

UTAH HOUSING CORPORATION
MONTHLY MEETING

JUNE 24, 2021
2:00 PM MDT

UTAH HOUSING CORPORATION
2479 S. Lake Park Blvd. • West Valley City, Utah 84120
(801)902-8200 • 1-800-284-6950 • Facsimile (801)902-8350

AGENDA



2479 S. Lake Park Blvd. West Valley City, UT 84120
801.902.8200 www.utahhousingcorp.org

**NOTICE OF MONTHLY MEETING
UTAH HOUSING CORPORATION
June 24, 2021**

PUBLIC NOTICE is hereby given that Utah Housing Corporation (UHC) will hold a Monthly Meeting commencing at 2:00 p.m. Thursday, June 24, 2021.

Trustees of UHC will participate via in person or video conference originated by the President. Within the meanings accorded by Utah law, the Meeting shall be an Electronic Meeting, and the Anchor Location shall be the UHC Offices at 2479 South Lake Park Blvd., West Valley City, Utah. In compliance with the Americans with Disabilities Act, persons requesting special accommodations during the meeting should notify UHC not less than 24 hours prior to the meeting.

To join the meeting via Zoom, please go to
<https://zoom.us/j/92402269757?pwd=R2puM3dLb3lnVDF6N0RheW5ReVlvZz09>.

The agenda will be substantially as follows:

1. Approval of minutes:
 - May 27, 2021 Monthly Meeting
2. Disclosure of Trustees' Interests
3. Presentation by Michelle Flynn, Executive Director, The Road Home
4. Resolution 2021-18 Authorizing the Reservation of Federal and State Low-Income Housing Tax Credits
5. Resolution 2021-19 Approving the 2022 Qualified Allocation Plan for Low Income Housing Tax Credits
6. Resolution 2021-20 New City Plaza Apartments, Authorizing the Issuance and Sale of Multifamily Housing Revenue Bonds in an Aggregate Principal Amount Not to Exceed \$38,610,000
7. Resolution 2021-21 Approving the creation of a Housing Development Lending Facility and consolidation of previously approved construction lending programs
8. Resolution 2021-22 Approving FY 2021-22 Business Plan, Staffing Plan, and Budget
9. Resolution 2021-23 Amended and Restated Resolution 2021-16
10. Chair/Vice-chair Nomination and Election
11. Non-Action Items/Reports
 - Oaths of Officers
 - Upcoming Events
 - Operating Reports

UTAH HOUSING CORPORATION

David C. Damschen
President & CEO

MINUTES

UTAH HOUSING CORPORATION
Minutes of Monthly Meeting
May 27, 2021

PARTICIPANTS

UHC Trustees in Person:

Lerron Little, Chair
Brett Mills, Vice Chair
Kirt Slaugh, Trustee
Lee A Carter, Trustee
Jessica Norie, Trustee
Annette Lowder, Trustee

UHC Staff in Person:

David Damschen, President and CEO
Cleon Butterfield, Senior Vice President and CFO
Jonathan Hanks, Senior Vice President and COO
Susan Larsen, Executive Assistant

Guests via Teleconference:

Jeremy Shinoda

UHC Trustees via Teleconference:

G. Edward Leary, Trustee
Patricia Sheffield, Trustee
Nate McDonald, Trustee Designee

Trustees of the Utah Housing Corporation (UHC or Utah Housing) and UHC staff met in a Monthly Meeting on Thursday, May 27, 2021, at 1:30 PM MDT with attendance in person and via teleconference. In accordance with the Utah Open and Public Meetings Act, the meeting was an electronic meeting and the anchor location was the office of Utah Housing Corporation located at 2479 Lake Park Blvd, West Valley City, Utah.

Lerron Little, UHC Board Chair, called the meeting to order. The Chair then determined for the record that a quorum of Trustees was present, as follows:

Lerron Little, Chair
Brett Mills, Vice Chair
G. Edward Leary, Trustee
Kirt Slaugh, Trustee
Lee A Carter, Trustee
Annette Lowder, Trustee
Patricia Sheffield, Trustee
Jessica Norie, Trustee
Nate McDonald, Trustee Designee (arrived at 1:52 p.m.)

The Chair welcomed everyone to the meeting. The Chair then introduced the President and CEO, David Damschen, and announced that he would be taking the Trustees through the Board packet.

David C. Damschen, President of Utah Housing, then reported that the Notice of the Monthly Meeting was given to all Trustees of Utah Housing and that material addressing the agenda items had been distributed to the Trustees in advance of the meeting.

Mr. Damschen then acknowledged a Verification of Giving Notice, evidencing the giving of not less than 24 hours public notice of the date, time, place and summary of agenda of the Utah Housing Corporation Monthly Meeting in compliance with the requirements of the Utah Open and Public Meetings Act, Section 52-4-202(2)(a)(b), Utah Code Annotated 1953, as amended; together with the form of Notice of Monthly Meeting referred to therein; and also the required public notice of the 2021 Annual Meeting Schedule of Utah Housing will be entered into the Minutes.

The Chair called for the first agenda item.

1. Approval of the Minutes of April 29, 2021 Monthly Meeting

The Trustees had been provided with a copy of the written minutes of the April 29, 2021, Monthly Meeting in their Board packets. The Trustees acknowledged they had sufficient time to review these minutes. Mr. Little asked for any discussion on the April 29, 2021, minutes as presented.

Following any further discussion, the Chair called for a motion.

MOTION: TO APPROVE THE WRITTEN MINUTES OF THE MONTHLY MEETING OF APRIL 29, 2021.

Made by: Patricia Sheffield
Seconded by: Lee A Carter

The Chair called for the next agenda item.

2. Disclosure of Trustees' Interests

Mr. Lerron stated that the consolidated list of the disclosures of interests on file for each Trustee is contained in the board packet, and subject to any changes, will be attached to the minutes of this meeting. Each Trustee will be asked to respond if your disclosure of interests on file with Utah Housing is current.

Mrs. Larsen asked each Trustee to respond by saying yes if the Disclosure of Interest on file is current. Each Trustee was called on and they responded as follows:

Kirt Slauch	Yes
G. Edward Leary	Yes
Lee A Carter	Yes
Annette Lowder	Yes
Jessica Norie	Yes
Patricia Sheffield	Yes
Brett Mills	Yes
Lerron Little	Yes

The following is a consolidated list of the Disclosures of Interests on file for each Utah Housing Trustee:

Name of Trustee	Nature of Interest or Potential Interest
Name of Trustee	Nature of Interest or Potential Interest
Lerron E. Little (<i>chair</i>)	Presently serving as a Real Estate Broker and Owner of Capstone Real Estate. Capstone Real Estate may be involved in real estate transactions that use mortgage loans under the Corporation's programs, and may serve as a marketing agent for various properties owned by the Corporation.
Brett Mills (<i>vice chair</i>)	Presently serving as a Regional Sales Leader and Senior Loan Officer for Academy Mortgage Corporation in the State of Utah. Academy Mortgage Corporation may originate mortgage loans for sale to the Corporation under the Corporation's program.
Patricia Sheffield	Presently retired from any employment and has no interests in any transactions with the Corporation.
Lee A Carter	Presently serving as the Head of Banking Development of Rakuten. Rakuten is an industrial bank and may participate in the investment of tax credits and may be owner of bonds issued by the Corporation. The bank may also provide the Corporation with other financial instruments and enter into agreements that benefit the Corporation and the bank.
Annette Lowder	Presently serving as Chief Operations Officer (COO) of InterCap Lending, Inc., a mortgage lender doing business in the state of Utah. InterCap Lending may originate mortgage loans for sale to the Corporation under its programs.
Jessica Norie	Presently serving as President of Artspace, a nonprofit which creates affordable live and work space to revitalize and promote stable, vibrant and safe communities. Artspace may be involved in the use of low income housing tax credits and tax exempt bond financing for affordable housing, and may manage housing or develop housing under the Corporation's programs.
Kirt Slaugh (<i>ex-officio</i>)	Presently serving as the Acting Treasurer for the State of Utah and has no interests in any transactions with the Corporation.
G. Edward Leary (<i>ex-officio</i>)	Presently serving as the Commissioner of Financial Institutions for the State of Utah and has no interests in any transactions with the Corporation.
Nate McDonald (<i>designee of ex-officio</i>)	Presently serving as the Deputy Director of the Department of Workforce Services for the State of Utah and has no interests in any transactions with the Corporation.

The Chair called for the next agenda item.

3. **Resolution 2021-16 Authorizing the issuance of not to exceed \$300,000,000 GNMA MBS**

A RESOLUTION OF UTAH HOUSING CORPORATION AUTHORIZING THE PURCHASE OF NOT TO EXCEED \$300,000,000 OF SINGLE FAMILY MORTGAGE LOANS, THE EXCHANGE OF SUCH MORTGAGE LOANS FOR GINNIE MAE MORTGAGE-BACKED SECURITIES, THE SALE OF SUCH GINNIE MAE MORTGAGE-BACKED SECURITIES AND AUTHORIZING ALL DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND RELATED MATTERS.

Mr. Damschen introduced Resolution 2021-16. The following items were included in the discussion:

- Resolution 2021-16 addresses new GNMA MBS authority.
- This is a primary source of funding for Utah Housing's loan production.
- Home Again, Score, and First Home Loan Programs plus Streamline re-finances all can be funded from GNMA MBS.
- GNMA funding in FY2021 is over \$715,000,000 or about 68% of all \$1,100,000,000 funding sources.
- Premiums of \$41,000,000 have been earned in FY2021 on this source alone, and 65% of the total gain on sale of loans this fiscal year.
- Resolution 2021-16 approves another \$300,000,000 issuance of GNMA MBS.
- Six different broker dealers bid on these securities, which Utah Housing will take the best bid.
- The resolution limits the 1st mortgage rate to not exceed 6.00% (currently at 3.25% to 3.75%).
- It authorizes Utah Housing general funds to be used for 2nd mortgages up to 6% of the 1st mortgage amount and at a 2% higher than 1st mortgage rate.

Mr. Damschen stated that approving the resolution will enable Utah Housing to fulfill its mission to serve lower income renters and he recommended approval of Resolution 2021-16.

Mr. Little then asked if there were any additional comments or discussion from the Board, and following any additional discussion asked for a motion to adopt the resolution.

**Motion: APPROVE RESOLUTION 2021-16 AUTHORIZING THE
ISSUANCE OF NOT TO EXCEED \$300,000,000 GNMA
MBS**

**Made by: Brett Mills
Seconded by: Lee A Carter**

Mr. Little called for a vote on the motion:

Voted in Favor of the Motion:	Voted Against the Motion:	Abstained From Voting:
Kirt Slaugh G. Edward Leary Lee A Carter Annette Lowder Jessica Norie Patricia Sheffield Brett Mills Lerron Little		

The Chair called for the next agenda item.

4. Resolution 2021-17 Authorizing the issuance of Single Family Tax-Exempt MBS Backed Securities of an amount not to exceed \$250,000,000

A RESOLUTION OF UTAH HOUSING CORPORATION (“UHC”) AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$250,000,000 SINGLE FAMILY TAX-EXEMPT MBS BACKED SECURITIES; AUTHORIZING THE EXECUTION OF GENERAL AND SERIES INDENTURES, MORTGAGE PURCHASE AGREEMENTS, DISCLOSURE STATEMENTS, MASTER SECURITIES FORWARD TRANSACTIONS AGREEMENTS, BOND PURCHASE AGREEMENTS AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

Mr. Damschen introduced Resolution 2021-17. The following items were included in the discussion:

- Resolution 2021-17 approves the issuance of tax-exempt securities back by Mortgage Backed Securities (MBS).
- This is the principle source of funding for Utah Housing’s FirstHome Loan Program.
- FirstHome is substantially the same first-time homebuyer loan program that Utah Housing has offered for over 20 years.
- Production of FirstHome loans relies mainly on funding raised through the sale of tax-exempt securities which have limitations in amount and uses under federal tax law.
- The funding mechanism we use for FirstHome loans is the Tax-Exempt Mortgage Backed Securities (TEMS) sold to Stifel.
- Utah Housing began issuing TEMS in 2013 and have issued over \$2,100,000,000.
- The analysis shows this to be the most effective tax-exempt funding source and supports the Utah Housing down payment assistance program the best.

- Resolution 2021-17 approves another \$250,000,000 issuance that should carry through until the December 2021 or January 2022 Board Meeting.
- The resolution limits the 1st mortgage rate to not exceed 6.00% (currently at 3.00%).
- It authorizes Utah Housing general funds to be used for 2nd mortgages up to 6% of the 1st mortgage amount and at a 2% higher than 1st mortgage rate.

Mr. Damschen stated approving the resolution will enable Utah Housing to fulfill its mission to serve lower income renters and he recommended approval of Resolution 2021-17.

Mr. Mills asked what differences existed in requirements and regulations of capital sources. Mr. Butterfield explained that only tax-exempt sources may be used for the FirstHome Program.

Mr. Little then asked if there were any additional comments or discussion from the Board, and following any additional discussion asked for a motion to adopt the resolution.

