



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

MINUTES OF THE JANUARY 3, 1975 COMMISSION MEETING OF THE VERMONT HOUSING FINANCE AGENCY

PRESENT: Chairman Myette, Commissioners Guest, Shaw, Bruley, Alexander, Secretary Lincoln, Messers. Gurley, Caine, and Fippinger

The meeting was called to order by Chairman Myette at 12 p.m.

Chairman Myette distributed draft copies of the proposed changes to the Agency's enabling statute. He reported that the changes had been discussed with the Governors' office and the Legislative Council, and had been sent to several legislative leaders. The bill draft proposed three major changes to the statute:

- * Authority for the Agency to purchase mortgages on small operating "family" farms;
- * Authority for the Agency to make loans to sponsors of multi-family rental housing; and
- * Authority for the Vermont Home Mortgage Guarantee Board to guarantee mortgages made or purchased by the Agency under either of the above programs.

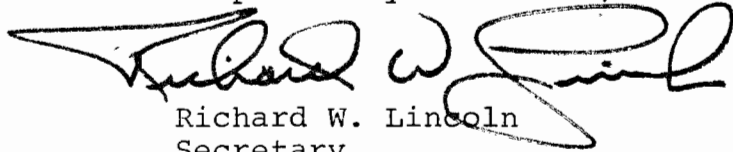
These proposals were discussed, along with a technical change which is needed immediately in order for the "forward commitment" portion of the mortgage purchase program to function. It was also agreed that the bill should deal with a possible revision of the Uniform Commercial Code to facilitate future Loans to Lenders programs, and should attempt to clarify the Agency's status under the Administrative Procedures Act.

After introducing Messers Andrew Gurley (First Boston Corporation), Thomas Caine (Paine, Webber, Jackson & Curtis) and Robert Fippinger (Hawkins, Delafield & Wood), Chairman Myette and Lincoln discussed progress to date on the Mortgage Purchase Program, including the preparation of drafts of the "Mortgage Purchase Agreement" and "Mortgage Loan Servicing Agreement", which were to be the primary topic at the meeting scheduled for 1:30 that day with the lending institutions of the State.

The next Commission meeting was set for January 16, 1975 at 2:30 p.m.

There being no further business, the Commission adjourned at 1:15 p.m.

Respectively submitted,



Richard W. Lincoln
Secretary

Revised



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

MINUTES OF THE JANUARY 16, 1975 COMMISSION MEETING OF THE VERMONT HOUSING FINANCE AGENCY

Present: Chairman Myette, Commissioners Guest, Alexander,
Bruley, Shaw, Secretary Lincoln

The meeting was called to order by Chairman Myette at 2:40 p.m. On motion of Shaw, duly seconded by Alexander, the Minutes of the Commission meetings of November 25, 1974 and January 3, 1975 were approved.

Lincoln reported on progress of the Loans to Lenders program through December 31, 1974, indicating that 40 per cent of the \$11.4 million had been disbursed, and that commitments had been obtained for 57 per cent of the funds.

Following a brief discussion, it was decided that no action would be taken at this time on a proposed Resolution to designate Ms. Suzanne Gillis an Assistant Secretary of the Agency.

Chairman Myette and Lincoln discussed drafts of the two bills which the Agency will seek support for during the current session of the Legislature. Shaw and Alexander stated that they felt the "technical" amendment was not adequate, and should be further refined. It was agreed that Lincoln would work with Alexander and Attorney John Ewing to make the necessary changes. Chairman Myette stated that he had spoken with several Legislative leaders, and felt he had adequate support lined up. He stated he was meeting with several Legislators next week to arrange hearings, etc. Alexander and Lincoln noted that it would be necessary to add language to the larger bill dealing with the Uniform Commercial Code and the Administrative Procedures Act.

