions thereto or limitations thereon; and

(z) any other matters not inconsistent herewith deemed appropriate and necessary and authorized by the Act.

A Series Certificate may specify that this Resolution and the Bonds authorized hereby and thereby shall be considered a "Series Resolution" under a General Resolution or a "Supplemental Indenture" under a Trust Indenture, and thereupon this Resolution (as applicable to such Series or Series of Bonds) and such Series Certificate shall be so treated for all purposes with respect to the Bonds authorized and issued thereby, provided that to the extent such General Resolution or Trust Indenture permits modification by a "Series Resolution" or a "Supplemental Indenture" thereunder, the Series Certificate may specify such modifications even though the same are not set forth herein.

ARTICLE III

SPECIAL COVENANTS FOR TAX-EXEMPT BONDS

Section 3.01. Covenants as to Code. If and to the extent a Series or sub-Series of Bonds is designated as Bonds the interest on which is not to be subject to federal income taxation, the Agency shall not permit at any time or times any moneys made available to purchase Mortgage Loans in accordance herewith or any proceeds of the Bonds to be used, directly or indirectly, in a manner which would result in such bonds being qualified for the exclusion of any such Bond from the treatment afforded by subsection (a) of Section 103 of the Code by reason of such bond being classified as an "arbitrage bond" within the meaning of Section 148 of the Code, and, without limiting the generality of the foregoing, the Agency shall:

(a) Include restrictions in all agreements relating to the purchase or making of Mortgage Loans with the moneys made available to purchase or make Mortgage Loans so as to permit the financing of Mortgage Loans only in compliance with the Code, and

establish and maintain reasonable procedures to ensure compliance with the requirements of the Code, if applicable. Any failure to meet such requirements shall be corrected by the Agency within a reasonable period after failure is discovered;

(b) Continuously monitor the nonmortgage investments made directly or indirectly with the proceeds of such Bonds and shall take immediate and appropriate action to reduce the amount invested in nonmortgage investments with a yield materially higher than the yield on such Bonds as may be required by the Code; and

(c) Take such other action as may be necessary or desirable to maintain the exclusion of interest on such Bonds in accordance with Section 103(a) of the Code.

Section 3.02. Rebate. If and to the extent a Series or sub-Series of Bonds is designated as Bonds the interest on which is not to be subject to federal income taxation:

(a) The Agency hereby covenants to establish such separate accounts or subaccounts as may be necessary or desirable to adequately trace and account for the direct and indirect proceeds of such Bonds in order to comply with the rebate or yield reduction payment requirements of Section 148 of the Code. Such accounts or subaccounts may be established at any time upon the written direction of an authorized officer of the Agency.

(b) At least annually, the Agency shall compute and certify in reasonable detail the amount required to be rebated to the United States pursuant to Section 148 of the Code.

(c) As required by Section 148 of the Code, the Agency or any Bond trustee as directed by the Agency shall pay to the United States on behalf of the Agency the amount then required to be paid under Section 148 of the Code. If for any reason funds are not otherwise available for such payment, the Agency covenants to transfer moneys from its own funds for such payment.

(d) The Agency or any Bond trustee as directed by the Agency shall keep such records as will enable them to fulfill their responsibilities under this Section and shall retain such records for at least six years following final payment of the related Bonds.

Section 3.03. Governmental Program Requirement. If and to the extent a Series or sub-Series of Bonds is designated as Bonds the interest on which is not to be subject to federal income taxation, the Agency shall not make any arrangement, formal or informal, pursuant to which any mortgagor, mortgage lender or other person (or any related person as defined in Section 147 of the Code) who may receive a Mortgage Loan under the Program shall purchase Bonds of the Series or issue which financed such Mortgage Loan in an amount related to the amount of such Mortgage Loan.

Section 3.04. Compliance With Article III. If and to the extent a Series or sub-Series of Bonds is designated as Bonds the interest on which is not to be subject to federal income taxation, the provisions of this Article III shall be complied with by the Agency in order to meet

the requirements of the Code such that interest on such Bonds shall be and remain exempt from federal income taxes; provided, however, that the Agency shall not be required to comply with any such provision with respect to such Bonds in the event the Agency receives a Counsel's Opinion from a nationally recognized bond counsel firm that compliance with such provision is no longer required to satisfy the requirements of the Code or that compliance with some other provision in lieu of a provision specified in this Article III will satisfy said requirements, in which case compliance with such other provision specified in the Counsel's Opinion shall constitute compliance with the provisions specified in this Article III.

ARTICLE IV

MISCELLANEOUS

Section 4.01. Amendments. This Resolution may be amended from time to time prior to the issuance of any Series of Bonds, which right shall be in addition to any other rights to amend. To the extent a Series of Bonds is issued under and pursuant to a General Resolution or Trust Indenture, this Resolution and any Series Certificate with respect to such Bonds may be amended under the conditions and to the extent permitted by such General Resolution or Trust Indenture. To the extent a Series of Bonds is issued only pursuant to this Resolution and a Series Certificate, this Resolution and the Series Certificate may be amended except as restricted hereby, by such Series Certificate or by the Bonds or any other agreement or document executed in conjunction therewith.

Section 4.02. General. The Agency may adopt, and specify in an Officer's Certificate, any additional covenants as to Mortgage Loans, Mortgagors or lenders.

Section 4.03. Authorization of Officers. The Chairman, Vice Chairman or any other Commissioner of the Agency, Executive Director, Treasurer, Chief Financial Officer, Chief of Program Operations and Secretary of the Agency are hereby authorized and directed to do all acts and things (including the conduct of any public hearings required by federal tax laws) and to execute and deliver any and all documents, filings, certificates and other instruments necessary or desirable to effectuate the transactions contemplated by this Resolution or any Series Certificate.

Section 4.04. Effective Date. This resolution shall take effect immediately.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Thomas R. Connors, Chief Financial Officer
DATE: August 10, 2011
RE: Safe Deposit Box Resolution

Recommendation: Approval of the attached resolution to update and add Lisa C. Clark to authorized signor for the Safe Deposit Box Lease Contract.





CORPORATE CERTIFICATE OF RESOLUTION

(For Deposit Accounts)

Depositor (Name of Corporation): Address: VERMONT HOUSING FINANCE AGENCY (60 SAINT PAUL ST) BURLINGTON, VT 05401	Financial Institution: TD Bank, N.A. 11000 Atrium Way Mt. Laurel, NJ 08054
--	---

I HEREBY CERTIFY that I am the duly elected and qualified Secretary and keeper of records for the Depositor (also referred to as "Corporation") named above, that the following is a true and complete copy of a Resolution duly adopted at a meeting of the Board or Directors or shareholders of said Corporation held on, or dated on the date shown below in accordance with the law and the by-laws of, or consent of, said Corporation, and that my delivery of this Certificate of Resolution to Financial Institution certifies to Financial Institution that such Resolution is still in full force and effect.

Depositor I FURTHER CERTIFY that the name of the Depositor set forth above is the complete and correct name of the *Depositor* Corporation and that the Corporation is organized and existing under and by virtue of the laws of the State/Commonwealth/District of *Vermont* as a corporation.

RESOLVED, that the Financial Institution named above, at any one or more of its offices or branches, be and it hereby is designated as a Financial Institution of and depository for the funds of this Corporation, which may be withdrawn on checks, drafts, advices of debit, notes or other orders for the payment of monies (including electronic orders) bearing the signature of, or as otherwise authorized by, any one (1) of the following officers, employees or agents of this Corporation ("Agents"), whose actual signatures are shown below:

Title	Name	Signature
	SUSAN JOACHIM	<i>Susan B. Joachim</i>
	MARTHA FLEMING	<i>Martha G. Fleming</i>
Finance Operations Mgr	LISA CLARK	<i>Lisa C. Clark</i>
CFO	Thomas R. Connors	<i>Thomas R. Connors</i>

FURTHER RESOLVED, the Agents, whose names and signature appear above, are hereby authorized to open and maintain a deposit account or accounts of the Corporation with the Financial Institution, subject to the terms and conditions in the applicable Account agreement(s), as may be amended from time to time.

FURTHER RESOLVED, that the Financial Institution is hereby directed to accept and pay without further inquiry any item or payment order drawn against any of the Corporation's accounts with the Financial Institution bearing the signature of or as otherwise authorized by any such Agents even though drawn or endorsed to the order of any Agent signing or tendered by such Agent for cashing or in payment of the individual obligation of such Agent or for deposit to the Agent's personal account, and the Financial Institution shall not be required or be under any obligation to inquire as to the circumstances of the issue or use of any item signed, or payment order authorize, in accordance with the resolutions contained herein, or the application or disposition of such item or the proceeds of the item.

FURTHER RESOLVED, that any one of such Agents is authorized to endorse all checks, drafts, notes and other items payable to or owned by this Corporation for deposit with the Financial Institution, or for collection or discount by the Financial Institution, and to accept drafts and other items payable at the Financial Institution.

FURTHER RESOLVED, that the Bank is authorized to conduct Debit Card/ATM Card transactions in accordance with Financial Institution's Visa Debit Card Application and Agreement for Businesses.

FURTHER RESOLVED, that the above named agents are authorized and empowered to execute such other agreements, including, but not limited to, special depository agreements and arrangements regarding the manner, conditions or purposes for which funds, checks or items of the Corporation may be deposited, collected, or withdrawn and to perform such other acts as they deem reasonably necessary to carry out the provisions of these resolutions.

FURTHER RESOLVED, that the authority hereby conferred upon the above named Agents shall be and remains in full force and effect until written notice of the revocation thereof shall have been delivered to and received by the Financial Institution at the location where an account is maintained and Financial Institution has had a reasonable period of time to act upon such notice.

I FURTHER CERTIFY that the persons named above occupy the positions set forth opposite their respective names and signatures; that the foregoing resolutions now stand of record on the books of the Corporation; that they are in full force and effect and have not been modified in any manner whatsoever.

IN TESTIMONY WHEREOF, I have hereunto set my hand on August 11, 2011 and attest that the signatures set opposite the names listed above are their genuine signatures.

CORPORATE SEAL

CERTIFIED TO AND ATTESTED BY:

x *Saul E. Casper*
Secretary or Assistant Secretary
(Title)

Note: In case the Secretary or other certifying officer is designated by the foregoing resolutions as one of the signing officers, this certificate should also be signed by a second Officer or Director of the Corporation and that the Financial Institution shall be and is authorized to honor and pay the same whether or not they are payable to bearer or to the individual order of any Agent or Agents signing the same.



SAFE DEPOSIT BOX LEASE CONTRACT

Business Account Maintenance

REGION: Vermont (11)

STORE #: 590 DATE: July 21, 2011

BANK REPRESENTATIVE: IRENA LABOMBARD

BOX #: L0044 BOX SIZE: 16X20X20

RENT: 173.25

DISCOUNTED RENT:

TYPE OF RENTAL: Corporation

PRORATED AMOUNT:

TIN: 030239902

MAINTENANCE TYPE: Updating Authorized Signers

BOX TITLE (LESSEE NAME):
1. VERMONT HOUSING FINANCIAL AGENCY
2.
3.
4.

TIN:

030239902

BOX LESSEE ADDRESS(ES):

LEGAL ADDRESS: (No PO Boxes)

164 SAINT PAUL ST

BURLINGTON VT 05401

ACCOUNT MAILING ADDRESS:

164 SAINT PAUL ST

BURLINGTON VT 05401

Business Phone: (802) 652 - 3436

Business Type: Corporation

Verification: Existing Customer

5240857

ADDITIONAL CUSTOMER VERIFICATION:

☒ Business/Entity Documentation: Existing Customer

☐ Previous Banks:

(Enter Name of Bank)

☐ Visual Inspection of Business

Billing Method: Select

Payment Options:

If charging account, I/we, as Agent(s) on behalf of the Lessees, authorize the Bank to charge rent when due to the following account:

Account #:

Bank:

If billing is requested, I/we, as Agent(s) on behalf of the Lessee, authorize the bank to bill the Lessee at the address above.

Agreement and Authorization

Federal law requires all financial institutions to obtain, verify and record information that identifies each person/entity who opens an account.

The Bank is renting to the above Lessee the safe deposit box described above for the annual rent stated above. The Lessee authorizes its Agents listed below to access the safe deposit box. Lessee agrees that the safe deposit box may be accessed by any one (1) of the Authorized Agents. The Bank will continue to collect payment as described until an Authorized Agent of the Lessee notifies the Bank to change the payment option or the Lease is terminated. Lessee acknowledges and agrees to the terms stated in this Lease and the Safe Deposit Box Rules and Regulations appearing on the second page of this form. Lessee agree and understands that the contents of the safe deposit box are not insured by the Bank or by any federal or state deposit insurance program. Further, the contents of the safe deposit box will not be covered by the Bank. For protection, Lessee may wish to purchase insurance through an insurance company of its choice. Lessee should maintain in a separate location a complete list and description of all property stored in the safe deposit box and any proof of ownership. Lessee acknowledges that its Authorized Agent(s) has/have read and received a copy of the Lease and the Safe Deposit Box Disclosure and has/have received two (2) duplicate keys or a combination to the safe deposit box described above.

Authorized Agent(s) of Lessee:

X Susan B. Joachim
Signature
Date Signed: 8/1/2011

SUSAN JOACHIM

Printed Name

08/05/1947

Date of Birth

SSN

Current Signer

Verification

If Existing Personal Customer, Enter the RM Number:

X Martha G. Fleming
Signature
Date Signed: 8/2/2011

MARTHA FLEMING

Printed Name

08/23/1943

Date of Birth

SSN

Current Signer

Verification

If Existing Personal Customer, Enter the RM Number:

X Lisa C. Clark
Signature
Date Signed: 8/1/2011

LISA CLARK

Printed Name

03/10/1972

Date of Birth

SSN

Current Signer

Verification

If Existing Personal Customer, Enter the RM Number:

X Thomas R. Connors
Signature
Date Signed: 8/1/11

Thomas R. Connors

Printed Name

10/12/53

Date of Birth

SSN

Current Signer

Verification

If Existing Personal Customer, Enter the RM Number:



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Thomas R. Connors, Chief Financial Officer
DATE: August 10, 2011
RE: Certification of Succession and Revocation of Authority

Recommendation: Approval of the attached resolution removing Timothy M. Gutchell's name from the banking accounts and the addition of the name of Lisa C. Clark to the banking accounts as of July 29, 2011. Approval of the attached general resolutions regarding persons authorized to sign checks and persons authorized to access safe deposit boxes.



mailing address P.O. Box 408, Burlington, VT 05402-0408
phone (802) 864-5743

delivery address 164 Saint Paul St., Burlington, VT 05401-4364
fax (802) 864-5746

www.vhfa.org



CERTIFICATE OF SUCCESSION AND REVOCATION OF AUTHORITY

Business Name:

Vermont Housing Finance
Agency

TIN:

030-239902

Address(es):

Legal Street Address:

164 St. Paul St.

Burlington VT 05401

Mailing Address (if different):

164 St. Paul St.

Burlington, VT 05401

Account Number(s):

524163011

5241390591

5241258971

5241213636

5240033350

60138625

90118134

5241606851

*

*

I, Lisa C. Clark of Vermont Housing Finance Agency

Name

Title

Business Name

a business duly organized and existing under the laws of the State/Commonwealth/District of Vermont
(the "Company") hereby certify that at a meeting of the governing body of the Company duly held on _____, *

Date

at which a quorum was present and acting throughout, or by the consent of such body, all in accordance with applicable law and the organizational documents of the Company, the following resolution was adopted and is in full force and effect:

RESOLVED:

That effective upon receipt and acceptance of this notice by TD Bank, N.A. (hereinafter called the "Bank"), the name(s) of the following person(s) shall be added to the names of those persons authorized to sign checks or otherwise transact business for and in the name of the Company pursuant to the provisions of the resolution on file with the Bank concerning the account(s) of the Company with the Bank as listed above; a copy of which resolution has been previously certified to the Bank.

Authorized Signer 1 Information:

Name Lisa C. ClarkTitle * Finance Operations MgrSignature Lisa C. ClarkDate of Birth 3/10/1972Social Security Number * 000-00-0000

eFunds Verification (Bank Use Only)

Authorized Signer 2 Information:

Name

Title

Signature

Date of Birth

Social Security Number

eFunds Verification (Bank Use Only)

Authorized Signer 3 Information:

Name

Title

Signature

Date of Birth

Social Security Number

eFunds Verification (Bank Use Only)

I certify that the signature(s) set forth above opposite the name(s) to be added is/are the true signature(s) of the person(s) named and is/are hereby certified for all purposes of the Resolution.

RESOLVED:

That the authority of the person(s) listed below to take any and all actions as authorized signatory for and on behalf of the Company is hereby expressly revoked:

Timothy M. Gutchell

This certificate shall not affect the validity, authority or regularity of any authorization, certificate or instructions delivered, or of any check or negotiable instrument drawn, prior to the date of delivery hereof.

IN WITNESS WHEREOF, I have executed this certificate this

29th

day of

July

2001

* Thomas R. Conway

Signature

* CFO

Title

Bank Use Only:

Accepted By: _____

Date: _____

Region: _____



Citizens Bank™

Updated Business Signature Card

In this signature card, the words *I*, *me*, and *my* mean, as applicable, the business entity or person identified below and each individual who is an authorized signer on the Account and who signs below on behalf of me; **Bank** means RBS Citizens, N.A. and **Account** means the deposit account(s) identified below which will be used primarily for business purposes.

1 Account Information

TITLE AND ADDRESS

VERMONT HOUSING FINANCE AGENCY
MACARTHUR FOUNDATION GRANT
PO BOX 408
BURLINGTON VT 05402-0408

ACCOUNT # SIGNING ACCOUNT # SIGNING

4008990363 SINGLE

2 Taxpayer Identification Number (TIN) Certification

TIN is a: ☐ Social Security Number
☒ Employer Identification Number

- 030239902 Is my correct TIN. If a TIN has not been issued to me, I have applied for, or in the near future intend to apply for, a TIN. I understand that if I do not provide the Bank with a TIN within 60 days, my Account will be subject to backup withholding; and
- I am not subject to backup withholding because (a) I am exempt from backup withholding, (b) I have not been notified by the Internal Revenue Service (IRS) that I am currently subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. person (including a U.S. resident alien).

Cross out item 2 above if the IRS has notified you that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

Thomas Connors
Signature of Authorized Signer

8/5/11
Date

3 Agreement and Signatures (All authorized signers opening the Account must sign)

By signing below, I acknowledge that I have read and understand the Bank's deposit account agreement and related fee schedule, Overdraft Line of Credit Agreement (if applicable), Overdraft Protection Agreement (if applicable), and any other documents that the Bank provided to me about my Account and any Account services, each as amended from time to time (all collectively and each individually referred to in this signature card as the **Agreement**). By signing below, I agree to all of the terms of the Agreement. I also agree that the Bank may terminate the Agreement and close my Account at any time in its sole discretion. I certify and promise to the Bank that (a) I have read and understand the information included on this signature card, (b) the information that I have provided in connection with my Account and any Account services, including overdraft protection (if applicable), is true and complete, (c) all of the individuals signing below are doing so as Authorized Signers, and (d) all of the signatures appearing on this signature card are genuine. I will inform the Bank promptly of any changes in this information, including any changes in the authorized signers below.

I authorize and give the Bank my permission to request and obtain, from time to time, consumer reports from consumer reporting agencies and other information about me from other third parties that the Bank believes is beneficial to determine my eligibility to open or maintain my Account or receive Account services, to verify the information contained in this signature card, to manage its relationship with me, or for any other legitimate business purpose.

IMPORTANT INFORMATION ABOUT PROTECTING ACCOUNTS: I agree to provide the Bank with new specimen signatures or any other information requested by the Bank to establish my identity or the authenticity of any signature, or to protect my Account and the Bank's systems from fraud or other problems. This information may include new specimen signatures and other information that the Bank must obtain under applicable law, including laws designed to stop the funding of terrorism and money laundering activities. I agree to hold the Bank harmless for refusing to pay or to release funds or to take any other action relating to my Account where the refusal is based on my failure to provide the signatures or other information requested by the Bank from time to time.

Check Return: By signing below you acknowledge that you will receive images of cancelled checks (if available) instead of original cancelled checks with your account statement, unless you have indicated otherwise.

The undersigned hereby acknowledge that they understand that Citizens Bank is a brand name of RBS Citizens, N.A. and Citizens Bank of Pennsylvania. Citizens Bank is a division of RBS Citizens, N.A. and that Citizens Bank accounts and other RBS Citizens, N.A. accounts are not separately insured by the FDIC. Citizens Bank of Pennsylvania is not part of RBS Citizens, N.A. and is a separate institution for purposes of FDIC deposit coverage.

By signing below I agree to all of the preceding terms. If there are more than 6 Authorized Signers, the additional Authorized Signers must sign Schedule S which is incorporated by reference into this signature card.

4 Special Instructions

David Adams
DAVID ADAMS

8/5/11
Date

Tom Connors
TOM CONNORS

8/5/11
Date

Sarah Carpenter
SARAH CARPENTER

8/5/11
Date

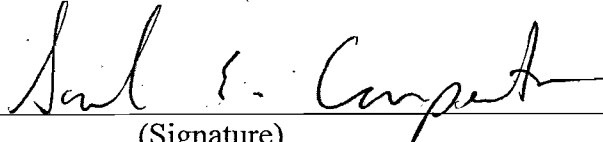
Lisa Clark
LISA CLARK

8/5/11
Date


**RESOLUTIONS ADOPTED AT THE MEETING OF
VERMONT HOUSING FINANCE AGENCY, AUGUST 10, 2011**

RESOLVED, the following persons shall be authorized to sign checks drawn against any of the Agency's accounts:

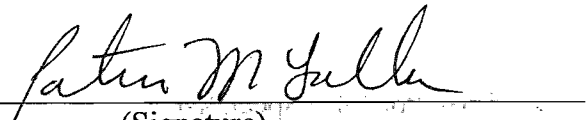
Executive Director


(Signature)
Sarah E. Carpenter

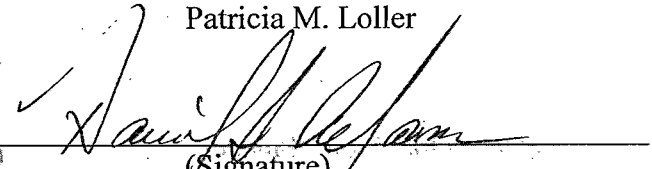
Chief Financial Officer


(Signature)
Thomas R. Connors

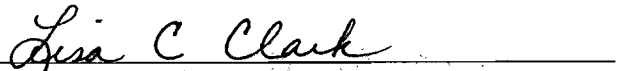
Director of Administration


(Signature)
Patricia M. Loller

Chief of Program Operations


(Signature)
David S. Adams

Finance Operations Manager


(Signature)
Lisa C. Clark

Any check in an amount over \$10,000 payable against any of the Agency's accounts must be signed by at least two of the foregoing persons. Any payroll check shall be valid and negotiable when signed by any one of the foregoing persons.

RESOLVED, that the following employees of Vermont Housing Finance Agency are hereby authorized to have access to all safekeeping vault boxes of the Agency for the purposes of safekeeping and retrieving any and all books, papers and documents of the Agency:

Chief Financial Officer



(Signature)

Thomas R. Connors

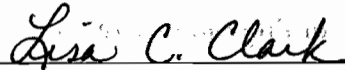
Loan Portfolio Specialist



(Signature)

Martha G. Fleming

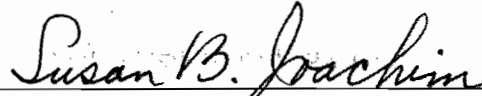
Finance Operation Manager



(Signature)

Lisa C. Clark

Accounting Specialist



(Signature)

Susan B. Joachim



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Thomas R. Connors, Chief Financial Officer
DATE: August 10, 2011
RE: Update Resolution for People's United Bank

Recommendation: Approval of the attached resolution removing Timothy M. Gutchells' name from the banking accounts as of August 4, 2011.



OFF-SITE SIGNATURE CARD PAGE 1 OF 2
INFORMATION ABOUT THE AUTHORIZED SIGNERS



ACCOUNT NUMBER 14538062 Date: 8/8/11
Business Name VERMONT HOUSING FINANCE AG Tax ID # 030-239902
Business Address 164 St Paul St City Burlington State Vt Zip 05401
Employee Name _____ Employee # _____ OD Officer # _____ Account Type _____

Only use this form as a signature card for off-site visits or if a People's United Bank employee does not verify the signer's identity. A Notary signature is required ONLY if a People's United Bank employee does not verify the signer's identity.
Make additional copies if more than four signers. Always fax the signed signature card to Doc View.

Business Owner and Authorized Signer Information

The OWNER is an owner, managing member, general partner, authorized officer or principal of the business and an authorized signer on the account.
The SIGNER is an authorized signer on the account. By designating a person as a Signer, Owner represents and warrants to People's United Bank that the person has the authority to act on behalf of the Business with respect to the Account.

By signing this signature card I/we agree that I/we have received a copy of the Business Deposit Account Contract, Business Schedule of Deposit Account Charges and Business Deposit Accounts Schedule of Interest and agree to the terms and conditions contained therein as they may be modified from time to time. I/we agree to waive any right to trial by jury in connection with the Account.

1. Name (First MI Last) David S. Adams
Title Chief of Program Operations
SSN _____ DOB _____
Non Resident Alien (NRA) (check if applicable) _____
Home Address _____
City _____ State _____ Zip _____
Home Phone _____
Business Phone _____
Check One: Owner _____ Signer _____
Photo ID: State _____ ID# _____ Exp. Date _____
Secondary ID (list type used) _____
SIGNATURE of Authorized Owner
X David S. Adams

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)
State of Vermont)ss.:
County of Chittenden
On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared DAVID S. ADAMS personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.

STAMP

Brenda Howley
Notary Public, State of Vermont

2. Name (First MI Last) Thomas R. Connors
Title Chief Financial Officer
SSN _____ DOB _____
Non Resident Alien (NRA) (check if applicable) _____
Home Address _____
City _____ State _____ Zip _____
Home Phone _____
Business Phone _____
Check One: Owner _____ Signer _____
Photo ID: State _____ ID# _____ Exp. Date _____
Secondary ID (list type used) _____
SIGNATURE of Authorized Signer
X Thomas R. Connors

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)
State of Vermont)ss.:
County of Chittenden
On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared THOMAS R. CONNORS personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.

STAMP

Brenda Howley
Notary Public, State of Vermont

David S. Adams
Signature

David S. Adams
Printed Name

Chief of Program Operations
Title

Signature of People's United Bank Witness

Printed Name of People's United Bank Witness

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)
State of Vermont

County of Chittenden)ss.: _____

On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared David S. Adams personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/~~she~~ executed the same in his/~~her~~ capacity, and that by his/~~her~~ signature on the instrument, the individual, or the person upon behalf of whom the individual acted, executed the instrument.

STAMP

Brenda Hawley
Notary Public, State of Vermont

Thomas R. Connors
Signature

Thomas R. Connors
Printed Name

Chief Financial Officer
Title

Signature of People's United Bank Witness

Printed Name of People's United Bank Witness

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)
State of Vermont

County of Chittenden)ss.: _____

On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas R. Connors personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/~~she~~ executed the same in his/~~her~~ capacity, and that by his/~~her~~ signature on the instrument, the individual, or the person upon behalf of whom the individual acted, executed the instrument.

STAMP

Brenda Hawley
Notary Public, State of Vermont

Patricia Loller
Signature

Patricia Loller
Printed Name

Director of Administration
Title

Signature of People's United Bank Witness

Printed Name of People's United Bank Witness

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)
State of Vermont

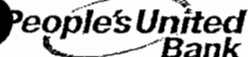
County of Chittenden)ss.: _____

On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Patricia Loller personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/~~she~~ executed the same in his/~~her~~ capacity, and that by his/~~her~~ signature on the instrument, the individual, or the person upon behalf of whom the individual acted, executed the instrument.

STAMP

Brenda Hawley
Notary Public, State of Vermont

OFF-SITE SIGNATURE CARD PAGE 2 OF 2
INFORMATION ABOUT THE AUTHORIZED SIGNERS



3.
Name (First MI Last) Patricia Loller
Title Director of Administration
SSN _____ DOB _____
Non Resident Alien (NRA) (check if applicable) _____
Home Address _____
City _____ State _____ Zip _____
Home Phone _____
Business Phone _____
Check One: Owner _____ Signer _____
Photo ID: State _____ ID# _____ Exp. Date _____
Secondary ID (list type used) _____
SIGNATURE of Authorized Signer
X Patricia M Loller

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)
State of Vermont)ss.:
County of Chittenden
On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Patricia Loller personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.
STAMP Brenda Howley
Notary Public, State of Vermont

4.
Name (First MI Last) Sarah Carpenter
Title Executive Director
SSN _____ DOB _____
Non Resident Alien (NRA) (check if applicable) _____
Home Address _____
City _____ State _____ Zip _____
Home Phone _____
Business Phone _____
Check One: Owner _____ Signer _____
Photo ID: State _____ ID# _____ Exp. Date _____
Secondary ID (list type used) _____
SIGNATURE of Authorized Signer
X Sarah Carpenter

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)
State of Vermont)ss.:
County of Chittenden
On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Sarah Carpenter personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.
STAMP Brenda Howley
Notary Public, State of Vermont

CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER
As a duly authorized representative of the business identified above and speaking on behalf of the business, I certify, under penalties of perjury that (1) the number shown on this form is my correct taxpayer identification number and (2)(a) I am not subject to backup withholding for the reason checked below, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. person (including a U.S. resident alien). You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.
Name of Business: Vermont Housing Finance Agency
I am exempt from backup withholding because I am:
☒ an Exempt Payee (Form W-9 is required) ☐ a Non-Resident Alien (form W-8BEN is required)
By: X Sarah Carpenter Date 8/8/11
Signature (person signing in position "1" above)
The Following exception condition exists on this account (i.e.: Out of state identification or CHEX record for business or signers):
Management Approval: _____
Signature / Employee # _____
CHEX SYSTEMS CALLED BY: _____ TIN Issue Date: _____
Signature / Employee # _____

IN WITNESS WHEREOF, I/we have signed these Certified Resolutions on the 8th day of August, 2011.

SIGNING INSTRUCTIONS

- **A Business Owned by Only One Person:** If the Depositor is owned by only one person, this document must be signed by the owner. In the case of a corporation that is owned by only one shareholder, this document must be signed by the president of the corporation.
- **Partnership:** If the Depositor is a partnership, this document must be signed by all of the general partners of the Depositor. This includes a business owned jointly by a husband and wife.
- **Limited Liability Company:** If the Depositor is a limited liability company with more than one member, this document must be signed by each of the members of the Depositor. If the Depositor is operated by one or more manager(s), this document may be signed by each of the managers rather than the member(s).
- **Limited Liability Partnership:** If the Depositor is a limited liability partnership with more than one partner, this document must be signed by each of the partners of the Depositor. If the Depositor is operated by one or more manager(s), this document may be signed by each of the managers, rather than the partner(s).
- **Corporation Owned by More than One Shareholder:** If the Depositor is a corporation that is owned by more than one shareholder, this document must be signed by the president of the corporation. If the president of the corporation is also an Authorized Signer (listed above), at least one additional person must also sign this document.
- **Corporation Owned by One Shareholder:** If the Depositor is a corporation that is owned by one shareholder, this document must be signed by the president.
- **Other Entity:** If the Depositor is an entity not listed above, this document must be signed by a person or persons authorized by the governing body of the Depositor to do so. If one of the persons signing this document is also an Authorized Signer (listed above), at least one additional person must also sign this document.

IF ANY PERSON SIGNS THIS DOCUMENT OUTSIDE OF THE PRESENCE OF A PEOPLE'S UNITED BANK REPRESENTATIVE, THAT PERSON'S SIGNATURE MUST BE NOTARIZED.

☒ Sarah Carpenter
Signature
Sarah Carpenter
Printed Name
Executive Director
Title

Signature of People's United Bank Witness

Printed Name of People's United Bank Witness

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)

State of Vermont) ss.:
County of Chittenden)

On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Sarah Carpenter personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of whom the individual acted, executed the instrument.

STAMP

Brenda Hawley
Notary Public, State of Vermont

IF ANY PERSON SIGNS THIS DOCUMENT OUTSIDE OF THE PRESENCE OF A PEOPLE'S UNITED BANK REPRESENTATIVE, THAT PERSON'S SIGNATURE MUST BE NOTARIZED.