Motion: **APPROVE RESOLUTION 2021-17 AUTHORIZING THE
ISSUANCE OF SINGLE FAMILY TAX-EXEMPT MBS
BACKED SECURITIES OF AN AMOUNT NOT TO
EXCEED \$250,000,000**

Made by: **Brett Mills**
Seconded by: **Jessica Norie**

Mr. Little called for a vote on the motion:

**Voted in Favor of the
Motion:**

Kirt Slauch
G. Edward Leary
Lee A Carter
Annette Lowder
Jessica Norie
Patricia Sheffield
Brett Mills
Lerron Little

**Voted Against the
Motion:**

**Abstained From
Voting:**

Ms. Norie asked to be excused for the remainder of the meeting. The Chair called for the next agenda item.

5. Reports and Non-Action Items

- Mr. Damschen gave an overview regarding the Government Records Access and Management Act (GRAMA). GRAMA is a law dealing with management of government records, which is something distinct that contains information. The public has the right to request these records. Mr. Damschen explained that Mr. Hanks, the Record Officer for Utah Housing Corporation, is currently working on a lengthy request. There will be

additional training for the Board Members regarding GRAMA at the next Board Workshop/Retreat.

- Mr. Damschen updated the Board of Trustees regarding the appointments of new board members along with the reappointment of Ms. Sheffield.
- Mr. Damschen shared with the Board of Trustees that Utah Housing Corporation would be opening the doors back to the public on July 6th and that all employees would be returning on August 2nd with a new remote work policy.
- Mr. Damschen asked the opinion of the Board of Trustees regarding a fall Board Workshop/Retreat as the May 2020 and May 2021 events had been canceled due to COVID.
- Mr. Damschen provided an update regarding legislative and public relations.
- Mr. Butterfield and Mr. Hanks reviewed the operating reports to the satisfaction of the Trustees.
- The next Monthly Board Meeting will be June 24, 2021, with lunch and training at 12:000 followed by the meeting at 1:30 p.m.

The Chair announced that the meeting was adjourned with a motion from Mr. Carter.

DISCLOSURE OF INTEREST

Utah Housing Corporation
Board of Trustees Disclosures of Interest
June 24, 2021

Name of Trustee	Nature of Interest or Potential Interest
Lerron E. Little (<i>chair</i>)	Presently serving as a Real Estate Broker and Owner of Capstone Real Estate. Capstone Real Estate may be involved in real estate transactions that use mortgage loans under the Corporation's programs, and may serve as a marketing agent for various properties owned by the Corporation.
Brett Mills (<i>vice chair</i>)	Presently serving as a Regional Sales Leader and Senior Loan Officer for Academy Mortgage Corporation in the State of Utah. Academy Mortgage Corporation may originate mortgage loans for sale to the Corporation under the Corporation's program.
Patricia Sheffield	Presently retired from any employment and has no interests in any transactions with the Corporation.
Lee A Carter	Presently serving as the Head of Banking Development of Rakuten. Rakuten is an industrial bank and may participate in the investment of tax credits and may be owner of bonds issued by the Corporation. The bank may also provide the Corporation with other financial instruments and enter into agreements that benefit the Corporation and the bank.
Annette Lowder	Presently serving as Chief Operations Officer (COO) of InterCap Lending, Inc., a mortgage lender doing business in the state of Utah. InterCap Lending may originate mortgage loans for sale to the Corporation under its programs.
Jessica Norie	Presently serving as President of Artspace, a nonprofit which creates affordable live and work space to revitalize and promote stable, vibrant and safe communities. Artspace may be involved in the use of low income housing tax credits and tax exempt bond financing for affordable housing, and may manage housing or develop housing under the Corporation's programs.
Kirt Slaugh (<i>ex-officio</i>)	Presently serving as the Acting Treasurer for the State of Utah and has no interests in any transactions with the Corporation.
G. Edward Leary (<i>ex-officio</i>)	Presently serving as the Commissioner of Financial Institutions for the State of Utah and has no interests in any transactions with the Corporation.
Christine Oliver (<i>designee of ex-officio</i>)	Presently serving as the Division Director of The Housing and Community Development Division of the Department of Workforce Services for the State of Utah as well as the administrator of the Olene Walker Housing Loan Fund and the National Housing Trust Fund. Monies from each of these funds may be used in financing of rental housing developed with Low-Income Housing Tax Credits.

RESOLUTION 2021-18

M E M O R A N D U M

To: UHC Trustees

From: David Damschen
President

Date: June 24, 2021

Subject: Resolution 2021-18, Reservation of Federal 9% and 4% Housing Tax Credits and State Housing Tax Credits

Recommendation for Reservation of Credits:

Following extensive staff review and analysis, the President recommends that the Trustees adopt Resolution 2021-18 which:

- 1) Reserves **Federal 9%** 2021 Housing Tax Credits in the amount and to the project identified in Exhibit A to Resolution 2021-18, subject to any conditions, modifications, or clarifications therein.
- 2) Reserves **State of Utah** 2021 Housing Tax Credits in the amounts and to the projects identified in Exhibit A to Resolution 2021-18, subject to any conditions, modification, or clarifications therein.
- 3) Reserves **Federal 4%** 2021 Housing Tax Credits in the amount and to the project identified in Exhibit A to Resolution 2021-18, subject to any conditions, modifications, or clarifications therein. These credits are not subject to competition and are generally available to projects that use Private Activity Bonds to provide funding for the project.

Background

UHC is designated by the Utah Code to be the State's Housing Tax Credit allocator with respect to both Federal and State of Utah Housing Tax Credits. Credits are allocated in accordance with the Qualified Allocation Plan ("QAP") established in accordance with Federal and State Code. UHC held a special round of competition to award additional Federal Disaster Relief 9% Housing Credits received by Utah to address the presidentially declared federal disaster resulting from the earthquake that occurred on March 18, 2020. Seven conforming applications were received for this competitive round of applications.

One conforming application was submitted to UHC for 4% non-competitive Federal Credits for projects that was awarded Private Activity Bonds on January 15, 2020, and April 14, 2021.

Four conforming applications were submitted to UHC for State of Utah tax credits. One, submitted in this Disaster Relief round, and three for projects that received an award of 2021 9% Federal Tax Credits on December 10, 2020.

The projects receiving an award of State Credits will use the proceeds generated from the sale of the credits to reduce rents and fill financing gaps. But for the State of Utah credits, these projects face a potentially insurmountable financing gap that may cause the projects to either not be built or be reduced in scope.

The QAP establishes, among other things: (i) selection criteria to be used to determine housing priorities appropriate to local conditions; and (ii) procedures for monitoring and reporting compliance with the program.

Furthermore, approval of this Resolution:

- 1) Reserves, with conditions, Federal Housing Tax Credits for the recommended projects and authorizes the President to take specific action necessary to complete the allocation of such credits within the scope and criteria of the QAP, Federal and State Code;
- 2) Authorizes the President to collect all fees, bonds, and deposits established by the QAP; and
- 3) Authorizes the President to make alterations, modifications and revisions to program documents as necessary to further the goals and purposes of the Housing Tax Credit Program.

RESOLUTION NO. 2021-18

A RESOLUTION OF THE UTAH HOUSING CORPORATION RESERVING FEDERAL AND STATE HOUSING TAX CREDITS

WHEREAS, the Legislature of the State of Utah, at its 1975 regular session, adopted Chapter 190, Laws of Utah, 1975, currently known and cited as the Utah Housing Corporation Act, which has been codified as Title 63H, Chapter 8, Utah Code Annotated 1953, as amended (the “Act”); and

WHEREAS, there was created by the Act, an independent body politic and corporate constituting a public corporation, currently known and identified as “Utah Housing Corporation” (the “UHC”), to serve a public purpose and to act for the public benefit by improving the health, safety and welfare of the citizens of the State of Utah; and

WHEREAS, a public purpose of UHC is to provide decent, safe and sanitary residential housing to low and moderate income persons; and

WHEREAS, UHC is designated by the Act to be the State's “Housing Credit Agency” within the meaning of 26 U.S.C. Sec. 42 (the “Federal Code”); and

WHEREAS, UHC adopted and amended a Qualified Allocation Plan (the “Allocation Plan”) and the Governor of Utah approved such amended Allocation Plan in accordance with the Federal Code; and

WHEREAS, UHC is authorized by Title 59, Chapter 10, Part 1010, and Title 59, Chapter 7, Part 607, Utah Code Annotated 1953, as amended to issue allocation certificates prescribed by the State Tax Commission specifying the percentage of the annual Federal Tax Credit that a taxpayer may take as an annual credit against Utah income tax (the “State Tax Credit”) in accordance with criteria and procedures based on the Utah Code and incorporated in the Allocation Plan; and

WHEREAS, in furtherance of the goals and purposes of UHC’s Housing Credit Program, UHC accepted and evaluated applications for the reservation of Federal Tax Credits and State Tax Credits in accordance with the Allocation Plan; and

WHEREAS, the staff of UHC have reviewed applications for Federal and State Tax Credits and Trustees are satisfied that reserving credits for the projects indicated in Exhibit A attached hereto and incorporated herein will further the goals and purposes of UHC’s Housing Credit Program.

NOW, THEREFORE, BE IT RESOLVED BY THE UTAH HOUSING CORPORATION, AS FOLLOWS:

Section 1. All actions previously taken (not inconsistent with the provisions of this resolution) by UHC and by the officers of UHC directed toward the reservation and allocation of Federal and State Tax credits are hereby ratified and approved.

Section 2. Words used in the foregoing recitals shall have the same meanings when used in the body of this resolution.

Section 3. If any provisions of this resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

Section 4. Federal Tax Credits are conditionally reserved in the amounts and for the projects so identified in Exhibit A, subject to any conditions, modifications or clarifications set forth therein or in the minutes of UHC and the President is authorized to execute and deliver notices of the said conditional reservation to the owners of these projects.

Section 5. The President is authorized to issue IRS Forms 8609 to the owners of the projects receiving Federal Tax Credits and to execute all documents required therefore, upon each project's satisfaction of requirements set forth in the Federal Code and the Allocation Plan.

Section 6. State Tax Credits are conditionally reserved in the amount(s) and for the project(s) so identified in Exhibit A, subject to any conditions, modifications or clarifications set forth therein or in the minutes of UHC and the President is authorized to execute and deliver notices of the said conditional reservation to the owners of these projects.

Section 7. The President is authorized to execute and deliver a certificate of State of Utah Low Income Housing Tax Credits to the owners of the project(s) receiving State Tax Credits and to execute all documents required therefore, upon each project's satisfaction of requirements set forth in the Utah Code and the Allocation Plan.

Section 8. The President is authorized to collect all fees, bonds, and deposits established by the Allocation Plan.

Section 9. The President is authorized to approve any additional terms, provisions, alterations, changes or additions in any document herein authorized and approved which may be necessary or appropriate and which are not inconsistent with the provisions of the Allocation Plan, this resolution, the UHC governing act and the rules and bylaws of UHC.

Section 10. Except as otherwise disclosed to the trustees of the Board of UHC prior to the adoption of this resolution, no trustee or employee of UHC has any interest, direct or indirect, in the transactions contemplated by UHC hereunder.

Section 11. All resolutions of UHC or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency.

Section 12. This resolution shall become effective immediately upon its adoption.

**PASSED AND APPROVED BY THE UTAH HOUSING CORPORATION THIS 24th
DAY OF JUNE, 2021.**

(SEAL)

Chair

ATTEST:

President

**UTAH HOUSING CORPORATION
RESOLUTION 2021-18
EXHIBIT A**

General:

This is both a competitive and a non-competitive round of calendar year 2021 and is available for applicants of Federal 9%, Federal 4%, and State of Utah Credits.

All reservations made herein are made with the following General Conditions, notwithstanding certain Specific Conditions that may be made on individual projects, as enumerated in the Notes.

General Conditions:

- (1) The IRS Code requires that projects are subject to ongoing reviews which may result in downward adjustments of tax credits for changes in: final cost of units, efficiency of production, cash flow, grants and subsidies, financial "gap", etc.*
- (2) All reservations subject to representations made in the application.*
- (3) All reservations subject to all open legal, operational and financial issues.*

1. Reserve \$4,148,084 of year 2021 Federal 9% Tax Credits to the following projects:

The President recommends a reservation of \$4,148,084 of year 2021 Federal Housing Credits. This will leave a balance of \$977,643 in 2021 Federal Credits.

Project Name	LI/Market Units	City	County	Pool*	Score	Credit Amount	Notes
Spark!	50/0	Salt Lake City	Salt Lake	Gen	6,670	\$940,000	
Wedgewood Apartments	23/0	Cedar City	Iron	S-R	6,620	\$498,351	
Mountain Shadows III	4/0	Beaver	Beaver	H-O	1,800	\$103,027	
Goldeneye Loop	4/0	Park City	Summit	H-O	1,800	\$119,213	
Retreat at Homestead	55/0	Logan	Cache	Gen	6,730	\$1,000,000	
Tremonton Apartments	50/0	Tremonton	Box Elder	N-P	6,780	\$487,493	
Eagle Heights Village IV	34/0	Eagle Mountain	Utah	Gen	6,620	\$1,000,000	
Total Units 220/00		Total 2021 Allocation:				\$4,148,084	

**Pools: "S-R"=Small/Rural; "N-P"=Non-profit; "Gen"=General; "H-O"=Home Ownership; "PSH"=Permanent Supportive Housing.*

2. Reserve \$195,124 of year 2021 State Tax Credits to the following project:

The President recommends a reservation of \$195,124 of year 2021 Pool I State Credits to reduce rents and fill gaps. This will leave a balance of approximately \$1,367,529 in State Credits (\$652,555 in State Credit Pool I, and \$714,973 in State Credit Pool II).