There followed a lengthy discussion of the proposed Single Family Mortgage Purchase Program. Lincoln outlined a timetable which envisioned the sale of Agency bonds in late February. It was agreed that the Agency should attempt to meet that schedule. During the course of the discussion, the Commission decided upon the following specific points:

- * The lenders would not be required to establish any delinquency or default reserves;
- * The lenders would be allowed to delegate servicing to another institution, subject to written Agency approval;

- * Lenders would not be allowed to charge any "front end" origination fee. Rather, the servicing fee would be increased to one half per cent per year to compensate for the lack of such a fee, if possible
- * The Agency will also receive approximately one half per cent in the "mark up" over the bond rate, although this figure could vary depending on the final rate on the bonds. In addition, the Agency will collect a one per cent origination fee, less any fee which the borrower must pay for mortgage insurance or guarantee;
- * Guest indicated his willingness to consider lowering the fee to one half per cent on all VHMGB mortgages to be purchased by the Agency;
- * Delinquent mortgages would be those 90 days in arrears while a defaulted mortgaged would be one declared in default by agreement of the Agency and the Servicer;
- * The Agency will require appraisals on all property covered by new conventional mortgages to be sold to the Agency, and would accept the appraisal of anyone acceptable to the VHMGB;
- * The Agency would require the use of standardized forms for all new mortgages, the forms to be patterned after FHLMC forms or on others which the Agency approved in advance;
- * Minimum applications from the lenders would be \$100,000 (and would rise in multiples of \$50,000) ;
- * Escrow accounts would be at the option of the buyer, and the lender would not be required to pay interest on such escrowed funds;
- * Terms of the mortgage would be at least 25 years unless specifically waived by the buyer, in which case the term could be no less than 20 years;
- * Income limits would be \$18,500; and
- * At least 40 per cent of the new mortgages would be required to be guaranteed by VHMGB.



*proposed
01/16/15;
no action*

VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

NOT ADOPTED

RESOLUTION RELATING TO THE DESIGNATION OF AN ASSISTANT SECRETARY OF THE VERMONT HOUSING FINANCE AGENCY

BE IT RESOLVED by the Commissioners of the Vermont Housing Finance Agency (the "Agency") that Suzanne Gillis is hereby designated an Assistant Secretary of the Agency;

BE IT FURTHER RESOLVED that Ms. Gillis is authorized to execute documents and affix the seal of the Agency only when authorized to do so verbally by either the Chairman, Vice-Chairman, or Executive Director;

AND BE IT FURTHER RESOLVED that this Resolution shall take effect upon adoption.



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

MINUTES OF THE JANUARY 23, 1975 COMMISSION MEETING OF THE VERMONT HOUSING FINANCE AGENCY

Present: Chairman Myette, Commissioners Guest, Hackel, Webster, Shaw, Bruley and Alexander, Secretary Lincoln

The meeting was called to order by Chairman Myette at 2:50 P.M. On motion of Shaw, duly seconded by Bruley, the minutes of the Commission meeting of January 16, 1975 were approved, subject to certain revisions.

Chairman Myette reported on progress of pending legislative proposals related to the Agency. He stated that he and Lincoln would be testifying before the House Commerce Committee the following week in support of the Agency's amendment to the reinvestment section of the mortgage purchase statute.

There followed an extensive discussion of the Mortgage Loan Purchase Agreement, the Mortgage Loan Servicing Agreement and the Rules and Regulations for the upcoming mortgage purchase program. During the discussion the following actions were taken:

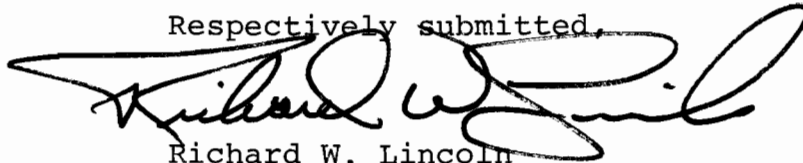
- * On motion of Webster, duly seconded by Shaw, the Commission established \$19,000 per year as the income limit for the program;
- * On motion of Alexander, duly seconded by Guest, with Shaw abstaining, the following fees were approved:
 - *Fee to Servicer of one half per cent per year, with no origination fee allowed;
 - *A "front end" fee to the Agency, payable by the mortgagor, or one per cent of the mortgage amount, less any fee paid for insurance or guarantee;
 - *An application fee from participating lenders of \$500.00.

- * On motion of Guest, duly seconded by Webster, a requirement that forty per cent of all new mortgages made by participating lenders must be guaranteed by the Vermont Home Mortgage Guarantee Board.

Following the discussion, and on motion of Alexander, duly seconded by Bruley, the distribution of the affected documents and the invitation of participation was approved. On motion of Shaw, duly seconded by Alexander, the publication of proposed Rules and Regulations in accordance with the Administrative Procedures Act was approved.