☒ Thomas N. Pelletier
Signature
Thomas N. Pelletier
Printed Name
Chair
Title

Signature of People's United Bank Witness

Printed Name of People's United Bank Witness

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)

State of Vermont) ss.:
County of Chittenden)

On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas N. Pelletier personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of whom the individual acted, executed the instrument.

STAMP

Brenda Hawley
Notary Public, State of Vermont

Use of Deposit Accounts

RESOLVED, That People's United Bank be, and it hereby is, authorized and directed to certify, pay, or otherwise honor all checks, drafts, notes, bills of exchange, acceptances, and other instruments (collectively, "Instruments") or orders for the payment, transfer, or withdrawal of money, including electronic orders or transfers, for whatever purpose and to whomsoever payable when such Instruments and/or orders are made, signed, or endorsed by the signature, the facsimile or specimen signature (actual or purported), or the oral direction of any ONE of the Authorized Signers, including payments and/or transfers to any one or more Authorized Signers and even if such payment, transfer, or withdrawal will create or increase an overdraft in the account on which it is drawn, although any such payment shall be permitted in the sole discretion of People's United Bank; and

RESOLVED, That each Authorized Signer be, and hereby is, individually authorized on behalf of the Depositor to open and close the Deposit Accounts, to apply for and to obtain any services related to those accounts (including the Deposit Services), to update information on any Deposit Account, and to endorse, negotiate, and collect any and all Instruments; and

RESOLVED, That each Authorized Signer be, and hereby is, individually authorized on behalf of the Depositor to instruct, orally or by such other means as People's United Bank may make available to the Depositor, People's United Bank to initiate the transfer of funds between any Deposit Account and any other Deposit Account; and

RESOLVED, That People's United Bank may rely on the signature, endorsement, order, facsimile signature, specimen signature, or oral instruction reasonably believed by People's United Bank to be made by any ONE Authorized Signer, and that People's United Bank may act on any direction of any ONE Authorized Signer without inquiry and without regard to the application of the proceeds thereof, provided that People's United Bank acts in good faith; and

RESOLVED, That the Depositor hereby acknowledges that People's United Bank will assign the Depositor a Business Personal Security Number and/or a Business Identification Number that any Authorized Signer will be able to use to access one or more of the Deposit Accounts via telephone, on the Internet, or through the use of a Business Card, if such a Card is issued to the Depositor; and

RESOLVED, That, if the Depositor receives a Business ATM Card or MasterMoney™ BusinessCard, the Depositor hereby authorizes each Authorized Signer to receive his or her own unique Personal Identification Number that will enable that Authorized Signer to utilize the Depositor's Business ATM card or MasterMoney™ BusinessCard to access some or all of the Deposit Accounts on behalf of the Depositor; and

Miscellaneous Resolutions

RESOLVED, That People's United Bank shall not be liable in connection with the collection of Instruments and/or orders that are handled by People's United Bank without gross negligence, and People's United Bank shall not be liable for the acts or failure to act of its agents or subagents, any networks, clearing houses, or other interchanges or devices used, or for any other casualty; and

RESOLVED, That the Depositor assumes full responsibility for and shall indemnify People's United Bank against all losses, costs, liabilities, and claims resulting from payments, withdrawals, transfers, or orders made or purported to be made in accordance with, or from actions taken in good faith and in reliance upon, these Resolutions; and

RESOLVED, That the Depositor shall notify People's United Bank promptly and in writing of any change in (a) these Resolutions; (b) the identity of the Authorized Signers; (c) the identity of persons authorized to obtain and use a Business ATM Card; (d) the identity of the persons authorized to use a MasterMoney™ BusinessCard on behalf of the Depositor; (e) the ownership of the Depositor; or (f) the Depositor's legal structure or status, including the Depositor's dissolution or bankruptcy; and

RESOLVED, That People's United Bank may rely on these Certified Resolutions and on any certification by any ONE Authorized Signer or authorized representative of the Depositor as to the names and signatures of the Authorized Signers of the Depositor until People's United Bank has actually received written notice, facsimile or otherwise, of a change and has had a reasonable period of time to act on such notice; and

RESOLVED, That each of the persons listed at the end of the Certified Resolutions as a signer of the Certified Resolutions be, and each hereby is, designated a duly authorized representative of Depositor for all matters related to these Certified Resolutions, including the execution of this document on behalf of the Depositor, and the certification to People's United Bank (a) of the name, office (if any), and signature of each of the Authorized Signers, (b) that the Resolutions set forth herein have been adopted in accordance with all applicable governing documents, third party agreements, and laws applicable to the Depositor, and (c) of all other matters to be certified herein.

Certifications

Each individual who signs this document hereby certifies and warrants to People's United Bank that:

- (a) The Resolutions set forth herein: (i) have been properly adopted by the Depositor in accordance and conformity with the Depositor's governing documents, all agreements with third parties, and all laws applicable to the Depositor; (ii) have not been modified or rescinded; and (iii) are in full force and effect and binding on the Depositor.
- (b) He or she is the duly authorized representative of the Depositor, authorized to act on behalf of the Depositor in all matters pertaining to its rights, responsibilities, and activities in connection with these Certified Resolutions including but not limited to executing this document on behalf of the Depositor;
- (c) The Depositor is duly organized and in good standing in the jurisdiction in which it is organized;
- (d) A current and complete copy of the Depositor's organizational document (for example, its certificate of incorporation, its articles of organization, its partnership agreement, its charter, or other similar document) has been provided herewith to People's United Bank. Sole proprietorships are not required to submit an organizational document;
- (e) If the Depositor is a corporation owned by one shareholder, the undersigned certifies to People's United Bank that he/she is the sole shareholder and officer of such corporation;
- (f) If a trade name is used by Depositor, the undersigned certifies that a duly certified Trade Name or Doing Business As Certificate or the equivalent has been delivered to People's United Bank;

- (g) If the Depositor is a limited liability company or partnership, the undersigned are all of its members, managers, or partners, as the case may be;
- (h) He or she understands that People's United Bank will rely on the truth of these certifications in conducting business with the Depositor;
- (i) If the Depositor, or any one individual listed as an authorized signer, should direct People's United Bank to make preauthorized transfers, to combine or to electronically deliver account statements, or to establish an internet banking relationship including the designation of an internal administrator that can entitle other individuals (who may or may not be signers) to view and have access to any and all accounts granted the right by People's United Bank at its sole discretion, the Depositor hereby agrees to be subject to the terms and conditions of the BDAC, the Business Deposit Account Schedule of Charges, the Business Electronic Banking Agreement, and any other agreements, as updated, with People's United Bank that apply to the depositor's accounts now or in the future;
- (j) The Depositor (and any current or future authorized signatories or otherwise designated individuals) hereby certifies that it does not, nor will it ever engage in restricted transactions, such as internet gambling. Such transactions are prohibited from being processed into or out of the Depositor's account(s) or relationship via any means, including but not limited to check or check collection systems, electronic money transmission, card-based transactions (ATM or MasterMoneyTM BusinessCard), ACH (Automated Clearing House), Wire Transfers, or third-party processors; and
- (k) Each signature below represents the true and accurate signature of the named person and that such person holds the corresponding title (if any);



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners

FROM: Joe Erdelyi, Director of Development *JE*

DATE: August 3, 2011

RE: Request for Bond Credits and Construction Financing: Fairfield and Lincoln, Saint Albans

Name:	Fairfield and Lincoln	Location:	Saint Albans
Housing Type:	General Occupancy	Unit Type:	Flats
Unit Count:	21 total units 21 Housing Credit units	Unit Sizes:	1 0-BR @ 500 s. f. 9 1-BR @ 729 avg. s. f. 9 2-BR @ 883 avg. s. f. 2 3-BR @ 975 avg. s. f.
Total Cost:	\$2,781,731	Per S.F. Acquisition & Construction Cost:	\$132.95
4% Housing Credits:	\$75,000	Sponsor:	Champlain Housing Trust and Housing Vermont
Loan Requested:	\$1,600,000 Construction Loan (Tax-Exempt)		
Other Funding: VCDP, Neighborworks, Energy Funds, Existing HOME, Existing VHCB, Existing HUD Special Purpose, Existing Cash Accounts, Historic Tax Credits			

Summary of Request: Housing Vermont (HVT) and Champlain Housing Trust (CHT) are requesting \$1,600,000 in tax exempt construction financing, and \$75,000 in 4% (Bond) Tax Credits for the preservation of 21 residential rental units in Saint Albans.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution and make the required findings as outlined in the second section of the resolution ("It is hereby determined:"), and that the Board authorize the Executive Director to issue a Letter of Interest and/or a Commitment Letter to finance this property upon satisfactory completion of staff underwriting and due diligence; and authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.

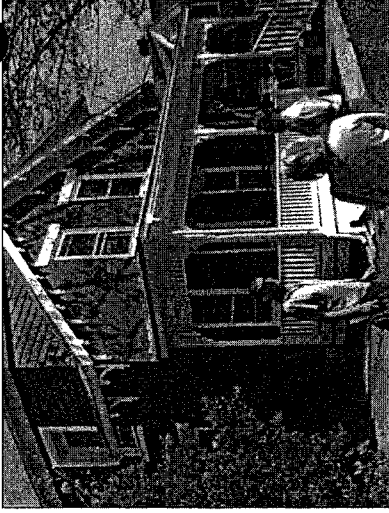
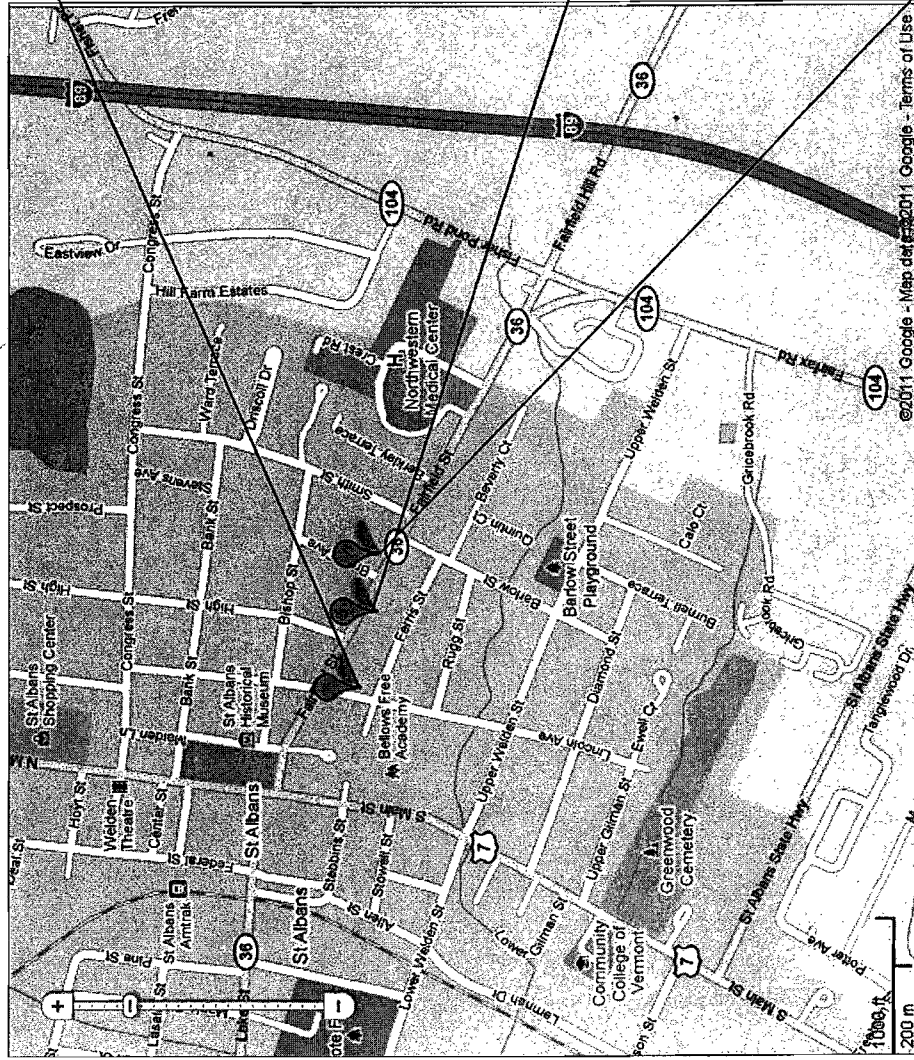
Project Summary: In 1995 HVT and CHT developed these three buildings into 21 units of affordable housing as a tax credit project. The building at 72 Fairfield Street was a conversion of an old brick school building into apartments at that time, and the other two were older structures that had already been apartments. The buildings have municipal water and wastewater, and are located within or near a designated downtown. They are also close to the school, grocery store, services, and public transportation. The units are occupied and the average income of residents is \$14,500, with a quarter of residents having incomes below \$10,000 per year. CHT has been managing this property and will continue to do so. The development is currently carrying no amortizing debt, and this proposal also will carry no amortizing debt. The development is currently carrying no amortizing debt, and this proposal also will carry no amortizing debt.



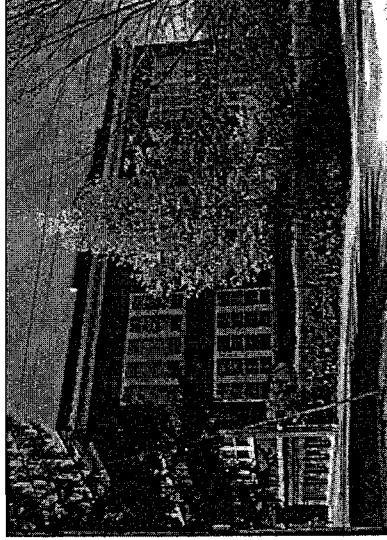
proposal includes acquisition by a new partnership and rehabilitation and energy improvements. The work will include: new windows, conversion of individual heating systems to central systems in two buildings, removing a garage for increased parking area, paving and sidewalks, interior finishes and appliances, exterior repairs and repainting, and conversion of a three bedroom unit into a two bedroom unit.

No significant new permits are needed, and the VDCP and Neighborworks are being applied for with a timeline of an October anticipated approval. Construction is anticipated to start in December and be complete within seven months.

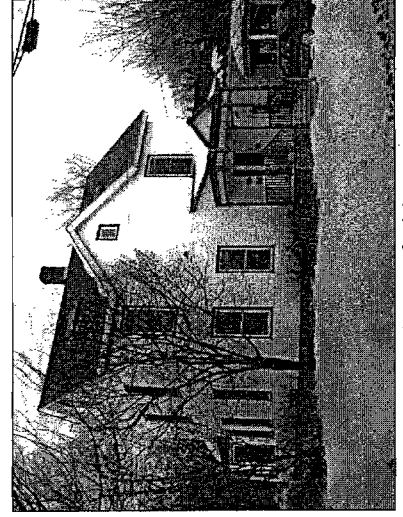
Fairfield & Lincoln



61-63 Lincoln Avenue



72 Fairfield Street



99-101 Fairfield Street

Total Rental Residential Units:	21	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	21	Increase in Income from Other Sources:	1.50%
Percent Restricted:	100.00%	Increase in Income from Commercial:	0.00%
Total Rental Development Cost:	2,781,731	Expense increase:	3.00%
Total Rental Dev. Cost per Unit:	132,463	Vacancy Rate:	5.00%
Total Rental Dev. Cost Per SF:	155	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	74,092	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	75,000	Sponsor's Estimated Yield:	0.82

LIHTC - 9%	3.28%
LIHTC - 4%	3.28%

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
Permanent Debt	0	0.00%	7.25%	30	30
Existing HUD Special Purpose	290,000	10.43%	0.00%	0	30
Existing VHCB	340,894	12.25%	0.00%	0	30
Existing VHCB accrued interest	449,275	16.15%	0.00%	0	30
Existing HOME	318,167	11.44%	0.00%	0	30
CDBG-VCDP	100,000	3.59%	0.00%	0	30
Neighborworks	315,000	11.32%	0.00%	0	30
EVT/REEP	31,500	1.13%	0.00%	0	30
Cash accounts	180,600	6.49%	N/A	N/A	N/A
RITC equity	180,500	6.49%	N/A	N/A	N/A
LIHTC equity	575,795	20.70%	N/A	N/A	N/A
TOTAL SOURCES	2,781,731	100.00%			

USES

Acquisition	1,402,336	50.41%
Construction Hard Costs	986,090	35.45%
Soft Costs	393,305	14.14%
TOTAL USES	2,781,731	100%

Gap 0

VHFA Construction Loan	1,600,000	3.85%	1 year
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General Partner's Capital Contribution	0	0.001%
Limited Partner's Capital Contribution	575,795	99.99%
Total Equity	575,795	100.0%

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	21
Total Units	21
Unit Fraction	100.00%
Gross building SF	17,965
Tax Credit Square Footage	16,958
Total Residential Square Footage	16,958
Square Footage Fraction	100.00%
Applicable Fraction	100.00%

	Budget	Per Unit	Per s.f.
ACQUISITION			
1 Land	209,750	9,988	11.68
2 Purchase of Building(s)	1,188,586	56,599	66.16
3 Demolition (without replacement)	0	0	0.00
4 Property Appraisal		0	0.00
5 Legal - Title and Recording	4,000	190	0.22
Acquisition/Carrying Costs	0	0	0.00
Subtotal - Acquisition	1,402,336	66,778	78.06
CONSTRUCTION HARD COSTS			
6 Rehabilitation	886,900	42,233	49.37
7 New Building(s) + Rehab		0	0.00
8	0	0	0.00
9 Sitework		0	0.00
10 heating system		0	0.00
11 solar hw		0	0.00
12 Contractor Overhead		0	0.00
13 Contractor Profit		0	0.00
14 Construction Contingency	88,690	4,223	4.94
15 Construction Management		0	0.00
16 Construction Bond Fee		0	0.00
17 Hazardous Materials Abatement		0	0.00
18 Off-Site Improvements		0	0.00
19 Furnishings, Fixtures, & Equipment	10,500	500	0.58
20 Other ()		0	0.00
Subtotal - Hard Costs	986,090	46,957	54.89
SOFT COSTS			
21 Architectural/Eng/Consultants	53,214	2,534	2.96
22 Engineering		0	0.00
23 Legal/Accounting	22,000	1,048	1.22
24 Relocation	21,000	1,000	1.17
25 Environmental Assessment	5,000	238	0.28
26 Energy Assessment		0	0.00
27 Permits/Fees	5,366	256	0.30
28 Independent Market Study	3,000	143	0.17
29 Construction Period Insurance	15,000	714	0.83
30 Construction Interest	40,000	1,905	2.23
31 Construction Loan Origination Fee	14,555	693	0.81
32 Taxes During Construction		0	0.00
33 Clerk of the Works		0	0.00
34 Marketing	5,000	238	0.28
35 Tax Credit Fees	4,502	214	0.25
36 Soft Cost Contingency	8,000	381	0.45
37 Permanent Loan Origination Fee		0	0.00
38 Lender's Counsel's Fee		0	0.00
39 Other (CDBG grants management)		0	0.00
SYNDICATION COSTS			
40 Organizational (Partnership)		0	0.00
41 Bridge Loan Fees and Expenses		0	0.00
42 Syndication Consultant		0	0.00
43 Tax Opinion		0	0.00
DEVELOPER'S FEES			
44 Developer's Fees	148,000	7,048	8.24
45 Other Partnership Fees		0	0.00
46 Consultant Fees		0	0.00
RESERVES			
47 Working Capital	38,668	1,841	2.15
48 Rent-up (Deficit Escrow) Reserve	10,000	476	0.56
49 Other Operating Reserves		0	0.00
50 Sinking Fund		0	0.00
51 Replacement Reserves		0	0.00
Subtotal - Soft Costs	393,305	18,729	21.89
TOTAL DEVELOPMENT COSTS	2,781,731	132,463	154.84

	Budget	Acquisition Basis	Construction Basis	Residential Depreciation	Historic Credit Basis	Other
ACQUISITION						
1 Land	209,750					
2 Purchase of Building(s)	1,188,586	1,188,586		1,188,586		
3 Demolition (without replacement)	0			0	0	
4 Property Appraisal	0	0		0	2,308	
5 Legal - Title and Recording	4,000	4,000		4,000		
Subtotal - Acquisition	1,402,336					
CONSTRUCTION HARD COSTS						
6 Rehabilitation	886,900		886,900	886,900	886,900	
7 New Building(s) + Rehab	0		0	0	1,111,665	
8 0	0		0	0	0	
9 Sitework	0		0	0	13,422	
10 heating system	0		0			
11 solar h/w	0		0	0	10,771	
12 Contractor Overhead	0		0	0	0	
13 Contractor Profit	0		0	0	0	
14 Construction Contingency	88,690		88,690	14,021	141,832	
15 Construction Management	0		0	0	0	
16 Construction Bond Fee	0		0	0	0	
17 Hazardous Materials Abatement	0		0	0	0	
18 Off-Site Improvements	0		0	0	0	
19 Furnishings, Fixtures, & Equipment	10,500		10,500	10,500		
20 Other ()	0		0	0	0	
Subtotal - Hard Costs	986,090					
SOFT COSTS						
21 Architectural/Eng/Consultants	53,214		53,214	53,214	184,057	
22 Engineering	0		0	0	0	
23 Legal/Accounting	22,000		19,800	19,800	16,154	
24 Relocation	21,000		21,000	21,000	21,000	
25 Environmental Assessment	5,000		5,000	5,000	7,792	
26 Energy Assessment	0		0	0	0	
27 Permits/Fees	5,366		5,366	5,366	12,642	
28 Independent Market Study	3,000		3,000	3,000	1,465	
29 Construction Period Insurance	15,000		15,000	15,000	6,923	
30 Construction Interest	40,000		32,000	32,000	32,000	
31 Construction Loan Origination Fee	14,555		14,555	14,555	8,827	
32 Taxes During Construction	0		0	0	0	
33 Clerk of the Works	0		0	0	10,771	
34 Marketing	5,000			5,000		
35 Tax Credit Fees	4,502		0	4,502		
36 Soft Cost Contingency	8,000		8,000	8,000	5,769	
37 Permanent Loan Origination Fee	0		0			
38 Lender's Counsel's Fee	0		0	0	0	
39 Other (CDBG grants management)	0		0	0	0	
SYNDICATION COSTS						
40 Organizational (Partnership)	0					
41 Bridge Loan Fees and Expenses	0					
42 Syndication Consultant	0					
43 Tax Opinion	0					
DEVELOPER'S FEES						
44 Developer's Fees	148,000		148,000	148,000	258,462	
45 Other Partnership Fees	0		0	0	0	
46 Consultant Fees	0		0	0	0	
RESERVES						
47 Working Capital	38,668					
48 Rent-up (Deficit Escrow) Reserve	10,000					
49 Other Operating Reserves	0					
50 Sinking Fund	0					
51 Replacement Reserves	0					
Subtotal - Soft Costs	393,305					
TOTALS	2,781,731	1,192,586	1,311,025	2,427,944	977,551	
LESS: Amount of Non-qualified Financing			49,176			
LESS: Historic tax Credit (Residential Portion)			195,510	195,510		
Total Eligible Basis		1,192,586	1,066,313		20% Historic Credit Rate	
TIMES: Adjusted for QCT/DDA	100.0%		1,066,313		195,510 Annual Historic Credit	
TIMES: Applicable Fraction	100.00%	1,192,586	1,066,313			
Total Qualified Basis		1,192,586	1,066,313	2,232,434	Long Term Depreciable Basis	
TIMES: Applicable Percentage		3.28%	3.28%	27.5	Depreciation Schedule	
Total Annual Credit Qualified		39,117	34,975	81,179	Annual Depreciation	
Total Tax Credits Requested	75,000			10,500	Short Term Depreciable Basis	
Estimated Net Syndication Proceeds (Sec. 42 Housing Credit only)	615,795			7	Depreciation Schedule	
Estimated Yield - Housing Credit Syndication	82.11%			1,500	Annual Depreciation	
Equity Gap	575,795					
Credits Needed to fill Equity Gap	70,132					

HC Restricted Units Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
0 Br		500	1	430	0	5,160
1 Br		729	9	686	706	74,088
2 Br		883	9	718	803	77,544
3 Br		975	2	888	0	21,312
Totals		16,958	21			178,104

Non-HC Restricted Units Bedrooms	Type	Square Feet	Number	Rent	Utilities	Total Annual Rent
0 Br		0	0	0	0	0
1 Br		0	0	0	0	0
2 Br		0	0		0	0
3 Br		0	0	0	0	0
4+ Br		0	0	0	0	0
Totals		0	0			0

Common Area Square Footage

Grand Totals	16,958	21	178,104
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Less Vacancy	5.00%	(8,905)
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NET RENT	169,199
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OTHER INCOME

Laundry	2,000
Parking	0
Commercial Space Income	0
Other (interest income)	0

TOTAL INCOME	171,199
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Fairfield and Lincoln, 8/3/2011

03-Aug-11 **Fairfield and Lincoln**

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	18,900	1,575	75	11.0%
Manager Payroll	7,560	630	30	
Audit/Accounting	4,284	357	17	
Legal	1,260	105	5	
Compliance Monitoring	1,512	126	6	
Marketing	504	42	2	
Other	2,266	189	9	
TOTAL ADMINISTRATIVE	36,286	3,024	144	
Utilities				
Electricity	3,024	252	12	
Fuel - oil/biomass/solar	17,640	1,470	70	
Water and Sewer	8,316	693	33	
Fire Alarm / Emergency	0	0	0	
Other		0	0	
TOTAL UTILITIES	28,980	2,415	115	
Maintenance				
Maintenance / Janitor Payroll	12,600	1,050	50	
Janitor Supplies		0	0	
Exterminating		0	0	
Trash Removal	5,040	420	20	
Snow Removal	5,796	483	23	
Grounds	4,788	399	19	
Repairs Material		0	0	
Repairs Contract	6,751	563	27	
HVAC Repairs / Maintenance	2,268	189	9	
Elevator Contract / Repairs	0	0	0	
Painting and Decorating	6,048	504	24	
Other		0	0	
TOTAL MAINTENANCE	43,291	3,608	172	
Real Estate Taxes	28,728	2,394	114	per unit month excl. ds & res. 564
Property Insurance	4,788	399	19	
Replacement Reserves	12,600	1,050	50	
Primary Debt Service	0	0	0	
Other "must pay" debt service		0	0	
Other		0	0	
Total	154,673	12,889	614	

	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Operating Income																					
Gross Rent		178,104	180,776	183,487	186,240	189,033	191,869	194,747	197,668	200,533	203,642	206,697	209,797	212,944	216,139	219,381	222,671	226,011	229,402	232,843	236,335
Other Income		2,000	2,040	2,060	2,091	2,121	2,155	2,187	2,220	2,253	2,287	2,321	2,356	2,391	2,427	2,464	2,500	2,538	2,576	2,615	2,654
Vacancy and other losses		(8,903)	(9,039)	(9,174)	(9,312)	(9,452)	(9,593)	(9,737)	(9,883)	(10,032)	(10,182)	(10,335)	(10,490)	(10,647)	(10,807)	(10,969)	(11,134)	(11,301)	(11,470)	(11,642)	(11,817)
Total Operating Income		171,199	173,767	176,373	179,019	181,704	184,430	187,196	190,004	192,854	195,747	198,683	201,663	204,688	207,759	210,875	214,038	217,249	220,508	223,815	227,172
Operating Expenses																					
Total Expense (excl. Reserves)		142,073	146,335	150,735	155,247	159,904	164,702	169,643	174,732	179,974	185,373	190,934	196,662	202,563	208,639	214,898	221,345	227,985	234,825	241,870	249,126
Reserves		12,600	12,789	12,981	13,176	13,373	13,574	13,777	13,984	14,194	14,407	14,623	14,842	15,065	15,291	15,520	15,753	15,989	16,229	16,472	16,720
Total Operating Expense		154,673	159,124	163,716	168,423	173,278	178,275	183,420	188,716	194,168	199,780	205,557	211,504	217,627	223,930	230,418	237,098	243,973	251,054	258,342	265,845
Net Operating Income		16,526	14,643	12,667	10,596	8,427	6,154	3,776	1,288	(1,313)	(4,033)	(6,874)	(9,841)	(12,939)	(16,171)	(19,543)	(23,060)	(26,726)	(30,547)	(34,527)	(38,673)
Less Primary Debt Service		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Secondary Debt Service		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Cash Flow		16,526	14,643	12,667	10,596	8,427	6,154	3,776	1,288	(1,313)	(4,033)	(6,874)	(9,841)	(12,939)	(16,171)	(19,543)	(23,060)	(26,726)	(30,547)	(34,527)	(38,673)
Operating Subsidies / Sinking Fund		0	0	0	0	0	0	0	0	1,313	4,033	6,874	9,841	12,939	16,171	19,543	23,060	26,726	30,547	34,527	38,673
Net Cash		16,526	14,643	12,667	10,596	8,427	6,154	3,776	1,288	0	0	0	0	0	0	0	0	0	0	0	0
DCR		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cumulative Cash Flow																					
Beginning Balance		0	16,691	31,814	45,244	56,351	66,499	74,045	79,340	82,228	82,559	80,177	74,907	66,564	54,957	39,885	21,140	(1,497)	(28,233)	(59,165)	(95,079)
Deposits		16,526	14,643	12,667	10,596	8,427	6,154	3,776	1,288	(1,313)	(4,033)	(6,874)	(9,841)	(12,939)	(16,171)	(19,543)	(23,060)	(26,726)	(30,547)	(34,527)	(38,673)
Interest		165	480	763	1,011	1,221	1,392	1,519	1,600	1,645	1,651	1,604	1,498	1,331	1,099	798	423	(30)	(565)	(1,187)	(1,902)
Withdrawals:																					
Project Operating Needs		0	0	0	0	0	0	0	0	(1,313)	(4,033)	(6,874)	(9,841)	(12,939)	(16,171)	(19,543)	(23,060)	(26,726)	(30,547)	(34,527)	(38,673)
Special J.P. or GP Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Deferred Devel. Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Partnership Audit or K-1 Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution of Cash to Owner		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance		16,691	31,814	45,244	56,351	66,499	74,045	79,340	82,228	82,559	80,177	74,907	66,564	54,957	39,885	21,140	(1,497)	(28,233)	(59,165)	(95,079)	(135,654)
Cumulative Replacement Reserves																					
Beginning Balance		0	12,726	25,897	39,526	53,624	63,203	78,177	87,208	96,435	105,858	70,289	76,506	82,769	89,075	95,418	(44,033)	(40,548)	(33,876)	(27,088)	(20,186)
Deposits		12,600	12,789	12,981	13,176	13,373	13,574	13,777	13,984	14,194	14,407	14,623	14,842	15,065	15,291	15,520	15,753	15,989	16,229	16,472	16,720
Interest		126	382	648	922	1,206	1,400	1,577	1,728	1,841	1,907	1,839	1,725	1,563	1,398	1,135	(651)	(651)	(651)	(651)	(651)
Withdrawals		0	0	0	0	0	0	0	0	(5,441)	(16,441)	(32,217)	(47,439)	(62,025)	(76,043)	(89,506)	(101,443)	(112,861)	(123,861)	(134,439)	(144,591)
Ending Balance		12,726	25,897	39,526	53,624	63,203	78,177	87,208	96,435	105,858	70,289	76,506	82,769	89,075	95,418	(44,033)	(40,548)	(33,876)	(27,088)	(20,186)	(105,493)

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: CONSTRUCTION FINANCING AND PROPOSED USE OF BOND
HOUSING CREDITS FOR FAIRFIELD AND LINCOLN, CITY OF ST. ALBANS**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont and Champlain Housing Trust (the "Sponsors") on behalf of a to be formed limited partnership in which one or more of the Sponsors or their subsidiaries or affiliates will be general or co-general partner(s) (the "Borrower") involving the acquisition and rehabilitation of a total of twenty-one (21) units of general occupancy rental housing in the City of St. Albans (the "Development"); and

WHEREAS, the Agency desires to take "official action" for the purpose of, and to reimburse itself or the Borrower for any advances of funds prior to, the issuance and sale of tax-exempt bonds (the "Bonds") to finance one or more loans to the Borrower; and

WHEREAS, the application contemplates one or more mortgage loans for construction financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Sponsors qualify and the Borrower will qualify as housing sponsors within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joe Erdelyi dated July 8, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and

moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.

2. The acquisition, construction or rehabilitation costs to be incurred by the housing sponsors are for housing development costs within the meaning of the Act.

3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.