Project Name	LI/Market Units	City	County	Credit Amount	Notes
Wedgewood Apartments	23/0	Cedar City	Iron	\$57,292	<i>a</i>
Buffalo Ridge	12/0	Tooele	Tooele	\$31,869	<i>b</i>
Casto Canyon	5/0	Panguitch	Garfield	\$4,771	<i>b</i>
Mountain Maple	4/0	Park City	Summit	\$16,410	<i>b</i>
Goldeneye	4/0	Park City	Summit	\$7,859	<i>c</i>
New City Plaza Partners	299/0	Salt Lake City	Salt Lake	\$76,923	<i>d</i>
Total Units	347/0	Total Amount:	\$195,124		

Note a: This project is applying for State of Utah tax credits to reduce rents.

Note b: This project received an award of federal 9% tax credits on December 10, 2020, and is being awarded State of Utah tax credits to fill a gap.

Note c: This project is applying for federal 9% tax credits in the pending Disaster Relief round.

Note d: This project received an award of tax-exempt volume cap from the Private Activity Bond Board on January 15, 2020 and an additional award on April 14, 2021, and is being awarded State of Utah tax credits to fill a gap.

3. Reserve \$2,602,208 of Federal 4% (non-competitive) Tax Credits to the following Tax-Exempt Bond project(s):

The President recommends reserving \$2,602,208 of federal tax credits for the following project(s):

Project Name	LI/Market Units	City	County	Credit Amount	Notes
New City Plaza Apartments	299/0	Salt Lake City	Salt Lake	\$2,602,208	<i>e</i>
Total Units	299/0	Total Amount:	\$2,602,208		

Note e: This project received an award of tax-exempt volume cap from the Private Activity Bond Board on January 15, 2020 and an additional award on April 14, 2021.

2021 Disaster Relief Post-Ranking

	Project ID	Name	County	LI Units	% of Special Needs Units	Special Needs	Mkt Units	Total Units	Initial Score	Admin Adjustment	Final Score	Request	Admin Adjustment	Adjusted Request	Cumulative Reservation	Balance to/from General Pool	
OWNERSHIP	2021-28	Goldeneye Loop	Summit	4	0.00%	0	0	4	1,780	0	1,780	119,213	0	119,213	119,213		
	2021-27	Mountain Shadows III	Beaver	4	0.00%	0	0	4	1,720	0	1,720	103,027	0	103,027	222,240		
	Total credits available for the "Ownership Pool" (5% of Max Credits):													\$	256,286		\$34,046
SMALL/ RURAL	2021-24	Wedgewood	Iron	23	39.13%	9	0	23	6,620	0	6,620	498,351	0	498,351	498,351		
	Total credits available for the "Small/Rural Pool" (10% of Max Credits):													\$	512,573		\$14,222
NON-PROFIT	2021-30	Tremonton	Box Elder	50	26.00%	13	0	50	6,780	0	6,780	487,493	0	487,493	487,493		
	2021-31	Eagle Heights Village IV	Utah	34	47.06%	16	0	34	6,620	0	6,620	1,000,000	0	1,000,000			
	Total credits available for the "Non-Profit Pool" (10% of Max Credits):													\$	512,573		\$25,080
PSH	Total credits available for the "Permanent Supportive Housing Pool" (30% of Max Credits):													\$	1,537,718		\$1,537,718
	Total credits available for the "Acquisition/Rehab of Affordable Unrestricted Units Set-Aside" (10% of Max Credits):													\$	512,573		\$512,573
GENERAL	2021-29	Retreat at Homestead	Cache	55	34.55%	19	0	55	6,730	0	6,730	1,000,000	0	1,000,000	1,000,000		
	2021-05	Spark!	Salt Lake	50	36.00%	18	0	50	6,670	0	6,670	940,000	0	940,000	1,940,000		
	2021-31	Eagle Heights Village IV	Utah	34	47.06%	16	0	34	6,620	0	6,620	1,000,000	0	1,000,000	2,940,000		
	Total credits available for the "General Pool" (35% of Max Credits + Remainder):													\$	3,917,643		\$977,643
	Total credits available for the "General Pool" (35% of Max Credits):													\$	1,794,004	Balance of 2021 Disaster Relief Credits	\$977,643
	Total of remaining balances from the "Ownership, Small/Rural, PSH, Acq/Rehab & Non-Profit" Pools:													\$	2,123,639		
	Available 2021 Housing Credits:																
	Total:													\$	3,917,643		
	NONCONFORMING APPLICATIONS																
	2021-22	Book Cliffs Lodge	Salt Lake	47	23.64%	13	8	55				998,505					
	2021-25	Driscoll Lane, Phase II	Iron	72	23.61%	17	0	72				1,000,000					
	2021-26	Canyon Cove	Richfield	64	32.81%	21	0	64				1,000,000					

RESOLUTION 2021-19

MEMORANDUM

To: UHC Trustees

From: David C. Damschen
President

Date: June 24, 2021

Subject: Resolution 2021-19, Approval of Proposed Changes for 2022 Qualified Allocation Plan

Recommendation:

It is recommended that the Trustees adopt Resolution 2021-19 which adopts changes to be incorporated into the 2022 Qualified Allocation Plan for Low Income Housing Tax Credits.

Background

UHC is authorized by the Utah Code to be the state's Housing Credit agency with respect to both Federal and State of Utah Low Income Housing Tax Credits in accordance with a Qualified Allocation Plan established in accordance with the Federal and State Code, respectively. The Allocation Plan establishes: (i) criteria to be used to select projects that will be awarded Housing Credits; (ii) preferences to projects that serve tenants with a strata of low incomes, efficiency of costs and Housing Credits and other criteria; and (iii) procedures for monitoring and reporting non-compliance with the program.

UHC held an informal input hearing February 10 of this year with affordable housing professionals and held a public hearing as required by the Federal Code on May 20, 2021. The public hearing was held electronically via Zoom. UHC gave legal notice of the public hearing as required by the Internal Revenue Code, Section 42(m)(1)(A)(i) to all known interested parties, by publication in newspapers with general circulation throughout the state and the State's Public Meeting Website. UHC made available a draft of the Allocation Plan, identifying each of the proposed changes, prior to the required public hearing. Prior to, during and following the public hearing, UHC received and considered oral and written comments from interested parties on recommended changes to the Allocation Plan. UHC's Housing Credit Committee met on June 10, 2021 to review the proposed changes. Several amendments were made to the draft based on the input received from the public and the Committee, and the Proposed Changes attached to the resolution as Exhibit A reflect those amendments.

The adoption of the resolution will enable UHC to further the goals and purposes of UHC's Low Income Housing Tax Credit Program through 2022. Following approval by the Trustees, in accordance with the Federal Code, the Allocation Plan will be submitted to Governor Cox for his approval and signature. Thereafter interested parties will be invited to submit applications for the 2022 reservation round of competitive 9% Tax Credits. Applications will be due on September 20, 2021, and it is anticipated that the Board of Trustees will award Housing Credits to successful applicants sometime in December.

RESOLUTION NO. 2021-19

A RESOLUTION OF THE UTAH HOUSING CORPORATION AMENDING THE QUALIFIED ALLOCATION PLAN

WHEREAS, the Legislature of the State of Utah, at its 1975 regular session, adopted Chapter 190, Laws of Utah, 1975, currently known and cited as the Utah Housing Corporation Act, which has been codified as Title 63H, Chapter 8, Utah Code Annotated 1953, as amended (the “Act”); and

WHEREAS, there was created by the Act, an independent body politic and corporate constituting a public corporation, currently known and identified as “Utah Housing Corporation” (the “Corporation”), to serve a public purpose and to act for the public benefit by improving the health, safety and welfare of the citizens of the State of Utah; and

WHEREAS, a public purpose of UHC is to provide decent, safe and sanitary residential housing to low and moderate income persons;

WHEREAS, UHC is designated by the Act to be the State's “Housing Credit Agency” within the meaning of 26 U.S.C. Sec. 42 (the “Federal Code”) for allocating Federal Low Income Housing Tax Credits (the “Federal Tax Credits”) in accordance with a “Qualified Allocation Plan” (the “Allocation Plan”) established in accordance with the Federal Code; and

WHEREAS, the Legislature of the State of Utah, at its 1994 regular session, adopted Chapter 251 Laws of Utah, 1994, enacted the Utah low income housing tax credit, which has been codified as Title 59, Chapter 7, Part 607 and Title 59, Chapter 10, Part 1010, Utah Code Annotated 1953, as amended (the “State Housing Tax Credits”); and

WHEREAS, UHC from time to time will review the Allocation Plan by holding input hearings with affordable housing professionals and a public hearing as required by the Federal Code; and

WHEREAS, UHC has provided notice of the proposed changes to the Allocation Plan as required by Federal and State law, by publishing notice of a public hearing in newspapers with general circulation throughout the state, and by making available a draft of the Allocation Plan to all known interested parties and to anyone requesting said draft prior to the required public hearing; and

WHEREAS, UHC held an electronic public hearing on May 20, 2021 and received and considered oral and written comments before, during, and after the hearing and made changes to the Allocation Plan; and

WHEREAS, the Housing Credit Committee of the UHC Board of Trustees has reviewed and discussed the proposed changes to the Allocation Plan, and recommends their adoption; and

WHEREAS, following approval of the Allocation Plan by the UHC Board of Trustees, UHC will submit said Allocation Plan to the Governor of the State of Utah for his approval in accordance with the Federal Code, for release to the public;

NOW, THEREFORE, BE IT RESOLVED BY UTAH HOUSING CORPORATION, AS FOLLOWS:

1. All actions previously taken (not inconsistent with the provisions of this resolution) by UHC and by the officers of UHC directed toward the transactions contemplated hereunder are hereby ratified and approved.

2. Words used in the foregoing recitals shall have the same meanings when used in the body of this resolution.

3. The proposed changes to the 2022 Qualified Allocation Plan, as described in Exhibit A attached hereto and more specifically described in the 2022 Qualified Allocation Plan presented to the Trustees, are hereby adopted as presented to the Trustees.

4. If any provisions of this resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

5. The President is hereby authorized and directed to execute and deliver for and on behalf of the Corporation any or all additional certificates, documents and other papers and to perform all other acts he deems necessary or appropriate in order to implement and carry out the matters authorized in this resolution.

6. Except as otherwise disclosed to the Board of Trustees prior to the adoption of this resolution, no trustee or employee of the Corporation has any interest, direct or indirect, in the transactions contemplated by the Corporation herein.

7. All resolutions of the Corporation or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency.

8. This resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY THE UTAH HOUSING CORPORATION THIS 24th DAY OF JUNE 2021.

(SEAL)

Chair

ATTEST:

President

UTAH HOUSING CORPORATION

RESOLUTION 2021-19

EXHIBIT A

Proposed changes

(page numbers are according to the redline 2022 QAP)

- All fees must be paid electronically.
- UHC reserves the right to not award all available Housing Credits in a given competitive round. See p. 24.
- A land lease must extend for the duration of the extended use period. See p. 28.
- Projects which are being developed with a 9% and 4% component combined (“twinned deals”) will count as a single project only with respect to the four open project limitation. See p. 32.
- The use of Pool I and Pool II State Housing Credits is clarified, and no project may receive an Allocation of more than 25% of the balance of Pool I credits available on January 1 of each year. See p. 71.

RESOLUTION 2021-20

M E M O R A N D U M

To: UHC Trustees
From: David C. Damschen
President
Date: June 24, 2021
Subject: Resolution 2021-20, Sale of Multifamily Housing Revenue Bonds
(New City Plaza Apartments, Salt Lake City, Utah)

Recommendation

It is recommended that the Trustees adopt Resolution 2021-20 authorizing the issuance and sale of tax-exempt multifamily housing revenue bonds in an amount not to exceed \$38,610,000. In authorizing these bonds, at no taxpayer expense, UHC will permit the following to be accomplished:

- Rehabilitate 299 units of rental housing units for low-income individuals and families.
- Import approximately \$73,583,953 into Utah (including tax credit equity investment).
- Employ Utahns in the construction trades and related industries.

Background

New City Plaza Apartments is an acquisition and rehabilitation project located on approximately 3.16 acres at 1966 and 1992 South 200 East in Salt Lake City, Salt Lake County. The project will consist of 298 one-bedroom/one-bathroom units, and one (1) two-bedroom/one-bathroom units and will serve elderly 62 and older and non-elderly disabled households. All units will target renter households at or below 60% of area median income levels. Amenities will include access to health care, beauty services, HEAT program, food pantry, fitness and exercise center and classes, health and wellness activities, recreation, arts and music, education classes and on-site meal services. On-site amenities will include a community room, laundry room, and a maintenance shop.

The project will be financed with up to \$38,610,000 of tax-exempt bonds issued by UHC. If the bonds are not paid, there is no recourse to UHC. The bonds will be issued in fully registered form and shall mature on or before October 1, 2026, with a fixed interest rate not to exceed 3% per annum. AGM Financial Services, Inc. will provide the FHA 221(d)(4) loan of both short-term construction and permanent financing.