There being no further business, the Commission adjourned at 5:25 P.M.

Respectively submitted.

A large, stylized handwritten signature in black ink, appearing to read 'Richard W. Lincoln', is written over the typed name.

Richard W. Lincoln
Secretary



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

MINUTES OF THE FEBRUARY 13, 1975 COMMISSION MEETING OF THE VERMONT HOUSING FINANCE AGENCY

PRESENT: Chairman Myette, Commissioners Alexander, Bruley and Shaw, Secretary Lincoln, Messers. Robinson, Graham, Dietrich, Gurley, Herbert, Caine, Stover and Mayhew

The meeting was called to order at 2:50 P.M. by Chairman Myette. On motion of Shaw, duly seconded by Alexander, the Minutes of the January 23, 1975 Commission meeting were approved.

Secretary Lincoln reported on several inquiries regarding whether the anticipated income limit increase under the Mortgage Purchase Program would be made retroactive to the Loans to Lenders program. Although no vote was taken, it was clearly the consensus of the Commission that such an increase would apply only to the new program, and would not be retroactive.

There followed an extensive discussion of the proposed Mortgage Purchase Program. Chairman Myette indicated his intention to issue the bonds as soon as possible after enactment of a technical amendment to the Agency's statute. He also stated that participating lenders would not be allowed to make commitments to prospective borrowers until after the Agency had closed and delivered the bonds. There was some discussion of potential difficulties with funds remaining under the Loans to Lenders program in the event the Agency were able to sell new bonds at a lower price. It was left that, if necessary, the Agency would meet with the original nine lenders prior to such an occurrence.

On motion of Burley, duly seconded by Alexander, the appropriate program documents were amended to allow the purchase of mortgages up to \$33,000 on single family residential housing.

Mr. Caine and Mr. Robinson discussed various early redemption provisions and the establishment of the Mortgage Reserve Fund under the General Bond Resolution. It was agreed that the Mortgage Reserve Fund Requirement would be structured such that the first regular payment would be made within the first two years, and that the Fund would be built to at least a 2.0% reserve over the first seven years. On motion of Shaw, duly seconded by Alexander, the form of the General Bond Resolution was approved. On motion of Shaw, duly seconded by Bruley, Chairman Myette and Secretary Lincoln were authorized to distribute the Preliminary Official Statement at the appropriate time.

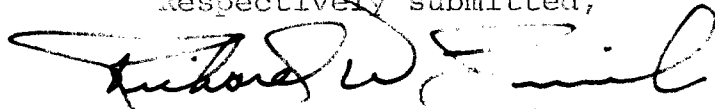
There followed a discussion of the proposed Rules and Regulations for the Mortgage Purchase Program, and specifically the income limits thereunder. Mr. Mayhew raised a question of the precise intent of the phrase "not expected to exceed". Mr. Robinson suggested language applying the limitation to the previous year, but allowing the Agency to grant case by case exceptions. On motion of Shaw, duly seconded by Alexander, the proposed Rules and Regulations were approved for publication under the Administrative Procedures Act, subject to raising the income limit from \$16,000 to \$19,000, and subject to Mr. Robinson and Secretary Lincoln agreeing on satisfactory revisions in the definition of "Persons and Families of Low and Moderate Income".

Mr. Dietrich raised the possibility of refunding the Loans to Lenders bond issue. Mr. Gurley was asked to pursue the matter further after the Mortgage Purchase bond issue is more firm.

Chairman Myette indicated that he and Secretary Lincoln had discussed the possibility of assuming the position of Agency Counsel with Mr. Gerald Desautels, Esq. He indicated that he would keep the Commission informed. He also reported that the Agency would be employing Ms. Jain Detora to handle the paperwork and day to day operations of the Mortgage Purchase Program.

There being no further business, the Commission adjourned at 5:05 P.M.

Respectively submitted,

A handwritten signature in dark ink, appearing to read "Richard W. Lincoln", written in a cursive style.