4. The housing sponsors undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Sponsors are financially responsible and are qualified housing sponsors within the meaning of the Act. The Borrower will be required to qualify as a housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:


1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the limited partnership to be created by the Sponsors for the construction financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Sponsors in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the construction financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter may be issued to the Sponsors as the representatives of the Borrower. The Commitment Letter shall be conditioned on the satisfaction by the Sponsors of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The issuance of the Bonds for the purpose of financing one or more loans to the Borrower is hereby preliminarily approved, and, pursuant to Section 1:150-2 of the

Internal Revenue Code Regulations, the Agency hereby states its intention to reimburse itself from Bond proceeds for any advances of Agency funds prior to the issuance of the Bonds.

4. The preliminary approval described in the preceding paragraph does not obligate the Agency to give final approval for the issuance of said Bonds. Final approval of the issuance of the Bonds can only be authorized by independent action, which may contain such conditions thereto as the Agency may deem appropriate. The Agency in its absolute discretion may refuse to finally authorize the issuance of the Bonds and shall not be liable to the Borrower or any other person for its refusal to do so.
5. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
6. The recommendations for the use of Bond Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
7. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the use of Bond Housing Credits in an amount necessary for the Development's feasibility for the Fairfield and Lincoln housing project in the City of St. Albans, Vermont.
8. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners
FROM: Joe Erdelyi, Director of Development 
DATE: August 2, 2011
RE: Bennington Family Housing; Increase in State Credits

Recommended Board Action:

That the Board adopt the attached resolution to award an additional \$40,000 in State credits to this development.

Summary:

Housing Vermont (HVT) and Regional Affordable Housing Corporation (RAHC) received an award of allocated credits in February 2011 in the amount of \$395,000, and at that time expressed their intent to apply for State credits when they became available. In June 2011 they received an allocation of State credits in the amount of \$55,000. They have pursued and obtained funding from VCDP and VHCB and other sources. This development consists of 14 units of new construction in seven duplexes, and 12 units of rehab in three old historic buildings currently in RAHC's portfolio. Construction is slated to start October 1, permits are in hand, and a number of contractors are now pre-qualified to bid on this job.

As the project moved forward through the development and design phase the original cost estimates proved to be inadequate. The rehab buildings are now known to need structural repairs, wastewater line replacement, and a change in layout in order to satisfy the State Historic Preservation Office. The original plan for the rehab buildings was a more selective rehab, but now the conditions have changed and there will be a gut rehab. There is also a redesign of the mechanical system to a single central unit versus each building having its own heating plant. Since the original application to VHFA, the project cost has risen about 11%, or \$703k. The sponsors have sought increases in both VCDP and HOME funding, beyond the amounts shown in our original application, to help close this gap. The sponsors also applied for a 5% increase in the Housing Credit award. The VHFA Board authorized staff to make 5% increases even though doing so would put VHFA beyond the two-year forward allocation amount, but staff prefer to use those credits sparingly. VHFA does have unallocated State affordable tax credits for multifamily (\$40,000 from FY 2010 and 2011, and \$80,000 from FY 2012), and recommend instead an allocation of additional State credits to help the sponsors close this gap. The sponsors have revised their request and now in lieu of a 5% increase in Housing Credits are seeking a \$40,000 increase in State affordable tax credits. The attached sources and uses show the revised budget.



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02-Aug-11 Bennington Family Housing

Total Rental Residential Units:	26	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	22	Increase in Income from Other Sources:	1.50%
Percent Restricted:	84.62%	Increase in Income from Commercial:	0.00%
Total Rental Development Cost:	6,428,355	Expense increase:	3.00%
Total Rental Dev. Cost per Unit:	247,244	Vacancy Rate:	5.00%
Total Rental Dev. Cost Per SF:	231	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	506,237	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	395,000	Sponsor's Estimated Yield:	0.83

LIHTC - 9%	9.00%
LIHTC - 4%	3.25%

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
Permanent Debt	0	0.00%	7.50%	20	20
Existing Debt	607,686	9.45%	0.00%	0	30
VHCB	161,536	2.51%	0.00%	0	30
vhcb lead	28,000	0.44%	0.00%	0	30
HOME	588,464	9.15%	0.00%	0	30
HUD EDI	200,000	3.11%	0.00%	0	30
CDBG-VCDP	650,000	10.11%	0.00%	0	30
VFEP	45,000	0.70%	0.00%	0	30
RETC	16,000	0.25%	0.00%	0	30
EVT/REEP	13,000	0.20%	0.00%	0	30
State tax credit equity	403,750	6.28%	N/A	N/A	N/A
Cash accounts	85,000	1.32%	N/A	N/A	N/A
RITC equity	332,266	5.17%	N/A	N/A	N/A
LIHTC equity	3,297,653	51.30%	N/A	N/A	N/A
TOTAL SOURCES	6,428,355	100.00%			

USES

Acquisition	805,186	12.53%
Construction Hard Costs	4,187,243	65.14%
Soft Costs	1,435,926	22.34%
TOTAL USES	6,428,355	100%

Gap 0

General Partner's Capital Contribution	33	0.001%
Limited Partner's Capital Contribution	3,297,323	99.99%
Total Equity	3,297,356	100.0%

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	22
Total Units	26
Unit Fraction	84.62%
Gross building SF	27,815
Tax Credit Square Footage	21,320
Total Residential Square Footage	25,282
Square Footage Fraction	84.33%
Applicable Fraction	84.33%

	Budget	Per Unit	Per s.f.
ACQUISITION			
1 Land	178,169	6,853	6.41
2 Purchase of Building(s)	613,517	23,597	22.06
3 Demolition (without replacement)	0	0	0.00
4 Property Appraisal	2,500	96	0.09
5 Legal - Title and Recording	11,000	423	0.40
Acquisition/Carrying Costs	0	0	0.00
Subtotal - Acquisition	805,186	30,969	28.95
CONSTRUCTION HARD COSTS			
6 Rehabilitation		0	0.00
7 New Building(s) + Rehab	3,192,861	122,802	114.79
8	0	0	0.00
9 Sitework	572,287	22,011	20.57
10 heating system		0	0.00
11 solar hw	45,000	1,731	1.62
12 Contractor Overhead		0	0.00
13 Contractor Profit		0	0.00
14 Construction Contingency	300,000	11,538	10.79
15 Construction Management		0	0.00
16 Construction Bond Fee		0	0.00
17 Hazardous Materials Abatement	45,895	1,765	1.65
18 Off-Site Improvements		0	0.00
19 Furnishings, Fixtures, & Equipment	31,200	1,200	1.12
20 Other ()		0	0.00
Subtotal - Hard Costs	4,187,243	161,048	150.54
SOFT COSTS			
21 Architectural/Eng/Consultants	405,178	15,584	14.57
22 Engineering		0	0.00
23 Legal/Accounting	35,000	1,346	1.26
24 Relocation	60,678	2,334	2.18
25 Environmental Assessment	9,608	370	0.35
26 Energy Assessment		0	0.00
27 Permits/Fees	29,897	1,150	1.07
28 Independent Market Study	3,175	122	0.11
29 Construction Period Insurance	27,120	1,043	0.98
30 Construction Interest	90,000	3,462	3.24
31 Construction Loan Origination Fee	19,000	731	0.68
32 Taxes During Construction		0	0.00
33 Clerk of the Works	22,500	865	0.81
34 Marketing		0	0.00
35 Tax Credit Fees	18,250	702	0.66
36 Soft Cost Contingency	12,000	462	0.43
37 Permanent Loan Origination Fee		0	0.00
38 Lender's Counsel's Fee		0	0.00
39 Other (CDBG grants management)		0	0.00
SYNDICATION COSTS			
40 Organizational (Partnership)	2,500	96	0.09
41 Bridge Loan Fees and Expenses		0	0.00
42 Syndication Consultant		0	0.00
43 Tax Opinion		0	0.00
DEVELOPER'S FEES			
44 Developer's Fees	560,000	21,538	20.13
45 Other Partnership Fees		0	0.00
46 Consultant Fees		0	0.00
RESERVES			
47 Working Capital	22,500	865	0.81
48 Rent-up (Deficit Escrow) Reserve	5,000	192	0.18
49 Other Operating Reserves	94,800	3,646	3.41
50 Sinking Fund		0	0.00
51 Replacement Reserves	18,720	720	0.67
Subtotal - Soft Costs	1,435,926	55,228	51.62
TOTAL DEVELOPMENT COSTS	6,428,355	247,244	231.11

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: PROPOSED ALLOCATION OF ADDITIONAL VERMONT
AFFORDABLE HOUSING TAX CREDITS FOR BENNINGTON FAMILY HOUSING,
TOWN OF BENNINGTON**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by (the "Sponsor") on behalf of a to be formed limited partnership in which the Sponsor or its subsidiary or affiliate will be the general partner (the "Borrower") involving the rehabilitation of twenty-six (26) units of general occupancy in the Town of Bennington (the "Development"); and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan currently in effect; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joe Erdelyi dated August 2, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

WHEREFORE, it is hereby RESOLVED:

1. The recommendations for the allocation of State Rental Credits, subject to State appropriation, contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan currently in effect regarding the proposed allocation of additional State Rental Credits in the amount of \$40,000.00 for the Bennington Family Housing project in the Town of Bennington, Vermont.
3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Joshua Slade, Development Underwriter
RE: Governor's Mansion Apartments – Request for Permanent Financing
DATE: July 25, 2011

Name:	Governor's Mansion Apartments	Location:	Newport
Housing Type:	Senior	Unit Type:	Flats
Unit Count:	15 units	Unit Sizes:	4 Efficiency @ 421 sq/ft 11 One Bedroom @ 580 sq/ft
Total Cost:	\$1,229,252	Per S.F. Acquisition & Construction Cost:	\$96
Loans Requested:	\$834,580 Tax-Exempt Construction to Permanent	Sponsor:	Gilman Housing Trust
Other Funding:	HOME, VFEP & VCIL		

Recommendation: Staff recommends approving the financing request for the acquisition and rehabilitation of the Governor's Mansion Apartments in Newport by the Gilman Housing Trust.

Project Summary: Gilman Housing Trust (GHT) proposes the acquisition and rehabilitation of Governor's Mansion Apartments – an existing 15 unit HUD Section 202 senior housing project in Newport.

The project was acquired by Memphremagog Senior Citizen Housing, Inc, which is now an affiliate of GHT, in 1985. Rehabilitation began last year to address deferred maintenance needs, make energy efficiency improvements and to install an elevator for apartments on the second floor. The deferred maintenance work used replacement reserve funds to address exterior painting, ramp upgrades and interior common area painting. Pending work will address site drainage, roof replacement, porch repairs, flooring, cabinetry and countertops, insulation, replacement windows, heating upgrades and the installation of both solar hot water and an elevator. Work is anticipated to end in the fall of next year. The scope of work is based on a recent (April 2010) CNA.

GHT provides supportive services to the project through its Community Engagement Program and association with area service providers. This project is also slated to be one of the second round Support and Services at Home sites – a program designed to enable residents to live independently longer.

mailing address P.O. Box 408, Burlington, VT 05402-0408 **delivery address** 164 Saint Paul St., Burlington, VT 05401-4364
phone (802) 864-5743 **fax** (802) 864-5746 **www.vhfa.org**



GHT has already secured funding from all other funding sources (HOME, Vermont Fuel Efficiency Partnership, and Vermont Center for Independent Living). The funds from VFEP will address appliances, windows, lights, and HVAC. Additionally, the rehabilitation will address further deep energy retrofit items including solar hot water, R60 attic and R15 basement insulation, and replacing the heat pumps and boiler with a high efficiency model.

An appraisal has been ordered and should be completed by mid-September. Once the appraisal is received the project will be submitted for HUD Risk Share. A closing is possible for the end of October. The acquisition cost reflects the outstanding mortgage with HUD.

GHT will remain the property manager.

25-Jul-11 Governor's Mansion Apartments

Total Residential Units:	15	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	0	Increase in Income from Other Sources:	1.50%
Percent Restricted:	0.00%	Increase in Income from Commercial:	0.00%
Total Development Cost:	1,283,478	Expense increase:	2.00%
Total Development Cost per Unit:	85,565	Vacancy Rate:	4%
Total Development Cost Per SF:	114	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:		Short Depreciation Schedule:	7 years
Credit Amount Allocated:	0	Sponsor's Estimated Yield:	

LIHTC - 9%	9.00%
LIHTC - 4%	3.52%

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
First Mortgage - VHFA Refinance	834,580	65.02%	5.40%	40	Loan
VHCB	0	0.00%	N/A	N/A	Grant
HOME	280,612	21.86%	N/A	N/A	Grant
VFEP	109,060	8.50%	N/A	N/A	Grant
VCIL	5,000	0.39%	N/A	N/A	Grant
Deferred Fee	54,226	4.22%			
Tax Credit Equity	0	0.00%			
TOTAL SOURCES	1,283,478	100.00%			

USES

Acquisition	460,955	35.91%		
Construction Hard Costs	625,258	48.72%	Year One DCR:	1.17
Soft Costs	197,265	15.37%		
TOTAL USES	1,283,478	100%		

Gap (0)

General Partner's Capital Contribution	0	1.00%
Limited Partner's Capital Contribution	0	99.00%
Total Equity	0	

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	0
Total Units	15
Unit Fraction	0.00%
Tax Credit Square Footage	0
Total Residential Square Footage	11,281
Square Footage Fraction	0.00%
Applicable Fraction	0.00%

25-Jul-11 Governor's Mansion Apartments

				Allocation of Sources						
	Budget	Per Unit	Per s.f.	VHCB Terms: Grant	HOME Terms: Grant	VFEP Terms Grant	VHFA Terms: Loan	VCIL Terms: Grant	TOTAL SOURCES	
ACQUISITION										
1 Land	0	0	0.00						0	
2 Purchase of Building(s)	457,455	30,497	40.55				457,455		457,455	
3 Reimburse owner operating loans	0	0	0.00						0	
4 Property Appraisal	3,500	233	0.31				3,500		3,500	
5 Legal - Title and Recording	0	0	0.00						0	
Subtotal - Acquisition	460,955	30,730	40.86							
CONSTRUCTION HARD COSTS										
6 Rehabilitation	486,712	32,447	43.14		173,600	97,525	210,587	5,000	486,712	
7 Additional rehab	0	0	0.00						0	
8 Accessory Buildings	0	0	0.00						0	
9 Sitework	15,700	1,047	1.39				15,700		15,700	
10 Commercial Space Costs (if any)	0	0	0.00						0	
11 General Requirements	0	0	0.00						0	
12 Contractor Overhead	0	0	0.00						0	
13 Contractor Profit	0	0	0.00						0	
14 Construction Contingency (12.5% of Non-VFEP Work)	50,611	3,374	4.49		24,447		26,164		50,611	
15 Construction Management	44,000	2,933	3.90		44,000				44,000	
16 Construction Bond Fee	0	0	0.00						0	
17 Hazardous Materials Abatement	0	0	0.00						0	
18 Off-Site Improvements	0	0	0.00						0	
19 Appliances	28,235	1,882	2.50			11,535	16,700		28,235	
20 Other ()	0	0	0.00						0	
Subtotal - Hard Costs	625,258	41,684	55.43							
SOFT COSTS										
21 Architectural-historic consultant	0	0	0.00						0	
22 Engineering	0	0	0.00						0	
23 Legal/Accounting	10,000	667	0.89		4,500		5,500		10,000	
24 Relocation (or lost rent if done at turn)	0	0	0.00						0	
25 Environmental Assessment	2,000	133	0.18				2,000		2,000	
26 Cost Estimate	5,000	333	0.44				5,000		5,000	
27 Permits/Fees	2,500	167	0.22		2,500				2,500	
28 Independent Market Study	0	0	0.00				0		0	
29 Construction Period Insurance	0	0	0.00						0	
30 Construction Interest	0	0	0.00						0	
31 Construction Loan Origination Fee	0	0	0.00						0	
32 Taxes During Construction	0	0	0.00						0	
33 Construction Inspections	3,000	200	0.27				3,000		3,000	
34 Marketing	0	0	0.00						0	
35 Lender's Counsel's Fees	3,000	200	0.27				3,000		3,000	
36 Soft Cost Contingency (5%)	1,275	85	0.11		350		925		1,275	
37 Points (1.5%)	12,519	835	1.11				8,345		8,345	
38 Other Closing Costs	20,000	1,333	1.77						0	
39 Other	0	0	0.00						0	
SYNDICATION COSTS										
40 Organizational (Partnership)	0	0	0.00						0	
41 Bridge Loan Fees and Expenses	0	0	0.00						0	
42 Syndication Consultant	0	0	0.00						0	
43 Tax Opinion	0	0	0.00						0	
DEVELOPER'S FEES										
44 Developer's Fees	76,719	5,115	6.80		31,215		45,504		76,719	
45 Other Partnership Fees	0	0	0.00						0	
46 Consultant Fees	0	0	0.00						0	
RESERVES										
47 Working Capital	30,052	2,003	2.66						0	
48 Rent-up (Deficit Escrow) Reserve	0	0	0.00						0	
49 Other Operating Reserves	0	0	0.00						0	
50 Sinking Fund (15 years)	0	0	0.00						0	
51 Replacement Reserves	31,200	2,080	2.77				31,200		31,200	
Subtotal - Soft Costs	197,265	13,151	17.49							
TOTAL DEVELOPMENT COSTS	1,283,478	85,565	114	0	280,612	0	109,060	834,580	5,000	1,229,252
COST BASIS FOR DEVEL FEE										
DEVELOPER FEE	684,552									
DEVELOPER FEE %	76,719									
	11.21%									

25-Jul-11 Governor's Mansion Apartments

HC Restricted Units Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
0 Br			0	0		0
1 Br			0	0		0
2 Br			0	0		0
3 Br			0	0		0
4+ Br			0	0		0
Totals		0	0			0
Non-HC Restricted Units Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
0 Br		421	4	989		47,472
1 Br		580	11	1,146		151,272
2 Br			0	0		0
3 Br			0	0		0
4+ Br			0	0		0
Totals		8,064	15			198,744
Common Area Square Footage		3,217				
Grand Totals		11,281	15			198,744
Less Vacancy			4.00%			(7,950)
NET RENT						190,794
OTHER INCOME						
Laundry						850
Parking						0
Commercial Space Income						0
Other -						
TOTAL INCOME						191,644

Governor's Mansion Apartments

revision date: 8/6/2007

25-Jul-11 Governor's Mansion Apartments

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	9,180	765	51	4.8%
Asset Management Fee	1,000	83	6	
Supportive Services	7,000	583	39	
Audit/Accounting	7,029	586	39	
Legal	500	42	3	
Checks and bank svc. Fees	200	17	1	
Marketing/Credit & Background Checks	750	63	4	
Other -Allocation of direct property related costs	10,794	900	60	
TOTAL ADMINISTRATIVE	36,453	3,038	203	

Utilities				
Electricity	6,832	569	38	
Fuel	15,779	1,315	88	
Water and Sewer	2,256	188	13	
Fire Alarm / Emergency	1,525	127	8	
Other - Cable	200	17	1	
TOTAL UTILITIES	26,592	2,216	148	

Maintenance				
Maintenance / Janitor Payroll	5,800	483	32	
Janitor Supplies	200	17	1	
Exterminating	500	42	3	
Trash Removal	1,051	88	6	
Snow Removal	5,000	417	28	
Grounds	850	71	5	
Repairs Material	2,350	196	13	
Repairs	10,228	852	57	
HVAC Repairs / Maintenance	1,000	83	6	
Elevator Contract / Repairs	1,500	125	8	
Painting and Decorating	2,700	225	15	
Other-Mileage and 504 Compliance	500	42	3	
TOTAL MAINTENANCE	31,679	2,640	176	

Real Estate Taxes	18,608	1,551	103	per unit month excl. ds & res. 644	
Property Insurance	2,500	208	14		
Replacement Reserves	13,500	1,125	75		13,500
Primary Debt Service	50,975	4,248	283		9,000
Other "must pay" debt service	0	0	0		
Other		0	0		
Total	180,307	15,026	1,002		

"Below-the-Line" Expenses:

Special LP or GP Fee	0
Repayment of Deferred Fee	0
Partnership Audit or K-1 Fee	0
Distribution	0

Net to Residual	
Receipts/Cumulative Cash Flow	180,307

25-Jul-11 Governor's Mansion Apartments

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Operating Income																				
Gross Rent	198,744	201,725	204,751	207,822	210,940	214,104	217,315	220,575	223,884	227,242	230,651	234,110	237,622	241,186	244,804	248,476	252,203	255,986	259,826	263,723
Other Income	850	863	876	889	902	916	929	943	958	972	986	1,001	1,016	1,032	1,047	1,063	1,079	1,095	1,111	1,128
Vacancy and other losses	(7,950)	(8,069)	(8,190)	(8,313)	(8,438)	(8,564)	(8,693)	(8,823)	(8,955)	(9,090)	(9,226)	(9,364)	(9,505)	(9,647)	(9,792)	(9,939)	(10,088)	(10,239)	(10,393)	(10,549)
Total Operating Income	191,644	194,519	197,437	200,398	203,404	206,455	209,552	212,695	215,886	219,124	222,411	225,747	229,133	232,570	236,059	239,600	243,194	246,842	250,544	254,302
Operating Expenses																				
Total Expenses (excl. Reserves)	115,832	118,148	120,511	122,922	125,380	127,888	130,445	133,054	135,715	138,430	141,198	144,022	146,903	149,841	152,838	155,894	159,012	162,193	165,436	168,745
Reserves	13,500	13,703	13,908	14,117	14,328	14,543	14,761	14,983	15,208	15,436	15,667	15,902	16,141	16,383	16,629	16,878	17,131	17,388	17,649	17,914
Total Operating Expense	129,332	131,851	134,419	137,038	139,709	142,431	145,207	148,037	150,923	153,866	156,866	159,925	163,044	166,224	169,466	172,773	176,144	179,581	183,086	186,659
Net Operating Income	62,312	62,668	63,017	63,360	63,696	64,024	64,345	64,658	64,963	65,259	65,545	65,822	66,090	66,347	66,593	66,827	67,050	67,261	67,459	67,643
Less Primary Debt Service	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975	50,975
Less Risk Share Premium	2,086	2,071	2,055	2,038	2,021	2,002	1,982	1,961	1,939	1,916	1,891	1,865	1,838	1,809	1,778	1,746	1,712	1,676	1,639	1,599
Annual Cash Flow	9,251	9,622	9,987	10,346	10,700	11,047	11,388	11,722	12,049	12,368	12,679	12,982	13,277	13,563	13,839	14,106	14,363	14,609	14,845	15,070
Operating Subsidies / Sinking Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash	9,251	9,622	9,987	10,346	10,700	11,047	11,388	11,722	12,049	12,368	12,679	12,982	13,277	13,563	13,839	14,106	14,363	14,609	14,845	15,070
DCR	117.43%	118.14%	118.83%	119.52%	120.19%	120.85%	121.50%	122.14%	122.77%	123.38%	123.98%	124.57%	125.14%	125.69%	126.23%	126.76%	127.26%	127.75%	128.22%	128.66%
Cumulative Cash Flow																				
Beginning Balance	0	9,343	19,248	29,720	40,764	52,386	64,592	77,386	90,773	104,757	119,344	134,536	150,339	166,756	183,789	201,442	219,718	238,619	258,147	278,303
Deposits	9,251	9,622	9,987	10,346	10,700	11,047	11,388	11,722	12,049	12,368	12,679	12,982	13,277	13,563	13,839	14,106	14,363	14,609	14,845	15,070
Interest	93	283	485	698	922	1,158	1,406	1,665	1,936	2,219	2,514	2,821	3,140	3,471	3,814	4,170	4,538	4,918	5,311	5,717
Withdrawals:																				
Project Operating Needs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Special LP or GP Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Deferred Devel. Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Partnership Audit or K-1 Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution of Cash to Owner	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	9,343	19,248	29,720	40,764	52,386	64,592	77,386	90,773	104,757	119,344	134,536	150,339	166,756	183,789	201,442	219,718	238,619	258,147	278,303	299,090
Cumulative Replacement Reserves																				
Beginning Balance	31,200	43,827	56,878	70,365	84,298	84,053	87,985	92,039	96,661	101,794	107,494	113,792	120,639	128,088	136,042	144,509	153,509	163,088	173,314	184,248
Deposits	13,500	13,703	13,908	14,117	14,328	14,543	14,761	14,983	15,208	15,436	15,667	15,902	16,141	16,383	16,629	16,878	17,131	17,388	17,649	17,914
Interest	759	1,014	1,277	1,548	1,829	1,826	1,907	1,991	2,081	2,176	2,276	2,381	2,491	2,606	2,726	2,851	2,981	3,116	3,256	3,401
Withdrawals	1,632	1,665	1,698	1,732	1,766	1,800	1,834	1,868	1,902	1,936	1,970	2,004	2,038	2,072	2,106	2,140	2,174	2,208	2,242	2,276
Ending Balance	43,827	56,878	70,365	84,298	84,053	87,985	92,039	96,661	101,794	107,494	113,792	120,639	128,088	136,042	144,509	153,509	163,088	173,314	184,248	195,969

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: CONSTRUCTION AND PERMANENT FINANCING FOR
GOVERNOR'S MANSION APARTMENTS, TOWN OF NEWPORT**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by a to be formed entity (the "Borrower") involving the acquisition and rehabilitation of a total of fifteen (15) units of senior rental housing in the Town of Newport (the "Development"); and

WHEREAS, the Agency desires to take "official action" for the purpose of, and to reimburse itself or the Borrower for any advances of funds prior to, the issuance and sale of tax-exempt bonds (the "Bonds") to finance one or more loans to the Borrower; and

WHEREAS, the application contemplates one or more mortgage loans for construction and permanent financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Borrower qualifies as a housing sponsor within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade dated June 25, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.
2. The acquisition, construction or rehabilitation costs to be incurred by the housing sponsor are for housing development costs within the meaning of the Act.
3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or

there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.

4. The housing sponsor undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Borrower is financially responsible and is a qualified housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the Borrower for the construction and permanent financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Borrower in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the construction and permanent financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter shall be conditioned on the satisfaction by the Borrower of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The issuance of the Bonds for the purpose of financing one or more loans to the Borrower is hereby preliminarily approved, and, pursuant to Section 1:150-2 of the Internal Revenue Code Regulations, the Agency hereby states its intention to reimburse itself from Bond proceeds for any advances of Agency funds prior to the issuance of the Bonds.
4. The preliminary approval described in the preceding paragraph does not obligate the Agency to give final approval for the issuance of said Bonds. Final approval of the issuance of the Bonds can only be authorized by independent action, which may contain such conditions thereto as the Agency may deem appropriate. The Agency in its absolute discretion may refuse to finally authorize the issuance of the Bonds and shall not be liable to the Borrower or any other person for its refusal to do so.

5. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
6. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners

FROM: Cynthia Reid, Senior Development Underwriter *CR*

DATE: August 2, 2011

RE: Request for Permanent Loan: Highgate Apartments, Barre

Summary of Request: Highgate Housing Limited Partnership is seeking a permanent loan of \$937,689 for the refinancing of two VHFA loans and for energy improvements at Highgate Apartments, a 120-unit family development in Barre.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution approving the permanent loan for Highgate Housing Limited Partnership.

Project Summary: Highgate Housing Limited Partnership (whose general partners consist of an affiliate of Housing Vermont and Highgate Nonprofit), owner of Highgate Apartments in Barre, seeks to refinance its debt with VHFA, for two reasons. First, similar to Northgate, there is a HUD Flexible Subsidy loan on this property which now requires repayment, per a recent HUD Notice. Second, the owner seeks to install a domestic solar hot water system, totaling \$350,000, and has secured \$200,000 of it through Department of Energy funding made possible by Senator Sanders, as well as funding from the Clean Energy Development Fund. The sponsor's request contemplates refinancing two outstanding VHFA loans, financing \$150,000 for the solar system, and beginning repayment of the HUD Flexible Subsidy Loan. Following is a summary of this transaction:

New VHFA Loan	\$937,689	7%/30 year	\$6,238/monthly pmt
DOE/CDEF Grant	\$200,000	Grant	\$0
HUD Flex Subsidy	\$1,528,223	1%/40 year	\$3,864/monthly pmt
			Total Pmt = \$10,102

Currently, the borrower pays \$12,813 per month in debt service on a total of four VHFA loans. Two of the loans were paid in full as of 8/1/2011. The two remaining loans, plus \$150,000 for solar hot water, plus repayment of the HUD Flexible Subsidy, altogether will result in a lower monthly payment for the project (\$2,711 monthly). Projected energy savings from the solar hot water system is estimated to be approximately \$1,450 monthly. The permanent loan commitment will be conditioned upon HUD approval of the Flexible Subsidy Repayment proposal.

The property is well-managed by Maloney Property Management and since its redevelopment in 2004 has had steady operations. This refinance and the energy improvements will save the project money, thereby strengthening operations. The source of the loan will be a taxable bond to be issued this calendar year, and the loan will be insured through the HUD Risk Share program.



mailing address P.O. Box 408, Burlington, VT 05402-0408

phone (802) 864-5743

delivery address 164 Saint Paul St., Burlington, VT 05401-4364

fax (802) 864-5746

www.vhfa.org



VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: PERMANENT FINANCING FOR HIGHGATE APARTMENTS,
TOWN OF BARRE**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by (the "Sponsor") on behalf of Highgate Housing Limited Partnership in which the Sponsor or its subsidiary or affiliate will be the general partner (the "Borrower") involving the refinancing of a total of one-hundred twenty (120) units of general occupancy rental housing in the Town of Barre (the "Development"); and

WHEREAS, the application contemplates one or more mortgage loans for permanent financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Sponsor qualifies and the Borrower will qualify as housing sponsors within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Cynthia Reid dated August 2, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.
2. The acquisition, construction or rehabilitation costs to be incurred by the housing sponsors are for housing development costs within the meaning of the Act.
3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.

4. The housing sponsors undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Sponsor is financially responsible and is a qualified housing sponsor within the meaning of the Act. The Borrower will be required to qualify as a housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the limited partnership to be created by the Sponsor for the permanent financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Sponsor in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the permanent financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter may be issued to the Sponsor as the representative of the Borrower. The Commitment Letter shall be conditioned on the satisfaction by the Sponsor of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.
4. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners

FROM: Dave Adams, Chief of Program Operations
Jacklyn Santerre, Homeownership Director

DATE: July 28, 2011

RE: Request for Authorization to execute forward sales and commitments of loans for cash and/or securities.

At its meeting in June, the Board affirmed staff authorization to sell loans for cash with the GSE's, along with the authority to sell securities in the market once the securities were pooled and available for sale. This request from staff was made in light of our ongoing concern that the Agency has not been able to offer competitive rates to support our single family program using tax-exempt Mortgage Revenue Bonds even in conjunction with the Treasury NIBP program. The ability to sell loans and/or securities in the market will provide the Agency with alternatives to the traditional Mortgage Revenue Bond option.

Since the June meeting, we have been informed by Fannie Mae that they will not be entering into a new Affinity Agreement with NCSHA. The current agreement will expire on September 30th. All loans priced according to the current agreement must be reserved with Fannie Mae by September 30th. Loans intended to be sold for cash, must be committed for delivery to Fannie Mae by September 1st, and delivered by September 30th. Loans to be pooled into securities must be securitized by December 30th. The current agreement will be replaced with individually negotiated master contracts. Until we hear otherwise, staff is anticipating that pricing and program concessions to be included in the new master contract will resemble those currently offered under the Affinity Agreement.

The Agency now has reservations totaling just under \$6 million, most of which are government insured loans. Expected volume may or may not be sufficient to warrant putting a bond deal together. Any loans and securities purchased by the Agency will be funded, short-term by advances from our warehouse line of credit. In the event staff determines a bond transaction is not feasible, the Agency will need to sell the securities at current market prices to pay off the line of credit. This is a relatively small amount of loans, and they are priced at a premium if they were sold for cash today. That can change rapidly in the event interest rates trend upward and at the moment, the Agency has no facility in place to trade these loans in the form of a security.

To rectify this, the Agency must enter into formal agreements with several brokerage houses to bid out and trade securities. Staff suggests these initially include: Morgan Keegan, George K. Baum, Citi Group, and Fannie Mae Capital Markets Group, assuming no objections from the Board, and staff is open to the Board's discretion as to these or others.