New City Plaza Partners I, LLC, a subsidiary of Housing Opportunities, Inc. and Housing Assistance Management Enterprise (Housing Authority of Salt Lake City), will own the project along with the tax credit partner Enterprise Communities. Housing Opportunities, Inc. and Housing Assistance Management Enterprise will be co-developers and the contractor will be Kier Construction Corp. The trustee is U.S. Bank National Association.

The State Private Activity Bond Board has allocated \$34,000,000 of tax-exempt bond cap to the project on January 15, 2020, and an additional amount of \$1,100,000 on April 14, 2021. In order to allow for cost overruns UHC typically approves a slightly higher not-to-exceed amount. For this project, the recommended not-to-exceed amount is \$38,610,000. A public hearing by UHC regarding the sale of the bonds will be scheduled prior to the closing of the transaction. The tax-exempt bonds will provide the acquisition, construction and permanent financing. An additional amount of approximately \$27,300,062 will be raised through the sale of the 4% Federal Housing Tax Credits and State of Utah Housing Tax Credits, allocated by UHC and sold to Enterprise Communities. The owner will be required to provide all upfront costs of issuing the bonds, such as legal fees, bond counsel fees, etc. UHC will charge an upfront fee equal to approximately \$181,875 plus its out-of-pocket expenses, but will charge no annual fee. The co-developers have developed numerous low-income multifamily projects throughout Utah, including The Hub of Opportunity I & II, Bohdi Salt Lake, Bud Bailey Apartments I & II, Kelly Benson Apartments, 9th East Lofts, Cedar Crest Apartments, Jefferson School I & II, Rendon Terrace Apartments, and Sunrise Metro Apartments.

RESOLUTION NO. 2021-20

A RESOLUTION OF UTAH HOUSING CORPORATION (“UHC”) AUTHORIZING THE ISSUANCE AND SALE BY UHC OF ITS MULTIFAMILY HOUSING REVENUE BONDS (NEW CITY PLAZA APARTMENTS PROJECT) SERIES 2021 IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$38,610,000 TO FINANCE THE ACQUISITION, REHABILITATION AND EQUIPPING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT; AUTHORIZING THE EXECUTION BY UHC OF A TRUST INDENTURE, A BOND PURCHASE AGREEMENT, A LOAN AGREEMENT, A TAX REGULATORY AGREEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the Legislature of the State of Utah, at its 1975 regular session, adopted Chapter 190, Laws of Utah, 1975, known and cited as the Utah Housing Corporation Act, which has been codified as Title 63H, Chapter 8, Utah Code Annotated 1953, as amended (the “Act”); and

WHEREAS, there was created by the Act, an independent body politic and corporate constituting a public corporation, currently known and identified as “Utah Housing Corporation” (“UHC”), to serve a public purpose and to act for the public benefit by improving the health, safety and welfare of the citizens of the State of Utah; and

WHEREAS, the Act authorizes UHC to issue bonds to provide funds to make mortgage loans to finance multifamily residential housing for low and moderate income persons, including incidental or appurtenant nonhousing facilities; and

WHEREAS, New City Plaza Partners I, LLC, a Utah limited liability company (the “Borrower”), has requested that UHC provide financing for certain qualified expenditures with proceeds of mortgage revenue bonds, such expenditures to be incurred by the Borrower to finance the acquisition, rehabilitation and equipping of a multifamily rental housing development described in Exhibit A to be occupied in part by low or moderate income persons in compliance with the Act, UHC rules and applicable provisions of the Internal Revenue Code, together with certain appurtenant facilities (the “Project”); and

WHEREAS, the purposes of UHC are to provide decent, safe and sanitary residential housing to low and moderate income persons, and UHC has determined that it will serve and fulfill the purposes for which it was created by financing the acquisition, rehabilitation and equipping of the Project; and

WHEREAS, in furtherance of its purposes, it has been deemed appropriate and necessary that UHC authorize the issuance of its Multifamily Housing Revenue Bonds (New City Plaza Apartments Project) Series 2021 (the “Bonds”) in one or more series and prescribe and establish conditions and other appropriate matters with respect to the issuance of the Bonds; and

WHEREAS, the Bonds shall be special obligations of UHC payable solely from and secured by a lien on the proceeds, moneys, revenues, rights, interest and collections pledged therefor under the Indenture, as hereinafter defined, and shall not be a general obligation of UHC, the State of Utah or any subdivision thereof; and

WHEREAS, it has been deemed appropriate and necessary that UHC authorize the execution and delivery of a Bond Purchase Agreement relating to the Bonds (the “Bond Purchase Agreement”) among UHC, the Borrower and Stifel, Nicolaus & Company, Incorporated or an affiliate thereof (the “Underwriter”), a Trust Indenture (the “Indenture”) between UHC and U.S. Bank National Association (the “Trustee”), a Tax Regulatory Agreement (the “Regulatory Agreement”) among UHC, the Trustee and the Borrower, and a Loan Agreement (the “Loan Agreement”) among UHC, the Borrower and the Trustee, pursuant to which the Borrower will agree to repay the loan and will agree to use the proceeds of said loan to finance the acquisition, construction and equipping of the Project.

NOW, THEREFORE, BE IT RESOLVED BY UTAH HOUSING CORPORATION, AS FOLLOWS:

Section 1. Words used in the foregoing recitals shall have the same meanings when used in the body of this resolution.

Section 2. UHC hereby finds, determines and declares that the issuance of the Bonds to provide funds to finance the acquisition, construction and equipping of the Project is in furtherance of the public purposes set forth in the Act and in compliance with the provisions of the Act, and that the issuance of the Bonds is therefore in the public interest.

Section 3. The Indenture, the Loan Agreement, the Bond Purchase Agreement and the Regulatory Agreement (collectively with the Bonds, the “UHC Bond Documents”) and all other related financing, collateral and security documents to be executed or acknowledged by UHC in connection therewith (collectively, the “Additional Bond Documents”) in forms approved by the President are in all respects authorized, approved and confirmed. The Chair and President of UHC are hereby authorized to execute, attest, seal and deliver the UHC Bond Documents and the Additional Bond

Documents for and on behalf of UHC with such alterations, changes or additions as may be authorized by Section 9 hereof.

Section 4. For the purpose of providing decent, safe and sanitary residential housing to low and moderate income persons within the State of Utah, all as authorized under the Act, UHC is hereby authorized to issue the Bonds in one or more series in an aggregate principal amount not to exceed \$38,610,000. The Bonds shall be issued only in fully registered form and shall mature on or before October 1, 2026. The Bonds shall bear interest at a fixed interest rate or rates not to exceed 3.00% per annum.

Section 5. The form, terms, designation and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, number, and drawdown shall be as set forth in the Indenture. The Chair and the President of UHC are hereby authorized to execute, attest and seal by facsimile the Bonds and to deliver the Bonds to the bond registrar for authentication.

Section 6. The Bonds shall be sold to the Underwriter at a price not less than 97% of the principal amount thereof plus accrued interest, if any. The Chair and the President of UHC are hereby authorized to execute and deliver a Bond Purchase Agreement in form approved by the President for and on behalf of UHC. The Chair and the President are hereby authorized to specify and agree as to the interest rates, maturities and tax-exempt characteristics of the Bonds for and on behalf of UHC by the execution of the Bond Purchase Agreement and the Indenture, provided such terms are within the parameters set by this resolution. All or a part of the Bonds are expected to be remarketed by the Underwriter, as remarketing agent, on a future date expected to be on or about December 2021. The Chair and the President of UHC are hereby authorized to execute and deliver any documents required in connection with such remarketing of the Bonds.

Section 7. The Chair and the President are authorized to take all action necessary or reasonably required to carry out, give effect to and consummate the transactions as contemplated herein and are authorized to take all action necessary in conformity with the Act. All actions previously taken (not inconsistent with the provisions of this resolution) by UHC and by the officers of UHC directed toward the transactions contemplated hereunder are hereby ratified and approved.

Section 8. Upon their issuance, the Bonds will constitute special limited obligations of UHC payable solely from and to the extent of the sources set forth in the UHC Bond Documents and the Indenture. No provision of this resolution or of the Bond Purchase Agreement, the UHC Bond Documents, the Additional Bond Documents, the Bonds or any other instrument, shall be construed as creating a general obligation of UHC, or as creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of UHC.

Section 9. The appropriate officials of UHC, including without limitation the Chair and the President, are authorized to make any alterations, changes or additions in the UHC Bond Documents, the Additional Bond Documents the Bonds, the Bond

Purchase Agreement or any other document herein authorized and approved which may be necessary or desirable, provided the terms are not inconsistent with the provisions hereof and the Act and the rules of UHC.

Section 10. If any provisions of this resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

Section 11. The Chair and the President are hereby authorized and directed to execute and deliver for and on behalf of UHC any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this resolution and the documents authorized and approved herein.

Section 12. After the Bonds are delivered to the Underwriter and upon receipt of payment therefor, this resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Bonds are deemed to have been fully discharged in accordance with the terms and provisions of the Indenture.

Section 13. Except as otherwise disclosed to the trustees of the Board of UHC prior to the adoption of this resolution, no trustee or employee of UHC has any interest, direct or indirect, in the transactions contemplated by UHC herein.

Section 14. Gilmore & Bell, P.C. is hereby appointed as bond counsel to UHC.

Section 15. All resolutions of UHC or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency.

Section 16. This resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY UTAH HOUSING CORPORATION THIS
24TH DAY OF JUNE, 2021.

Chair

(SEAL)

ATTEST:

President

EXHIBIT A

DESCRIPTION AND LOCATION OF PROJECT

The Project will consist of a multifamily housing project known as New City Plaza Apartments located at approximately 1966 and 1992 South 200 East, Salt Lake City, UT. The Project site consists of approximately 3.16 acres. The Project includes a 7-story building containing 150 units and a 16-story building with 149 units. The Project is expected to serve elderly 62 and older and possibly some non-elderly disabled households.

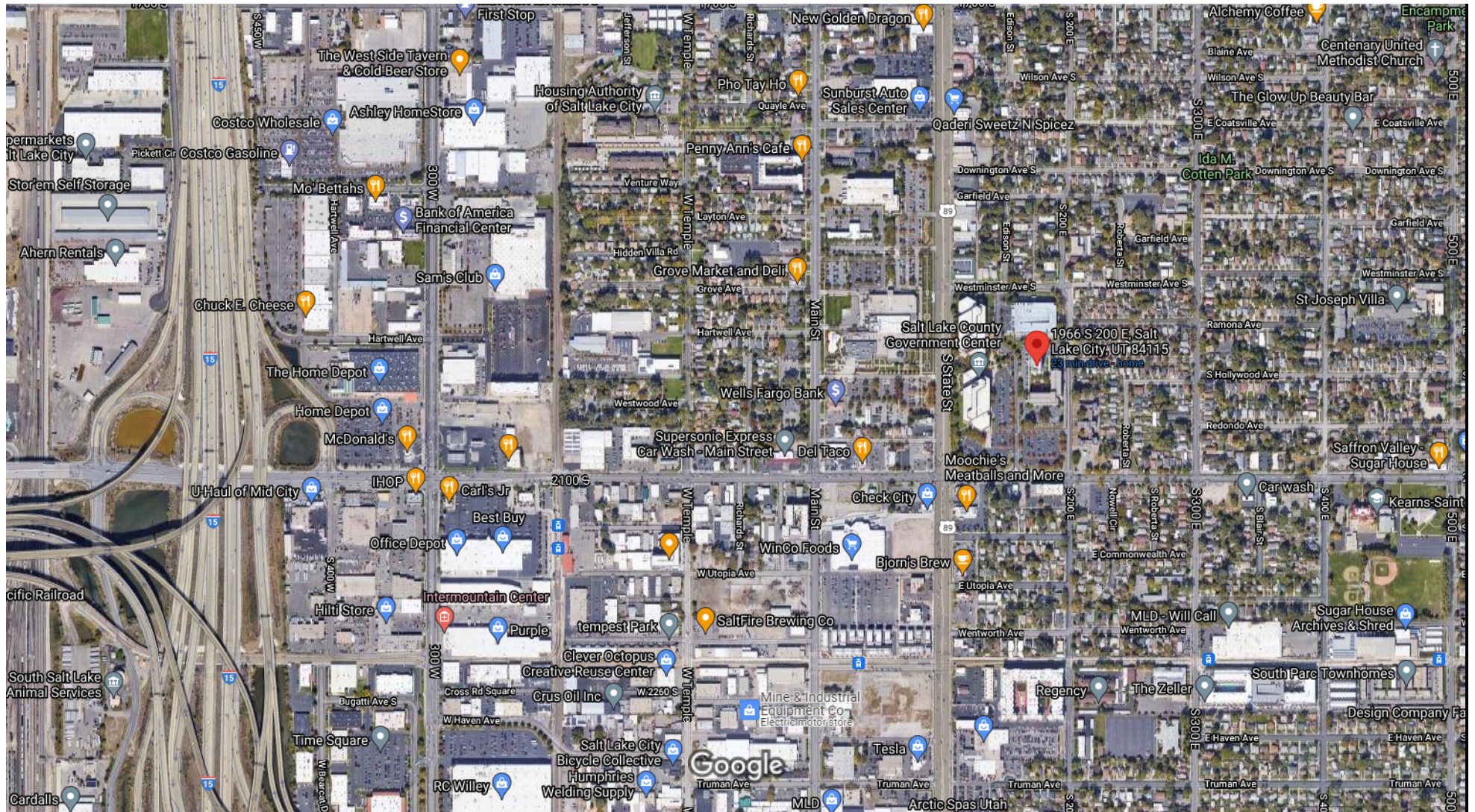
New City Plaza Apartments
1966 and 1992 South 200 East, Salt Lake City, Utah
New City Plaza Partners I, LLC

New City Plaza Apartments is an acquisition and rehabilitation project located in Salt Lake City. The property benefits from a Project Based Section 8 Housing Assistance Payment contract for 100% of the units. Upon completion it will offer 298 one-bedroom/one-bathroom units, and one two-bedroom/one-bathroom unit and will serve elderly 62 and older and non-elderly disabled households.