Richard W. Lincoln
Secretary



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

MINUTES OF THE APRIL 22, 1975 COMMISSION MEETING OF THE VERMONT HOUSING FINANCE AGENCY

Present: Chairman Myette, Commissioners Shaw, Alexander, Bruley, Hackel, Guest, Webster, Secretary Lincoln, Gillis, Messers. Stover, Dietrich and Gurley

The meeting was called to order by Chairman Myette at 3:20 P.M. On motion of Shaw, duly seconded by Hackel, the minutes of the February 13, 1975 Commission meeting were approved.

Chairman Myette reported on the VHFA meeting attended earlier in the day by representatives from all the banks participating in the proposed Mortgage Purchase Program. He stated that the banks supported the Agency's request to accept delivery of the mortgages to be purchased by the Agency at six month and one year intervals.

Gurley and Dietrich (First Boston Corporation) then reported on the cash flow situation, explaining the surplus to the Agency and the risks involved in going with the bond issue. In addition, they outlined various alternatives to the Agency, including investigating the possibility of refinancing the first bond issue of the Loans to Lenders program, indicating that the Agency may realize a \$40-50 thousand dollar surplus, or borrowing from the State as provided under the statute.

There followed an extensive discussion on the feasibility of selling the bonds for the Mortgage Purchase Program, at which time Lincoln stated his agreement that the cash flow as calculated by the First Boston Corporation would work. He made a formal recommendation to the Commissioners to proceed with the bond issue. Following the discussion these actions were taken:

- * On motion of Shaw, duly seconded by Bruley, the Commission agreed to proceed with the bond sale.
- * On motion of Guest, duly seconded by Webster, Gurley was asked to pursue the investigation of the possibility of refinancing the Loans to Lenders bonds.
- * Hackel recommended that the Commissioners review the statute in reference to the "make-up" provision suggesting it be taken out where not necessary. Consensus of group was that the provision would not be used unless

determined to be necessary.

- * On the recommendation of Gurley, the Commissioners agreed to solicit Vermont banks for CD rates and to check on out-of-state CD rates as well.

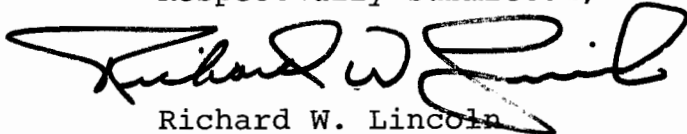
Lincoln reported on the failure of the multi-family housing bill (S.87) to pass the Legislature this session, but expressed optimism that it would pass next year.

Guest discussed the new loan criteria proposed for the Vermont Home Mortgage Guarantee Board. One of the major changes proposed is to take a closer look at the borrowers' applications. In addition, the origination fee will be revised to $\frac{1}{2}\%$, timed to coincide with the start-up of the Mortgage Purchase Program. Myette then suggested the feasibility of VHFA assuming the administrative responsibilities of VHMGB. It was agreed that it was a possibility and would be further investigated.

Lincoln reported on his correspondence with the Rutland Savings Bank, and indicated his ruling that a mortgage commitment by them contingent upon approval by the Vermont Home Mortgage Guarantee Board would be considered an adequate commitment under the provisions of the Loans to Lenders program.

There being no further business, the Commission adjourned at 5 P.M.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Richard W. Lincoln". The signature is fluid and cursive, with a large, sweeping initial "R".

Richard W. Lincoln
Secretary



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

MINUTES OF THE MAY 16, 1975 COMMISSION MEETING OF THE VERMONT HOUSING FINANCE AGENCY

PRESENT: Chairman Myette, Commissioners Shaw, Alexander, Bruley, Hackel, Culp (designee of Guest), Secretary Lincoln, Messers Gurley, Dietrich, Caine, Robinson, Victor, Desautels, Ms. Gillis and Ms. Detora.

The meeting was called to order by Chairman Myette at 1:20 P.M. Chairman Myette read a letter from Commissioner Guest designating Mr. Charles M. Kulp to act in his absence. On motion of Alexander duly seconded by Bruley, the Minutes of the April 22, 1975 Commission meeting were approved, as corrected.