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Authorization to enter into these agreements enables the Agency to execute forward sales of loans and/or securities. Similar to the sale of revenue bonds, the use of “forward sales” specifically refers to taking down commitments to deliver loans or pools of loans, in certain amounts, at certain rates, within a specified time frame, at a given price. Commitments to deliver will take into account loans in the pipeline as well as loans that have closed and have been purchased. As with bonds, forward commitments provide a hedge against interest rate movement particularly in stable or rising rate environments but do so in smaller increments and with minimal if any upfront cash contribution from the Agency. Pricing achieved from our reliance on the bond market has not worked. Until such time as a bond transaction becomes feasible with competitive rates, staff intends to price our single family program much closer to current market rates, using daily cash and security pricing. This will require a keen focus on pipeline management to ensure timely delivery of loans by our participating lenders.

Implication/Changes to Program Requirements and Limitations

Loans purchased by the Agency that are not funded from Mortgage Revenue Bonds would not need to meet all of the MRB rules, but would continue to be limited by our enabling statute as well as our mission to serve low and moderate income Vermonters. Additional flexibility might include a waiver of the first time homebuyer rules in certain counties, purchase price limits, and no recapture tax provisions. Additionally, we would be able to consider offering an MCC program in conjunction with VHFA loans not funded from Mortgage Revenue Bonds.

In the event the Mortgage Revenue Bond market improves and allows the Agency to return to a financially feasible bond transaction, staff will have the option to either fill or unwind any outstanding forward commitments. As with many other HFA’s around the country, until the bond markets improve, shifting our business strategy is a necessity if we are to return to being able to offer a competitive program, and to lessen our risk exposure to changing interest rates.

Board Action Requested

That the Board authorize staff to enter into any and all agreements needed to support the forward sale of loans and/or securities.

The Board is asked to specifically approve the attached “Certificate and Corporate Resolution” to be executed between VHFA and Morgan Keegan. This Resolution will allow the Agency to establish a trading account with Morgan Keegan, to sell securities. The Board should anticipate similar resolutions in the near future so that staff is able to trade securities with competing bids.

CERTIFICATE AND CORPORATE RESOLUTION

Gentlemen:

I, Sarah Carpenter, Secretary of Vermont Housing Finance Agency, a Corporation whose Employer Identification Number is 030239902, do hereby certify that at a meeting of the Board of Directors of this Corporation duly held on August 10, 2011, at which a quorum was present and acting throughout, the following Resolution was unanimously adopted and that is now in full force and effect without amendment or modification:

“RESOLVED, that agents and officers as may be designated are hereby authorized and empowered to open and maintain with Morgan Keegan & Co., Inc. (the “Broker”) one or more accounts for the purchase and sale (including short sales) of , and dealing and trading in, any and all forms of securities on behalf of the Corporation including , without forms of securities on behalf of the Corporation including without limitation, stocks, bonds, debentures, notes, scrip, rights, warrants, certificates of deposit, commercial paper, money market securities, and certificates of interest of any and every kind of nature whatsoever, U.S. Government, federal agency, Federal National Mortgage Association (“FNMA”), Government National Mortgage Association (“GNMA”), and Federal Home Loan Mortgage Corporation (“FHLMC”), securities.”

“Each of the agents and officers as may be designated are fully authorized on behalf of the Corporation to give oral or written instructions to purchase or sell by telephone, telegraph, or otherwise, to the Brokers with respect to such transactions and at all times to have complete authority in every way to bind and obligate the Corporation for the carrying out of any contract, agreement, or transaction which shall be entered into by any such officer and/or agent for and on behalf of the Corporation with or through the Broker; to pay in cash or by check and/or drafts drawn upon the funds of the Corporation such sums as may be necessary in connection with any of the said accounts; to deliver securities to, and deposit funds with, the Broker; to order the transfer or delivery of securities to any other person whatsoever, and/or order of record of any securities to any name selected by any of the said officers or agents; to affix the corporate seal to any documents or agreements or otherwise; to endorse any securities in order to pass title thereto; to appoint any other person or persons to do any and all things which any of the said officers and/or agents is hereby empowered to do, and generally to do and take all actions necessary in connection with the account, or considered desirable by such officer and/or agent with respect thereto. The Broker shall be entitled to rely on this Resolution and shall be held harmless from any action undertaken by the agents and officers of the Corporation as may be designated.”

“This Resolution shall be and remain in full force and effect until written notification of its revocation shall be received by the Broker.”

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the Corporation this 10th day of August, 2011.

ATTEST


Sarah Carpenter

Secretary


SEAL





Vermont Housing Finance Agency

MEMORANDUM

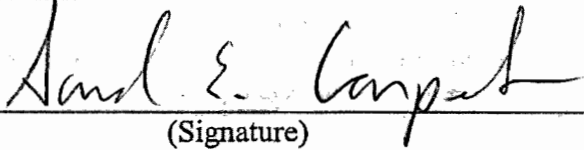
TO: VHFA Board of Commissioners
FROM: Thomas R. Connors, Chief Financial Officer 
DATE: August 29, 2011
RE: Bank Resolutions

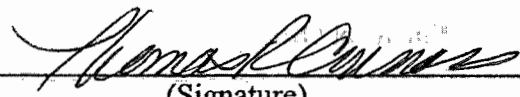
Recommendation: Approval of the attached resolutions adding Thomas W. Kimball, Controller as an authorized signer of the Agency's banking accounts. Approval of the attached general resolutions regarding persons authorized to sign checks and persons authorized to access safe deposit boxes.

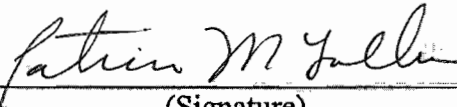


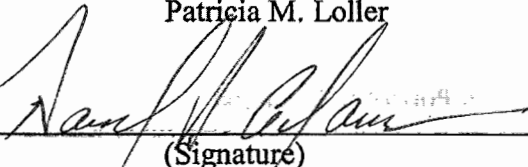
**RESOLUTIONS ADOPTED AT THE MEETING OF
VERMONT HOUSING FINANCE AGENCY, AUGUST 29, 2011**

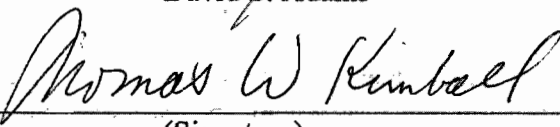
RESOLVED, the following persons shall be authorized to sign checks drawn against any of the Agency's accounts:

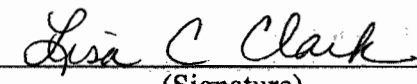
Executive Director 
(Signature)
Sarah E. Carpenter

Chief Financial Officer 
(Signature)
Thomas R. Connors

Director of Administration 
(Signature)
Patricia M. Loller

Chief of Program Operations 
(Signature)
David S. Adams

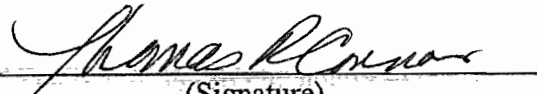
Controller 
(Signature)
Thomas W. Kimball

Finance Operation Manager 
(Signature)
Lisa C. Clark

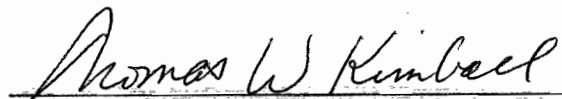
Any check in an amount over \$10,000 payable against any of the Agency's accounts must be signed by at least two of the foregoing persons. Any payroll check shall be valid and negotiable when signed by any one of the foregoing persons.

RESOLVED, that the following employees of Vermont Housing Finance Agency are hereby authorized to have access to all safekeeping vault boxes of the Agency for the purposes of safekeeping and retrieving any and all books, papers and documents of the Agency:


Chief Financial Officer


(Signature)
Thomas R. Connors

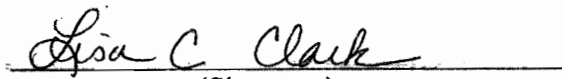
Controller


(Signature)
Thomas W. Kimball


Loan Portfolio Specialist

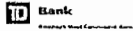

(Signature)
Martha G. Fleming

Finance Operation Manager


(Signature)
Lisa C. Clark

Accounting Specialist


(Signature)
Susan B. Joachim



CERTIFICATE OF SUCCESSION AND REVOCATION OF AUTHORITY

Business Name:
Vermont Housing Finance Agency

TIN: 030-239902

Address(es):

Legal Street Address:

164 St. Paul St.

Burlington VT 05401

Mailing Address (if different):

164 St. Paul St.

Burlington, VT 05401

Account Number(s):
524163011
5241390591
5241258971
5241213636

5240033356
60138625
90118134
5241666851

I, * Sarah Carpenter, * Executive Director Vermont Housing Finance Agency

a business duly organized and existing under the laws of the State/Commonwealth/District of Vermont
(the "Company") hereby certify that at a meeting of the governing body of the Company duly held on August 29, 2011

at which a quorum was present and acting throughout, or by the consent of such body, all in accordance with applicable law and the organizational documents of the Company, the following resolution was adopted and is in full force and effect:

RESOLVED:

That effective upon receipt and acceptance of this notice by TD Bank, N.A. (hereinafter called the "Bank"), the name(s) of the following person(s) shall be added to the names of those persons authorized to sign checks or otherwise transact business for and in the name of the Company pursuant to the provisions of the resolution on file with the Bank concerning the account(s) of the Company with the Bank as listed above; a copy of which resolution has been previously certified to the Bank.

Authorized Signer 1 Information:

Thomas W. Kimball

* Controller

* Thomas W. Kimball

Name
11/27/1959

Title

Signature

Date of Birth

Social Security Number

eFunds Verification (Bank Use Only)

Authorized Signer 2 Information:

Name

Title

Signature

Date of Birth

Social Security Number

eFunds Verification (Bank Use Only)

Authorized Signer 3 Information:

Name

Title

Signature

Date of Birth

Social Security Number

eFunds Verification (Bank Use Only)

I certify that the signature(s) set forth above opposite the name(s) to be added is/are the true signature(s) of the person(s) named and is/are hereby certified for all purposes of the Resolution.

RESOLVED:

That the authority of the person(s) listed below to take any and all actions as authorized signatory for and on behalf of the Company is hereby expressly revoked:

This certificate shall not affect the validity, authority or regularity of any authorization, certificate or instructions delivered, or of any check or negotiable instrument drawn, prior to the date of delivery hereof.

IN WITNESS WHEREOF, I have executed this certificate this 10th day of September, 2011.

* Sarah Carpenter
Signature
Sarah Carpenter

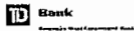
* Executive Director
Title

Bank Use Only:

Accepted By:

Date:

Region:



CERTIFICATE OF SUCCESSION AND REVOCATION OF AUTHORITY

Business Name:
Vermont Housing Finance Agency

TIN: 030-231902

Address(es):
Legal Street Address:

164 St. Paul St.
Burlington, VT

Mailing Address (if different):

164 St. Paul St.
Burlington, VT

Account Number(s):
52411095347
5242091065
5242117308

I, Sarah Carpenter, Executive Director of Vermont Housing Finance Agency
a business duly organized and existing under the laws of the State/Commonwealth/District of Vermont
(the "Company") hereby certify that at a meeting of the governing body of the Company duly held on August 29, 2011,
Date

at which a quorum was present and acting throughout, or by the consent of such body, all in accordance with applicable law and the organizational documents of the Company, the following resolution was adopted and is in full force and effect:

RESOLVED:

That effective upon receipt and acceptance of this notice by TD Bank, N.A. (hereinafter called the "Bank"), the name(s) of the following person(s) shall be added to the names of those persons authorized to sign checks or otherwise transact business for and in the name of the Company pursuant to the provisions of the resolution on file with the Bank concerning the account(s) of the Company with the Bank as listed above; a copy of which resolution has been previously certified to the Bank.

Authorized Signer 1 Information:

Name	<u>Thomas W. Kimball</u>	* <u>Controller</u>	* <u>Thomas W. Kimball</u>
Date of Birth	<u>11/27/1959</u>	Title	Signature
		* <u></u>	
		Social Security Number	eFunds Verification (Bank Use Only)

Authorized Signer 2 Information:

Name		Title	Signature
Date of Birth		Social Security Number	eFunds Verification (Bank Use Only)

Authorized Signer 3 Information:

Name		Title	Signature
Date of Birth		Social Security Number	eFunds Verification (Bank Use Only)

I certify that the signature(s) set forth above opposite the name(s) to be added is/are the true signature(s) of the person(s) named and is/are hereby certified for all purposes of the Resolution.

RESOLVED:

That the authority of the person(s) listed below to take any and all actions as authorized signatory for and on behalf of the Company is hereby expressly revoked:

This certificate shall not affect the validity, authority or regularity of any authorization, certificate or instructions delivered, or of any check or negotiable instrument drawn, prior to the date of delivery hereof.

IN WITNESS WHEREOF, I have executed this certificate this 1st day of September, 2011.
* Sarah Carpenter Executive Director
Signature Title

Bank Use Only:

Accepted By: _____ Date: _____
Region: _____



CORPORATE CERTIFICATE OF RESOLUTION

(For Deposit Accounts)

Depositor (Name of Corporation): VERMONT HOUSING FINANCE AGENCY	Financial Institution: TD Bank, N.A. 11000 Atrium Way Mt. Laurel, NJ 08054
Address: 164 SAINT PAUL ST BURLINGTON, VT 05401	

I HEREBY CERTIFY that I am the duly elected and qualified Secretary and keeper of records for the Depositor (also referred to as "Corporation") named above, that the following is a true and complete copy of a Resolution duly adopted at a meeting of the Board or Directors or shareholders of said Corporation held on, or dated on the date shown below in accordance with the law and the by-laws of, or consent of, said Corporation, and that my delivery of this Certificate of Resolution to Financial Institution certifies to Financial Institution that such Resolution is still in full force and effect.

I FURTHER CERTIFY that the name of the Depositor set forth above is the complete and correct name of the Corporation and that the Corporation is organized and existing under and by virtue of the laws of the State/Commonwealth/District of **Vermont** as a corporation.

RESOLVED, that the Financial Institution named above, at any one or more of its offices or branches, be and it hereby is designated as a Financial Institution of and depository for the funds of this Corporation, which may be withdrawn on checks, drafts, advices of debit, notes or other orders for the payment of monies (including electronic orders) bearing the signature of, or as otherwise authorized by, any one (1) of the following officers, employees or agents of this Corporation ("Agents"), whose actual signatures are shown below:

Title	Name	Signature
Acc's Specialist	SUSAN JOACHIM	<i>Susan M. Joachim</i>
Loan Portfolio Specialist	MARTHA FLEMING	<i>Martha C. Fleming</i>
Finance Operations Mgr	LISA CLARK	<i>Lisa C. Clark</i>
CFO	Thomas R. Connors	<i>Thomas R. Connors</i>
Controller	Thomas W. Kimball	<i>Thomas W. Kimball</i>

FURTHER RESOLVED, the Agents, whose names and signature appear above, are hereby authorized to open and maintain a deposit account or accounts of the Corporation with the Financial Institution, subject to the terms and conditions in the applicable Account agreement(s), as may be amended from time to time.

FURTHER RESOLVED, that the Financial Institution is hereby directed to accept and pay without further inquiry any item or payment order drawn against any of the Corporation's accounts with the Financial Institution bearing the signature of or as otherwise authorized by any such Agents even though drawn or endorsed to the order of any Agent signing or tendered by such Agent for cashing or in payment of the individual obligation of such Agent or for deposit to the Agent's personal account, and the Financial Institution shall not be required or be under any obligation to inquire as to the circumstances of the issue or use of any item signed, or payment order authorize, in accordance with the resolutions contained herein, or the application or disposition of such item or the proceeds of the item.

FURTHER RESOLVED, that any one of such Agents is authorized to endorse all checks, drafts, notes and other items payable to or owned by this Corporation for deposit with the Financial Institution, or for collection or discount by the Financial Institution, and to accept drafts and other items payable at the Financial Institution.

FURTHER RESOLVED, that the Bank is authorized to conduct Debit Card/ATM Card transactions in accordance with Financial Institution's Visa Debit Card Application and Agreement for Businesses.

FURTHER RESOLVED, that the above named agents are authorized and empowered to execute such other agreements, including, but not limited to, special depository agreements and arrangements regarding the manner, conditions or purposes for which funds, checks or items of the Corporation may be deposited, collected, or withdrawn and to perform such other acts as they deem reasonably necessary to carry out the provisions of these resolutions.

FURTHER RESOLVED, that the authority hereby conferred upon the above named Agents shall be and remains in full force and effect until written notice of the revocation thereof shall have been delivered to and received by the Financial Institution at the location where an account is maintained and Financial Institution has had a reasonable period of time to act upon such notice.

I FURTHER CERTIFY that the persons named above occupy the positions set forth opposite their respective names and signatures; that the foregoing resolutions now stand of record on the books of the Corporation; that they are in full force and effect and have not been modified in any manner whatsoever.

IN TESTIMONY WHEREOF, I have hereunto set my hand on September 1st, 2011 and attest that the signatures set opposite the names listed above are their genuine signatures.

CORPORATE SEAL

CERTIFIED TO AND ATTESTED BY:
Sarah Carpenter
Secretary or Assistant Secretary
Sarah Carpenter Executive Director
(Title)

Note: In case the Secretary or other certifying officer is designated by the foregoing resolutions as one of the signing officers, this certificate should also be signed by a second Officer or Director of the Corporation and that the Financial Institution shall be and is authorized to honor and pay the same whether or not they are payable to bearer or to the individual order of any Agent or Agents signing the same.



SAFE DEPOSIT BOX LEASE CONTRACT

Business Account Maintenance

REGION: Vermont (11)

STORE #: 590 DATE: 8/29/11

BOX #: L0044 BOX SIZE: 16X20X20

TYPE OF RENTAL: Corporation

TIN: 030239902

BANK REPRESENTATIVE: IRENA LABOMBARD

RENT: 173.25 DISCOUNTED RENT:

PRORATED AMOUNT:

MAINTENANCE TYPE: Updating Authorized Signers

BOX TITLE (LESSEE NAME):	TIN:	BOX LESSEE ADDRESS(ES):
1. VERMONT HOUSING FINANCE AGENCY	030239902	LEGAL ADDRESS: (No PO Boxes)
2.		164 SAINT PAUL ST
3.		BURLINGTON VT 05401
4.		ACCOUNT MAILING ADDRESS:
		164 SAINT PAUL ST
		BURLINGTON VT 05401

Business Phone: (802) 652 - 3436

Business Type: Corporation Verification: Existing Customer 5240857

ADDITIONAL CUSTOMER VERIFICATION:

- ☒ Business/Entity Documentation: Existing Customer
☐ Previous Bank: (Enter Name of Bank) ☐ Visual Inspection of Business

Billing Method: Select

Payment Options:

If charging account, I/we, as Agent(s) on behalf of the Lessees, authorize the Bank to charge rent when due to the following account:

Account #: Bank:

If billing is requested, I/we, as Agent(s) on behalf of the Lessee, authorize the bank to bill the Lessee at the address above.

Agreement and Authorization

Federal law requires all financial institutions to obtain, verify and record information that identifies each person/entity who opens an account.

The Bank is renting to the above Lessee the safe deposit box described above for the annual rent stated above. The Lessee authorizes its Agents listed below to access the safe deposit box. Lessee agrees that the safe deposit box may be accessed by any one (1) of the Authorized Agents. The Bank will continue to collect payment as described until an Authorized Agent of the Lessee notifies the Bank to change the payment option or the Lease is terminated. Lessee acknowledges and agrees to the terms stated in this Lease and the Safe Deposit Box Rules and Regulations appearing on the second page of this form. Lessee agree and understands that the contents of the safe deposit box are not insured by the Bank or by any federal or state deposit insurance program. Further, the contents of the safe deposit box will not be covered by the Bank. For protection, Lessee may wish to purchase insurance through an insurance company of its choice. Lessee should maintain in a separate location a complete list and description of all property stored in the safe deposit box and any proof of ownership. Lessee acknowledges that its Authorized Agent(s) has/have read and received a copy of the Lease and the Safe Deposit Box Disclosure and has/have received two (2) duplicate keys or a combination to the safe deposit box described above.

Authorized Agent(s) of Lessee:

X <i>Susan B Joachim</i> Signature Date Signed: 9/20/2011	SUSAN JOACHIM Printed Name	08/05/1947 Date of Birth	SSN	Current Signer Verification
If Existing Personal Customer, Enter the RM Number:				
X <i>Martha Fleming</i> Signature Date Signed: 9-1-11	MARTHA FLEMING Printed Name	08/23/1943 Date of Birth	SSN	Current Signer Verification
If Existing Personal Customer, Enter the RM Number:				
X <i>Lisa C Clark</i> Signature Date Signed:	LISA CLARK Printed Name	03/10/1972 Date of Birth	SSN	Current Signer Verification
If Existing Personal Customer, Enter the RM Number:				
X <i>Thomas R Connors</i> Signature Date Signed: 9/1/11	Thomas R. Connors Printed Name	 Date of Birth	SSN	Select Current Signer Verification
If Existing Personal Customer, Enter the RM Number:				
X <i>Thomas W Kimball</i> Signature Date 9/1/2011	Thomas W. Kimball Printed Name	11/27/1959 Date of Birth	SSN	Verification



BUSINESS DEPOSIT ACCOUNT CERTIFIED RESOLUTIONS

Legal Name of Business (the "Depositor")	VERMONT HOUSING FINANCE AGENCY
Trade Names of Depositor, If Any (i.e. Doing Business As)	
Primary Address of Depositor	PO BOX 408 BURLINGTON VT 05402
Type of Legal Entity	HOUSING AUTHORITY
Owner, President, Chairperson, General Partner, Authorized Officer, Managing Member or Principal (Specify Name & Title)	
Account Number	14538062

The Certified Resolutions that appear in this document have been duly adopted by the owner(s) or the governing body of the Depositor whose identifying information appears above and which the signers below certify as correct. When the phrase "Deposit Accounts" appears in these Resolutions, it means any or all of the following People's United Bank deposit accounts: People's United Business Checking Accounts, People's United Business Savings Accounts, People's United Business Money Market Accounts, and People's United Commercial Certificates of Deposit or any additional accounts which may be established in the future.

When the phrase "Deposit Services" appears in these Resolutions, it means the following People's United Bank deposit services: People's United MasterMoney™ BusinessCard, People's United Business ATM Card, Telephone Banking, and Online Banking, or any additional service which may be requested.

The Certified Resolutions authorize and direct the Depositor: (i) to establish the Deposit Accounts with People's United Bank and to obtain the Deposit Services from People's United Bank; and (ii) to enter into and to be bound by the People's United Bank Business Deposit Account Contract (including the People's United Bank Business Schedule of Deposit Account Charges), in its current form and as it may be modified from time to time (the "Business Deposit Account Contract"). People's United Bank will open and maintain the Deposit Accounts and provide the Deposit Services for the Depositor in reliance on these Certified Resolutions.

Authorization of Deposit Accounts at People's United Bank

RESOLVED, That People's United Bank, an FDIC insured depository institution headquartered in Bridgeport, Connecticut, be, and it hereby is, designated a depository of funds of the Depositor, with authority to accept at any time for the credit of the Depositor deposits in the Deposit Accounts by any person or entity seeking to make such deposit and in whatever manner such deposit is endorsed or if unendorsed; and

RESOLVED, That the Depositor be, and it hereby is, authorized and directed to enter into and to be bound by the Business Deposit Account Contract and that all of the Deposit Accounts and Deposit Services shall be subject to such Business Deposit Account Contract, as modified from time to time and Depositor waives its right to jury trial in any action arising out of or connected with any account or service; and

Authorized Signers

RESOLVED, That each of the following named individuals, or persons from time to time holding the following offices of the Depositor, be, and each hereby is, designated as an Authorized Signer to act on behalf of the Depositor in accordance with these Certified Resolutions (fill in names and titles of individuals); and

Please Print Name of Authorized Signer	Please Print Title of Authorized Signer
David S. Adams	
Thomas R. Connors	
Patricia Laller	
Sarah Carpenter	
Thomas W. Kimball	Controller

<p><i>David S. Adams</i> Signature</p> <p><u>David S. Adams</u> Printed Name</p> <p><u>Chief of Program Operations</u> Title</p> <p>_____ Signature of People's United Bank Witness</p> <p>_____ Printed Name of People's United Bank Witness</p>	<p>Notary Acknowledgement (Notary is needed only if form is not signed before a People's United employee)</p> <p>State of <u>Vermont</u>) ss.: _____</p> <p>County of <u>Chittenden</u></p> <p>On the <u>11</u> day of <u>August</u> 20<u>11</u>, before me, the undersigned, a Notary Public in and for said State, personally appeared <u>David S. Adams</u> personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of whom the individual acted, executed the instrument.</p> <p>STAMP <i>Brenda Hawley</i> Notary Public, State of <u>Vermont</u></p>
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<p><i>Thomas R. Connors</i> Signature</p> <p><u>Thomas R. Connors</u> Printed Name</p> <p><u>Chief Financial Officer</u> Title</p> <p>_____ Signature of People's United Bank Witness</p> <p>_____ Printed Name of People's United Bank Witness</p>	<p>Notary Acknowledgement (Notary is needed only if form is not signed before a People's United employee)</p> <p>State of <u>Vermont</u>) ss.: _____</p> <p>County of <u>Chittenden</u></p> <p>On the <u>11</u> day of <u>August</u> 20<u>11</u>, before me, the undersigned, a Notary Public in and for said State, personally appeared <u>Thomas R. Connors</u> personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of whom the individual acted, executed the instrument.</p> <p>STAMP <i>Brenda Hawley</i> Notary Public, State of <u>Vermont</u></p>
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<p><i>Patricia M. Loller</i> Signature</p> <p><u>Patricia Loller</u> Printed Name</p> <p><u>Director of Administration</u> Title</p> <p>_____ Signature of People's United Bank Witness</p> <p>_____ Printed Name of People's United Bank Witness</p>	<p>Notary Acknowledgement (Notary is needed only if form is not signed before a People's United employee)</p> <p>State of <u>Vermont</u>) ss.: _____</p> <p>County of <u>Chittenden</u></p> <p>On the <u>11</u> day of <u>August</u> 20<u>11</u>, before me, the undersigned, a Notary Public in and for said State, personally appeared <u>Patricia Loller</u> personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of whom the individual acted, executed the instrument.</p> <p>STAMP <i>Brenda Hawley</i> Notary Public, State of <u>Vermont</u></p>
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Use of Deposit Accounts

RESOLVED, That People's United Bank be, and it hereby is, authorized and directed to certify, pay, or otherwise honor all checks, drafts, notes, bills of exchange, acceptances, and other instruments (collectively, "Instruments") or orders for the payment, transfer, or withdrawal of money, including electronic orders or transfers, for whatever purpose and to whomsoever payable when such Instruments and/or orders are made, signed, or endorsed by the signature, the facsimile or specimen signature (actual or purported), or the oral direction of any ONE of the Authorized Signers, including payments and/or transfers to any one or more Authorized Signers and even if such payment, transfer, or withdrawal will create or increase an overdraft in the account on which it is drawn, although any such payment shall be permitted in the sole discretion of People's United Bank; and

RESOLVED, That each Authorized Signer be, and hereby is, individually authorized on behalf of the Depositor to open and close the Deposit Accounts, to apply for and to obtain any services related to those accounts (including the Deposit Services), to update information on any Deposit Account, and to endorse, negotiate, and collect any and all Instruments; and

RESOLVED, That each Authorized Signer be, and hereby is, individually authorized on behalf of the Depositor to instruct, orally or by such other means as People's United Bank may make available to the Depositor, People's United Bank to initiate the transfer of funds between any Deposit Account and any other Deposit Account; and

RESOLVED, That People's United Bank may rely on the signature, endorsement, order, facsimile signature, specimen signature, or oral instruction reasonably believed by People's United Bank to be made by any ONE Authorized Signer, and that People's United Bank may act on any direction of any ONE Authorized Signer without inquiry and without regard to the application of the proceeds thereof, provided that People's United Bank acts in good faith; and

RESOLVED, That the Depositor hereby acknowledges that People's United Bank will assign the Depositor a Business Personal Security Number and/or a Business Identification Number that any Authorized Signer will be able to use to access one or more of the Deposit Accounts via telephone, on the Internet, or through the use of a Business Card, if such a Card is issued to the Depositor; and

RESOLVED, That, if the Depositor receives a Business ATM Card or MasterMoney™ BusinessCard, the Depositor hereby authorizes each Authorized Signer to receive his or her own unique Personal Identification Number that will enable that Authorized Signer to utilize the Depositor's Business ATM Card or MasterMoney™ BusinessCard to access some or all of the Deposit Accounts on behalf of the Depositor; and

Miscellaneous Resolutions

RESOLVED, That People's United Bank shall not be liable in connection with the collection of Instruments and/or orders that are handled by People's United Bank without gross negligence, and People's United Bank shall not be liable for the acts or failure to act of its agents or subagents, any networks, clearing houses, or other interchanges or devices used, or for any other casualty; and

RESOLVED, That the Depositor assumes full responsibility for and shall indemnify People's United Bank against all losses, costs, liabilities, and claims resulting from payments, withdrawals, transfers, or orders made or purported to be made in accordance with, or from actions taken in good faith and in reliance upon, these Resolutions; and

RESOLVED, That the Depositor shall notify People's United Bank promptly and in writing of any change in (a) these Resolutions; (b) the identity of the Authorized Signers; (c) the identity of persons authorized to obtain and use a Business ATM Card; (d) the identity of the persons authorized to use a MasterMoney™ BusinessCard on behalf of the Depositor; (e) the ownership of the Depositor; or (f) the Depositor's legal structure or status, including the Depositor's dissolution or bankruptcy; and

RESOLVED, That People's United Bank may rely on these Certified Resolutions and on any certification by any ONE Authorized Signer or authorized representative of the Depositor as to the names and signatures of the Authorized Signers of the Depositor until People's United Bank has actually received written notice, facsimile or otherwise, of a change and has had a reasonable period of time to act on such notice; and

RESOLVED, That each of the persons listed at the end of the Certified Resolutions as a signer of the Certified Resolutions be, and each hereby is, designated a duly authorized representative of Depositor for all matters related to these Certified Resolutions, including the execution of this document on behalf of the Depositor, and the certification to People's United Bank (a) of the name, office (if any), and signature of each of the Authorized Signers, (b) that the Resolutions set forth herein have been adopted in accordance with all applicable governing documents, third party agreements, and laws applicable to the Depositor, and (c) of all other matters to be certified herein.

Certifications

Each individual who signs this document hereby certifies and warrants to People's United Bank that:

- (a) The Resolutions set forth herein: (i) have been properly adopted by the Depositor in accordance and conformity with the Depositor's governing documents, all agreements with third parties, and all laws applicable to the Depositor; (ii) have not been modified or rescinded; and (iii) are in full force and effect and binding on the Depositor.
- (b) He or she is the duly authorized representative of the Depositor, authorized to act on behalf of the Depositor in all matters pertaining to its rights, responsibilities, and activities in connection with these Certified Resolutions including but not limited to executing this document on behalf of the Depositor;
- (c) The Depositor is duly organized and in good standing in the jurisdiction in which it is organized;
- (d) A current and complete copy of the Depositor's organizational document (for example, its certificate of incorporation, its articles of organization, its partnership agreement, its charter, or other similar document) has been provided herewith to People's United Bank. Sole proprietorships are not required to submit an organizational document;
- (e) If the Depositor is a corporation owned by one shareholder, the undersigned certifies to People's United Bank that he/she is the sole shareholder and officer of such corporation;
- (f) If a trade name is used by Depositor, the undersigned certifies that a duly certified Trade Name or Doing Business As Certificate or the equivalent has been delivered to People's United Bank;

IN WITNESS WHEREOF, I/we have signed these Certified Resolutions on the 2 day of August, 2011.

SIGNING INSTRUCTIONS

- **A Business Owned by Only One Person:** If the Depositor is owned by only one person, this document must be signed by the owner. In the case of a corporation that is owned by only one shareholder, this document must be signed by the president of the corporation.
- **Partnership:** If the Depositor is a partnership, this document must be signed by all of the general partners of the Depositor. This includes a business owned jointly by a husband and wife.
- **Limited Liability Company:** If the Depositor is a limited liability company with more than one member, this document must be signed by each of the members of the Depositor. If the Depositor is operated by one or more manager(s), this document may be signed by each of the managers rather than the member(s).
- **Limited Liability Partnership:** If the Depositor is a limited liability partnership with more than one partner, this document must be signed by each of the partners of the Depositor. If the Depositor is operated by one or more manager(s), this document may be signed by each of the managers, rather than the partner(s).
- **Corporation Owned by More than One Shareholder:** If the Depositor is a corporation that is owned by more than one shareholder, this document must be signed by the president of the corporation. If the president of the corporation is also an Authorized Signer (listed above), at least one additional person must also sign this document.
- **Corporation Owned by One Shareholder:** If the Depositor is a corporation that is owned by one shareholder, this document must be signed by the president.
- **Other Entity:** If the Depositor is an entity not listed above, this document must be signed by a person or persons authorized by the governing body of the Depositor to do so. If one of the persons signing this document is also an Authorized Signer (listed above), at least one additional person must also sign this document.