The project will consist of two buildings, the first being a seven-story structure and the second being a sixteen-story structure, both elevator-serviced buildings. Amenities will be provided and supported by the Neighborhood Friendly Senior Center – Aging Services. The residents will have access to health care, beauty services, HEAT program, food pantry, fitness and exercise center and classes, health and wellness activities, recreation, arts and music, education classes and on-site meal services. On-site amenities will include a community room, laundry room, and a maintenance shop.

The approximate 3.16 acre site is located in Salt Lake City, Utah and is easily accessible to public roadways and transportation. The site is one block east of the State Street commercial corridor, which includes restaurants, commercial office space, convenience stores, and the Salt Lake Community College South High facility. The Columbus Senior Center of South Salt Lake is about one mile northeast of the site and The Liberty Senior Center is within two miles of the site.

The project is currently partially owned by Housing Opportunities, Inc. and partially owned by Housing Assistance Management Enterprise (Housing Authority of Salt Lake City). Each will co-develop the project. Each have developed and own many multifamily rental housing projects in Utah including The Hub of Opportunity I & II, Bohdi Salt Lake, Bud Bailey Apartments I & II, Kelly Benson Apartments, 9th East Lofts, Cedar Crest Apartments, Jefferson School I & II, Rendon Terrace Apartments, and Sunrise Metro Apartments.



500 ft 

RESOLUTION 2021-21

M E M O R A N D U M

To: UHC Trustees

From: David C. Damschen
President

Date: June 24, 2021

Subject: Resolution 2021-21, Approving the creation of a Housing Development Lending Facility and consolidation of previously approved construction lending programs

Recommendation:

It is recommended that the Trustees adopt Resolution 2021-21 approving the creation of a revolving \$12 million Housing Development Lending Facility (HDLF) for the construction financing of for-sale, single family homes and multifamily rental projects that receive awards of low income housing tax credits (LIHTC). Adoption of this resolution will consolidate previously authorized construction lending programs and associated capital resources into one construction lending program thereby creating greater operational efficiency and simplicity in developing and financing affordable housing opportunities.

Background:

Utah Housing has been financing land acquisition, pre-development, and infrastructure improvements, and providing project and construction management through its Housing Development department (HDD) for nearly 30 years. Programs such as CROWN (Credits to OWN), ECHO (Educationally Constructed Housing Opportunities), REACH (Rehabilitation through Affordably Constructed Housing), and Mutual Close each received Board authorization and associated funding during that time. The combined amounts approved separately for each of the foregoing programs (exclusive of CROWN) plus interest earnings, developer fees, etc. exceed \$13 million. Therefore, the resolution does not call for the approval of additional funding resources to be allocated to this program from the operating fund.

Due to changing market conditions and other factors, some of these programs are no longer economically or operationally viable. However, the demand for an affordable and flexible construction lending product for governmental, nonprofit, and small for-profit builders who focus on creating affordable housing opportunities, particularly in Utah's non-metro and rural communities, continues to grow. Unique affordable housing developments that utilize long-term land leases or shared-equity deed restrictions, for example, often preclude the housing provider from obtaining standard construction or permanent lending from a local bank or credit union.

The creation of the HDLF consolidates all financial resources of the aforementioned programs (excluding CROWN) into one program that will eliminate duplicative program documentation, create simplicity for HDD's staff and its housing partners in discussing and identifying available construction lending funds, and streamline processes. In addition to administering the financial resources of the various programs, HDD will continue to provide technical assistance and development services to its partners, ranging from a co-development model to a turnkey process where HDD handles the entire development process and turns the project over to a housing partner.

Current projects utilizing construction financing in partnership with the development services offered by HDD are currently being developed in Summit and Beaver counties. Additional inquiries have been made by housing partners planning projects in Summit and Grand counties. HDD is also continually searching for opportunities to develop affordable housing projects on its own.

RESOLUTION NO. 2021-21

A RESOLUTION OF UTAH HOUSING CORPORATION AUTHORIZING THE ESTABLISHMENT OF A REVOLVING \$12 MILLION HOUSING DEVELOPMENT LENDING FACILITY (“HDLF”) AND THE CONSOLIDATION OF PREVIOUSLY APPROVED HOUSING PROGRAMS AND ASSOCIATED FINANCING RESOURCES INTO THE HDLF, AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND RELATED MATTERS.

WHEREAS, the Legislature of the State of Utah, at its 1975 regular session, adopted Chapter 190, Laws of Utah, 1975, currently known and cited as the Utah Housing Corporation Act, which has been codified as Title 63H, Chapter 8, Utah Code Annotated 1953, as amended (the “Act”); and

WHEREAS, there was created by the Act, an independent body politic and corporate constituting a public corporation, currently known and identified as Utah Housing Corporation (“UHC”), to serve a public purpose and to act for the public benefit by improving the health, safety and welfare of the citizens of the State of Utah; and

WHEREAS, a public purpose of UHC is to provide decent, safe and sanitary residential housing to low and moderate income persons; and

WHEREAS, the Act authorizes UHC to loan funds to entities, including governmental, nonprofit and for profit organizations and corporations (“Housing Providers”), who construct and develop income-restricted, single family and multifamily housing for low and moderate income persons; and

WHEREAS, the Act authorizes UHC to finance, purchase, develop, construct, own, sell, and/or manage single family or multifamily dwelling units; and

WHEREAS, over time, UHC’s Board of Trustees has approved resolutions authorizing multiple housing programs and the allocation of financial resources to such programs to provide for construction financing of affordable housing projects; and

WHEREAS, because each housing program has requirements and nuances specific to that program requiring slightly different document sets, legal entity structures, and development/construction processes that often cause confusion to housing partners and increases the administrative burden for UHC staff to manage; and

WHEREAS, due to changing market conditions and other factors, certain housing programs, namely ECHO (Educationally Constructed Housing Opportunities), REACH (Rehabilitation through Affordably Constructed Housing), and Mutual Close, are either not in high demand or are currently inactive and the consolidation of the named programs’ financial resources into one construction lending facility (HDLF) will allow UHC to streamline its programs and processes and increase the efficiency and simplicity of administering these financial resources; and

WHEREAS, Housing Providers often experience difficulty in obtaining construction financing with favorable terms to develop income-restricted housing projects that may contain certain deed restrictions requiring long-term affordability such as equity sharing or long-term land leases.

NOW, THEREFORE, BE IT RESOLVED BY UTAH HOUSING CORPORATION, that the Housing Development Lending Facility as presented to the Board of Trustees and more particularly described in Exhibit A, be adopted. Further, all previously authorized and earned funding resources currently allocated to ECHO, REACH, and Mutual Close be reallocated and consolidated into the HDLF.

All actions previously taken (not inconsistent with the provisions of this resolution) by UHC and by the officers of UHC directed toward the transactions contemplated hereunder are hereby ratified and approved.

The President is authorized to make alternations, changes, or additions to the HDLF and Exhibit A or any other document herein authorized and approved which are necessary or desirable and which are not inconsistent with the provisions of this resolution.

The President is authorized to execute and deliver on behalf of UHC all documents and to perform all other acts deemed necessary or appropriate in order to implement and carry out the matters authorized in this resolution.

This resolution has not been altered, amended or repealed, and is in full force and effect on the date hereof.

This resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY UTAH HOUSING CORPORATION THIS 24th DAY
OF JUNE, 2021.

Chair

(SEAL)

ATTEST:

President



Exhibit A

Housing Development Lending Facility

Since the early 1990s, UHC's Housing Development Team has formed partnerships with local governmental and nonprofit housing providers (Housing Providers) throughout the state to finance and develop quality affordable housing in the communities they serve.

UHC's \$12,000,000 Housing Development Lending Facility (HDLF) will continue to offer construction financing and a toolkit of development resources to Housing Providers and will expand opportunities to create multifamily affordable housing as well as single-family affordable housing for immediate homeownership. HDLF will also augment UHC's REAP (Real Estate and Acquisition Pool) in the purchase and financing of raw ground and build-ready lots in addition to financing infrastructure improvements.

The HDLF toolkit consists of the following services:

- project management
- entity formation
- tax credit syndication
- development services (land acquisition, entitlement, performance bonds)
- construction management for infrastructure improvements and build-out.

UHC's Housing Development Team can provide a spectrum of development services, from full development management, providing turn-key services to a Housing Provider or acting as a consultant to a developer/owner.

HDLF will expand opportunities, in addition to CROWN, for Housing Providers by increasing the affordable housing inventory and housing types in their communities (rural, metro, and non-metro) while building the Housing Provider's development skills and increasing financial capacity through earning developer fees. UHC may also act as sole owner/developer in the capacity of developing for-sale housing in master planned affordable housing communities where it may not be feasible to partner with a Housing Provider.

TYPES OF HOUSING

Multifamily affordable housing projects, applying for low income housing tax credits (LIHTC) in UHC's Housing Credit Set-Aside Pools, will serve households earning up to a project average of 60% AMI.

Single-family housing, for immediate homeownership, will serve households ranging from 80% AMI to 120% AMI. In higher appreciation areas, a soft-second may be recorded to preserve the difference in the cost to construct the home and the home's fair market value. Additionally, a deed restriction may be recorded on the home to assure permanent affordability upon resale.

HDLF will provide the opportunity to finance single-family housing designed to complement the aesthetics, quality, and energy efficiency of other affordable homes developed by other Housing Providers under various housing programs (Mutual Self-Help, for-sale and land lease programs, etc.). Single-family housing types may include: attached, detached, and row-housing, modular, kit-built or stick-built, as well as pocket housing or more traditional single family housing site plans. UHC may also partner with a Housing Provider as their development consultant, act as the sole owner/developer of a single-family project, or limit its role to construction financing or any combination of the foregoing.

Multifamily- TERM SHEET

Purpose:	To fund the new construction of multifamily projects applying for low-income housing tax credits (LIHTC)
Take-Out:	Approved tax credit investor and permanent lender, including Utah Housing FHA Risk Share loan
Loan Type:	Non-recourse, construction loan, 100% financing; optional FHA Risk Share permanent loan
Collateral:	Priority deed of trust on land and UCC financing statement
Affordable Deed Restriction:	LURA AMI restrictions
Eligible Housing Provider:	Governmental and nonprofit
Construction Loan Pool:	Revolving (equity installments and perm loan repays construction lending pool) loan pool- may include construction financing with participating community lender
Permanent Loan Pool:	\$10,000,000- FHA Risk Share loans (future take out with Federal Financing Bank or ESG bond issuance)
Loan Interest Rate:	Applicable UHC rate
Loan Fees*:	1% origination fee, .25% extension fee, .25% modification fee
Inspection Fees*:	\$100 per site inspection, \$25 per multifamily unit, \$100 per SFR unit (attached or detached)
Interest Reserve:	Based on loan amount
Syndication Fee*:	\$250 per unit
Project Management Fees*:	\$250 per multifamily unit, \$500 per SFR unit (attached or detached)
Consulting Fees*:	Pro-rata scope of work- maximum QAP developer fee
AMI Targeting:	Up to 60% of the area median income (utilizing income averaging)
Construction Loan Term:	9 months
Extension Option:	One, two (2) month extension
Appraisal:	Per QAP

*Subject to change over time based on CPI or other objective factors

Single Family Homeownership- TERM SHEET

Purpose:	To fund the new construction and rehab construction of pre-sold, single family homes
Pre-Sold Definition:	Home is under contract with a Buyer and contractor with pre-approval from a mortgage lender prior to construction closing
Minimum Pre-Sold Requirement:	Fifty percent of the homes in the project or phase of a project
Loan Type:	Non-recourse, construction, 90% financing
Collateral:	Priority deed of trust on lot and UCC financing statement
Affordable Deed Restriction:	AMI restrictions (80% to 120%), option for perpetual affordability
Repayment:	Utah Housing holds alternate purchase option
Term LTV/CLTV:	97% LTV (conventional), 96.5% LTV (FHA), up to 102.5% CLTV with Utah Housing DPA 2 nd mortgage
Eligible Housing Provider:	Governmental, nonprofit and small, community for profit (pre-qualified)
Construction Loan Pool:	Revolving loan pool (perm loans repay construction pool)
Loan Interest Rate:	Utah Housing fixed rate plus spread
Loan Fees:	1% origination fee, \$100 monthly inspection fee
Buyer Fees:	As required by mortgage lender and purchase contract
Buyer AMI:	80% to 120% of the area median income
Loan Term:	9 months
Extension Option:	One, two (2) month extension and .25% fee

RESOLUTION 2021-22

MEMORANDUM

To: UHC Trustees

From: David C. Damschen, President

Date: June 24, 2021

Subject: Resolution 2021-22 Adopting a Business Plan; Staffing Plan; General Administrative Budget and Mortgage Servicing Budget for FY 2021-22

Recommendation:

It is recommended that the Trustees adopt Resolution 2021-22 adopting (a) Business Plan, providing details regarding three major operational areas of UHC (b) Staffing Plan, listing functional areas, current employee names and titles, vacant and new positions, demonstrating staffing levels necessary to accomplish UHC's mission, and (c) Proforma Statement of Revenue and Expenses, offering a comprehensive forecast of fiscal year net income; General Administrative Budget, with analytical review; and the Mortgage Servicing Budget for FY 2021-22. The UHC By-Laws require the President to provide the Trustees at their Annual Meeting these documents for their review, consideration, and approval.