Chairman Myette stated that it was advisable at this time to accept the applications and commitments by the Mortgage Lenders to make certain Mortgage Loans, such Mortgage Loans to be purchased by the Agency from the proceeds of the 1975 Series A Bonds. The following resolution was introduced by Hackel and seconded by Kulp:

BE IT RESOLVED AS FOLLOWS: The acceptance by the Chairman of the applications and commitments of Mortgage Lenders to make certain Mortgage Loans to be purchased by the Agency from the proceeds of the 1975 Series A Bonds is hereby authorized and confirmed as follows:

<u>Name of Mortgage Lender</u>	<u>Principal Amount</u>
Burlington Savings Bank, Burlington	\$5,000,000
Chittenden Trust Company, Burlington	1,000,000
First Vermont Bank and Trust Company, Brattleboro	500,000
Franklin-Lamoille Bank, St. Albans	500,000
The Howard Bank, Burlington	2,000,000
Inter-State Trust Company, White River Junction	1,000,000
The Merchants Bank, Burlington	400,000
Middlebury Cooperative Savings and Loan Association, Middlebury	200,000

Peoples Trust Company of St. Albans, St. Albans	\$ 500,000
Union Bank, Morrisville	500,000
Vermont Federal Savings and Loan Association, Burlington	1,000,000
Vermont National Bank, Brattleboro	1,000,000

The resolution was agreed to by a vote of five in favor, none against.

Ms. Alexander thereupon introduced the appended resolution entitled "Resolution Relating to Establishment of Prevailing Rate of Interest". The resolution was duly seconded by Bruley and agreed to by a vote of five in favor, none against.

Chairman Myette stated that it was advisable that a resolution be adopted creating and establishing an issue of bonds of the Vermont Housing Finance Agency, providing for the issuance from time to time of said bonds, providing for the payment of principal and interest of said bonds, and providing for the rights of the holders thereof. Mr. Robinson reviewed and summarized specific provisions of said Resolution and indicated the willingness of Hawkins, Delafield & Wood to render an opinion based upon said resolution in substantially the form appended to the Official Statement dated May 16, 1975.

The resolution entitled, "Single Family Mortgage Bond Resolution", was introduced by Hackel, duly seconded by Bruley, and was agreed to by a vote of five in favor, none against and Mr. Shaw abstaining.

Chairman Myette stated that it was advisable that a series resolution be adopted authorizing the issuance of \$15,780,000 1975 Series A Bonds of the Vermont Housing Finance Agency.

The resolution, entitled "Series Resolution Authorizing the Issuance and Sale of \$15,780,000 Single Family Mortgage Bonds, 1975 Series A , " was introduced by Chairman Myette and duly seconded by Kulp. Mr Robinson, Bond Counsel, summarized the provisions of the resolution, which was thereupon agreed to by a vote of five in favor, none against and Mr. Shaw abstaining.

Chairman Myette stated that it was advisable to authorize the form of Mortgage Loan Purchase Agreement and Mortgage Loan Servicing Agreement with the Mortgage Lenders seeking to sell Mortgage Loans to the Agency. The following resolution was introduced by Hackel and seconded by Alexander:

BE IT RESOLVED AS FOLLOWS: The Chairman and Executive

Director of the Agency are hereby authorized and direct-

ed to execute, attest and deliver the Mortgage Loan Pur-

chase Agreements and the Mortgage Loan Servicing Agreements

by and between the Agency and each Mortgage Lender. All of the provisions of each Mortgage Loan Purchase Agreement and Mortgage Loan Servicing Agreement, when executed as authorized herein, shall be deemed to be part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution thereof. Each Mortgage Loan Purchase Agreement and each Mortgage Loan Servicing Agreement shall be in substantially the appended form, with such necessary and appropriate variations , omissions and insertions as permitted or required, and as approved by the Agency, consistent with the summaries thereof contained in the Official Statement dated May 16, 1975.

The resolution was agreed to by a vote of five in favor, none against and Mr. Shaw abstaining.

Mr. Gurley, representing the Underwriters, described the Contract of Purchase, the execution of which was authorized by Section 209 of the aforementioned "Series Resolution". Mr. Gurley, on behalf of the Underwriters, and Chairman Myette, on behalf of the Agency, thereupon executed said Contract of Purchase.

Chairman Myette stated that it was advisable to authorize the form of 1975 Series A Securities Investments Contract. The following resolution was introduced by Bruley and seconded by Kulp.