IF ANY PERSON SIGNS THIS DOCUMENT OUTSIDE OF THE PRESENCE OF A PEOPLE'S UNITED BANK REPRESENTATIVE, THAT PERSON'S SIGNATURE MUST BE NOTARIZED.

<u>X</u> <u>Sarah Carpenter</u> Signature <u>Sarah Carpenter</u> Printed Name <u>Executive Director</u> Title Signature of People's United Bank Witness Printed Name of People's United Bank Witness	<p align="center">Notary Acknowledgment (Notary is needed only if form is not signed before a People's United employee)</p> State of <u>Vermont</u> County of <u>Chittenden</u>) ss.: On the <u> 2 </u> day of <u>August</u> , 20 <u>11</u> , before me, the undersigned, a Notary Public in and for said State, personally appeared <u>Sarah Carpenter</u> , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of whom the individual acted, executed the instrument. STAMP <u>Brenda Hawley</u> Notary Public, State of <u>Vermont</u>
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IF ANY PERSON SIGNS THIS DOCUMENT OUTSIDE OF THE PRESENCE OF A PEOPLE'S UNITED BANK REPRESENTATIVE, THAT PERSON'S SIGNATURE MUST BE NOTARIZED.

<u>X</u> <u>Thomas N. Pelletier</u> Signature <u>Thomas N. Pelletier</u> Printed Name <u>Chair</u> Title Signature of People's United Bank Witness Printed Name of People's United Bank Witness	<p align="center">Notary Acknowledgment (Notary is needed only if form is not signed before a People's United employee)</p> State of <u>Vermont</u> County of <u>Washington</u>) ss.: On the <u> 2 </u> day of <u>August</u> , 20 <u>11</u> , before me, the undersigned, a Notary Public in and for said State, personally appeared <u>Thomas N. Pelletier</u> , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of whom the individual acted, executed the instrument. STAMP <u>Christa Seeger</u> Notary Public, State of <u>Vermont</u>
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- (g) If the Depositor is a limited liability company or partnership, the undersigned are all of its members, managers, or partners, as the case may be;
- (h) He or she understands that People's United Bank will rely on the truth of these certifications in conducting business with the Depositor;
- (i) If the Depositor, or any one individual listed as an authorized signer, should direct People's United Bank to make preauthorized transfers, to combine or to electronically deliver account statements, or to establish an internet banking relationship including the designation of an internal administrator that can entitle other individuals (who may or may not be signers) to view and have access to any and all accounts granted the right by People's United Bank at its sole discretion, the Depositor hereby agrees to be subject to the terms and conditions of the BDAC, the Business Deposit Account Schedule of Charges, the Business Electronic Banking Agreement, and any other agreements, as updated, with People's United Bank that apply to the depositor's accounts now or in the future;
- (j) The Depositor (and any current or future authorized signatories or otherwise designated individuals) hereby certifies that it does not, nor will it ever engage in restricted transactions, such as internet gambling. Such transactions are prohibited from being processed into or out of the Depositor's account(s) or relationship via any means, including but not limited to check or check collection systems, electronic money transmission, card-based transactions (ATM or MasterMoneyTM BusinessCard), ACH (Automated Clearing House), Wire Transfers, or third-party processors; and
- (k) Each signature below represents the true and accurate signature of the named person and that such person holds the corresponding title (if any);

OFF-SITE SIGNATURE CARD PAGE 1 OF 3
 INFORMATION ABOUT THE AUTHORIZED SIGNERS



ACCOUNT NUMBER 14538062 Date: 8/8/11
 Business Name VERMONT HOUSING FINANCE AG Tax ID # 030-239902
 Business Address 164 St Paul St City Burlington State Vt Zip 05401
 Employee Name _____ Employee # _____ OD Officer # _____ Account Type _____

Only use this form as a signature card for off-site visits or if a People's United Bank employee does not verify the signer's identity. A Notary signature is required ONLY if a People's United Bank employee does not verify the signer's identity.
 Make additional copies if more than four signers. Always fax the signed signature card to Doc View.

Business Owner and Authorized Signer Information

The OWNER is an owner, managing member, general partner, authorized officer or principal of the business and an authorized signer on the account. The SIGNER is an authorized signer on the account. By designating a person as a Signer, Owner represents and warrants to People's United Bank that the person has the authority to act on behalf of the Business with respect to the Account.

By signing this signature card I/we agree that I/we have received a copy of the Business Deposit Account Contract, Business Schedule of Deposit Account Charges and Business Deposit Accounts Schedule of Interest and agree to the terms and conditions contained therein as they may be modified from time to time. I/we agree to waive any right to trial by jury in connection with the Account.

1.
 Name (First MI Last) David S. Adams
 Title Chief of Program Operations
 SSN _____ DOB _____
 Non Resident Alien (NRA) (check if applicable) _____
 Home Address _____
 City _____ State _____ Zip _____
 Home Phone _____
 Business Phone _____
 Check One: Owner _____ Signer _____
 Photo ID: State _____ ID# _____ Exp. Date _____
 Secondary ID (list type used) _____
 SIGNATURE of Authorized Owner
☒ [Signature]

Notary Acknowledgement
 (Notary is needed only if form is not signed before a People's United employee)
 State of Vermont)ss.:
 County of Chittenden
 On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared David S. Adams personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.
 STAMP [Signature]
 Notary Public, State of Vermont

2.
 Name (First MI Last) Thomas R. Connors
 Title Chief Financial Officer
 SSN _____ DOB _____
 Non Resident Alien (NRA) (check if applicable) _____
 Home Address _____
 City _____ State _____ Zip _____
 Home Phone _____
 Business Phone _____
 Check One: Owner _____ Signer _____
 Photo ID: State _____ ID# _____ Exp. Date _____
 Secondary ID (list type used) _____
 SIGNATURE of Authorized Signer
☒ [Signature]

Notary Acknowledgement
 (Notary is needed only if form is not signed before a People's United employee)
 State of Vermont)ss.:
 County of Chittenden
 On the 8th day of August, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas R. Connors personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.
 STAMP [Signature]
 Notary Public, State of Vermont

1. The first part of the document is a list of names and their corresponding dates. The names are: "John Doe", "Jane Smith", "Bob Johnson", "Alice Brown", "Charlie White", "David Green", "Eve Black", "Frank Gray", "Grace Pink", "Henry Blue", "Ivy Yellow", "Jack Purple", "Karen Red", "Leo Orange", "Mia Silver", "Noah Gold", "Olivia Bronze", "Peter Copper", "Quinn Iron", "Rachel Steel", "Sam Tin", "Tina Lead", "Uma Zinc", "Victor Nickel", "Wendy Platinum", "Xavier Silver", "Yara Gold", "Zoe Bronze". The dates are: "1990-01-01", "1990-02-01", "1990-03-01", "1990-04-01", "1990-05-01", "1990-06-01", "1990-07-01", "1990-08-01", "1990-09-01", "1990-10-01", "1990-11-01", "1990-12-01", "1991-01-01", "1991-02-01", "1991-03-01", "1991-04-01", "1991-05-01", "1991-06-01", "1991-07-01", "1991-08-01", "1991-09-01", "1991-10-01", "1991-11-01", "1991-12-01", "1992-01-01", "1992-02-01", "1992-03-01", "1992-04-01", "1992-05-01", "1992-06-01", "1992-07-01", "1992-08-01", "1992-09-01", "1992-10-01", "1992-11-01", "1992-12-01".

OFF-SITE SIGNATURE CARD PAGE 2 OF 3
 INFORMATION ABOUT THE AUTHORIZED SIGNERS



<p>3. Name (First MI Last) <u>Patricia Loller</u> Title <u>Director of Administration</u> SSN _____ DOB _____ Non Resident Alien (NRA) (check if applicable) _____ Home Address _____ City _____ State _____ Zip _____ Home Phone _____ Business Phone _____ Check One: Owner _____ Signer _____ Photo ID: State _____ ID# _____ Exp. Date _____ Secondary ID (list type used) _____ SIGNATURE of Authorized Signer <div style="border: 1px solid black; padding: 2px; display: inline-block;"> </div> </p>	<p style="text-align: center;">Notary Acknowledgement</p> <p>(Notary is needed only if form is not signed before a People's United employee)</p> <p>State of <u>Vermont</u> ss.: County of <u>Chittenden</u> On the <u>8th</u> day of <u>August</u>, 20<u>11</u>, before me, the undersigned, a Notary Public in and for said State, personally appeared <u>Patricia Loller</u> personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.</p> <p style="text-align: right;"> STAMP Notary Public, State of <u>Vermont</u> </p>
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<p>4. Name (First MI Last) <u>Sarah Carpenter</u> Title <u>Executive Director</u> SSN _____ DOB _____ Non Resident Alien (NRA) (check if applicable) _____ Home Address _____ City _____ State _____ Zip _____ Home Phone _____ Business Phone _____ Check One: Owner _____ Signer _____ Photo ID: State _____ ID# _____ Exp. Date _____ Secondary ID (list type used) _____ SIGNATURE of Authorized Signer <div style="border: 1px solid black; padding: 2px; display: inline-block;"> </div> </p>	<p style="text-align: center;">Notary Acknowledgement</p> <p>(Notary is needed only if form is not signed before a People's United employee)</p> <p>State of <u>Vermont</u> ss.: County of <u>Chittenden</u> On the <u>8th</u> day of <u>August</u>, 20<u>11</u>, before me, the undersigned, a Notary Public in and for said State, personally appeared <u>Sarah Carpenter</u> personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.</p> <p style="text-align: right;"> STAMP Notary Public, State of <u>Vermont</u> </p>
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CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER

As a duly authorized representative of the business identified above and speaking on behalf of the business, I certify, under penalties of perjury that (1) the number shown on this form is my correct taxpayer identification number and (2)(a) I am not subject to backup withholding for the reason checked below, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. person (including a U.S. resident alien). You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

Name of Business: Vermont Housing Finance Agency

I am exempt from backup withholding because I am:

☒ an Exempt Payee (Form W-9 is required)
 ☐ a Non-Resident Alien (form W-8BEN is required)

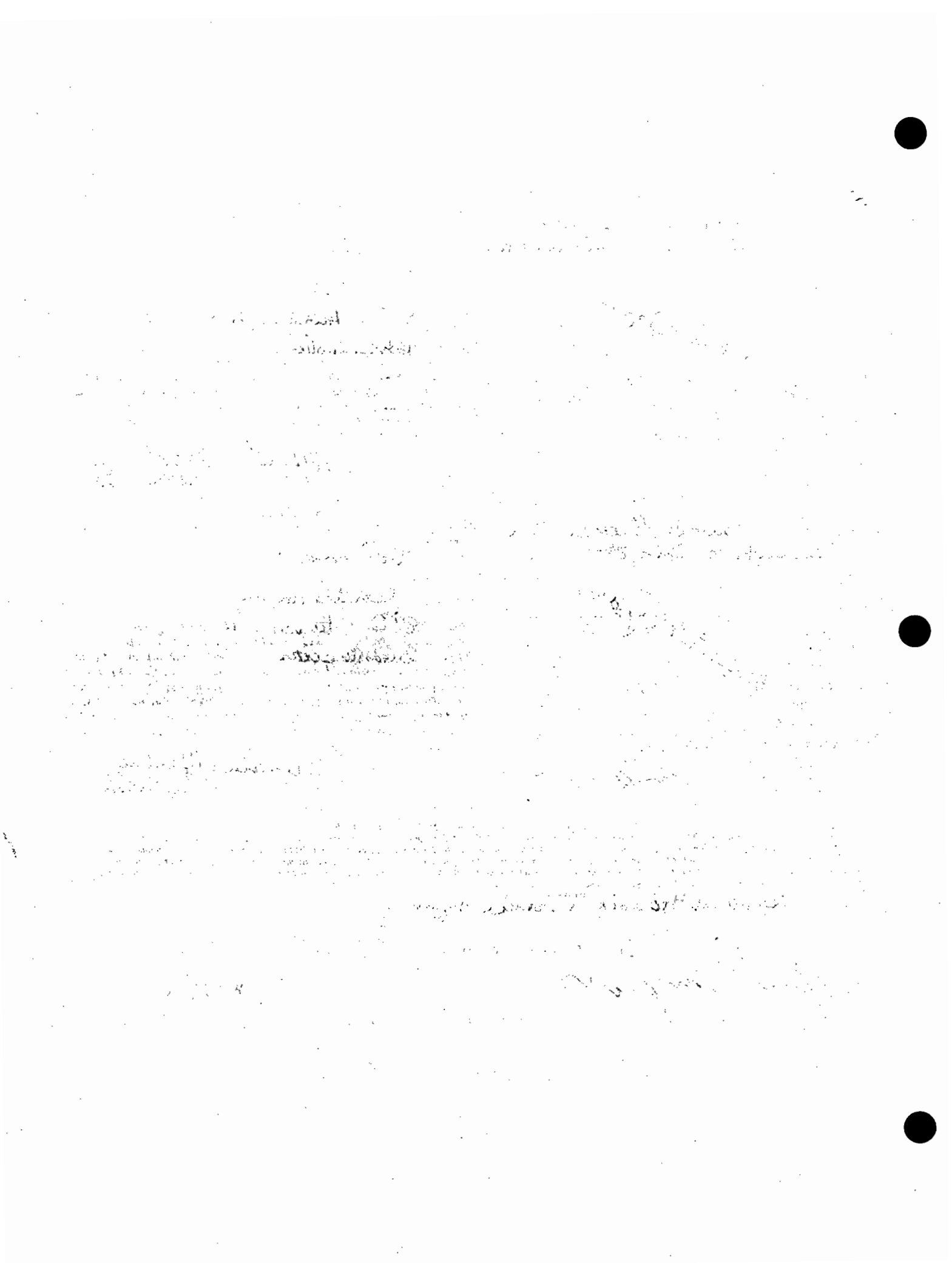
By: Date: 8/8/11

Signature (person signing in position "1" above)

The Following exception condition exists on this account (i.e.: Out of state identification or CHEX record for business or signers):

Management Approval: _____
 Signature / Employee # _____

CHEX SYSTEMS CALLED BY: _____
 Signature / Employee # _____ TIN Issue Date: _____



OFF-SITE SIGNATURE CARD PAGE 2 OF 2
INFORMATION ABOUT THE AUTHORIZED SIGNERS



5
Name (First MI Last) Thomas W. Kimball
Title Controller
SSN _____ DOB _____
Non Resident Alien (NRA) (check if applicable) _____
Home Address 246 Atkins Farm Rd
City Ferrisburgh State VT Zip 05456
Home Phone 802 - 877 - 3991
Business Phone 802 - 652 - 3437
Check One: Owner _____ Signer ☒
Photo ID: State VT ID# _____ Exp. Date 12/14
Secondary ID (list type used) _____
SIGNATURE of Authorized Signer
Thomas W Kimball

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)
State of Vermont)ss.:
County of Chittenden
On the 10th day of September, 2011, before me, the undersigned, a Notary Public in and for said State, personally appeared Thomas W. Kimball personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.
STAMP _____
Notary Public, State of Vermont

4.
Name (First MI Last) _____
Title _____
SSN _____ DOB _____
Non Resident Alien (NRA) (check if applicable) _____
Home Address _____
City _____ State _____ Zip _____
Home Phone _____
Business Phone _____
Check One: Owner _____ Signer _____
Photo ID: State _____ ID# _____ Exp. Date _____
Secondary ID (list type used) _____
SIGNATURE of Authorized Signer

Notary Acknowledgement
(Notary is needed only if form is not signed before a People's United employee)
State of _____)ss.:
County of _____
On the _____ day of _____, 20____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her signature(s) on the instrument, the individual, or the person upon behalf of which the individual(s) acted, executed the instrument.
STAMP _____
Notary Public, State of _____

CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER
As a duly authorized representative of the business identified above and speaking on behalf of the business, I certify, under penalties of perjury that (1) the number shown on this form is my correct taxpayer identification number and (2)(a) I am not subject to backup withholding for the reason checked below, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. person (including a U.S. resident alien). You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

Name of Business: Vermont Housing Finance Agency

I am exempt from backup withholding because I am:

☐ an Exempt Payee (Form W-9 is required)

☒ a Non-Resident Alien (form W-8BEN is required)

X David Carpenter
Signature (person signing in position "1" above)

September, 2011
Date

The Following exception condition exists on this account (i.e.: Out of state identification or CHEX record for business or signers):

Management Approval:

Signature / Employee #

CHEX SYSTEMS CALLED BY:

Signature / Employee #

TIN Issue Date:



KeyBank

Business Non-Personal Signature Card

Legal Title of Account VERMONT HOUSING FINANCE AGENCY

Status

- ☐ Corporation ☐ Corporation Non-Profit
☐ Sole Proprietorship ☐ Partnership
☐ Organization/Association ☐ Public Entity
☐ Limited Liability Company

Principal Business Address
164 ST PAUL ST

City
BURLINGTON

State
VT

Zip Code
05401

Telephone No.

☒ Account Number
459687000560

Statement Mailing Address

☐ Multiple Accounts

Refer to Attached Exhibit A

City State Zip Code Telephone No.
☐ New Signature Card
☒ Replace previous Signature Card

Designated Signer's Name	US Citizen (Y/N)	Title	TIN or SSN	Signature
David S Adams	Y	Chief of Program Operations		<i>David S Adams</i>
Sarah Carpenter	Y	Exec. Director		<i>Sarah Carpenter</i>
Thomas R Connors	Y	CFO		<i>Thomas R Connors</i>
Patricia Loller	Y	Dir. of Admin.		<i>Patricia Loller</i>
Thomas W. Kimball	Y	Controller		<i>Thomas W Kimball</i>

* If this entity has additional Designated Signers enter Signer's information on page 2 and check here ☐

By signing below, the client listed above ("Client") authorizes KeyBank National Association ("KeyBank"), at its discretion, to open one or more business or non-personal accounts owned by the Client with the same Account Title listed above and with the same Designated Signers listed above, and upon receipt of electronic, written or oral instructions from the Client without obtaining an additional Signature Card ("Account" or "Accounts"). Accounts opened hereunder are listed above and on Exhibit A attached hereto and made a part hereof, as such Exhibit may be amended or supplemented by the Client from time to time. Addition of a new account to Exhibit A shall be effective only upon receipt by KeyBank of a new Exhibit A in a form acceptable to KeyBank in its sole discretion. The Client acknowledges and agrees that all Accounts opened under this Signature Card are governed by the terms and conditions of the Deposit Account Agreement and Funds Availability Policy ("Agreement") and Disclosures governing the Accounts. KeyBank may change the Agreement at any time. By signing below, Client acknowledges receipt of the Agreement and Disclosures.

The Client authorizes KeyBank to operate all current and future Accounts opened under this Signature Card. The authority to operate each Account includes: (i) to act upon instructions from any of the designated signers to deposit, withdraw or transfer funds to or from any other accounts at the Bank when opening new accounts;; (ii) to recognize and honor the signature of any of the designated signers on checks (if withdrawal by check is permitted) and withdrawal slips and honor any other electronic, written or oral requests for withdrawals or transfers of funds, including transfers to KeyBank or to third parties; and (iii) to act upon instructions from any Designated Signer for the transaction of any business on any Accounts covered by this Signature Card. KeyBank may rely on this authorization for the Accounts opened under this Signature Card until KeyBank receives written notice revoking the authorization and has reasonable time to act upon it. Until such notice is actually received, the authority conferred herein to the Designated Signers noted below shall remain in full force and effect and KeyBank shall be indemnified and saved harmless from any loss suffered or liability incurred by it in pursuance of this Authorization.

Attention New Customer: The information provided by the Client to open a new Account is subject to review and verification. KeyBank reserves the right to close the Account in the event KeyBank is unable to verify, to its satisfaction, the information that Client has provided.

The undersigned certifies that the above are the true and genuine signatures of authorized signer(s) with their respective title, authorized to sign for the Entity.

Under penalties of perjury, the undersigned certifies that (1) the number shown on this form is the Entity's correct taxpayer or employer identification number (or the Entity is waiting for a number to be issued), and (2) the Entity is not subject to backup withholding because: (a) the Entity is exempt from backup withholding, or (b) the Entity has not been notified by the Internal Revenue Service that it is subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified the Entity that it is no longer subject to backup withholding, and 3) I am a U.S. citizen or other U.S. person (defined below).

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien.
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States.
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

The undersigned must cross out item (2) above if the Entity has been notified by the IRS that it is currently subject to backup withholding because of underreporting interest or dividends on its tax return.

Tax Identification No. 030239902

Title for Legal Owner of TIN

VERMONT HOUSING FINANCE AGENCY

Refer to the list of payees exempt from backup withholding and for which no information reporting is required.

If this Entity is exempt from backup withholding and information reporting under IRS regulations, enter your correct TIN in the previous section and check here ☒

If you are a foreign person, cross out above certification section and U.S. Person on the line under your signature below. Complete the appropriate Form W-8.

Notarization required if signature is not on file or not signed in presence of Bank employee

State of _____) County of _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by _____
Authorized signer.

Notary Public
My commission expires:

[illegible]

ID/Comments									
For Bank Use Only New Account Verification		Chex Systems Telephone No. _____ Other _____		Verified By _____ _____ _____		Waived By _____ _____ _____		Type of Account <input type="checkbox"/> Checking Account <input type="checkbox"/> Money Market Checking <input type="checkbox"/> Certificate of Deposit <input type="checkbox"/> Statement Savings <input type="checkbox"/> Money Market Savings	
Certificate or Resolution Filed Date _____ Location _____ Sig. Req. _____						(check one) <input type="checkbox"/> New <input type="checkbox"/> Change of Signers Effective Date _____			
Cost Center No. _____		Lead Account No. _____		Funds Owner Code _____			Sub Product Code _____		
Sub Funds Owner Code _____		Source of Funds Code _____		SIC Code _____			Sales Volume _____		
Opened Date _____		Opening Deposit _____		Opened By _____		Officer Code _____		Telephone No. _____	

The following is a list of payees exempt from backup withholding and for which no information reporting is required. For interest and dividends, all listed payees are exempt except item 9. For broker transactions, payees listed in 1 through 13, and a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker are exempt.

Payments subject to reporting under sections 6041 and 6041A are generally exempt from backup withholding only if made to payees described in items 1 through 7, except a corporation that provides medical and health care services or bills and collects payments for such services is not exempt from backup withholding or information reporting. Only payees described in items 2 through 6 are exempt from backup withholding for barter exchange transactions, patronage dividends, and payments by certain fishing boat operators.

1. A corporation.
2. A Client exempt from tax under section 501 (a), or an IRA, or a custodial account under section 403 (b) (7).
3. The United States or any of its agencies or instrumentalities.
4. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
5. A foreign government or any of its political subdivisions, agencies, or instrumentalities.
6. An international Client or any of its agencies or instrumentalities.
7. A foreign central bank of issue.
8. A dealer in securities or commodities required to register in the United States or a possession of the United States.
9. A futures commission merchant registered with the Commodity Futures Trading Commission.
10. A real estate investment trust.
11. An entity registered at all times during the tax year under the Investment Company Act of 1940.
12. A common trust fund operated by a bank under section 584(a).
13. A financial institution.
14. A middleman known in the investment community as a nominee or listed in the most recent publication of the American Society of Corporate Secretaries, Inc., Nominee List.
15. A trust exempt from tax under section 664 or described in section 4947.



Business Non-Personal Signature Card

Legal Title of Account VERMONT HOUSING FINANCE AGENCY				
Principal Business Address 164 ST PAUL ST				Status <input type="checkbox"/> Corporation <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Organization/Association <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Corporation Non-Profit <input type="checkbox"/> Partnership <input type="checkbox"/> Public Entity
City BURLINGTON	State VT	Zip Code 05401	Telephone No.	<input checked="" type="checkbox"/> Account Number 459681004246
Statement Mailing Address				<input type="checkbox"/> Multiple Accounts Refer to Attached Exhibit A
City	State	Zip Code	Telephone No.	<input type="checkbox"/> New Signature Card <input checked="" type="checkbox"/> Replace previous Signature Card
Designated Signer's Name	US Citizen (Y/N)	Title	TIN or SSN	Signature
David S Adams	Y	Chief of Program operations		<i>David S Adams</i>
Sarah Carpenter	Y	Exec. Director		<i>Sarah Carpenter</i>
Thomas R Connors	Y	CEO		<i>Thomas R Connors</i>
Patricia Loller	Y	Dir. of Admin		<i>Patricia M Loller</i>
Thomas W. Kimball	Y	Controller	1	<i>Thomas W Kimball</i>

* If this entity has additional Designated Signers enter Signer's information on page 2 and check here ☐

By signing below, the client listed above ("Client") authorizes KeyBank National Association ("KeyBank"), at its discretion, to open one or more business or non-personal accounts owned by the Client with the same Account Title listed above and with the same Designated Signers listed above, and upon receipt of electronic, written or oral instructions from the Client without obtaining an additional Signature Card ("Account" or "Accounts"). Accounts opened hereunder are listed above and on Exhibit A attached hereto and made a part hereof, as such Exhibit may be amended or supplemented by the Client from time to time. Addition of a new account to Exhibit A shall be effective only upon receipt by KeyBank of a new Exhibit A in a form acceptable to KeyBank in its sole discretion. The Client acknowledges and agrees that all Accounts opened under this Signature Card are governed by the terms and conditions of the Deposit Account Agreement and Funds Availability Policy ("Agreement") and Disclosures governing the Accounts. KeyBank may change the Agreement at any time. By signing below, Client acknowledges receipt of the Agreement and Disclosures.

The Client authorizes KeyBank to operate all current and future Accounts opened under this Signature Card. The authority to operate each Account includes: (i) to act upon instructions from any of the designated signers to deposit, withdraw or transfer funds to or from any other accounts at the Bank when opening new accounts;; (ii) to recognize and honor the signature of any of the designated signers on checks (if withdrawal by check is permitted) and withdrawal slips and honor any other electronic, written or oral requests for withdrawals or transfers of funds, including transfers to KeyBank or to third parties; and (iii) to act upon instructions from any Designated Signer for the transaction of any business on any Accounts covered by this Signature Card. KeyBank may rely on this authorization for the Accounts opened under this Signature Card until KeyBank receives written notice revoking the authorization and has reasonable time to act upon it. Until such notice is actually received, the authority conferred herein to the Designated Signers noted below shall remain in full force and effect and KeyBank shall be indemnified and saved harmless from any loss suffered or liability incurred by it in pursuance of this Authorization.

Attention New Customer: The information provided by the Client to open a new Account is subject to review and verification. KeyBank reserves the right to close the Account in the event KeyBank is unable to verify, to its satisfaction, the information that Client has provided.

The undersigned certifies that the above are the true and genuine signatures of authorized signer(s) with their respective title, authorized to sign for the Entity.

Under penalties of perjury, the undersigned certifies that (1) the number shown on this form is the Entity's correct taxpayer or employer identification number (or the Entity is waiting for a number to be issued), and (2) the Entity is not subject to backup withholding because: (a) the Entity is exempt from backup withholding, or (b) the Entity has not been notified by the Internal Revenue Service that it is subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified the Entity that it is no longer subject to backup withholding, and 3) I am a U.S. citizen or other U.S. person (defined below).

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien.
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States.
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

The undersigned must cross out item (2) above if the Entity has been notified by the IRS that it is currently subject to backup withholding because of underreporting interest or dividends on its tax return.

Tax Identification No. 030239902

Title for Legal Owner of TIN

VERMONT HOUSING FINANCE AGENCY

Refer to the list of payees exempt from backup withholding and for which no information reporting is required.

If this Entity is exempt from backup withholding and information reporting under IRS regulations, enter your correct TIN in the previous section and check here: ☒

If you are a foreign person, cross out above certification section and U.S. Person on the line under your signature below. Complete the appropriate Form W-8.

Notarization required, if signature is not on file or not signed in presence of Bank employee

State of _____) County of _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by _____
Authorized signer.

Notary Public
My commission expires: _____

[illegible]

ID/Comments									
For Bank Use Only New Account Verification		Chex Systems Telephone No. _____ Other _____		Verified By _____ _____ _____		Waived By _____ _____ _____		Type of Account <input type="checkbox"/> Checking Account <input type="checkbox"/> Money Market Checking <input type="checkbox"/> Certificate of Deposit <input type="checkbox"/> Statement Savings <input type="checkbox"/> Money Market Savings	
Certificate or Resolution Filed Date _____ Location _____ Sig. Req. _____						(check one) <input type="checkbox"/> New <input type="checkbox"/> Change of Signers Effective Date _____			
Cost Center No. _____		Lead Account No. _____		Funds Owner Code _____			Sub Product Code _____		
Sub Funds Owner Code _____		Source of Funds Code _____		SIC Code _____			Sales Volume: _____		
Opened Date _____		Opening Deposit _____		Opened By _____		Officer Code _____		Telephone No. _____	

The following is a list of payees exempt from backup withholding and for which no information reporting is required. For interest and dividends, all listed payees are exempt except item 9. For broker transactions, payees listed in 1 through 13, and a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker are exempt.

Payments subject to reporting under sections 6041 and 6041A are generally exempt from backup withholding only if made to payees described in items 1 through 7, except a corporation that provides medical and health care services or bills and collects payments for such services is not exempt from backup withholding or information reporting. Only payees described in items 2 through 6 are exempt from backup withholding for barter exchange transactions, patronage dividends, and payments by certain fishing boat operators.

1. A corporation.
2. A Client exempt from tax under section 501 (a), or an IRA, or a custodial account under section 403 (b) (7).
3. The United States or any of its agencies or instrumentalities.
4. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
5. A foreign government or any of its political subdivisions, agencies, or instrumentalities.
6. An international Client or any of its agencies or instrumentalities.
7. A foreign central bank of issue.
8. A dealer in securities or commodities required to register in the United States or a possession of the United States.
9. A futures commission merchant registered with the Commodity Futures Trading Commission.
10. A real estate investment trust.
11. An entity registered at all times during the tax year under the Investment Company Act of 1940.
12. A common trust fund operated by a bank under section 584(a).
13. A financial institution.
14. A middleman known in the investment community as a nominee or listed in the most recent publication of the American Society of Corporate Secretaries, Inc., Nominee List.
15. A trust exempt from tax under section 664 or described in section 4947.



KeyBank

Business Non-Personal Signature Card

Legal Title of Account **VERMONT HOUSING FINANCE AGENCY**

Status

- ☐ Corporation ☐ Corporation Non-Profit
☐ Sole Proprietorship ☐ Partnership
☐ Organization/Association ☐ Public Entity
☐ Limited Liability Company

Principal Business Address
164 ST PAUL ST

City
BURLINGTON

State
VT

Zip Code
05401

Telephone No.

☒ Account Number
459681003743

Statement Mailing Address

☐ Multiple Accounts

Refer to Attached Exhibit A

City

State

Zip Code

Telephone No.

☐ New Signature Card

☒ Replace previous Signature Card

Designated Signer's Name *	US Citizen (Y/N)	Title	TIN or SSN	Signature
David S Adams	Y	Chief of Program Operations		<i>David S Adams</i>
Sarah Carpenter	Y	Exec. Director		<i>Sarah Carpenter</i>
Thomas R Connors	Y	CFO		<i>Thomas R Connors</i>
Patricia Loller	Y	Dir. of Administration		<i>Patricia M Loller</i>
Lisa Clark	Y	Finance Ops Mgr		<i>Lisa C Clark</i>
Thomas W. Kimball	Y	Controller		<i>Thomas W Kimball</i>

* If this entity has additional Designated Signers enter Signer's information on page 2 and check here ☐

By signing below, the client listed above ("Client") authorizes KeyBank National Association ("KeyBank"), at its discretion, to open one or more business or non-personal accounts owned by the Client with the same Account Title listed above and with the same Designated Signers listed above, and upon receipt of electronic, written or oral instructions from the Client without obtaining an additional Signature Card ("Account" or "Accounts"). Accounts opened hereunder are listed above and on Exhibit A attached hereto and made a part hereof, as such Exhibit may be amended or supplemented by the Client from time to time. Addition of a new account to Exhibit A shall be effective only upon receipt by KeyBank of a new Exhibit A in a form acceptable to KeyBank in its sole discretion. The Client acknowledges and agrees that all Accounts opened under this Signature Card are governed by the terms and conditions of the Deposit Account Agreement and Funds Availability Policy ("Agreement") and Disclosures governing the Accounts. KeyBank may change the Agreement at any time. By signing below, Client acknowledges receipt of the Agreement and Disclosures.