Adoption of this Resolution will

- Establish the strategic business direction for the next fiscal year
- Authorize the retention and hiring of staff required to fulfill UHC's mission
- Authorize expenditures for general administration and salaries in support of UHC's operations

Background:

Annually the Trustees review and approve a new business plan and the necessary staff and budget to achieve its objectives. Because, as provided in the UHC Act, UHC is an "Independent Public Corporation" receiving no tax supported money through legislative appropriations, it must operate as a financially independent body. Its debts are payable and its operations are funded solely from payments received from mortgage borrowers, fees, interest earnings and other revenues; therefore it must make its own determinations with respect to its operations and related funding. Equity accumulated over time is dedicated to its internal programs and to fund its ongoing administrative costs. Having no stockholders, UHC has accumulated a sizable balance sheet that enables it to borrow less for working capital and to have adequate assets to maintain the high general obligation rating assigned by three rating agencies.

Included herein is a comprehensive projection of Utah Housing's annual revenues and expenses identifying the nature of increases or decreases compared to the prior year. The projection is based on a slightly reduced annual loan production of \$1.2 billion with loan mix of 98 percent MBS and a similar interest earning environment as FY 2020-21.

The General Administrative Budget and the Mortgage Servicing Budget are presented for approval of those expenditures. Approval of the budgets will enable adequate staffing to accomplish the business plan. Costs associated with perpetual housing programs are not part of General Administrative Budget and require no annual authorization. Capital requirements associated with program funding are approved by the Board over the course of each year as needed allowing for a thorough discussion and analysis at those times.

The Act declares that the President approves all accounts for salaries, allowable expenses of the corporation, or of any employee or consultant, and expenses incidental to the corporation's operation and he administers, manages, and directs the affairs and activities of the corporation in accordance with the policies, control, and direction of the Trustees. Adoption of Resolution 2021-22 will enable these actions to be accomplished.

RESOLUTION 2021-22
A RESOLUTION OF THE UTAH HOUSING CORPORATION
ADOPTING THE FY 2021-22 GOALS, STRATEGIES, AND
BUSINESS PLAN; THE FY 2021-22 STAFFING PLAN; AND THE
FY 2021-22 GENERAL ADMINISTRATIVE AND SERVICING
BUDGETS 2021-22

WHEREAS, the Utah Housing Corporation Act, codified as Title 63H, Chapter 8, Utah Code Annotated 1953, as amended (the “Act”) created an independent body politic and corporate, constituting a public corporation, (the “Corporation”) which Corporation was established to serve a public purpose and to act for the public benefit by improving the health, safety and welfare of the State of Utah and the general public; and

WHEREAS, the Corporation was granted powers by the, Act to perform various actions including, but not limited to the following: establish accounts, receive contributions, invest funds, deposit moneys, maintain its books, approve its expenses, fix the salaries of employees, fix the compensation of its advisors, approve disbursements, issue checks; and

WHEREAS, the Act declares that the corporation is intended to operate as a financially independent body so that its debts shall be payable solely from payments received by the corporation from mortgage borrowers and other revenues generated internally by the corporation; and

WHEREAS, all expenses incurred in carrying out the Act are payable solely from funds generated under authority granted by the Act, and nothing in the Act may be construed to authorize the corporation to incur indebtedness or liability on behalf of or payable by the state or any political subdivision of it; and

WHEREAS, the Act requires the corporation, each fiscal year, to submit a budget of its operations to the Legislature and the Governor; and

WHEREAS, the Corporation is exempt from certain acts including the Funds Consolidation Act, the State Money Management Act, the Utah Administrative Services Code, the Utah Procurement Code, the Budgetary Procedures Act, and the Utah State Personnel Management Act; and

WHEREAS, the Act declares that the President shall approve all accounts for salaries, allowable expenses of the corporation, or of any corporation employee or consultant, and expenses incidental to the operation of the corporation and shall administer, manage, and direct the affairs and activities of the corporation in accordance with the policies, control, and direction of the Trustees; and

WHEREAS, the By-Laws of the Corporation establish that one purpose of an Annual Meeting of the Board of Trustees, to be held no later than ninety days after the end of the fiscal year, is to adopt an operating budget, business plan and staffing plan for the ensuing fiscal year; and

WHEREAS, there has been presented, reviewed, and discussed at this meeting the FY 2021-22 Strategic Goals, Objectives and Business Plan; the FY 2021-22 Staffing Plan; and the FY 2021-22 General Administrative and Servicing Budgets.

**NOW, THEREFORE, BE IT RESOLVED BY THE UTAH HOUSING CORPORATION,
AS FOLLOWS:**

All actions previously taken (not inconsistent with the provisions of this resolution) by UHC and by the officers of UHC are hereby ratified and approved.

Words used in the foregoing recitals shall have the same meanings when used in the body of this resolution.

If any provisions of this resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

The FY 2021-22 Goals, Strategies, and Business Plan; the FY 2021-22 Staffing Plan; and the FY 2021-22 General Administrative and Servicing Budgets presented and attached hereto are hereby adopted.

This Resolution has not been altered, amended or repealed, and is in full force and effect on the date hereof.

This resolution shall become effective immediately upon its adoption.

**PASSED AND APPROVED BY THE UTAH HOUSING CORPORATION THIS 24th
DAY OF JUNE, 2021**

Chair

(SEAL)

ATTEST:

President

Utah Housing Corporation

Fiscal Year 2021-22

- ❖ Goals, Strategies and Business Plan
 - ❖ Staffing Plan
 - ❖ Financial Projections with Analytic Review of Changes
 - ❖ General Administrative Budget with Analytic Review of Changes
 - ❖ Mortgage Servicing Budget
-

Utah Housing Corporation

Fiscal Year 2021-22

❖ Business Plan

Utah Housing Corporation
Status of FY 2020-21 Business Plan Objectives
As of June 30, 2021

Capital Formation			
Business Plan Item	Complete	In Progress	Comments
OPTIMIZE ALTERNATIVE SOURCES OF CAPITAL FOR UHC'S SINGLE-FAMILY PROGRAM	X		UHC produced nearly \$1.4 billion of capital for the single family new loan production. This is about the same as last year and shows the importance of the UHC programs in a time of pandemic. UHC capital comes from both the sale of loans after being securitized into MBS or from proceeds of taxable or tax-exempt bond issues. Optimizing alternative sources is an ongoing process and development as UHC utilizes the various forms of capital available, while staying up-to-date on new developments in public finance markets.
OPTIMIZE SINGLE-FAMILY BOND RESOURCES	X		The TEMS tax-exempt structure used to fund the FirstHome program utilized over \$530 million of available bond authority this fiscal year. This was nearly one and one-half times as much as last fiscal year. Our professional team has found a niche group of investors willing to pay higher premiums for the tax-exempt mortgage backed securities. The TEMS structure has proven to be the very best value for the UHC self-funding single family program. However, during this period of financial disruption and high premiums bankers have struggled to expand the investors group willing to pay the required high premiums that make TEMS so valuable to UHC.
OPTIMIZE MULTIFAMILY BOND RESOURCES	X		UHC issued tax-exempt bonds or tax-exempt mortgage loans for Multifamily capital used in nine projects totaling \$278,534,999 which produced 2,047 rental units during the fiscal year
IMPLEMENT AND ESTABLISH CAPITAL SOURCES FOR MULTI FAMILY FHA RISK SHARE PROGRAM		X	UHC has suspended its pursuit of risk share lending this fiscal year as it determines the best way forward to obtain a line of capital. Nevertheless, UHC is hopeful to utilize its preliminary program documents to pursue projects in need of additional loan options, as market conditions evolve.
OPTIMIZE LOW INCOME HOUSING TAX CREDIT RESOURCES	X		UHC allocated \$14,886,807 of 2021 9% credits, including Disaster Relief Credits; and awarded \$7,348,600 of 4% credits and \$1,961,749 of state credits. Total multifamily production for the year is 3,254 units of tax credit and tax-exempt bond financed housing.
OPTIMIZE PROFITABILILTY OF UHC'S FINANCIAL STRUCTURES	X		During the fiscal year UHC loan sales have represented an opportunity to optimize profits and still maintain competitive rates for our homebuyers. UHC balance sheet provides critical down payment resources for the single family program. The funding these second loans is key to the affordability of UHC housing programs and our profitability.
ENCOURAGE CONGRESS TO PROMOTE AFFORDABLE HOUSING EFFORTS THROUGH WELL CRAFTED LEGISLATION		X	Restrictions imposed by COVID-19 prevented in person visits at US Congressional offices in 2021, including those normally scheduled during the NCSHA Legislative Conference.. Letters encouraging support of affordable housing were sent.

Utah Housing Corporation
Status of FY 2020-21 Business Plan Objectives
As of June 30, 2021

Program Administration			
Business Plan Item	Complete	In Progress	Comments
DEVELOP STANDARDIZED POLICIES AND PROCEDURES FOR THE FINANCIAL ANALYSIS DEPARTMENT		X	Policies and Procedures are being evaluated for right size and fit, as well as to ensure the objectives of the various functions goals. They must now be expanded to meet the interdepartmental objectives that have been set.
REVIEW PRESENTATION OF SERVICING RIGHTS ON THE FINANCIAL STATEMENTS AND THE ACCOUNTING POLICY REGARDING THE METHOD OF VALUATION		X	UHC has been working with our servicing rights valuation specialists and observing the market inputs to ensure that presentation on the financial statements is within the guidance of the accounting pronouncements. The flexibility allowed will be beneficial in helping UHC adjust its valuation to a changing environment.
REDESIGN THE CURRENT TELECOMMUNICATION INFRASTRUCTURE TO CREATE CALL CENTER CAPABILITIES TO ENHANCE THE LOAN SERVICING EFFECTIVENESS	X		Redesign of the current telecommunication infrastructure is complete which includes full feature call center capability. Some ongoing changes include improving fax send reliability and assisting with optimization of reporting and management dashboards. Internal IT staff are trained to support the phone system at an advanced level. Demand for additional phones and licensing have increased, because of the changing teleworking needs at UHC.
ENHANCE AND IMPROVE THE APPLICATION MANAGEMENT MODULE FOR THE MULTIFAMILY FINANCE SYSTEM	X		UHC completed implementation of the application management module of Emphasys. This will ensure data integrity, document production, and deadline management.
CREATE YOUTUBE AND OTHER TRAINING VIDEOS FOR UTAH HOUSING'S WEBSITE IN ORDER TO ASSIST LENDERS AND REALTORS		X	UHC has completed the first of several Zoom Trainings. The first recorded video, Streamline Refinance, and Subordination, was added to Utah Housing Corporations Lender Webpage. Lenders have provided positive feedback on this training, an indication of its need. Future training will be on training to explain Recapture as well as other topics coming by fiscal year-end. In addition, training, for lenders, realtors and homebuyers will be recorded and located on our webpage, accessible to all. UHC will continue to offer individual lender training in addition to the recorded training.

Utah Housing Corporation
Status of FY 2020-21 Business Plan Objectives
As of June 30, 2021

UHC Operations			
Business Plan Item	Complete	In Progress	Comments
REVIEW AND IMPLEMENT COMPREHENSIVE ENHANCEMENTS TO OUR COMPLIANCE MAGEMENT SYSTEM		X	Developing a new ERM approach for the entire organization, including audit, risk management and compliance
COMPLETE THE IMPLEMENTATION OF PERIPHERSAL SOFTWARE AND AN ENHANCED GENERAL LEDGER SYSTEM	X	X	The Emphasys Financial System was implemented to monitor bond and investment activity and replaced the Portfolio (“Ronnieware”) System in February 2021.
IMPLEMENT AN ACTIONABLE INTELLIGENCE PLATFORM ON THE BLACK KNIGHT SERVICING SYSTEM		X	AIP has is expected to be in use by June 30th. 85% of the application’s framework has been completed. Currently Servicing Managers are fine-tuning the data output and finalizing the dashboard views.
CONTINUE WORK ON THE CORPORATE WIDE ENTERPRISE CONTENT MANAGEMENT (ECM) SYSTEM ACROSS THE CORPORTION	X		We have added or made updates to the following Onbase forms/workflows this past year: Alt Work Schedule Form/Workflow, EFT, Loss Mitigation Update to add COVID info, Loss Mitigation Reporting Dashboard for COVID, Remote Work Agreement Form/Workflow, Stop Pay/R-Issue Check Request Form & Workflow, Check Register Approval Request Form/Workflow, MSP Header Update Request Form/Workflow, Temporary Employee Request Form/Workflow, End Day Scanning and Storage, Conduct Disclosure Reporting Dashboard, IT Invoice Storage and Retrieval, and IT New Employee Security Form Updates.
BUILD UPON OUR CULTURE OF LEARNING AND CONDUCT QUALITY STAFF TRAINING	X		Due to the remote working situation caused by the pandemic, travel to trainings both local and away were cancelled. However, training continued via Zoom and other online platforms. LinkedIn Learning has been a powerful training, professional and personal development tool that has been invaluable during the pandemic. UHC employees have viewed almost 1,000 courses and 6,575 training videos. Our employment attorney also recently conducted manager compliance training in FMLA, ADA, WC, and he conducted online and in-person training on preventing discrimination, harassment & retaliation training for all employees.