BE IT RESOLVED AS FOLLOWS: The Chairman and Executive Director of the Agency are hereby authorized and directed to execute, attest and deliver the 1975 Series A Securities Investments Contract by and between the Agency and The First Boston Corporation. All of the provisions of the 1975 Series A

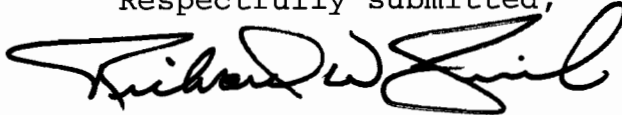
Securities Investments Contract, when executed as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution thereof. The 1975 Series A Securities Investments Contract shall be in substantially the appended form, with such necessary and appropriate variations, omissions and insertions as permitted or required, or as the Chairman, in his discretion, shall determine.

The resolution was agreed to by a vote of five in favor, none against, and Mr. Shaw abstaining.

Mr. Shaw offered to sell the Agency a Certificate of Deposit in in the amount of \$157,800, the amount of the "good faith deposit" from The First Boston Corporation, which Certificate will mature on June 12, 1975, and bear interest at a rate of five and one half percent (5.50%) simple interest. On motion of Alexander, duly seconded by Kulp, the Agency unanimously agreed to accept the offer and purchase the Certificate of Deposit under the terms indicated, with Mr. Shaw abstaining.

There being no further business, the meeting adjourned at 2:30 P.M.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard W. Lincoln". The signature is fluid and cursive, with a large, sweeping "L" at the end.

Richard W. Lincoln
Secretary

Appendices:

- A. Resolution Relating to Establishment of Prevailing Rate of Interest.
- B. Single Family Mortgage Bond Resolution.
- C. Series Resolution Authorizing the Issuance and Sale of \$15,780,000 Single Family Bonds, 1975 Series A.
- D. Contract of Purchase.
- E. Form of Mortgage Loan Purchase Agreement.
- F. Form of Mortgage Loan Servicing Agreement.
- G. 1975 Series A Securities Investments Contract.



STATE OF VERMONT
DEPARTMENT OF BANKING AND INSURANCE
MONTPELIER 05602

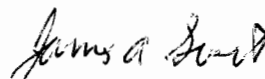
May 14, 1975

Mr. Richard A. Myette
Smith, Bell & Thompson
102 S. Winooski Ave.
Burlington, Vermont 05401

Dear Dick:

I hereby designate Charles M. Kulp, Deputy Commissioner of Banking, to be my representative in all matters at the VHFA meeting on Friday, May 16, 1975.

Sincerely,


James A. Guest
Commissioner

JAG/bd



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

AGENDA

Commission Meeting of the Vermont Housing Finance Agency
September 3, 1975
3 p.m.
Smith Bell & Thompson, Inc.

1. Approval of the minutes of the last meeting
2. Discussion with Mr. Andrew Gurley of First Boston about the consideration of refinancing the Loans to Lenders program
3. Formal action on Mr. Richard Lincoln's resignation
4. Consideration of replacement for Executive Director
5. Discussion of status of our legislation before the General Assembly
6. Any other business to come before the Commission

Enclosure - Resume, D. Swift



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

MINUTES OF THE JUNE 26, 1975 COMMISSION MEETING OF THE VERMONT HOUSING FINANCE AGENCY

PRESENT: Chairman Myette, Commissioners Bruley, Shaw, Alexander, Hackel and Webster, Secretary Lincoln, Ms. Gillis

The meeting was called to order by Chairman Myette at 2:40 P.M. On motion of Hackel, duly seconded by Shaw, the minutes of the May 16, 1975 Commission meeting were approved.

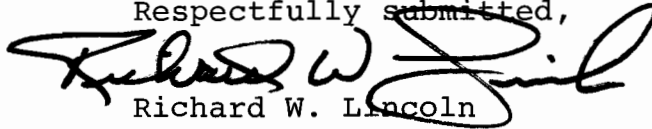
Chairman Myette reported that the bond closing on June 12 in New York had gone smoothly. He then presented for consideration a proposed Agency budget for Fiscal Year 1976, which had been prepared by himself, Secretary Lincoln and Mike Hanley, the Agency's accountant. It was pointed out that the Agency would have to borrow from the State Treasurer in order to meet its operating expenses in the fall, since the revenues from the Mortgage Purchase Program would not be available until December 1, 1975. Ms. Hackel indicated a willingness to make such a loan, and to refinance the Agency's \$20,000 outstanding note at a more favorable interest rate. On motion of Bruley, duly seconded by Alexander, the Chairman was authorized and directed to renegotiate the outstanding \$20,000 debt, and to borrow an additional \$25,000 from the State Treasurer, all at an interest rate not to exceed seven per cent (7.0%) per annum. On motion of Shaw, duly seconded by Alexander, the Agency budget for Fiscal Year 1976 was approved as submitted (A copy of the approved budget is attached hereto as Appendix I.).