The Client authorizes KeyBank to operate all current and future Accounts opened under this Signature Card. The authority to operate each Account includes: (i) to act upon instructions from any of the designated signers to deposit, withdraw or transfer funds to or from any other accounts at the Bank when opening new accounts; (ii) to recognize and honor the signature of any of the designated signers on checks (if withdrawal by check is permitted) and withdrawal slips and honor any other electronic, written or oral requests for withdrawals or transfers of funds, including transfers to KeyBank or to third parties; and (iii) to act upon instructions from any Designated Signer for the transaction of any business on any Accounts covered by this Signature Card. KeyBank may rely on this authorization for the Accounts opened under this Signature Card until KeyBank receives written notice revoking the authorization and has reasonable time to act upon it. Until such notice is actually received, the authority conferred herein to the Designated Signers noted below shall remain in full force and effect and KeyBank shall be indemnified and saved harmless from any loss suffered or liability incurred by it in pursuance of this Authorization.

Attention New Customer: The information provided by the Client to open a new Account is subject to review and verification. KeyBank reserves the right to close the Account in the event KeyBank is unable to verify, to its satisfaction, the information that Client has provided.

The undersigned certifies that the above are the true and genuine signatures of authorized signer(s) with their respective title, authorized to sign for the Entity.

Under penalties of perjury, the undersigned certifies that (1) the number shown on this form is the Entity's correct taxpayer or employer identification number (or the Entity is waiting for a number to be issued), and (2) the Entity is not subject to backup withholding because: (a) the Entity is exempt from backup withholding, or (b) the Entity has not been notified by the Internal Revenue Service that it is subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified the Entity that it is no longer subject to backup withholding, and 3) I am a U.S. citizen or other U.S. person (defined below).

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien.
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States.
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

The undersigned must cross out item (2) above if the Entity has been notified by the IRS that it is currently subject to backup withholding because of underreporting interest or dividends on its tax return.

Tax Identification No. 030239902

Title for Legal Owner of TIN

VERMONT HOUSING FINANCE AGENCY

Refer to the list of payees exempt from backup withholding and for which no information reporting is required.

If this Entity is exempt from backup withholding and information reporting under IRS regulations, enter your correct TIN in the previous section and check here: ☒

If you are a foreign person, cross out above certification section and U.S. Person on the line under your signature below. Complete the appropriate Form W-8.



Business Non-Personal Signature Card

Legal Title of Account VERMONT HOUSING FINANCE AGENCY				
				Status <input type="checkbox"/> Corporation <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Organization/Association <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Corporation Non-Profit <input type="checkbox"/> Partnership <input type="checkbox"/> Public Entity
Principal Business Address 164 ST PAUL ST				<input checked="" type="checkbox"/> Account Number 459681004253
City BURLINGTON	State VT	Zip Code 05401	Telephone No.	<input type="checkbox"/> Multiple Accounts Refer to Attached Exhibit A
Statement Mailing Address				<input type="checkbox"/> New Signature Card <input checked="" type="checkbox"/> Replace previous Signature Card
City	State	Zip Code	Telephone No.	
Designated Signer's Name	US Citizen (Y/N)	Title	TIN or SSN	Signature
David S Adams	Y	Chief Program Operations		
Sarah Carpenter	Y	Exec. Director		
Thomas R Connors	Y	CFO		
Patricia Loller	Y	Dir. of Admin	0	
Lisa Clark	Y	Finance Ops Mgr		
Thomas W. Kimball	Y	Controller	1	

* If this entity has additional Designated Signers enter Signer's information on page 2 and check here ☐

By signing below, the client listed above ("Client") authorizes KeyBank National Association ("KeyBank"), at its discretion, to open one or more business or non-personal accounts owned by the Client with the same Account Title listed above and with the same Designated Signers listed above, and upon receipt of electronic, written or oral instructions from the Client without obtaining an additional Signature Card ("Account" or "Accounts"). Accounts opened hereunder are listed above and on Exhibit A attached hereto and made a part hereof, as such Exhibit may be amended or supplemented by the Client from time to time. Addition of a new account to Exhibit A shall be effective only upon receipt by KeyBank of a new Exhibit A in a form acceptable to KeyBank in its sole discretion. The Client acknowledges and agrees that all Accounts opened under this Signature Card are governed by the terms and conditions of the Deposit Account Agreement and Funds Availability Policy ("Agreement") and Disclosures governing the Accounts. KeyBank may change the Agreement at any time. By signing below, Client acknowledges receipt of the Agreement and Disclosures.

The Client authorizes KeyBank to operate all current and future Accounts opened under this Signature Card. The authority to operate each Account includes: (i) to act upon instructions from any of the designated signers to deposit, withdraw or transfer funds to or from any other accounts at the Bank when opening new accounts;; (ii) to recognize and honor the signature of any of the designated signers on checks (if withdrawal by check is permitted) and withdrawal slips and honor any other electronic, written or oral requests for withdrawals or transfers of funds, including transfers to KeyBank or to third parties; and (iii) to act upon instructions from any Designated Signer for the transaction of any business on any Accounts covered by this Signature Card. KeyBank may rely on this authorization for the Accounts opened under this Signature Card until KeyBank receives written notice revoking the authorization and has reasonable time to act upon it. Until such notice is actually received, the authority conferred herein to the Designated Signers noted below shall remain in full force and effect and KeyBank shall be indemnified and saved harmless from any loss suffered or liability incurred by it in pursuance of this Authorization.

Attention New Customer: The information provided by the Client to open a new Account is subject to review and verification. KeyBank reserves the right to close the Account in the event KeyBank is unable to verify, to its satisfaction, the information that Client has provided.

The undersigned certifies that the above are the true and genuine signatures of authorized signer(s) with their respective title, authorized to sign for the Entity.

Under penalties of perjury, the undersigned certifies that (1) the number shown on this form is the Entity's correct taxpayer or employer identification number (or the Entity is waiting for a number to be issued), and (2) the Entity is not subject to backup withholding because: (a) the Entity is exempt from backup withholding, or (b) the Entity has not been notified by the Internal Revenue Service that it is subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified the Entity that it is no longer subject to backup withholding, and 3) I am a U.S. citizen or other U.S. person (defined below).

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien.
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States.
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

The undersigned must cross out item (2) above if the Entity has been notified by the IRS that it is currently subject to backup withholding because of underreporting interest or dividends on its tax return.

Tax Identification No. 030239902

Title for Legal Owner of TIN

VERMONT HOUSING FINANCE AGENCY

Refer to the list of payees exempt from backup withholding and for which no information reporting is required.

If this Entity is exempt from backup withholding and information reporting under IRS regulations, enter your correct TIN in the previous section and check here ☒

If you are a foreign person, cross out above certification section and U.S. Person on the line under your signature below. Complete the appropriate Form W-8.

Notarization required if signature is not on file or not signed in presence of Bank employee

State of _____) County of _____)

Notary Public
My commission expires: _____

[illegible]

ID/Comments											
For Bank Use Only New Account Verification		Chax Systems Telephone No. Other		Verified By _____ _____		Waived By _____ _____		Type of Account <input type="checkbox"/> Checking Account <input type="checkbox"/> Money Market Checking <input type="checkbox"/> Certificate of Deposit		<input type="checkbox"/> Statement Savings <input type="checkbox"/> Money Market Savings	
Certificate or Resolution Filed Date _____ Location _____ Sig. Req. _____						(check one) <input type="checkbox"/> New <input type="checkbox"/> Change of Signers Effective Date _____					
Cost Center No.		Lead Account No.		Funds Owner Code			Sub Product Code				
Sub Funds Owner Code		Source of Funds Code		SIC Code			Sales Volume				
Opened Date		Opening Deposit		Opened By		Officer Code		Telephone No.			

The following is a list of payees exempt from backup withholding and for which no information reporting is required. For interest and dividends, all listed payees are exempt except item 9. For broker transactions, payees listed in 1 through 13, and a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker are exempt.

1. A corporation.
2. A Client exempt from tax under section 501 (a), or an IRA, or a custodial account under section 403 (b) (7).
3. The United States or any of its agencies or instrumentalities.
4. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
5. A foreign government or any of its political subdivisions, agencies, or instrumentalities.
6. An international Client or any of its agencies or instrumentalities.
7. A foreign central bank of issue.
8. A dealer in securities or commodities required to register in the United States or a possession of the United States.
9. A futures commission merchant registered with the Commodity Futures Trading Commission.
10. A real estate investment trust.
11. An entity registered at all times during the tax year under the Investment Company Act of 1940.
12. A common trust fund operated by a bank under section 584(a).
13. A financial institution.
14. A middleman known in the investment community as a nominee or listed in the most recent publication of the American Society of Corporate Secretaries, Inc., Nominee List.
15. A trust exempt from tax under section 664 or described in section 4947.

**Business Non-Personal Signature Card**Legal Title of Account **VERMONT HOUSING FINANCE AGENCY****Status**

- ☐ Corporation ☐ Corporation Non-Profit
☐ Sole Proprietorship ☐ Partnership
☐ Organization/Association ☐ Public Entity
☐ Limited Liability Company

Principal Business Address
164 ST PAUL STCity
BURLINGTONState
VTZip Code
05401

Telephone No.

☒ Account Number
459681004238

Statement Mailing Address

☐ Multiple Accounts

Refer to Attached Exhibit A

City

State

Zip Code

Telephone No.

☐ New Signature Card☒ Replace previous Signature Card

Designated Signer's Name	US Citizen (Y/N)	Title	TIN or SSN	Signature
David S Adams	Y	Chief of Program Operations		
Sarah Carpenter	Y	Exec. Director		
Thomas R Connors	Y	CFO		
Patricia Loller	Y	Dir of Admin.		
Lisa Clark	Y	Finance Ops Mgr		
Thomas W. Kimball	Y	Controller		

* If this entity has additional Designated Signers enter Signer's information on page 2 and check here ☐

By signing below, the client listed above ("Client") authorizes KeyBank National Association ("KeyBank"), at its discretion, to open one or more business or non-personal accounts owned by the Client with the same Account Title listed above and with the same Designated Signers listed above, and upon receipt of electronic, written or oral instructions from the Client without obtaining an additional Signature Card ("Account" or "Accounts"). Accounts opened hereunder are listed above and on Exhibit A attached hereto and made a part hereof, as such Exhibit may be amended or supplemented by the Client from time to time. Addition of a new account to Exhibit A shall be effective only upon receipt by KeyBank of a new Exhibit A in a form acceptable to KeyBank in its sole discretion. The Client acknowledges and agrees that all Accounts opened under this Signature Card are governed by the terms and conditions of the Deposit Account Agreement and Funds Availability Policy ("Agreement") and Disclosures governing the Accounts. KeyBank may change the Agreement at any time. By signing below, Client acknowledges receipt of the Agreement and Disclosures.

The Client authorizes KeyBank to operate all current and future Accounts opened under this Signature Card. The authority to operate each Account includes: (i) to act upon instructions from any of the designated signers to deposit, withdraw or transfer funds to or from any other accounts at the Bank when opening new accounts;; (ii) to recognize and honor the signature of any of the designated signers on checks (if withdrawal by check is permitted) and withdrawal slips and honor any other electronic, written or oral requests for withdrawals or transfers of funds, including transfers to KeyBank or to third parties; and (iii) to act upon instructions from any Designated Signer for the transaction of any business on any Accounts covered by this Signature Card. KeyBank may rely on this authorization for the Accounts opened under this Signature Card until KeyBank receives written notice revoking the authorization and has reasonable time to act upon it. Until such notice is actually received, the authority conferred herein to the Designated Signers noted below shall remain in full force and effect and KeyBank shall be indemnified and saved harmless from any loss suffered or liability incurred by it in pursuance of this Authorization.

Attention New Customer: The information provided by the Client to open a new Account is subject to review and verification. KeyBank reserves the right to close the Account in the event KeyBank is unable to verify, to its satisfaction, the information that Client has provided.

The undersigned certifies that the above are the true and genuine signatures of authorized signer(s) with their respective title, authorized to sign for the Entity.

Under penalties of perjury, the undersigned certifies that (1) the number shown on this form is the Entity's correct taxpayer or employer identification number (or the Entity is waiting for a number to be issued), and (2) the Entity is not subject to backup withholding because: (a) the Entity is exempt from backup withholding, or (b) the Entity has not been notified by the Internal Revenue Service that it is subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified the Entity that it is no longer subject to backup withholding, and 3) I am a U.S. citizen or other U.S. person (defined below).

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien.
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States.
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

The undersigned must cross out item (2) above if the Entity has been notified by the IRS that it is currently subject to backup withholding because of underreporting interest or dividends on its tax return.

Tax Identification No. **030239902**

Title for Legal Owner of TIN

VERMONT HOUSING FINANCE AGENCY

Refer to the list of payees exempt from backup withholding and for which no information reporting is required.

If this Entity is exempt from backup withholding and information reporting under IRS regulations, enter your correct TIN in the previous section and check here: ☒

If you are a foreign person, cross out above certification section and U.S. Person on the line under your signature below. Complete the appropriate Form W-8.

Notarization required if signature is not on file or not signed in presence of Bank employee

State of _____) County of _____)

Notary Public
My commission expires:

[illegible]

ID/Comments											
For Bank Use Only New Account Verification		Chex Systems Telephone No. _____ Other _____		Verified By _____ _____ _____		Waived By _____ _____ _____		Type of Account <input type="checkbox"/> Checking Account <input type="checkbox"/> Money Market Checking <input type="checkbox"/> Certificate of Deposit		<input type="checkbox"/> Statement Savings <input type="checkbox"/> Money Market Savings	
Certificate or Resolution Filed Date _____ Location _____ Sig. Req. _____						(check one) <input type="checkbox"/> New <input type="checkbox"/> Change of Signers Effective Date _____					
Cost Center No. _____		Lead Account No. _____			Funds Owner Code _____			Sub Product Code _____			
Sub Funds Owner Code _____		Source of Funds Code _____			SIC Code _____			Sales Volume _____			
Opened Date _____		Opening Deposit _____		Opened By _____			Officer Code _____		Telephone No. _____		

The following is a list of payees exempt from backup withholding and for which no information reporting is required. For interest and dividends, all listed payees are exempt except item 9. For broker transactions, payees listed in 1 through 13, and a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker are exempt.

Payments subject to reporting under sections 6041 and 6041A are generally exempt from backup withholding only if made to payees described in items 1 through 7, except a corporation that provides medical and health care services or bills and collects payments for such services is not exempt from backup withholding or information reporting. Only payees described in items 2 through 6 are exempt from backup withholding for barter exchange transactions, patronage dividends, and payments by certain fishing boat operators.

1. A corporation.
2. A Client exempt from tax under section 501 (a), or an IRA, or a custodial account under section 403 (b) (7).
3. The United States or any of its agencies or instrumentalities.
4. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities.
5. A foreign government or any of its political subdivisions, agencies, or instrumentalities.
6. An international Client or any of its agencies or instrumentalities.
7. A foreign central bank of issue.
8. A dealer in securities or commodities required to register in the United States or a possession of the United States.
9. A futures commission merchant registered with the Commodity Futures Trading Commission.
10. A real estate investment trust.
11. An entity registered at all times during the tax year under the Investment Company Act of 1940.
12. A common trust fund operated by a bank under section 584(a).
13. A financial institution.
14. A middleman known in the investment community as a nominee or listed in the most recent publication of the American Society of Corporate Secretaries, Inc., Nominee List.
15. A trust exempt from tax under section 664 or described in section 4947.



KeyBank

Business/Public Entity Depository

Company Name: VERMONT HOUSING FINANCE AGENCY
 State of Organization: VERMONT
 Principal Address of Business: 164 ST PAUL ST BURLINGTON VT 05402-0408

☐ **LIMITED LIABILITY COMPANY:** The undersigned hereby certifies to KeyBank National Association ("Bank") that each is a member / manager of the above-named limited liability company ("Company"), which is duly organized, validly existing and in good standing under the laws of the state of its organization, with its principal place of business at the above address, and further certifies that each of them is either (a) a member and the management of the Company is reserved to its members, or (b) a manager and the management of the Company is reserved to its managers, and in consideration of the acceptance of the Company's depository accounts by Bank, the Company hereby agrees to and adopts the resolutions below.

☐ **PARTNERSHIP:** The undersigned hereby certifies to Bank that each is a partner of the above-named partnership ("Company"), with its principal place of business at the above address, and further certifies that each of them is a duly authorized general partner of the Company; and in consideration of the acceptance of the Company's depository accounts by Bank, the Company hereby agrees to and adopts the resolutions below.

☐ **SOLE PROPRIETORSHIP:** The undersigned hereby certifies that he/she is the sole owner of the above-named business with its principal place of business at the above address ("Company"), which is a trade name used by the Company for the conduct of this business, and further certifies that the Company is an unincorporated form of business, and in consideration of the acceptance of the Company's depository accounts by the Bank, the undersigned hereby agrees to and adopts the resolutions below.

☐ **UNINCORPORATED ASSOCIATION:** The undersigned hereby certifies that he/she is the secretary of the above-named unincorporated association ("Company"), and that the following is a full and true copy of resolutions duly adopted at a meeting of the membership, executive committee, directors, or trustees, the governing body of the Company, duly held pursuant to notice and at which a quorum was present and acting throughout, and the same are now in full force, and further certifies that the referenced governing body is the duly authorized body to adopt these resolutions and that these resolutions and the powers granted therein conform to the organizational documents of the Company now in force and effect, and that the Bank may conclusively assume that persons so certified to be signatories of the Company shall continue as such until receipt by the Bank of written notice to the contrary.

☐ **CORPORATION:** The undersigned hereby certifies to Bank that she/he is the secretary of the above named corporation ("Company"), which is duly organized, validly existing and in good standing under the laws of the state of its incorporation, with its principal place of business at the above address, and further certifies that the following is a true copy of the resolutions in full force and effect which were duly adopted at a meeting of the Board of Directors/Trustees of the Company, duly held pursuant to notice and at which a quorum was present and acting throughout, or by unanimous written action/consent of all members of the Board of Directors/Trustees, in accordance with applicable state laws; and said proceedings and the Resolution adopted thereby are in conformity with and do not in any respect contravene the provisions of applicable statutes, the Articles of Incorporation, Corporate Charter, Code of Regulations, or Bylaws of the Company.

☐ **PUBLIC ENTITY:** The undersigned hereby certifies that he/she is the secretary or other authorized officer of the board of trustees (or such other governing body as is authorized to designate depositories and to transact or delegate the authority to transact the banking business of the Public Entity) of the Public Entity (referred to below as "Company"), which is duly organized, validly existing and in good standing under the laws of the applicable governmental unit, political subdivision or instrumentality, with its principal place of business at the above address, and the undersigned further certifies that the following is a full and true copy of resolutions duly adopted at a meeting of the board of trustees or other governing body of the Public Entity in accord with and pursuant to the charter and organizational documents of the Public Entity and such resolution is now in full force and effect, and said proceedings and the Resolution adopted thereby are in conformity with and do not in any respect contravene the provisions of applicable statutes, regulations, administrative code or other document governing or in effect for the Public Entity.

RESOLVED:

1, That Bank is designated a depository of this Company, and that any one of the following officers of the Company ("Authorized Officers") are authorized to open and close accounts ("Accounts") and to designate authorized Transaction Signers (defined below) for Accounts opened with the Bank:

Authorized Officer Name	Authorized Officer Title	Authorized Officer Legal Signature
Sarah E. Carpenter	Executive Director	<i>Sarah E. Carpenter</i>
Thomas R. Connors	Chief Financial Officer	<i>Thomas R. Connors</i>
Patricia M. Collier	Director of Administration	<i>Patricia M. Collier</i>
David S. Adams	Chief of Payroll Operations	<i>David S. Adams</i>
Thomas W. Kimball	Controller	<i>Thomas W. Kimball</i>
Lisa C. Clark	Finance Operations Manager	<i>Lisa C. Clark</i>

2. That funds deposited with Bank may be withdrawn by checks, drafts, or other orders issued in the name of the Company, signed by any one or more officers, members, managers, or partners of the Company or by any one or more persons, whether or not an officer, member, manager, or partner of the Company, identified on signature cards delivered to the Bank from time to time ("Transaction Signers") by any one of the Authorized Officers of the Company; that Bank may accept the instructions of any Transaction Signer for the transaction of all business in connection with said funds; and that the Bank may conclusively assume that each Transaction Signer shall continue as such until receipt by the Bank of written notice to the contrary, such notice to be given to each office of the Bank in which any account of this Company may be maintained.

3. That Bank is authorized to rely upon and to accept as genuine and authorized the facsimile signature of any Transaction Signer or such signatures that resemble facsimile signatures on any check, draft or other order, without any duty to determine the genuineness of the such facsimile signature or whether it was authorized by the Company.

4. That Bank is hereby authorized to honor, receive, and pay all such instruments when signed in accordance with this Resolution, without inquiry as to the circumstances of their issue or the disposition of their proceeds, whether drawn to the individual order of or tendered in payment of individual obligations of any Transaction Signer or of any other officer, employee or agent of Company, or otherwise.

5. That all checks, drafts, or other orders for the payment of money belonging to Company may be endorsed in blank, or otherwise, on behalf of Company, by a written or stamped endorsement, and Bank is authorized to honor and pay such instruments and also to receive the same for the individual credit of or in payment of the individual obligation of any Transaction Signer, or any other officer, employee or agent of Company, or any other holder, without inquiry as to the circumstances of endorsement or the disposition of the proceeds, and Company hereby guarantees to Bank the payment of all such instruments so received by Bank as well as those instruments deposited on behalf of Company for collection or credit without its endorsement appearing thereon; and that Bank may pay to any Transaction Signer or any other officer, employee or agent of Company the proceeds, in cash or otherwise, of any instrument referred to herein, signed or endorsed in the manner above indicated, whether the same be drawn on Bank, on another bank, or otherwise, and whether payable or endorsed to Company, bearer, Bank or otherwise.

6. That all present and future rules and regulations of Bank governing Accounts are hereby assented to and shall be binding upon Company; that any statements, unpaid items, canceled vouchers or checks may be delivered to Company by mailing the same to the last known address of the Company as shown by the records of the Bank or by delivering the same to any Transaction Signer, or any other officer, manager, member, partner, employee or agent of Company, and any and all such deliveries by Bank shall constitute good and valid deliveries to Company.

7. That any Transaction Signer is authorized and empowered to apply to Bank for the use of its night depository facilities, including automated teller machines, and in connection with such use to execute and deliver to Bank such agreements containing such terms and provisions as Bank may require, and in the event any such agreement contemplates that bags of Company found by Bank in any of its night depository receptacles are to be received and receipted for by Company, then any Transaction Signer is authorized and empowered to receive and receipt for any such bags and to: (i) designate any person or persons who shall each be authorized to receive and receipt for any such bags; (ii) in writing revoke the authority of any persons so designated; and (iii) certify the name of each such designated person to Bank together with a specimen signature of such person.

8. That any Authorized Officer and Transaction Signer or other officer or employee designated by any one of the Authorized Officers in writing is also authorized to make any withdrawal or disbursement of funds from the Accounts initiated by means other than written payment orders, checks, drafts or other physical instruments, including without limitation the withdrawal or disbursement of funds by wire, computer, automated clearing house, or other electronic means.

9. That Authorized Officers can execute and deliver, or authorize other officers or employees of the Company in writing to execute and deliver, agreements for cash management or other treasury services and bind the Company thereto.

10. That all controversies and questions regarding this Certificate shall be governed by and construed under the laws of the State of Ohio (without regard for conflict of law rules) and applicable federal law.

11. That this Certificate shall remain in full force and effect until written notice of amendment or rescission shall have been received by Bank; and that receipt of notice shall not affect action taken by the Bank prior to such receipt. That all previous authorizations for the signing and honoring of items are hereby ratified and continued in full force and effect. The Company agrees to indemnify and hold the Bank harmless from any and all claims, suits, judgments, losses, costs and expenses (including reasonable attorneys' fees) that Bank may incur as a result of the Bank continuing to act in pursuance of this Agreement.

Notarization is required if signature not on file or not signed in the presence of Bank employee

Signature: _____ Printed Name: _____ Title: _____ Date: _____

 Authorizing Officer

*State of _____)
) ss.
 County of _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by _____, authorized signer.

Notary Public

My commission expires: _____

FOR BANK USE ONLY

Deposit Certificate Received By:

Employee Name _____

Line of Business: _____

Telephone No. _____

Date Received: _____

Status

☐

Sole Proprietorship

☐

Organization/Association

☐

Limited Liability Company

☐

Corporation Non-Profit

☐

Partnership

☐

Public Entity

☐

Corporation

**Bank**

America's Most Convenient Bank®

ORG ID

EC2235

Bank Use Only

WebExpress System Administrator Designation Form

<input type="checkbox"/>	NEW
<input type="checkbox"/>	CHANGE
<input checked="" type="checkbox"/>	ADD

COMPANY INFORMATION (all fields below required)

Company Name: Vermont Housing Finance Agency
Company TIN: 03-0239902
Street Address: PO Box 408
City, State, Zip: Burlington, VT 05402
Phone: 802 8652 3437
E-Mail: Tkimball@vhfa.org
Fax: 802-863-5422
Administrator Name: Thomas W. Kimball
Last 4 digits of SSN: _____
Security Question: _____
Security Answer: _____
Comments: _____

By signing below, the undersigned does hereby certify, warrant and represent, under penalty of perjury, that: (1) the information provided on this System Administrator Designation Form ("Form") is true, correct and complete; (2) that he/she has full legal and corporate authority to act on behalf of the business entity named below ("Company") to designate an Administrator and to execute this Form on Customer's behalf with respect to the WebExpress online banking and cash management system; (3) that the Administrator named herein is a person with corporate authority to authorize new persons to transact banking business on behalf of Customer, including transfers of corporate funds; and (4) that TD Bank and its agents are expressly authorized to act upon the information provided herein in accordance with the terms of the TD Bank WebExpress Agreement.

Bank Authorization:**Company Authorization:**_____
Authorized Signature_____
Authorized SignatureIva Smejkal, VP
Print Name and TitleTom Connors, CFO
Print Name and Title_____
Date_____
Date

**Bank**

America's Most Convenient Bank®

ORG ID

EC2235

Bank Use Only

WebExpress System Administrator Designation Form

☐ NEW
☐ CHANGE
☒ ADD

COMPANY INFORMATION (all fields below required)

Company Name: Vermont Housing Finance Agency
Company TIN: 03-0239902
Street Address: PO Box 408
City, State, Zip: Burlington, VT 05402
Phone: 802-652-3436
E-Mail: tconnors@
Fax: 802-
Administrator Name: TOM CONNORS
Last 4 digits of SSN: XXXX
Security Question: _____
Security Answer: _____
Comments: _____

By signing below, the undersigned does hereby certify, warrant and represent, under penalty of perjury, that: (1) the information provided on this System Administrator Designation Form ("Form") is true, correct and complete; (2) that he/she has full legal and corporate authority to act on behalf of the business entity named below ("Company") to designate an Administrator and to execute this Form on Customer's behalf with respect to the WebExpress online banking and cash management system; (3) that the Administrator named herein is a person with corporate authority to authorize new persons to transact banking business on behalf of Customer, including transfers of corporate funds; and (4) that TD Bank and its agents are expressly authorized to act upon the information provided herein in accordance with the terms of the TD Bank WebExpress Agreement.

Bank Authorization:**Company Authorization:**_____
Authorized Signature_____
Authorized SignatureIva Smejkal, VP
Print Name and TitleTom Connors, CFO
Print Name and Title_____
Date_____
Date

**Bank**

America's Most Convenient Bank®

ORG ID

EC2235

Bank Use Only

WebExpress System Administrator Designation Form

☐ NEW
☐ CHANGE
☒ ADD

COMPANY INFORMATION (all fields below required)

Company Name: Vermont Housing Finance Agency
Company TIN: 03-0239902
Street Address: PO Box 408
City, State, Zip: Burlington, VT 05402
Phone: (802) 652-3430
E-Mail: LClark@vhfa.org
Fax: (802) 863-5422
Administrator Name: Lisa C. Clark
Last 4 digits of SSN: 4148
Security Question: What is the name of your first pet?
Security Answer: Lucky
Comments:

By signing below, the undersigned does hereby certify, warrant and represent, under penalty of perjury, that: (1) the information provided on this System Administrator Designation Form ("Form") is true, correct and complete; (2) that he/she has full legal and corporate authority to act on behalf of the business entity named below ("Company") to designate an Administrator and to execute this Form on Customer's behalf with respect to the WebExpress online banking and cash management system; (3) that the Administrator named herein is a person with corporate authority to authorize new persons to transact banking business on behalf of Customer, including transfers of corporate funds; and (4) that TD Bank and its agents are expressly authorized to act upon the information provided herein in accordance with the terms of the TD Bank WebExpress Agreement.

Bank Authorization:**Company Authorization:**

Authorized Signature

Authorized Signature

Iva Smejkal, VP
Print Name and TitleTom Connors, CFO
Print Name and Title

Date

Date



Vermont Housing Finance Agency

VHFA Board of Commissioners Meeting Minutes

Northgate Apartments – Board Room

275 Northgate Road

Burlington, VT 05401

Wednesday August 10, 2011 – 8:30 a.m.

VHFA Board Members Present:

Tom Pelletier, Tom Candon, Dayne Canney, Bart Frisbie, Gus Seelig, Lisa Randall, Jennifer Hollar and Stephen Wisloski (for Beth Pearce)

Staff Present:

Sarah Carpenter, Tom Connors, Dave Adams, George Demas, Pat Loller, Cindy Reid, Josh Slade, Sam Falzone, Jacklyn Santerre and Brenda Howley

Guests Present:

Chris Flannery from Piper Jaffray, Joe Tait from Morgan Keegan, John Broderick from Regional Affordable Housing Corporation, Amy Demetrowitz from Champlain Housing Trust, Kathy Beyer from Housing Vermont, Robin Drinkwater and Merten Bangemann-Johnson from Gilman Housing Trust.

BOARD MEETING

Mr. Pelletier called the Board meeting to order at 8:42 a.m.

BOARD MINUTES

Mr. Wisloski moved that the Board approve the June 20, 2011 Board of Commissioners meeting minutes. Ms. Randall seconded the motion, which was approved unanimously, except that Mr. Frisbie was not present.

PUBLIC COMMENT

Mr. Pelletier opened the meeting to public comment. No members of the public offered comment.

EXECUTIVE DIRECTOR'S REPORT

Ms. Carpenter reviewed the Executive Director's memo. Mr. Candon inquired about the Residential Building Energy Standards. Ms. Carpenter stated that various agencies are looking at energy efficiency work under the MacArthur grant. Ms. Carpenter also discussed having a joint meeting with the boards of the other agencies in October to have a presentation on the work that's been performed and proposed standards.

Ms. Carpenter also reviewed the proposed meeting calendar for 2012 with possibilities of meeting different dates as well as eliminating meetings in the summer.



CONSENT AGENDA

Mr. Pelletier presented Consent Agenda items which included a Multi-Family General Authorizing Resolution, Change in Safe Deposit Authorizing Resolution, Change in Banking Signature Cards and Update Resolution for People's United Bank. Mr. Seelig moved that the Board approve the proposed resolutions, and Ms. Canney seconded the motion which was unanimously approved.

DEVELOPMENT

Fairfield and Lincoln - Construction

Mr. Adams reviewed the memo, and Ms. Demetrowitz and Ms. Beyer clarified questions about the Fairfield and Lincoln project. Mr. Adams, Ms. Beyer and Ms. Carpenter also answered questions from Ms. Randall and Mr. Candon regarding tax credits and developers fees. Mr. Seelig moved that the Board approve the request, and Ms. Hollar seconded the motion which was unanimously approved.