Utah Housing Corporation
Status of FY 2020-21 Business Plan Objectives
As of June 30, 2021

ADDITIONAL MAJOR ACCOMPLISHMENTS:

- Projected Single Family loan production of nearly \$1.3 billion, helping a projected 4,500 families to finance their home.
- Revised the review process to eliminate the major problems and errors we were seeing when reviewing manufactured homes before locking.
- Added an automated document preparatory system for the manufactured home documents where accurate data was verified and transferred to the manufactured home documents. This allows lenders to print and use for their loan closings. Making a more efficient process and fewer deeds of trusts corrections and re-recorded after closing.
- Automated e-mails were created, so instead of drafting emails for several processes throughout the pre and post-purchase reviews, mortgage banking employees now only have to click a button and the email is automatically sent, drawing data and email addresses from the data entered in our mortgage banking system, saving considerable amount of hours clearing loan conditions.
- Serviced over 30,500 loans representing a portfolio of approximately \$3.6 billion.
- Settled multiple MBS trades each month with a combined annual principal amount of nearly a \$1.4 billion producing a projected \$75 million of gross premium revenue.
- Achieved additional premium on loan sales by securitizing custom loan pools for various “Low Balance” and “New Production” loans, allowing for reoffering the loans for additional “pay-ups”.
- Completed the first ever virtual financial audit of UHC financial statements, requiring many of financial service processes to be converted to paperless. There were no audit finding or adjustments
- Maintained a temporary “remote working” to accommodate a work-from-home directive amid the COVID-19 pandemic for most of the fiscal year, which in essence effectively move many office based functions and paper based processes to electronic off sight.
- Manage the completed “remote working” initiative while keeping the appropriate level of internal controls and system security intact.
- Held an unanticipated extra round of competitive applications for 9% federal Disaster Relief credits (2021 credits) allocated to Utah as a result of earthquake on March 18, 2020.
- Completed cyber security training for UHC employees
- Finished development and released the first version of our mobile application to allow borrowers access to loan information from their mobile device and schedule payments. This was released July 2020 to both the Android and Apple app stores.
- Transitioned the Corporation’s phone system to a completely new cloud based system to provide greater in-office and remote availability and provide solutions to prior issues.
- Migrated the email to a cloud based system to allow for a more open and secure platform; as well as enabled the alignment to our new password policy.
- Completed the construction on 20 new homes within the CROWN program and started the construction on another 21 homes across the state.
- Utilized coaching and evaluation software across the organization to help managers manage more proactively and increase staff’s effectiveness.

Utah Housing Corporation

Fiscal Year 2021-22

Goals

**Strategies and
Business Plan**



"We're housing Utah"

CAPITAL FORMATION

Goal:

Maximize the amount of resources while controlling the cost and associated risks of resources, in order to most effectively finance affordable housing in Utah.

Strategies:

- 1. Develop and Maintain In-house Capabilities to Securitize and Sale Loans to Financial Market:** Develop and maintain in-house capabilities to securitize MBS and sale TBA to financial markets at most favorable terms to obtain the desired capital needed to fund program loans and achieve UHC objectives.
- 2. Maintain Strong Market Reputation:** Maintain the highest professional business standards in all dealings with the capital markets (primary and secondary) as well as in-state, out-of-state, institutional, and retail.
- 3. Attain/Maintain Strong Bond Ratings:** Ensure compliance with all rating agency requirements and criteria. Maintain effective communications with rating agencies. Maintain adequate reserves to support increased debt levels.
- 4. Develop Highest Quality Debt Products:** Develop innovative financing strategies and products which enable UHC debt to be marketed at most favorable terms to achieve UHC objectives.
- 5. Assemble Strong Finance Team:** Engage lead professionals (underwriters, bond counsel, financial advisors, etc.) who are proven industry leaders in developing quality and innovative housing/mortgage related capital sources.
- 6. Stimulate Private Activity Bond and Federal and State Tax Credit Legislation:** Remain proactive in efforts to reform private-activity bond and tax credit laws and regulations. Develop and lobby legislation where appropriate; lobby for legislative and executive branch support.

2021-22 Business Plan Objectives

- 1. OPTIMIZE ALTERNATIVE SOURCES OF CAPITAL FOR UHC'S SINGLE-FAMILY PROGRAM:** Pursue opportunities to improve UHC's securitization of loans into Mortgage Backed Securities (MBS) for FHA loans through Ginnie Mae. Monitor existing credit lines for warehoused loans to assure UHC has coverage for expected loan production.
- 2. MAXIMIZE SINGLE-FAMILY BOND RESOURCES:** Pursue opportunities to issue more TEMS, traditional tax-exempt MRB bonds, taxable bonds; GNMA MBS backed tax-exempt bonds; current refunding bonds; and other innovative structures to leverage the allotted Private Activity Bond Cap.
- 3. MAXIMIZE MULTIFAMILY BOND RESOURCES:** Pursue opportunities to maximize capital utilizing available Private Activity Bond Cap for low-moderate income multifamily rental projects.
- 4. IMPLEMENT AND ESTABLISH CAPITAL SOURCES FOR MULTI FAMILY FHA RISK SHARE PROGRAM:** Implement the finalized program parameters and marketing strategy for FHA Risk Share loan program and promote the program to the development community. Establish capital sources necessary for initial volume of risk share lending. Build out the lending program and execute a risk share loan, working with community partner.
- 5. MAXIMIZE LOW INCOME HOUSING TAX CREDIT RESOURCES:** Strive to ensure full and effective allocation of all competitive (9%) tax credits; maximize utilization of non-competitive (4%) tax credits to increase the availability of affordable housing throughout the state. Additionally, ensure full utilization of all state tax credits available to either reduce rents or fill financing gaps due to increased construction costs.
- 6. MAXIMIZE PROFITABILITY OF UHC'S FINANCIAL STRUCTURES:** Pursue opportunities to increase interest earnings through more proactive investing, in addition to decreasing expenditures by more efficient financing structures, refunding higher rate debt, and reducing fees when possible.
- 7. PROMOTE AFFORDABLE HOUSING EFFORTS THROUGH WELL-CRAFTED LEGISLATION AT THE FEDERAL AND STATE LEVEL:** Continue to work through National Council of State Housing Agencies (NCSHA) and with Utah Congressional delegates to support and improve the tax-exempt Mortgage Revenue Bonds (MRB) and Low Income Housing Tax Credits (LIHTC) programs. Work with the State Legislature to innovate best way to utilize federal grant moneys from pandemic-related legislation.

PROGRAM ADMINISTRATION

Goal:

Create and develop affordable housing through innovative programs for financing mortgage loans and projects in the most efficient manner while not competing with the private sector.

Strategies:

1. **Assemble Resources:** Seek out and assemble effective resources that creatively result in housing affordability that otherwise would not be achieved.
2. **Provide Leadership:** Provide leadership throughout the state and the nation in all areas of housing finance and development. Conduct educational and training seminars or other forums, as appropriate.
3. **Facilitate Partnerships:** Aggressively pursue cooperative ventures/partnerships with governmental, non-profit, and private organizations, when advantageous to do so.
4. **Provide Adequate Training:** Adequately train and educate the public, industry participants, mortgage lenders, and other program participants.
5. **Develop Highly Efficient Processing Systems:** Make reservations and purchase mortgages in the most timely and efficient manner possible utilizing highly efficient, automated applications wherever possible.
6. **Develop/Maintain Positive Perception of Programs:** Maintain the public's and participants' positive perceptions and confidence in UHC programs.
7. **Service Loans Timely and Effectively:** Perform loan servicing timely, efficiently, and at reasonable margins that support the servicing function.
8. **Target Diverse Populations:** Establish outreach techniques for difficult-to-house populations.

2021-22 Business Plan Objectives

1. **DESIGN AND IMPLEMENT COMPREHENSIVE ENHANCEMENTS AND AUTOMATION FOR LOSS MITIGATION, BANKRUPTCY, AND LOAN PAYOFF REQUESTS PROCESSES:** Review, analyze, design, and implement comprehensive enhancements and automation to loss mitigation, bankruptcy, and loan payoff request processes. The objective is to better automate the payments process and allow for documentation uploads from homeowners.
2. **REVIEW PRESENTATION OF SERVICING RIGHTS ON THE FINANCIAL STATEMENTS AND THE ACCOUNTING POLICY REGARDING THE METHOD OF VALUATION:** The accounting policy regarding the method used for valuation and the financial presentation of the servicing rights asset will be reviewed. The review will include the cost of servicing rights as compared to their market value and a detailed analysis of the servicing rights premiums paid to our originating lenders. This review will also include an examination of how our price compares to the market value of the servicing rights to determine the financial benefit and assist in pricing decisions.
3. **COORDINATE AND IMPLEMENT FINANCIAL MODELS FOR HOUSING DEVELOPMENT PROJECTS:** Coordinate and Implement equity investment models (syndication or direct financing) with LIHTC investors for projects applying in UHC's LIHTC set-aside pools. Complete the equity loan funding and construction of the LIHTC single-family homes (CROWN) in the pipeline. Implement the Housing Development Lending Facility (multifamily and single family homeownership) product and associated policies and procedures
4. **DEVELOP A HOUSING PRESERVATION STRATEGY TO MAINTAIN AGING UNITS IN LIHTC PORTFOLIO:** Develop a housing preservation strategy to maintain aging units in LIHTC portfolio, working with community partners, owners, and developers to understand the breadth of the potential loss of units. Utilize available tools to ensure preservation of affordability and physical assets.
5. **PROVIDE SHORT VIDEOS FOR UTAH HOUSING'S WEBSITE IN ORDER TO ASSIST LENDERS AND REALTORS:** Create training videos for specific topics to assist lenders and realtors with their understanding of UHC and its loan products. Prepare a calendar of regular webinar trainings on specific topics to have lenders and realtors understand items unique to UHC loans, such as how to calculate household income and understand the tax-exempt recapture provision.

UHC OPERATIONS

Goal:

Develop and maintain a highly effective and motivated staff, functional physical plant and operating infrastructure to support expanding operations, management of assets and debt, and timely and accurate management of information.

Strategies:

1. **Provide Adequate Resources:** Ensure that adequate human and physical resources are available to attain the highest levels of operating proficiencies.
2. **Manage and Report Information:** Ensure that effective information systems and procedures are available to capture, process and report information and data in a timely manner to assist executive management and the Board of Trustees in its decision-making.
3. **Maximize Performance:** Ensure that all in-house or contracted functions are being performed in the most efficient manner possible and that established standards are being met.
4. **Promote UHC:** Continue to promote UHC presence and programs and to build state-wide legislative, housing advocacy, and industry groups' awareness of the UHC role and value to housing and the economy of the state.

2021-22 Business Plan Objectives

1. **REDESIGN AND MODERNIZE THE UHC WEBSITE FOR MORE EFFICIENT ACCESS OF INFORMATION AND FUNCTIONS BY USERS:** Redesign and modernize the UHC website for more efficient access of information and functions by users. The project will be led by the IT Department and outsourced to a website designer. The project will begin with RFP defining the scope and scoring of the comprehensive project. Ideas for improvement and enhancements will be sought from all UHC Departments.
2. **DEVELOP AND IMPLEMENT CYBER SECURITY TOOLS AND NETWORK FOR DETECTION, TESTING VULNERABILITY, AND ALERTING MANAGEMENT OF CYBER RISK:** Implement a state of the art cyber security network for detection, testing vulnerability, and alerting management of cyber risk utilizing the best practices learned from penetration testing and professional cyber security experts and consultants.
3. **CREATION OF A COMMUNICATION FUNCTION INCLUDING STAFF TO HELP UHC COMMUNICATE MORE EFFECTIVELY WITH THE COMMUNITY AND ITS STAKEHOLDERS:** Creation of a communication function including the hiring of a Communication Director to help UHC communicate effectively about its mission and to reach our stakeholders. Objective will be to make the mission of UHC and its accomplishments more visible and appreciated by partners and citizens.
4. **REDESIGN, REPLACE, AND TRANSITION AWAY FROM THE IBM DB2 LEGACY DATABASE USING NEWER COMPATIBLE DATABASE TECHNOLOGY:** Continue to make significant progress to transition away from the legacy IBM system. This will require redesign and replacement of the IBM DB2 legacy database using new compatible database technology. This will replace multiple applications include the daily ACH process for the remitting of loan payments to the bond trustees.
5. **COMPLETE THE IMPLEMENTATION OF THE NEW SAGE INTACCT ENHANCED GENERAL LEDGER SYSTEM:** Complete the implementation of the new general ledger system and all peripheral software systems to meet the future needs of UHC and remain compatible with future technology. This process will include the migration of paperless workflow solutions and various forms into the general ledger system.
6. **BUILD UPON OUR CULTURE OF LEARNING AND CONDUCT QUALITY STAFF TRAINING:** Continue to build upon our culture of learning through coaching, mentoring, and quality training initiatives to assure training of company leadership team members about best management and personnel practices as well as other topics that benefit the Corporation's workload effectiveness. Continue to promote educational opportunities to leadership and staff whose performance will be enhanced by additional training.