There followed extensive discussion of Secretary Lincoln's May 13, 1975 Memorandum to the Chairman on "VHFA Job Descriptions". There seemed to be general agreement as to the descriptions and the activities which they outlined. Ms. Hackel raised several points, however, which seemed to meet with the concurrence of the other Commissioners. She felt, for example, that speeches should be made by the Executive Director only as assigned by the Chairman. She also questioned the suggestion that the Executive Director be responsible for defining "policy guidelines" for the proposed multi-family program, feeling that policy making and public relations should be the responsibility of the Chairman as the "administrative head" of the Agency. Following the discussion, Chairman Myette indicated that he would, with the concurrence of the Commission, prepare a directive to the Executive Director on the individual responsibilities of the Agency's staff.

Chairman Myette indicated that he was continuing to pursue the possibility of refinancing the Loans to Lenders bond issue when and if the bond market improved enough to allow the Agency any savings through a new issue. He stated that he hoped Mr. Andrew Gurley of the First Boston Corporation might be able to attend the next Commission meeting to discuss the subject.

There being no further business, the Commission adjourned at 4:05 P.M.

Respectfully submitted,



Richard W. Lincoln
Secretary



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

AGENDA

Commission Meeting of the Vermont Housing Finance Agency
November 21, 1975
3:30 p.m.
Smith Bell & Thompson, Inc.

1. Approval of the minutes of the last meeting
2. Discussion of preliminary results of Housing Survey-
Suzanne Gillis
3. Discussion of current status of Mortgage Purchase Program-
Jain Detora
4. Discussion of effects of less than 50% purchase of
mortgages on December 1st - Lee Fiske
5. Review of Haskins and Sells annual audit
6. Discussion of applicants for position of Executive Director
7. Discussion of annual report - Suzanne Gillis
8. Legislative goals - S-87
9. Housing meeting of November 25th and VHFA relations, respon-
sibilities and interface with other state housing related
entities.
10. Any other business to come before the Commission



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

MINUTES OF THE SEPTEMBER 3, 1975 COMMISSION MEETING OF THE VERMONT HOUSING FINANCE AGENCY

PRESENT: Chairman Myette, Commissioners Hackel, Shaw, Alexander, Secretary Lincoln, Ms. Gillis, Ms. Detora and Mr. Gurley

The meeting was called to order by Chairman Myette at 3:10 p.m. On motion of Shaw, duly seconded by Alexander, the minutes of the June 26, 1975 commission meeting were approved.

Chairman Myette distributed copies of the finance budget sheet for review and comment.

Chairman Myette then announced the resignation of Richard W. Lincoln, Executive Director, effective September 12, 1975. A motion to accept the resignation with regret was made by Shaw, duly seconded by Hackel. Chairman Myette then read his news release as amended and added to the minutes.

Mr. Gurley, of First Boston Corporation, then led a discussion concerning refinancing the bonds of the Loans to Lenders Program in an effort to save money for the Agency. Among the points discussed were 1.) the possibility of changing the resolution to eliminate the moral obligation clause, 2.) savings produced by lower bond interests, and 3.) other cost saving suggestions. The mechanics of the refinancing were then discussed. Mr. Gurley indicated that the paperwork necessary could be accomplished within six weeks. Chairman Myette requested a written estimate of the costs. Shaw moved and the motion was duly seconded by Alexander that if savings amounted to approximately \$40,000, the refinancing would again be reviewed for approval.

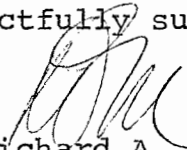
Chairman Myette then led a discussion as to a replacement of an Executive Director indicating that he was reviewing six resumes presently. Hackel suggested that a serious effort be made to find a Vermonter to fill the position, that a screening committee be established, and that advertising would be appropriate. It was decided to find a temporary replacement.