Bennington Family Housing – Increase in State Tax Credits

Mr. Adams reviewed his memo, and Mr. Broderick from Regional Affordable Housing Corporation answered questions about construction cost increases. Mr. Seelig added that this project was the first multi-family development in Bennington County in quite some time. Mr. Frisbie and Ms. Randall expressed concern for the high per unit cost for a multifamily project. Ms. Carpenter stated that Federal and State programs focus on development of historic preservation and downtown locations which is often the reason for the increased costs. Ms. Carpenter noted that certain policies promoted by the State and Federal government such as downtown development and historic preservation increased various costs, but there are also tax incentives and other sources of funding designed to offset some of those costs. Ms. Carpenter also noted that HUD policy on renewal of existing rent subsidy agreements means that particular project site must be preserved or the subsidy will be lost. Mr. Candon suggested that Mr. Erdelyi give a presentation on the requirements that go into planning of a project and the respective costs. Mr. Seelig and Ms. Hollar concurred that state and federal policy drive a lot of the requirements. Mr. Wisloski moved that the Board approve the request, and Mr. Seelig seconded the motion which was approved by all commissioners except Mr. Frisbie and Ms. Canney, who voted no.

Governor's Mansion Apartments – Permanent Financing

Mr. Slade reviewed his memo. Ms. Drinkwater added that refinancing this project would improve cash flow and adding an elevator would greatly benefit tenants. Mr. Candon moved that the Board approve the proposed resolution, and Ms. Canney seconded the motion which was unanimously approved.

Highgate Apartments – Permanent Financing

Ms. Reid reviewed her memo and added that the saving in energy improvements will save the project money and strengthen operations. Ms. Randall moved that the Board approve the proposed resolution, and Mr. Seelig seconded the motion which was unanimously approved.

FINANCE

Piper Jaffray Financial Study Report

Mr. Flannery from Piper Jaffray reviewed the Financial Study report highlighting the purpose of the 3-year projection. He stated that the existing bond programs generate sufficient cash to cover projected Agency expenses for the next few years. He added that the Agency is in a strong stable condition but with the NIBP program going away at the end of this year the ability of the Agency to invest cash in additional bond offerings will be limited. He also reported that the AA rating by Moody's is an indication of a strong entity.

SINGLE FAMILY

Request for adoption of Resolution of MBS and Request for Authorization to execute forward sales and commitment for loans for cash and/or securities

Mr. Adams reviewed his memo regarding the execution of forward sales and commitment of loans for cash and/or securities. He added that the Agency would be entering into formal agreements with several brokerage houses to bid out and trade securities. Mr. Adams and Ms. Carpenter answered questions from the Board members. Mr. Adams added that the Agency will be developing a TBA (to-be-announced) strategy for VHFA regarding options around marketing bonds. Mr. Seelig moved that the proposed resolution be passed and the entry by staff into additional, similar arrangements with other brokers and dealers as staff may determine based on reasonable due diligence and with continued reporting to the Board be approved, and Ms. Canney seconded the motion which was unanimously approved.

At 10:45 the meeting was then adjourned to move into an executive session to discuss a personnel matter. The meeting reconvened at 11:00 a.m. at which point upon motion duly seconded and unanimously approved the meeting was adjourned. A tour of Northgate Apartments was provided by staff of Maloney Property Management for Board members and staff.



Vermont Housing Finance Agency

VHFA Board of Commissioners Meeting Minutes

VHFA Board Room
164 St. Paul St.
Burlington, VT 05401
Monday August 29, 2011 – 3:00 p.m.

VHFA Board Members Attending by Teleconference:

Tom Pelletier, Tom Candon, Dagne Canney, Bart Frisbie and Jennifer Hollar

Staff Present:

Sarah Carpenter, Tom Connors, Dave Adams, George Demas and Pat Loller

BOARD MEETING

Mr. Pelletier called the Board meeting to order at 3:20 p.m. The Commissioners attending by teleconference could all be heard by each other and by those present in the meeting room. Ms. Canney moved to accept the recommendation to adopt the proposed resolutions adding Controller, Thomas W. Kimball, as authorized signatory for all necessary banking documents. Ms. Hollar seconded the motion, which was approved unanimously.

Ms. Canney moved that the meeting be adjourned which was seconded by Mr. Frisbie and unanimously approved, and the meeting was adjourned at 3:30 p.m.





Vermont Housing Finance Agency

TO: VHFA Board of Commissioners
FROM: Joshua Slade, Development Underwriter
DATE: September 2, 2011
RE: Request for Increase of Construction Loan: Wharf Lane Apartments, Burlington

Name:	Wharf Lane Apartments	Location:	Burlington
Housing Type:	General Occupancy	Unit Type:	Flats
Unit Count:	37 Total 37 LIHTC	Unit Sizes:	2 – Efficiencies 510 sq. ft. 29 – One Bedroom 715 sq. ft. 6 – Two Bedroom 911 sq. ft.
Total Cost:	\$9,130,434	Per S.F. Acquisition & Construction Cost:	\$233 (\$123 acq. only)
Loan Requested:	\$5,000,000 Construction (taxable)	Sponsor:	Burlington Housing Authority and Housing Vermont
Housing Credits:	\$504,000 (9% Credit)	Secured Funding:	All

Summary of Request: Burlington Housing Authority and Housing Vermont request an increase in the construction loan for acquisition and redevelopment of Wharf Lane Apartments – a 37 unit Section 8 project located in Burlington.

Project Updates: Since the Board last reviewed this project in March a number of changes to the scope of work have been made to accommodate both Historic Preservation as well as the physical needs of the building. The following identifies the major changes:

1. **Windows:** In order to get the benefit of the Historic Tax Credit, the Sponsors must install an aluminum industrial window which was specified by Historic Preservation. The total cost is approximately \$500,000.
2. **Air Conditioning:** Due to cost increases in other areas, the plan to provide central air conditioning has been eliminated. The building will still be vented with treated air flow through the units and the hallways. This will improve the air quality within the building which is currently poor.
3. **Roof:** The original inspections of the roof miscalculated its condition and the membrane roof needs more immediate replacement. This has been added to the scope of work.
4. **Basement:** The basement of the project has significant moisture. A plan to excavate the east foundation wall, install new waterproofing material and add drainage on the exterior footing to correct the water infiltration problem. Additionally, a new interior drain under the slab on the east foundation will be installed.

Attached to this memo are pictures of the project I took in August.



Project Discussion (original memo): The sponsors, Burlington Housing Authority and Housing Vermont propose the redevelopment of Wharf Lane Apartments, a family housing project originally developed in 1980 by Pizzagalli Properties. The building was originally constructed in 1919 and used by various manufacturing companies.

The site is 0.44 acres on Maple Street in Burlington. There is a parking area in front of the building and a small parking area on the south side of the building. The property is in the designated downtown of Burlington and close to all of the downtown Burlington amenities including the CCTA bus service, the library, schools, pharmacies, postal service, shops and hospital.

The renovations will focus heavily on energy improvements. The heating system will be converted to a centralized forced-hot water system with a natural gas-fired boiler. All windows will be replaced with energy efficient windows which comply with the standards for historic preservation. New Energy Star appliances will be installed along with low-flow fixtures. New energy star advanced lighting fixtures will replace lighting throughout the building. A central ventilation system will be installed to provide ducted fresh air to each apartment and common spaces. Some local permits will be required for the new windows and a newly configured parking area. An Act 250 permit modification will be required.

Burlington Housing Authority will continue to act as property manager.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution and make the required findings as outlined in the second section of the resolution ("It is hereby determined:"), and that the Board authorize the Executive Director to issue a Letter of Interest and/or a Commitment Letter to finance this property upon satisfactory completion of staff underwriting and due diligence; and authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.



Vermont Housing Finance Agency

VERMONT HOUSING FINANCE AGENCY

RESOLUTION RE: INCREASE OF CONSTRUCTION AND PERMANENT FINANCING FOR WHARF LANE APARTMENTS, CITY OF BURLINGTON

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont (the "Sponsor") on behalf of a to be formed limited partnership in which the Sponsor or its subsidiaries or affiliates will be general or co-general partner(s) (the "Borrower") involving the acquisition and rehabilitation of thirty-seven (37) units of general occupancy rental housing in the City of Burlington (the "Development"); and

WHEREAS, the application contemplates one or more mortgage loans for construction and permanent financing for the Development with the interest rate to be determined by the Agency depending on the source of funds, but not to exceed 150 basis points above the Agency's cost of funds; and

WHEREAS, the Sponsors qualify and the Borrower will qualify as housing sponsors within the meaning of the Vermont Housing Finance Agency Act (the "Act"); and

WHEREAS, the Agency has determined that the Development will assist in fulfilling the purposes of the Act and is financially feasible; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Joshua Slade dated September 2, 2011, containing information, conditions and recommendations about the Development (the "Memorandum");

THEREFORE, it is hereby DETERMINED:

1. The Development is primarily for occupancy by persons and families of low and moderate income, or qualifies for financing with proceeds of federally tax-exempt obligations, or at least 20 percent of the units are for occupancy by persons and families of low and moderate income.
2. The acquisition, construction or rehabilitation costs to be incurred by the housing sponsors are for housing development costs within the meaning of the Act.
3. There exists, or without the proposed residential housing there will exist, a shortage of decent, safe and sanitary housing at rentals or prices which persons and families of low and



moderate income are able to afford within the general housing market area of the Development, or there is a shortage of temporary transitional or emergency housing to be served by the proposed Development.

4. The housing sponsors undertaking the Development will increase the supply of well-planned, well-designed permanent, temporary, transitional or emergency housing for persons and families of low and moderate income.

5. The security value of the Development will equal at least the amount of the Agency's loan(s).

6. The Sponsors are financially responsible and are qualified housing sponsors within the meaning of the Act. The Borrower will be required to qualify as a housing sponsor within the meaning of the Act.

WHEREFORE, it is hereby RESOLVED:

1. The Executive Director or her designees may, in his or her discretion, issue one or more Letters of Interest declaring the Agency's interest in making one or more mortgage loans to the limited partnership to be created by the Sponsors for the construction and permanent financing of the Development based on the recommendations in the attached Memorandum. The Letter of Interest is not a commitment to finance and shall be conditional upon the availability of funds and the satisfactory completion of such further requirements as the Agency may establish in each case. The Letter of Interest may be used by the Sponsors in support of applications for operating subsidies, mortgage insurance, or for other purposes with the consent of the Agency.
2. Upon the satisfaction of the conditions attached to the Letter of Interest, if any, and when deemed appropriate, the Executive Director or her designees may, in his or her discretion, issue one or more Commitment Letters for one or more mortgage loans to the Borrower for the construction and permanent financing of the Development based on the recommendations in the attached Memorandum. The Commitment Letter may be issued to the Sponsors as the representatives of the Borrower. The Commitment Letter shall be conditioned on the satisfaction by the Sponsors of all requirements of the Act, the applicable regulations of the Agency, and such further requirements as the Agency may establish.
3. The Executive Director and the Loan Review Committee will establish the final source and amount of the loan(s) for the Development, and such conditions and terms that are appropriate for the Development in accordance with all requirements of the Act, and the applicable regulations and policies of the Agency, including the Underwriting Guidelines, and the conditions, if any, described in the Memorandum.

4. The findings and determinations set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings and determinations of the Board.

I hereby certify that the foregoing is a true copy of a resolution of the Vermont Housing Finance Agency adopted at a lawful meeting of the Commissioners of the Vermont Housing Finance Agency held at Montpelier, Vermont on September 12, 2011.



Sarah E. Carpenter
Executive Director and Secretary
Vermont Housing Finance Agency

Total Residential Units:	37	Increase in Income from Rental Units:	1.00%
Housing Credit Restricted Units:	37	Increase in Income from Other Sources:	0.00%
Percent Restricted:	100.00%	Increase in Income from Commercial:	0.00%
Total Development Cost:	9,130,434	Expense increase:	2.50%
Total Development Cost per Unit:	246,768	Vacancy Rate:	3%
Total Development Cost Per SF:	280	Partner's Tax Rate:	35%
Credit Election:	40/60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	569,638	Short Depreciation Schedule:	7 years
Credit Amount Allocated:	504,000	Sponsor's Estimated Yield:	79.00%
LIHTC - 9%	9.00%		
LIHTC - 4%	3.29%		

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
First Mortgage	1,950,000	21.36%	7.00%	30	30
VHCB	725,000	7.94%	0.00%	30	deferred
HUD EDI	200,000				
HOME	250,000	2.74%	0.00%	30	deferred
City Trust Fund	200,000	2.19%	0.00%	30	deferred
VFEP-RGGI	111,000	1.22%	0.00%	30	
CVOEO Wx	20,000	0.22%	0.00%	30	
BED & VT Gas	27,750	0.30%	0.00%	30	
Downtown Credits	235,644	2.58%	0.00%	30	
Project cash	35,000	0.38%	0.00%		
State tax credit equity	294,000	3.22%	N/A	N/A	
Tax Credit Equity	5,082,040	55.66%	N/A	N/A	
TOTAL SOURCES	9,130,434	100.00%			

USES

Acquisition	4,012,000	43.94%
Construction Hard Costs	3,604,174	39.47%
Soft Costs	1,514,260	16.58%
TOTAL USES	9,130,434	100%

Gap 0

General Partner's Capital Contribution	509	0.01%
Limited Partner's Capital Contribution	5,085,663	99.99%
Total Equity	5,086,172	

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	37
Total Units	37
Unit Fraction	100.00%
Tax Credit Square Footage	27,210
Total Residential Square Footage	27,210
Square Footage Fraction	100.00%
Applicable Fraction	100.00%

Wharf Lane

	Budget	Acquisition Basis	Construction Basis	Residential Depreciation	Historic Credit Basis	Other	Costs Incurred to Date	To be Incurred	Total
ACQUISITION									
1 Land	400,000								
2 Purchase of Building(s)	3,600,000	3,564,000		3,564,000					
3 Demolition (without replacement)	0								
4 Property Appraisal	6,500	6,500		6,500	6,500				
5 Legal - Title and Recording	5,500	5,500		5,500	5,500				
Subtotal - Acquisition	4,012,000								
CONSTRUCTION HARD COSTS									
6 Rehabilitation	3,100,000		3,100,000		3,100,000				
7 New Building(s)	0								
8 Accessory Buildings	0								
9 Sitework	119,724		119,724		71,834				
10 Commercial Space Costs (if any)	0								
11 General Requirements	0								
12 Contractor Overhead	0								
13 Contractor Profit	0								
14 Construction Contingency	285,000		285,000		285,000				
15 Construction Management	0								
16 Construction Bond Fee	0								
17 Hazardous Materials Abatement	64,000		64,000		64,000				
18 Off-Site Improvements	0								
19 Furnishings, Fixtures, & Equipment	35,450		35,450		0				
20 Other ()	0								
Subtotal - Hard Costs	3,604,174								
SOFT COSTS									
21 Architectural	152,350		152,350		152,350				
22 Engineering	0								
23 Legal/Accounting	30,000		27,000		27,000				
24 Relocation	111,000		111,000		111,000				
25 Environmental Assessment	4,000		4,000		4,000				
26 Energy Assessment	0								
27 Permits/Fees	20,070		20,070		20,070				
28 Independent Market Study	2,000		2,000		2,000				
29 Construction Period Insurance	8,000		8,000		8,000				
30 Construction Interest	185,000		148,000		148,000				
31 Construction Loan Origination Fee	0		0		0				
32 Taxes During Construction	18,000		18,000		18,000				
33 Clerk of the Works	0								
34 Marketing	0								
35 Tax Credit Fees	22,680								
36 Soft Cost Contingency	10,000		10,000		10,000				
37 Permanent Loan Origination Fee	84,000								
38 Lender's Counsel's Fee	6,500		6,500		6,500				
39 Other ()	0								
SYNDICATION COSTS									
40 Organizational (Partnership)	0								
41 Bridge Loan Fees and Expenses	0								
42 Syndication Consultant	0								
43 Tax Opinion	0								
DEVELOPER'S FEES									
44 Developer's Fees	700,000		700,000		700,000				
45 Other Partnership Fees	0								
46 Consultant Fees	0								
RESERVES									
47 Working Capital	25,000								
48 Rent-up (Deficit Escrow) Reserve	0								
49 Other Operating Reserves	98,660								
50 Sinking Fund	0								
51 Replacement Reserves	37,000								
Subtotal - Soft Costs	1,514,260								
TOTALS	9,130,434	3,576,000	4,811,094	3,576,000	4,739,754				
LESS: Amount of Non-qualified Financing									
LESS: Historic tax Credit (Residential Portion)									
Total Eligible Basis		3,576,000	3,863,143	947,951	20% Historic Credit Rate				
					947,951	Annual Historic Credit			
TIMES: Adjusted for QCT/DDA	130.00%		5,022,086						
TIMES: Applicable Fraction	100.00%	3,576,000	5,022,086						
Total Qualified Basis		3,576,000	5,022,086	2,628,049	Long Term Depreciable Basis				
TIMES: Applicable Percentage		3.29%	9.00%	27.5	Depreciation Schedule				
Total Annual Credit Qualified	569,638	117,650	451,988	95.565	Annual Depreciation				
Total Tax Credits Requested	504,000			0	Short Term Depreciable Basis				
Estimated Net Syndication Proceeds (Sec. 42 Housing Credit only)	4,683,085			7	Depreciation Schedule				
Estimated Yield - Housing Credit Syndication	92.93%			0	Annual Depreciation				
Equity Gap	5,082,040								
Credits Needed to fill Equity Gap	546,936								

Wharf Lane

	Budget	Per Unit	Per s.f.	VHCB Terms: _____	HOME Terms: _____	Allocation of Sources VCDP Terms: _____	Debt Terms: _____	Equity Terms: _____	Other Terms: _____	TOTAL SOURCES
ACQUISITION										
1 Land	400,000	10,811	12.25							0
2 Purchase of Building(s)	3,600,000	97,297	110.25							0
3 Demolition (without replacement)		0	0.00							0
4 Property Appraisal	6,500	176	0.20							0
5 Legal - Title and Recording	5,500	149	0.17							0
Subtotal - Acquisition	4,012,000	108,432	122.87							0
CONSTRUCTION HARD COSTS										
6 Rehabilitation	3,100,000	83,784	94.94							0
7 New Building(s)		0	0.00							0
8 Accessory Buildings		0	0.00							0
9 Sitework	119,724	3,236	3.67							0
10 Commercial Space Costs (if any)		0	0.00							0
11 General Requirements		0	0.00							0
12 Contractor Overhead		0	0.00							0
13 Contractor Profit		0	0.00							0
14 Construction Contingency	285,000	7,703	8.73							0
15 Construction Management		0	0.00							0
16 Construction Bond Fee		0	0.00							0
17 Hazardous Materials Abatement	64,000	1,730	1.96							0
18 Off-Site Improvements		0	0.00							0
19 Furnishings, Fixtures, & Equipment	35,450	958	1.09							0
20 Other ()		0	0.00							0
Subtotal - Hard Costs	3,604,174	97,410	110.38							0
SOFT COSTS										
21 Architectural	152,350	4,118	4.67							0
22 Engineering		0	0.00							0
23 Legal/Accounting	30,000	811	0.92							0
24 Relocation	111,000	3,000	3.40							0
25 Environmental Assessment	4,000	108	0.12							0
26 Energy Assessment		0	0.00							0
27 Permits/Fees	20,070	542	0.61							0
28 Independent Market Study	2,000	54	0.06							0
29 Construction Period Insurance	8,000	216	0.25							0
30 Construction Interest	185,000	5,000	5.67							0
31 Construction Loan Origination Fee	0	0	0.00							0
32 Taxes During Construction	18,000	486	0.55							0
33 Clerk of the Works		0	0.00							0
34 Marketing		0	0.00							0
35 Tax Credit Fees	22,680	613	0.69							0
36 Soft Cost Contingency	10,000	270	0.31							0
37 Permanent Loan Origination Fee	84,000	2,270	2.57							0
38 Lender's Counsel's Fee	6,500	176	0.20							0
39 Other ()		0	0.00							0
SYNDICATION COSTS										
40 Organizational (Partnership)		0	0.00							0
41 Bridge Loan Fees and Expenses		0	0.00							0
42 Syndication Consultant		0	0.00							0
43 Tax Opinion		0	0.00							0
DEVELOPER'S FEES										
44 Developer's Fees	700,000	18,919	21.44							0
45 Other Partnership Fees		0	0.00							0
46 Consultant Fees		0	0.00							0
RESERVES										
47 Working Capital	25,000	676	0.77							0
48 Rent-up (Deficit Escrow) Reserve		0	0.00							0
49 Other Operating Reserves	98,660	2,666	3.02							0
50 Sinking Fund		0	0.00							0
51 Replacement Reserves	37,000	1,000	1.13							0
Subtotal - Soft Costs	1,514,260	40,926	46.38							0
TOTAL DEVELOPMENT COSTS	9,130,434	246,768	280	0	0	0	0	0	0	0
COST BASIS FOR DEVEL FEE										
DEVELOPER FEE	8,269,774									
DEVELOPER FEE %	700,000									
	8.46%									

HC Restricted Units		Type	Average	Number	Average	Utilities	Total
Bedrooms	Square Feet		Rent		Annual Rent		
0 Br	510	2	710			17,040	
1 Br	715	29	924			321,552	
2 Br	911	6	1,278			92,016	
3 Br		0	0			0	
4+ Br		0	0			0	
Totals			27,210	37		430,608	
Non-HC Restricted Units		Type	Square Feet	Number	Rent	Utilities	Total
Bedrooms	Annual Rent						
0 Br		0	0		0		
1 Br		0	0		0		
2 Br		0	0		0		
3 Br		0	0		0		
4+ Br		0	0		0		
Totals			0	0		0	
Common Area Square Footage			5,442				
Grand Totals			32,652	37			430,608
Less Vacancy				3.00%			(12,918)

Wharf Lane

Building #	Unit #	Check all Applicable					A					B					C									
		HOME Unit	Lead Paint Unit	Project Based Assistance	Tax Credit Unit	VHCB Restricted	Accessible	Adaptable	Unrestricted	Number of Bedrooms	Proposed Square Footage	Proposed Rent	Utility Allowance for Tenant-Paid Utilities	Gross Rent (Rent + Tenant-Paid Utilities)	OCCUPIED BY: Income level of residents to be served:					AFFORDABLE TO: Units affordable to residents at:						
															<30%	<50%	<60%	<80%	<100%	>100%	30%	50%	60%	65%	80%	100%+
	106			1	1	1			1	757	924	0	924	924							1	1	1			
	107			1	1	1			1	736	924	0	924	924							1	1	1			
	108			1	1	1			1	768	924	0	924	924							1	1	1			
	109			1	1	1			2	825	1,278	0	1,278	1,278							1	1	1			
	110			1	1	1			1	680	924	0	924	924							1	1	1			
	210			1	1	1			1	632	924	0	924	924							1	1	1			
	211			1	1	1			1	837	924	0	924	924							1	1	1			
	212			1	1	1			1	837	924	0	924	924							1	1	1			
	213			1	1	1			2	912	1,278	0	1,278	1,278							1	1	1			
	214			1	1	1			0	525	710	0	710	710							1	1	1			
	215			1	1	1			1	792	924	0	924	924							1	1	1			
	216			1	1	1			0	495	710	0	710	710							1	1	1			
	217			1	1	1			1	652	924	0	924	924							1	1	1			
	218			1	1	1			1	694	924	0	924	924							1	1	1			
	219			1	1	1			1	620	924	0	924	924							1	1	1			
	220			1	1	1			1	510	924	0	924	924							1	1	1			
	312			1	1	1			1	706	924	0	924	924							1	1	1			
	313			1	1	1			1	852	924	0	924	924							1	1	1			
	314			1	1	1			1	852	924	0	924	924							1	1	1			
	315			1	1	1			2	936	1,278	0	1,278	1,278							1	1	1			
	316			1	1	1			1	723	924	0	924	924							1	1	1			
	317			1	1	1			1	692	924	0	924	924							1	1	1			
	318			1	1	1			1	692	924	0	924	924							1	1	1			
	319			1	1	1			1	595	924	0	924	924							1	1	1			
	320			1	1	1			1	708	924	0	924	924							1	1	1			
	321			1	1	1			1	669	924	0	924	924							1	1	1			
	322			1	1	1			1	600	924	0	924	924							1	1	1			
	413			1	1	1			1	706	924	0	924	924							1	1	1			
	414			1	1	1			1	832	924	0	924	924							1	1	1			
	415			1	1	1			1	832	924	0	924	924							1	1	1			
	416			1	1	1			2	936	1,278	0	1,278	1,278							1	1	1			
	417			1	1	1			1	723	924	0	924	924							1	1	1			
	418			1	1	1			1	629	924	0	924	924							1	1	1			
	419			1	1	1			1	693	924	0	924	924							1	1	1			
	420			1	1	1			1	688	924	0	924	924							1	1	1			
	421			1	1	1			2	906	1,278	0	1,278	1,278							1	1	1			
	422			1	1	1			2	948	1,278	0	1,278	1,278							1	1	1			
Total # Units	37			37	37	37			Totals:	27,210	35,884		Total # Units:	0	0	0	0	0	0	0	37	37	37	0	0	0

02-Sep-11 **Wharf Lane**

	Annual	Monthly	Per Unit Per Month	
Administration				
Management Fee	37,740	3,145	85	9.0%
Supportive Services	6,000	500	14	
Audit/Accounting	3,600	300	8	
Legal	1,500	125	3	
Compliance Monitoring	2,664	222	6	
Marketing		0	0	
Other	4,175	348	9	
TOTAL ADMINISTRATIVE	55,679	4,640	125	
Utilities				
Electricity	22,200	1,850	50	
Fuel	19,980	1,665	45	
Water and Sewer	9,020	752	20	
Fire Alarm / Emergency	450	38	1	
Other		0	0	
TOTAL UTILITIES	51,650	4,304	116	
Maintenance				
Maintenance / Janitor Payroll		0	0	
Janitor Supplies		0	0	
Exterminating	2,000	167	5	
Trash Removal	5,500	458	12	
Snow Removal	5,750	479	13	
Grounds	1,000	83	2	
Repairs Material	7,200	600	16	
Repairs Contract	19,000	1,583	43	
HVAC Repairs / Maintenance	4,000	333	9	
Elevator Contract / Repairs	2,800	233	6	
Painting and Decorating	9,000	750	20	
Other		0	0	
TOTAL MAINTENANCE	56,250	4,688	127	
Real Estate Taxes	42,180	3,515	95	per unit month excl. ds & res. 488
Property Insurance	11,000	917	25	
Replacement Reserves	22,200	1,850	50	
Primary Debt Service	155,681	12,973	351	
Other "must pay" debt service		0	0	
Other		0	0	
Total	394,640	32,887	889	

"Below-the-Line" Expenses:

Special LP or GP Fee	0
Repayment of Deferred Fee	0
Partnership Audit or K-1 Fee	0
Distribution	0

Net to Residual	
Receipts/Cumulative Cash Flow	394,640

Wharf Lane															
Year															
	02-Sep-11	1	2	3	4	5	6	7	8	9	10	11	12	13	15
Operating Income	430,608	434,914	439,263	443,656	448,092	452,573	457,099	461,670	466,287	470,950	475,659	480,416	485,220	490,072	494,973
Gross Rent	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900
Other Income	(12,918)	(13,047)	(13,178)	(13,310)	(13,443)	(13,577)	(13,713)	(13,850)	(13,989)	(14,128)	(14,269)	(14,412)	(14,557)	(14,702)	(14,849)
Vacancy and other losses	419,590	423,767	427,985	432,246	436,550	440,896	445,286	449,720	454,198	458,721	463,289	467,903	472,563	477,270	482,024
Total Operating Income	216,759	222,178	227,732	233,426	239,261	245,243	251,374	257,658	264,100	270,702	277,470	284,407	291,517	298,805	306,275
Operating Expenses	22,200	22,866	23,552	24,259	24,986	25,736	26,508	27,303	28,122	28,966	29,835	30,730	31,652	32,601	33,579
Total Operating Expense	238,959	245,044	251,284	257,684	264,248	270,979	277,882	284,962	292,222	299,668	307,305	315,137	323,169	331,406	339,854
Net Operating Income	180,631	178,723	176,701	174,362	172,302	169,917	167,404	164,758	161,976	159,053	155,985	152,767	149,395	145,864	142,169
Less Primary Debt Service	155,681	155,681	155,681	155,681	155,681	155,681	155,681	155,681	155,681	155,681	155,681	155,681	155,681	155,681	155,681
Less Secondary Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Cash Flow	24,950	23,042	21,020	18,881	16,621	14,237	11,723	9,078	6,295	3,372	304	(2,914)	(6,286)	(9,817)	(13,511)
Operating Subsidies / Sinking Fund	0	0	0	0	0	0	0	0	0	0	0	2,914	6,286	9,817	13,511
Net Cash	24,950	23,042	21,020	18,881	16,621	14,237	11,723	9,078	6,295	3,372	304	0	0	0	0
DCR	116.03%	114.80%	113.50%	112.13%	110.68%	109.14%	107.53%	105.83%	104.04%	102.17%	100.20%	98.13%	95.96%	93.69%	91.32%
Cumulative Cash Flow	98,660	125,833	151,622	175,884	198,472	219,229	237,992	254,593	268,853	280,588	289,606	295,705	298,705	298,393	294,544
Beginning Balance	24,950	23,042	21,020	18,881	16,621	14,237	11,723	9,078	6,295	3,372	304	0	0	0	0
Deposits	2,223	2,747	3,243	3,706	4,136	4,527	4,877	5,183	5,440	5,645	5,795	5,914	5,974	5,968	5,891
Interest	0	0	0	0	0	0	0	0	0	0	0	(2,914)	(6,286)	(9,817)	(13,511)
Project Operating Needs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Special LP or GP Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repayment of Deferred Devel. Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Partnership Audit or K-1 Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution of Cash to Owner	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance	125,833	151,622	175,884	198,472	219,229	237,992	254,593	268,853	280,588	289,606	295,705	298,705	298,393	294,544	286,923
Cumulative Replacement Reserves	37,060	60,162	84,460	109,937	136,636	164,605	192,899	222,508	242,867	244,561	223,337	223,337	245,188	259,709	292,605
Beginning Balance	22,200	22,866	23,552	24,259	24,986	25,736	26,508	27,303	28,122	28,966	29,835	30,730	31,652	32,601	33,579
Deposits	962	1,432	1,925	2,441	2,983	3,549	4,122	4,723	5,319	5,881	6,399	6,866	7,281	7,646	7,962
Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Withdrawals	60,162	84,460	109,937	136,636	164,605	192,899	222,508	242,867	244,561	223,337	245,188	259,709	292,605	326,001	369,071
Ending Balance	180,631	178,723	176,701	174,362	172,302	169,917	167,404	164,758	161,976	159,053	155,985	152,767	149,395	145,864	142,169
Net Operating Income	22,200	22,866	23,552	24,259	24,986	25,736	26,508	27,303	28,122	28,966	29,835	30,730	31,652	32,601	33,579
Plus Reserves	(133,827)	(134,441)	(135,055)	(135,669)	(136,283)	(136,897)	(137,511)	(138,125)	(138,739)	(139,353)	(140,000)	(140,600)	(141,200)	(141,800)	(142,400)
Less Interest Expense	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)	(95,565)
Less Long Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Short Depreciation	(28,607)	(28,417)	(28,218)	(28,004)	(27,770)	(27,512)	(27,223)	(26,897)	(26,526)	(26,103)	(25,619)	(25,064)	(24,428)	(23,701)	(22,869)
Taxable Income (Loss)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	10,013	9,946	9,876	9,801	9,720	9,629	9,528	9,414	9,284	9,136	8,967	8,772	8,550	8,295	8,004
Plus Tax Savings	947,951	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Historic Rehab Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus State Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Federal Housing Credits	504,000	504,000	504,000	504,000	504,000	504,000	504,000	504,000	504,000	504,000	504,000	504,000	504,000	504,000	504,000
After Tax Cash Flow	1,461,963	1,513,946	1,565,876	1,617,801	1,669,720	1,721,639	1,773,558	1,825,477	1,877,396	1,929,315	1,981,234	2,033,153	2,085,072	2,136,991	2,188,910
Total Years	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Reinvestment Rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Current After Tax Cash Flows	1,461,963	1,513,946	1,565,876	1,617,801	1,669,720	1,721,639	1,773,558	1,825,477	1,877,396	1,929,315	1,981,234	2,033,153	2,085,072	2,136,991	2,188,910
Future Value of Cash Flows at Yr 15:	3,503,680	1,161,983	1,096,061	1,033,869	975,193	919,832	867,595	818,304	771,790	727,893	685,996	646,100	608,204	572,308	538,412
Discount Rate:	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Capital Contribution Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Date of Capital Contribution	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11	02-Sep-11
Amount of Capital Contribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Present Value of Contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flows	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
IRR	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!
Equity Yield	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