Chairman Myette reported on the October House Commerce Committee meeting regarding S-87 and indicated that a joint effort was needed by all the commissioners to support the bill.

Ms. Gillis reported on the progress of the Housing Needs Analysis for Vermont citing the numerous difficulties in obtaining necessary updated information. It was indicated that the report should be near completion by December 1, 1975, however, Ms. Hackel suggested that nothing be published or released prior to its review by the commissioners.

There being no further business, the meeting adjourned at 5:05 p.m.

Respectfully submitted



Richard A. Myette
Chairman



VERMONT HOUSING FINANCE AGENCY

RICHARD W. LINCOLN
Executive Director

RICHARD A. MYETTE
Chairman

MINUTES OF THE OCTOBER 24, 1975 COMMISSION MEETING (Conference Call) OF THE VERMONT HOUSING FINANCE AGENCY

PRESENT: Chairman Myette, Commissioners Bruley, Hackel, Shaw
and Webster, Mr. Fiske, Ms. Detora

The meeting was called to order by Chairman Myette at 10:05 A.M.. As this was not a regularly scheduled commission meeting, the minutes of the September 3, 1975 meeting were not reviewed.

Chairman Myette presented for consideration and explained the necessity of a new interpretation for the income limitation under the Mortgage Purchase Program as defined in the Seller's Guide, Section I, 1.114 which reads:

"Persons and Families of Low and Moderate Income means persons and families whose adjusted gross aggregate personal or family income reported for Federal income tax purposes in the immediately preceeding taxable year does not exceed \$19,000 annually, provided, however, that the Agency may in writing on a case by case basis allow exceptions of specific items included in adjusted gross income if, in the opinion of the Agency, such persons and families are otherwise of low and moderate income....."

Chairman Myette explained that this interpretation with specific respect to the clause "reported for Federal income tax purposes in the immediately preceeding taxable year", could all too easily enable a potential borrower who may well have been under the \$19,000 limitation according to his 1974 A.G.I. and very possibly earning a good deal more this year to still be elligible. Chairman Myette said that he felt this possibility was in direct conflict with the basics and original concept of the program. The new interpretation that he suggested was as follows:

"Persons and Families of Low and Moderate Income means persons and families whose current aggregate personal or family income, as determined by normal banking procedures, does not exceed \$19,000 annually, provided, however, if current income cannot be verified by normal banking procedures the adjusted gross aggregate personal or family income reported for Federal income tax purposes in the immediately preceeding taxable year shall be considered current income....."

On motion of Shaw, duly seconded by Hackel and agreed to by Webster, the new interpretation was approved.

Chairman Myette next indicated that a ruling was necessary for the limitation on acreage, again with respect to the Mortgage Purchase Program. He presented the possible ruling that the appraised value of the land not exceed fifty percent (50%) of the total amount of the mortgage. No motion was made but all present approved and agreed.

Chairman Myette then posed the question concerning the responsibility of the banks with respect to the front end fee collected from the borrower for the Agency (1% for convention mortgages and 1/2% for VHMGB mortgages) in the event that a mortgage or mortgages submitted to the Agency for review should be rejected prior to the December 1 closing. All present agreed that the banks should return the fee to the borrower minus any "out of pocket" expenses incurred through the processing of the mortgage.

Chairman Myette asked Ms. Hackel and Mr. Webster if they would bring to the attention of Commissioner Guest at the next Vermont Home Mortgage Guarantee Board meeting, the fact that the Agency as well as many other interested parties in the State are in need of a precise interpretation on "the basis upon which interest is to be calculated"; will it be on a 360 or 365 day basis? Ms. Hackel asked Chairman Myette if he would send her and Mr. Webster a memo to that effect. Chairman Myette agreed.

Chairman Myette suggested that a commission meeting be scheduled for mid-November at the offices of Smith Bell and Thompson. November 21, 1975 at 3:30 P.M. was agreed upon.

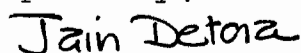
There being no further business, the Commission adjourned at 10:20 A.M..

Respectfully submitted,



Lee C. Fiske

Prepared by,



Jain Detora

Jain Detora