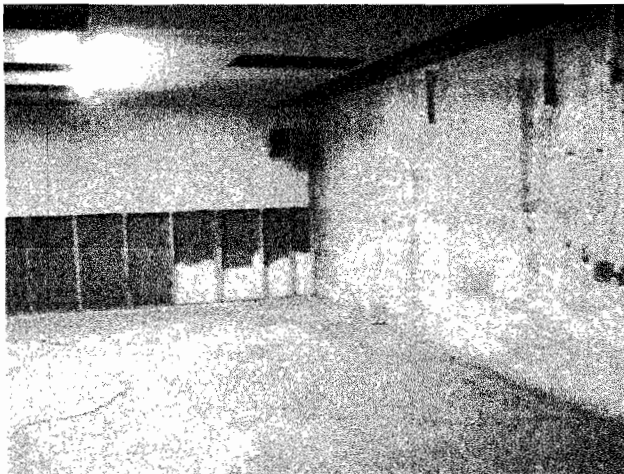
Whatif Late

PROJECTED CONSTRUCTION USE DRAWS	CASHING	PERMANENT																	TOTAL	OVER/UNDER
		EQUITY BRIDGE LOAN																		
		8609	8610	8611	8612	8613	8614	8615	8616	8617	8618	8619	8620	8621	8622	8623	8624			
Acquisition	400,000	400,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Acquisition/land	3,600,000	3,600,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Acquisition/building costs	5,500	5,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Title Insurance/Recording	6,500	6,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Appraisal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL ACQUISITION	4,012,000	4,012,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSTRUCTION	3,100,000	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333	258,333
Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Solar PV or Premise?	118,724	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Site	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Client of the Works	64,000	0	32,000	32,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assessment	258,000	258,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction @	3,804,174	0	314,083	322,346	282,083	282,083	282,083	282,083	282,083	282,083	282,083	282,083	282,083	282,083	282,083	282,083	282,083	282,083	282,083	282,083
TOTAL CONSTRUCTION	7,072,107	520,416	580,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416	540,416
SOFT COSTS	152,350	11,216	4,571	3,047	3,047	3,047	3,047	3,047	3,047	3,047	3,047	3,047	3,047	3,047	3,047	3,047	3,047	3,047	3,047	3,047
Architect/Engineers/Consultants	2,000	2,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Market Study	1,000	1,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Environmental/Architectural preserve	4,000	4,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legal/accounting	20,000	20,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Permits/Fees	20,070	20,070	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adel Insurance/Fees	185,000	185,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction loan interest	185,000	185,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction loan fees	80,500	80,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction loan reserve	88,660	88,660	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Working Capital/Lease up reserve	25,000	25,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Credit Applications	22,660	22,660	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Self Cost Contingency	10,000	10,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Development Fee - BHA	350,000	350,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Development Fee - BHA	151,280	151,280	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL SOFT COSTS	623,466	623,466	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL USES OF FUNDS	9,330,434	4,637,466	332,804	341,720	392,106	392,388	392,388	392,388	392,388	392,388	392,388	392,388	392,388	392,388	392,388	392,388	392,388	392,388	392,388	392,388
PROJECTED SOURCE DRAWS																				
Equity LHTC & RTTC	5,982,040	5,982,040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New VIFRA loan	1,950,000	1,950,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
VHCB	725,000	725,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HUD EDI	200,000	200,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
VFEPR/RSI	111,000	111,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HUD EDI	20,000	20,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HUD EDI	20,000	20,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City Trust Fund	200,000	200,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
BEDVYT Gas	27,750	27,750	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Downstream Credits	235,644	235,644	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
State tax credits	294,000	294,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash accounts	35,000	35,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL SOURCES	9,330,434	2,510,400	0	0	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Net construction draw	0	1,727,366	332,804	341,720	252,106	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388
Construction Loan - Monthly	0	1,727,366	332,804	341,720	252,106	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388	252,388
Construction Loan - Cumulative	0	1,727,366	2,060,244	2,401,964	2,654,070	2,906,458	3,158,846	3,411,234	3,663,622	3,916,010	4,168,398	4,420,786	4,673,174	4,925,562	5,177,950	5,430,338	5,682,726	5,935,114	6,187,502	6,439,890
Construction Interest	0	6,478	7,726	9,007	9,553	10,000	10,457	10,900	11,350	11,800	12,250	12,700	13,150	13,600	14,050	14,500	14,950	15,400	15,850	16,300
Cumulative Cost Loan Interest	0	6,478	14,204	23,211	33,164	44,067	55,957	66,007	82,305	98,402	114,569	131,805	150,146	168,512	186,878	205,244	223,610	241,976	260,342	278,708
Construction Loan Interest Rate (from VIFRA)	0	6,478	14,204	23,211	33,164	44,067	55,957	66,007	82,305	98,402	114,569	131,805	150,146	168,512	186,878	205,244	223,610	241,976	260,342	278,708
Permanent loan-in only	1,950,000	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375

Whatif Late August 2011 for VIFRA Board update, 8/16/2011



Water Damage:



Roof:



Windows:





Vermont Housing Finance Agency

VHFA Board of Commissioners Meeting Minutes

VHFA Board Room
164 St. Paul Street
Burlington, VT 05401
Monday September 12, 2011 – 9:00 a.m.

VHFA Board Members Present:

Tom Candon, Dagne Canney, Bart Frisbie, Gus Seelig, Lisa Randall, Jennifer Hollar and Beth Pearce, all by telephone conference.

Staff Present:

Sarah Carpenter, Tom Connors, Dave Adams, George Demas, Pat Loller, Joe Erdelyi, Cindy Reid, Josh Slade, Sam Falzone and Brenda Howley

Guests Present: Kathy Beyer from Housing Vermont.

BOARD MEETING

Mr. Seelig called the Board meeting to order at 9:03 a.m. and confirmed that each of the commissioners attending by telephone could hear the others and the attendees in the VHFA Board Room.

BOARD MINUTES

Ms. Randall moved that the Board approve the August 10, 2011 Board of Commissioners meeting minutes. Ms. Canney seconded the motion, which was approved unanimously, except that Ms. Pearce abstained. Ms. Hollar moved that the Board approve the August 29, 2011 Board of Commissioners meeting minutes. Mr. Frisbie seconded the motion, which was approved unanimously except that Ms. Pearce and Ms. Randall abstained.

PUBLIC COMMENT

Mr. Seelig opened the meeting to public comment. No members of the public offered comment.

EXECUTIVE DIRECTOR'S REPORT

Ms. Carpenter reviewed the Executive Director's memo. She stated that she had word that the proposed repayment plan for the Northgate HUD Flex Sub Loan had been approved by HUD Manchester and had been sent to HUD in DC for final approval.

She commented that VHFA properties were not affected by Hurricane Irene, and the Agency has been working with managers with vacancies to assist those displaced by Irene. Ms. Hollar provided an update on State efforts to assess damage and assist those affected. She added that certain mobile home parks were impacted dramatically by the storm, and the State is working with FEMA on assessments and various resources.



DEVELOPMENT

Wharf Lane Apartments, - Increase of Construction Loan

Mr. Slade reviewed his memo. Ms. Canney asked for clarification on cost per square foot. Ms. Beyer added that construction increased \$850,000 due to the historical building requirements. She added that when the Purchase and Sales Agreement was signed they had not had the opportunity to look into the construction costs. Ms. Beyer added that she fully expected to come back to the Board with additional construction costs.

Ms. Carpenter included that the costs that drove the increase are the historic preservation requirements for the windows. Ms. Beyer added that the historic tax credits and downtown development tax credits would ultimately pay for the increased costs.

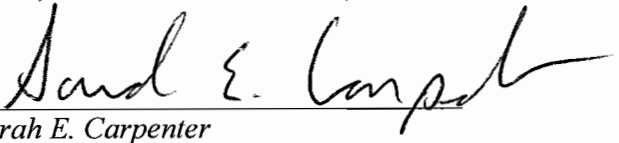
Ms. Hollar moved that the Board approve the proposed resolution; Ms. Pearce seconded the motion which was unanimously approved.

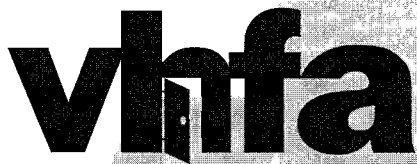
Mr. Adams added that this project was still moving forward within the same timeframe. He stated that the loan will be placed with Morgan Keegan.

Ms. Carpenter stated that the October meeting will be on October 13 at the Central Vermont Chamber of Commerce with a joint afternoon session on energy roadmap work.

Ms. Pearce moved that the Board adjourn at 10:45 a.m. Ms. Randall seconded the motion, which was unanimously approved.

I hereby certify that the foregoing is a true copy of the Minutes of the Vermont Housing Finance Agency Board of Commissioners meeting held on September 12, 2011. The Minutes were approved at a lawful meeting of the Commissioners held at Burlington, Vermont on October 13, 2011.


Sarah E. Carpenter
Executive Director and Secretary
Vermont Housing Finance Agency



Vermont Housing Finance Agency

VHFA Board of Commissioners Meeting Minutes

Central Vermont Chamber of Commerce

33 Stewart Road

Berlin

Board Room

Thursday October 13, 2011 – 11:30 a.m.

VHFA Board Committee Members Present:

Tom Pelletier, Tom Candon, Dagyne Canney, Bart Frisbie, Gus Seelig, Jennifer Hollar
Beth Pearce and Lamont Barnett.

Staff Present:

Sarah Carpenter, Tom Connors, Dave Adams, George Demas, Pat Loller, Tom Kimball,
Lisa Clark, Michelle Packard, Joe Erdelyi, Cindy Reid, Josh Slade, and Brenda Howley

Guests Present: Don Kenney and Brian Benson from Reznick Group.

BOARD MEETING

Mr. Pelletier called the Board meeting to order at 12:20 p.m.

BOARD MINUTES

Mr. Frisbee moved that the Board approve the September 12, 2011 Board of Commissioners meeting minutes. Ms. Canney seconded the motion, which was approved unanimously, with the exception of Mr. Pelletier who abstained.

PUBLIC COMMENT

Mr. Pelletier opened the meeting to public comment. No members of the public offered comment.

EXECUTIVE DIRECTOR'S REPORT

Ms. Carpenter reviewed the Executive Director's memo. She reviewed her meeting in Washington DC and noted that she had heard that the NIBP program would be extended but nothing was official at this point. Mr. Connors added that Multifamily was using up all of the NIBP allocation.

Mr. Seelig inquired as to updates on East Branch and Middlebury South Village. Ms. Carpenter stated that the December Board meeting would cover a review and recommendation on these projects. Mr. Adams reviewed a new marketing plan for South Village which included the possibility of building a spec home on a lot.



Ms. Canney reviewed the realtor relief fund which was collecting money to aid people who had flood-damaged homes.

Mr. Seelig inquired about the runoff projections on the single family portfolio. Ms. Carpenter recommended that this be reviewed at the next Board meeting.

Mr. Candon inquired on the status of loan pricing and how the NIBP program was proceeding. Mr. Adams stated the NIBP is allowing the Agency to charge full spread rates that are competitive with the market, and that loan production was going well.

Mr. Pelletier recommended that all commissioners review the 2012 board meeting schedule and forward comments to Brenda.

Mr. Candon moved that the Board approve the Audit and Ms. Pearce seconded the motion, which was approved unanimously.

Mr. Connors reviewed the Resolution to temporarily increase the Keybank line of credit. Ms. Canney moved that the Board approve the proposed Resolution, and Ms. Pearce seconded the motion, which was approved unanimously.

Ms. Hollar moved that the Board adjourn at 12:43 p.m. Mr. Seelig seconded the motion, which was unanimously approved.

I hereby certify that the foregoing is a true copy of the Minutes of the Vermont Housing Finance Agency Board of Commissioners meeting held on October 13, 2011. The Minutes were approved at a lawful meeting of the Commissioners held at Burlington, Vermont on December 12, 2011.



Sarah E. Carpenter
Executive Director and Secretary
Vermont Housing Finance Agency



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Patricia M. Loller, Director of Administration
DATE: December 5, 2011
RE: VHFA 403(b) Retirement Savings Plan Regulatory Amendments

Recommendation: Approval of the attached resolution to amend the VHFA 403(b) Retirement Savings Plan to incorporate two regulatory amendments. These amendments are required to be incorporated into the plan by 12/31/11.

2009 Required Minimum Distributions (RDM)

This is a retroactive Plan amendment to reflect provisions of the Worker, Retiree and Employer Recovery Act (WRERA). This provision allowed Plan participants to defer their RMD for one year. The IRS made the decision that this provision become part of the plan documents after the fact, hence the retroactive nature of the amendment. No Plan participants took advantage of this provision – though offered by Pension Works.

Roth In-Plan Rollovers

This resolution states that the Agency will not allow for ROTH In-Plan Rollovers as Roth Contributions are not currently available in the VHFA 403(b) Retirement Savings Plan. However, the Plan Trustees will be recommending implementation of Roth Contributions into the Plan in early 2012 and this amendment will be re-evaluated at that time.

Please let me know if you have any questions – 652-3425.



VHFA 403(b) Retirement Savings Plan

2011 REQUIRED AMENDMENT

WHEREAS, Vermont Housing Finance Agency (the "Company") maintains the VHFA 403(b) Retirement Savings Plan (the "Plan") for the benefit of certain of its employees; and

WHEREAS, Pursuant to applicable IRS procedures, the Company desires to amend the Plan;

NOW, THEREFORE, the Plan is hereby amended as set forth below effective as provided therein.

This Amendment to the Plan is adopted to reflect provisions of the Worker, Retiree and Employer Recovery Act (the "WRERA") and certain other provisions of applicable law and the applicable regulations that are generally effective after December 31, 2008 ("Applicable Law"). This Amendment is intended as good faith compliance with the requirements of the WRERA and Applicable Law and is to be construed in accordance with same. This Amendment and the provisions of Applicable Law shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment, WRERA and Applicable Law.

A. OPTIONAL PROVISIONS:

2009 Required Minimum Distributions

- 1a. Indicate the extent to which participants and beneficiaries have an election to receive distributions that include 2009 RMDs:
- i. ☒ Default to continue 2009 RMDs.
 - ii. ☐ Default to discontinue 2009 RMDs.
 - iii. ☐ Other: _____.

NOTE: If "Other" is selected, the below provisions will not apply except to the extent specified.

- 1b. Direct Rollovers of 2009 RMDs. For purposes of the direct rollover provisions of the Plan, the following will also be treated as eligible rollover distributions in 2009:
- i. ☒ None. 2009 RMDs will not be treated as eligible rollover distributions in 2009.
 - ii. ☐ 2009 RMDs only.
 - iii. ☐ Extended 2009 RMDs only.
 - iv. ☐ 2009 RMDs and Extended 2009 RMDs.

Roth In-Plan Rollovers

- 2a. If the Plan allows for Roth contributions and the plan is not a limited scope 403(b) plan, are In-Plan Roth Rollovers permitted?
- i. ☒ No.
 - ii. ☐ Yes - only if the Plan otherwise allows for the distribution/in-service withdrawal.
 - iii. ☐ Yes - limitations and/or conditions apply.
 - iv. ☐ Yes - all distributions/in-service withdrawals permitted under the Code even if not otherwise provided under the plan.

NOTE: To prevent terminated employees from taking an In-Plan Roth Rollover or to limit In-Plan Roth Rollovers to a nondiscriminatory class, choose "limitations and/or conditions apply" and describe the circumstances under which participants can take an In-Plan Roth Rollover.

- 2b. If A.2a is not "No", indicate whether In-Plan Roth Rollovers are permitted from partially vested accounts:
- i. ☐ Yes.
 - ii. ☐ No.
- 2c. If A.2a is "Yes -limitations and/or conditions", describe the limitations and/or conditions: _____.
NOTE: In-Plan Roth Rollovers may only be permitted for eligible distributions that are also rollover distributions (as defined in Code section 402(c)(4)).
- 2d. If A.2a is not "No", enter the effective date of the In-Plan Roth Rollovers: _____ (must be after Sept. 27, 2010).
- 2e. If A.2a is not "No", indicate method of preserving Code section 411(d)(6) protected benefits:
- i. ☐ Distributions from the In-Plan Roth Rollover Account are permitted at any time
 - ii. ☐ Preserve existing distributions/in-service withdrawals rights for each account
 - iii. ☐ Other: _____

B. STANDARD PROVISIONS:

1. 2009 Required Minimum Distributions. Notwithstanding other provisions of the Plan to the contrary; to the extent provided above, and by Code section 401(a)(9), IRS Notice 2009-82 and any superseding guidance, a participant or beneficiary who would have been required to receive 2009 RMDs or Extended 2009 RMDs will receive those distributions for 2009 unless the participant or beneficiary chooses not to receive such distributions. Participants and beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.
- A. In addition, notwithstanding other provisions of the Plan to the contrary, and solely for purposes of applying the direct rollover provisions of the Plan, certain additional distributions in 2009, as chosen above, will be treated as eligible rollover distributions.
- B. Definitions:
- i. "2009 RMDs" are Required Minimum Distributions for 2009 but for the enactment of section 401(a)(9)(H) of the Code;
 - ii. "Extended 2009 RMDs" are one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the participant, the joint lives (or joint life expectancy) of the participant and the participant's designated beneficiary, or for a period of at least 10 years.
2. Roth In-Plan Rollovers. To the extent provided in the Optional Provisions and to the extent permitted by Code section 402A(c), IRS Notice 2010-84 and any superseding guidance, a distribution from the Plan other than from a designated Roth Account that is an eligible rollover distribution (as defined in Code section 408A(e)) may be rolled over to a designated Roth Account maintained under this Plan for the benefit of the individual to whom the distribution is made.

"In-Plan Roth Rollover" means an Employee contribution made to the Plan as a rollover from another account in the Plan pursuant to this Section.

"In-Plan Roth Rollover Account" means so much of a participant's account as consists of a participant's In-Plan Roth Rollover Contributions (and corresponding earnings) made to the Plan.

If In-Plan Roth Rollovers are permitted for all distributions permitted under the Code and to the extent provided in the Optional Provisions, In-Plan Roth Rollovers are permitted at the following times:

- A. Upon the attainment of age 50 except elective deferrals, qualified nonelective contributions, qualified matching contributions and the portion of any account that has been used to satisfy the safe harbor requirements of Code sections 401(k)(12) or 401(k)(13) and/or 401(m)(11) or 401(m)(12) shall not be eligible for withdrawal until the participant attains age 59-1/2.
 - B. After-tax, rollover and voluntary accounts can be converted to an In-Plan Roth Rollover Account at any time.
 - C. From a participant's matching contribution account and/or profit sharing contribution account after 5 years of participation. In-service withdrawals are allowed from a participant's matching contribution account and/or profit sharing contribution account on funds held for at least 2 years. Withdrawals after 5 years of participation and/or 2 years of accumulation are only permitted from the accounts to the extent such account has not been used to satisfy the requirements of Code sections 401(k)(12) or 401(k)(13) and/or 401(m)(11) or 401(m)(12). Withdrawals after 5 years of participation and/or 2 years of accumulation are also only permitted from accounts to the extent such account has not been treated as qualified matching contributions or qualified nonelective contributions.
 - D. Immediately after termination of employment.
3. Notice 2010-15 - HEART Act. Plan provisions pursuant to Code sections 401(a)(37), 414(u)(9) and 414(u)(12), to the extent applicable, shall also be interpreted pursuant to Notice 2010-15 and any superseding guidance.
4. Right to Divest Publicly Traded Employer Securities. To the extent Code section 401(a)(35) applies to the plan (the Plan holds publicly traded employer securities and is an applicable defined contribution plan under Code section 401(a)(35)(E)), the rules regarding the rights to divest publicly traded employer securities shall be interpreted pursuant to Treas. Reg. section 1.401(a)(35)-1 and any applicable superseding guidance.

IN WITNESS WHEREOF, the Company has caused this Amendment to be executed this 12th day of December, 2011.

VERMONT HOUSING FINANCE AGENCY:

Signature: Sarah E. Carpenter

Print Name: Sarah E. Carpenter

Title/Position: Ex. Dir.



Vermont Housing Finance Agency

MEMORANDUM

TO: VHFA Board of Commissioners
FROM: Tom Connors, Chief Financial Officer
DATE: December 5, 2011 for December 12, 2011 Board Meeting
RE: Status of Private Activity Volume Cap and End of Year (2011) Resolution

Action Requested: Adoption of attached resolution to authorize allocation of remaining 2011 private activity volume cap, including any additional 2011 private activity volume cap allocated to VHFA, filing of carryforward election and allocation of private activity volume cap during the course of the next calendar year

The attached resolution authorizes Sarah to allocate the Agency's remaining 2011 volume cap, and any additional allocation of 2011 volume cap VHFA may receive from the State, between homeownership and multifamily, as may be required. It also authorizes Sarah or me to file the 2011 carryforwards (for 2008, 2009, 2010 and 2011 general volume cap) and to allocate private activity volume cap received in 2012 between homeownership and multifamily as appropriate during the course of 2012.

Status of Agency's Use of Private Activity Volume Cap

Private Activity Volume Cap Availability and Usage Projections 2011 - 2012

Sources of Bonding Authorities	2011	2012
Carryforward - 2008 general	21,848,390	Carryforward - 2008 general Used in 2011
Carryforward - 2009 general	85,264,000	Carryforward - 2009 general 56,712,690
Carryforward - 2010 general	116,887,500	Carryforward - 2010 general 106,556,918
New-2011 general	90,000,000	Carryforward - 2011 general 90,000,000
		New - 2012 general tbd
Total Sources	313,999,890	253,269,608 + tbd

Uses of Bonding Authorities	2011	2012
Single Family	30,399,700	Single Family (anticipated) tbd
Multifamily	30,330,582	Multifamily (anticipated) tbd
Total Uses	60,730,282	

Cumulative Excess/(Shortfall)

253,269,608

No Shortfall Anticipated



The IRS has released the notice providing for each state's 2012 private activity bond cap. Vermont will receive the small state minimum of \$284,560,000, an increase in the 2011 small state minimum of \$277,820,000. As in the past, the (Vermont) Emergency Board will allocate some/all of this amount to the recipients in early January, 2012, having received input from the Private Activity Bond Cap Advisory Council and the recipients (VHFA, VSAC, VEDA, the Vermont Municipal Bond Bank, and possibly others).

Please feel free to call me at 652-3436 if you have any questions or comments about this information.

VERMONT HOUSING FINANCE AGENCY

RESOLUTION RE: ALLOCATION OF 2011 PRIVATE ACTIVITY BOND VOLUME CAP; ELECTION TO CARRYFORWARD PRIVATE ACTIVITY BOND VOLUME CAP ALLOCATIONS; AND GENERAL AUTHORITY TO DETERMINE APPROPRIATE USE OF PRIVATE ACTIVITY BOND VOLUME CAP

WHEREAS, the Vermont Housing Finance Agency (the "Agency") has been allocated a total of \$90,000,000 in 2011 private activity bond volume cap by the State of Vermont Emergency Board ("2010 Allocation"); and

WHEREAS, the Agency has been allocated a total of \$106,556,918 in 2010 private activity bond volume cap by the State of Vermont Emergency Board, including a reallocation by the Governor ("2010 Allocation"); and

WHEREAS, the Agency has been allocated a total of \$56,712,690 in 2009 private activity bond volume cap by the State of Vermont Emergency Board, including a reallocation by the Governor ("2009 Allocation"); and

WHEREAS, the Agency wishes to accept any additional allocation of 2011 private activity bond volume cap from the State of Vermont and to allow the Executive Director to designate its use for either qualified mortgage bonds and/or mortgage credit certificates or exempt facility bonds or a combination of both; and

WHEREAS, the Agency desires to carryforward any of its unused 2009 Allocation, unused 2010 Allocation and unused 2011 Allocation pursuant to Section 146 of the Internal Revenue Code of 1986 as amended;

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. The Agency hereby authorizes the Executive Director to allocate the remainder of its 2011 Allocation pursuant to Section 146 of the Internal Revenue Code of 1986 as amended for the purposes of issuing exempt facility bonds or qualified mortgage bonds and/or mortgage credit certificates or a combination of both.
2. If the Agency is allocated any additional 2011 private activity bond volume cap by the State of Vermont, it authorizes the Executive Director to allocate this additional volume cap for the purposes of issuing exempt facility bonds or qualified mortgage bonds and/or mortgage credit certificates or a combination of both.
3. The Agency elects to carryforward all of its unused 2009 Allocation, unused 2010 Allocation and unused 2011 Allocation pursuant to Section 146 of the Internal Revenue Code of 1986 as amended for the purposes consistent with its allocation of such carryforward between exempt facility bonds and qualified mortgage bonds and/or mortgage credit certificates.

4. The Executive Director and Chief Financial Officer are directed, and each of them is authorized, to take all steps necessary to carryforward the Agency's unused 2009 Allocation, unused 2010 Allocation and unused 2011 Allocation, including, but not limited to preparation, execution, and delivery of a Carryforward Election of Unused Private Activity Volume Cap in such form as may be required by the Internal Revenue Service and consistent in content and effect with this Resolution.
5. The Agency hereby authorizes the Executive Director and Chief Financial Officer, individually, to allocate annual allocations of private activity bond volume cap pursuant to Section 146 of the Internal Revenue Code of 1986 as amended for the purposes of issuing exempt facility bonds or qualified mortgage bonds and/or mortgage credit certificates or a combination of both. Such allocations in total may be adjusted through the course of the calendar year.
6. The Executive Director and Chief Financial Officer are directed, and each of them is authorized, to take all steps necessary to make such allocations of the annual allocations as needed, including the preparation, execution, and delivery of such individual allocations in such form as may be required by the Internal Revenue Service and consistent in content and effect with this Resolution.

I hereby certify that the foregoing is a true copy of a Resolution of the Vermont Housing Finance Agency adopted at a lawful meeting of the Commissioners of the Vermont Housing Finance Agency held at Burlington, Vermont on December 12, 2011.


Sarah E. Carpenter
Executive Director and Secretary
Vermont Housing Finance Agency



Vermont Housing Finance Agency

TO: VHFA Board of Commissioners
FROM: Cynthia Reid, Senior Development Underwriter *CR*
DATE: December 1, 2011
RE: Request for 2012-2013 Allocated Housing Credits: Grange Hill, Woodstock

Summary of Request: Twin Pines Housing Trust (TPHT) and Housing Vermont (HVT) are requesting to exchange \$550,000 in previously awarded 9% (ceiling) Housing Credits for Housing Credits from the 2012-2013 ceiling to develop 28 housing units in Woodstock.

Project Background:

The eight-acre parcel was acquired by the Woodstock Community Trust (WCT) in 2005. WCT joined with TPHT and HVT to create a development team to create 28 units of mixed-income rental housing. The project has been in a permit battle ever since. The local permit was granted in spring 2007 which the neighbors appealed. The Environmental Court Judge overturned the local permit 18 months later in September 2008. The project was re-designed to address the Court's decision. Permit applications were re-submitted. By December 2009 the project secured Act 250 approval, local DRB approval, and state storm-water permits. A group of neighbors appealed the Act 250 and DRB permits. The second appeal was heard in the Environmental Court in Oct/Nov 2010.

The Latest:

The appeal to the Environmental Court in 2010 on both the municipal permit & Act 250 permit was decided in the sponsors' favor on October 14, 2011. The neighbors have appealed this decision to the VT Supreme Court.

In addition to the permit issues, the neighbors sued Woodstock Community Trust in Superior Court. This action is being defended by WCT's Directors and Officers insurance policy. There was a jury trial held in the spring of 2011 in Superior Court related to three issues: 1) scope of the Right of Way; 2) adverse possession and 3) spring rights. The Judge ruled in the sponsors' favor on 1 & 2 but the jury found that the development as proposed interferes with the spring rights of a neighbor. In late July, the Superior Court judge ruled on the jury's decision and essentially re-stated the Jury's finding that "the location of the defendant's proposed development on the Grange Hall lot unreasonably interferes with the plaintiff's spring rights." This judgment order leaves both parties in limbo. The judge stated that either party can present additional evidence or argument to support their proposals and to make that request within 15 days. The sponsors provided additional evidence and a mitigation proposal to the judge. A hearing was held with the judge on November 23rd. The sponsors have offered to construct a "sleeve" with a water line from the wet area to the neighbor's property, so that if the neighbor ever wanted to use his spring rights, he would have an easy connection. The wait is on for the judge's ruling.



This project had its first award of Housing Credits in 2007. Historically VHFA has always stood by projects that met community needs whose permits were being appealed by neighbors, including McAuley Square in Burlington and Sylvan Woods in Stowe.

The project is still competitive in regards to Allocation Plan Criteria: It is in-fill new construction in a community with a lack of affordable housing stock - indeed this condition was made worse by the devastation of Tropical Storm Irene; Woodstock was very hard hit with over 50 families relocated due to damage and more than 140 families receiving substantial FEMA assistance; it is family housing; it is near a designated village center; it will incorporate universal design principles.

Staff is proposing to take back the previously awarded credits from Grange Hill. Staff is also recommending that the Board award \$550,000 in 9% Credits from the 2012 or 2013 ceiling to the project. This will allow the project to move forward as soon as it is granted approval from the legal system while not slowing down other projects in process.

Staff is also proposing to affirm the previously committed State Housing Credits in the amount of \$67,700, and construction financing in the amount of \$5,000,000.

Recommendation: Staff recommends that the VHFA Board of Commissioners pass the attached resolution and make the required findings as outlined in the second section of the resolution ("It is hereby determined:"), and that the Board authorize the Executive Director to issue a Letter of Interest and/or a Commitment Letter to finance this property upon satisfactory completion of staff underwriting and due diligence; and authorize staff to issue the appropriate documentation according to the Qualified Allocation Plan.

VERMONT HOUSING FINANCE AGENCY

**RESOLUTION RE: PROPOSED ALLOCATION OF STATE AND ALLOCATED
HOUSING CREDITS AND CONSTRUCTION FINANCING FOR GRANGE HILL,
TOWN OF WOODSTOCK**

WHEREAS, the Vermont Housing Finance Agency (the "Agency") is authorized by the Vermont Housing Finance Agency Act to issue bonds and borrow monies and to make loans to finance projects for persons and families of low and moderate income, projects that qualify for financing with federally tax-exempt obligations, and projects where at least 20% of the units are for occupancy by persons and families of low and moderate income; and

WHEREAS, an application has been submitted to the Agency by Housing Vermont and Twin Pines Housing Trust (the "Sponsors") on behalf of a to be formed limited partnership in which one or more of the Sponsors or their subsidiaries or affiliates will be general or co-general partner(s) (the "Borrower") involving the acquisition, rehabilitation and new construction of a total of twenty-eight (28) units of general occupancy rental housing in the Town of Woodstock (the "Development"); and

WHEREAS, the Agency administers the allocation and use of the federal Low Income Housing Tax Credits (both Allocated Housing Credits and Bond Housing Credits) and the Vermont Affordable Housing Tax Credits (both State Rental Credits and State Homeownership Credits) under the State's Qualified Allocation Plan; and

WHEREAS, the Governor of the State of Vermont has approved the Qualified Allocation Plan; and

WHEREAS, the Board of Commissioners has been presented with a memorandum from Cynthia Reid dated December 1, 2011, containing information, conditions and recommendations about the Development (the "Memorandum"); and

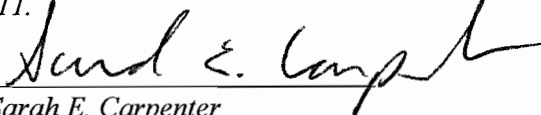
WHEREAS, this Resolution amends that certain resolution of the Board of Commissioners adopted September 10, 2010 entitled "Resolution Re: Proposed Allocation of Allocated Housing Credits for Grange Hill, Town of Woodstock" to the extent such resolution relates to the same subject matter;

WHEREFORE, it is hereby RESOLVED:

1. The recommendations for the allocation of State and Allocated Housing Credits contained in the Memorandum which is attached and incorporated by this reference are hereby approved.
2. The Executive Director and the appropriate staff are hereby authorized to take such actions as are described in the Qualified Allocation Plan regarding the proposed allocation of federal Allocated Housing Credits in the amount of \$550,000.00 for the Grange Hill housing project in the Town of Woodstock, Vermont.

3. The findings set forth above are hereby incorporated as if set forth fully in this place and shall be and constitute the duly adopted findings of the Board.

I hereby certify that the foregoing is a true copy of a Resolution of the Vermont Housing Finance Agency adopted at a lawful meeting of the Commissioners of the Vermont Housing Finance Agency held at Burlington, Vermont on December 12, 2011.


Sarah E. Carpenter
Executive Director and Secretary
Vermont Housing Finance Agency