Utah Housing Corporation

Fiscal Year 2021-22

❖ Staffing Plan

UTAH HOUSING CORPORATION STAFFING PLAN

Executive Management	
Name	Position
Damschen, David	President & CEO
Butterfield, Cleon	Sr. Vice President & CFO
Hanks, Jonathan	Sr. Vice President & COO
Larsen, Susan	Executive Assistant / HR Administrator
Vacant	Communications Director
Vacant	Communications Assistant
6 Positions	

Name	Position
White, Amy	Vice President
Barraza, Josh	Default Manager
Alvarez, Mauricio	Loan Resolution Counselor
Grandstaff, Derek	Loan Resolution Counselor Team Lead
Hernandez, Maria	Loan Resolution Counselor
Hobbs, Zachary	Loan Resolution Counselor
Mendoza, Ruth	Loan Resolution Counselor
Reyes, Armando	Loan Resolution Counselor
Sookhai, Nanda	Loan Resolution Counselor
Tran, Tuan	Loan Resolution Counselor
Vacant	Loan Resolution Counselor
Williams, Breezie	Assistant Vice President
Hall, Jon	Systems Administrator
Arnold, Josh	Loss Mitigation Specialist
Buckner, Chris	Mortgage Default Analyst/Loss Mitigation Specialist
Davis Justin	CSR- Sustomer Service Representative
Handy, Brett	Claims Specialist
Hawkins, Marley	Bankruptcy Foreclosure Specialist
Moore, Kaelyn	Property Preservation Technician
Nisgrutizer, Brenda	Default System Analyst
Porter, Sandi	Default Analyst
Thomas, DeAnne	Claims Specialist
White, Danny	Foreclosure Specialist
Judson, Reggie	Systems Analyst
Osmund, Michael	Operations Manager
Abbott, Melissa	Operations Technician
Cantonwine, Margery	Operations Technician
DeLaTorre, Janette	New Loan Auditor
Diaz, Lillian	Operations Technician
Escalera, Kathleen	Escrow Specialist
Fereday, Alyssa	Operations System Specialist
Goehring, Jake	Escrow/Tax Specialist
Harris, Nicole	Escrow Specialist
Oborn, Karen	Operations Technician Payment Processor
Torres, Rhonda	Operations Technician
Wells, Tina	Payment Posting/Research Processor
36 Positions	

Multifamily Finance Department	
Name	Position
O'Grady, Claudia	Vice President
Acord, Suzette	Housing Credit Allocation Specialist
Cordova, Robyn	Housing Credit Analyst
Mosdell, James	MultiFamily Lending Analyst
Sullivan, Anna	MultiFamily Finance Assistant
Wallentine, Carla	Allocation Analyst
Gamez, Nefi	Compliance Manager
Bunch, Tanner	Compliance Auditor
Busby, Jamie	Compliance Auditor
Campbell, Mike	Compliance Auditor
McFarland, Susan	Compliance Auditor
Vacant	Asset Manager
12 Positions	

Housing Development Department	
Name	Position
Van Arsdell, Susan	Vice President
Gallagher, Amber*	Housing Operations Analyst
Hunt, Chelsea	Sr. Housing Specialist
Zaragoza, Melody	Housing Specialist
Vacant	Operations Analyst
Judd, Dan	Affordable Housing Development Manager
Harmon, Scott	Housing Program Manager
Peterson, Kelly	Housing Program Manager
Vacant	Project Development Manager
9 Positions	

FY 2021-22 Total Positions = 114

Financial Services Department	
Name	Position
Gibson, Ariane	Vice President
Tonga, Loren	Senior Accountant
Evans, Catherine	Senior Accountant
Hunter, Kristie	Accountant II
Atamanczyk, Joel	Accountant II
Allred, Barbara	Assistant Vice President
McCarter, Cathy	Housing Development Accountant
Dailey, Matt	Lead Mortgage Servicing Accountant
Thai, Tuyen	Mortgage Servicing Accountant
Stevens-Hendry, Nadine	Mortgage Servicing Accountant
10 Positions	

Financial Analysis Department	
Name	Position
Moore, Chad	Vice President
Evans, Carol	Banking Finance Specialist
Hockemier, Michelle	Banking Finance Specialist
Mulford, Burdell	Risk Manager
Thompson, Vonya	Financial Reporting Accountant
Vacant	Financial/ Risk Analyst
Vacant	Financial/ Data Analyst
Tolley, Howard	Compliance Supervisor
Egbe, Candance	Quality Control Analyst
9 Positions	

Information Technology Department	
Name	Position
Jaffa, Scott	Vice President
Allen, Sean	Applications Programmer III
Barker-Allred, Michele	Business Analyst
Oku Ten-Nde, Jimmy	Mobile Application Developer
Lindsey, Mark	Applications Programmer V
Myers, Tom	Applications Programmer III
Stroud, Jennifer	Business Analyst
Vacant	Applications Programmer V
Webber, John	IT Manager
Saeva, Robin	Network Administrator
Simmonds, Don	Network Administrator
Thomas, Braden	Network Administrator
12 Positions	

HR/Administrative Services Department	
Name	Position
Barker, Sterling	Vice President
Carter, Susan	HR Generalist
Turnidge, Tracy	Lead Administrative Specialist
Putnam, Leron	Administrative Specialist
Gealta, Spencer	Assistant Facilities Manager
Merchant, Alaine	Admin Services Specialist
Lindes, Blanka	Part Time Receptionist
Vacant	Receptionist
8 Positions	

Mortgage Banking Department	
Name	Position
Spilker, Deon	Vice President
Lanzi, Paige	Post Review Team Lead
Bell, Heidi	Mortgage Banking Analyst
Jensen, Hillary	Mortgage Document Coordinator
Redmond, Jackie	Mortgage Referral Specialist
Shinsel, Pamela	Assistant VP
Davis, Shellie	Compliance Underwriter
Silver, Brad	Compliance Underwriter Assistant
Thomas, Wendy	Compliance Underwriter
Tripp, Shannon	Compliance Underwriter
Vacant	Outreach Specialist
Vacant	Pre and Post-Purchase Assistant
12 Positions	

* Part time employees
budgeted not hired

Utah Housing Corporation

Fiscal Year 2021-22

❖ Financial Projections with Analytic Review of Changes

UTAH HOUSING CORPORATION
PROJECTED STATEMENT OF REVENUE AND EXPENSES
For twelve months ending June 30, 2021

	Operating Fund	Mortgage Servicing	Single Family Mortgage Program Funds	Housing Development Program Funds	Projected Total June 30, 2021	Forecast June 30, 2021
PROJECTED REVENUE						
Interest Income - Mortgages	\$ -	\$ -	\$ 28,000,000	\$ 380,000	\$ 28,380,000	\$ 30,350,000
Interest Income - Investments	9,000	356,800	42,000,000	-	42,365,800	46,380,000
Service Fees	-	11,361,000	-	-	11,361,000	11,000,000
Late Fees	-	1,325,000	-	-	1,325,000	600,000
Fee Income	2,090,000	490,000	-	900,000	3,480,000	2,886,500
Gain on Sale of Loans	-	-	75,000,000	-	75,000,000	36,000,000
Other	10,000	-	86,200	48,000	144,200	50,000
Transfers from other funds	13,600,000	7,350,400	(20,950,400)	-	-	-
TOTAL PROJECTED REVENUE	\$ 15,709,000	\$ 20,883,200	\$ 124,135,800	\$ 1,328,000	\$ 162,056,000	\$ 127,266,500
PROJECTED EXPENSES						
Interest	\$ -	\$ -	\$ 39,500,000	\$ -	\$ 39,500,000	\$ 57,000,000
Swap Terminations	-	-	-	-	-	-
Amortization - Other Assets	-	14,480,200	-	-	14,480,200	13,500,000
Mortgage Servicing Fees	-	-	2,056,000	-	2,056,000	2,300,000
Salaries & Fringe Benefits	9,600,000	3,060,000	-	-	12,660,000	12,798,000
General & Administration	2,700,000	3,343,000	-	10,000	6,053,000	6,220,100
Capital Expenditures	821,800	-	-	-	821,800	821,800
Depreciation	350,000	-	-	-	350,000	350,000
Loan Loss Reserve/Bad Debt	-	-	1,150,000	-	1,150,000	7,300,000
Perpetual Program Costs	100,000	-	2,700,000	1,600,000	4,400,000	4,625,000
TOTAL PROJECTED EXPENSES	\$ 13,571,800	\$ 20,883,200	\$ 45,406,000	\$ 1,610,000	\$ 81,471,000	\$ 104,914,900
PROJECTED NET INCOME BEFORE FMV ADJUSTMENT	\$ 2,137,200	\$ -	\$ 78,729,800	\$ (282,000)	\$ 80,585,000	\$ 22,351,600

UTAH HOUSING CORPORATION

PROFORMA FORECASTED STATEMENT OF REVENUE AND EXPENSES

For twelve months ending June 30, 2022 (projecting the same interest rate environment as FY21 with current programs)

	Operating Fund	Mortgage Servicing	Single Family Mortgage Program Funds	Housing Development Program Funds	Projected Total June 30, 2022	Forecast June 30, 2021
PROJECTED REVENUE						
Interest Income - Mortgages	\$ -	\$ -	\$ 25,000,000	\$ 350,000	\$ 25,350,000	\$ 30,350,000
Interest Income - Investments	10,000	300,000	42,500,000	-	42,810,000	46,380,000
Service Fees	-	10,800,000	-	-	10,800,000	11,000,000
Late Fees	-	1,200,000	-	-	1,200,000	600,000
Fee Income	2,640,000	330,000	-	825,000	3,795,000	2,886,500
Gain on Sale of Loans	-	-	47,970,000	-	47,970,000	36,000,000
Other	10,000	-	50,000	-	60,000	50,000
Transfers from other funds	14,275,000	9,910,400	(24,185,400)	-	-	-
TOTAL PROJECTED REVENUE	\$ 16,935,000	\$ 22,540,400	\$ 91,334,600	\$ 1,175,000	\$ 131,985,000	\$ 127,266,500
PROJECTED EXPENSES						
Interest	\$ -	\$ -	\$ 40,003,000	\$ -	\$ 40,003,000	\$ 57,000,000
Amortization - Other Assets	-	15,376,900	-	-	15,376,900	13,500,000
Mortgage Servicing Fees	-	-	2,000,000	-	2,000,000	2,300,000
Salaries & Fringe Benefits	10,513,500	3,365,000	-	-	13,878,500	12,798,000
General & Administration	3,232,600	3,798,500	-	35,000	7,066,100	6,220,100
Capital Expenditures	679,400	-	-	-	679,400	821,800
Depreciation	350,000	-	-	-	350,000	350,000
Loan Loss Reserve/Bad Debt	-	-	1,000,000	-	1,000,000	7,300,000
Perpetual Program Costs	100,000	-	3,250,000	800,000	4,150,000	4,625,000
TOTAL PROJECTED EXPENSES	\$ 14,875,500	\$ 22,540,400	\$ 46,253,000	\$ 835,000	\$ 84,503,900	\$ 104,914,900
PROJECTED NET INCOME BEFORE FMV ADJUSTMENT						
	\$ 2,059,500	\$ -	\$ 45,081,600	\$ 340,000	\$ 47,481,100	\$ 22,351,600
Statements are unaudited and without opinion						
FY 2021 PROJECTED NET INCOME BEFORE FMV ADJUSTMENT	\$ 2,137,200	\$ -	\$ 78,729,800	\$ (282,000)	\$ 80,585,000	
FY 21-22 CHANGES \$	(77,700)	-	(33,648,200)	622,000	(33,103,900)	
FY 21-22 CHANGES %	-3.6%		-42.7%	220.6%	-41.1%	

Utah Housing Corporation

ANALYTICAL REVIEW OF PROFORMA STATEMENT OF REVENUE AND EXPENSES

FY 2021-2022

General:

The forecasted statement of revenue and expenses presents a pro-forma net income presentation based on a loan mix of the existing programs authorized by the board, and a projected level of production approximately 8% lower than the projected FY21 production and a capital structure mix consistent with experience over the past few years. These variables produce a projected net income of \$47.5 million before unrealized fair value of investments adjustments.

Utah Housing is a very dynamic and complex organization. Its financial statements are heavily impacted by market interest rates; newly released governmental accounting standards; factors affecting the overall economy; and other complex variables, many of which are outside the control of management.

Therefore, the projections presented in this analysis are before any recognition of deferred assets or liabilities; adjustments due to technical accounting standards, or fair market value adjustments; that could impact the net income presented in the audited financial statements. This has been done to give a more comparable projection of operating activities.

A detailed overview of the projected net income for FY 2021-22 (FY22) reflects a decrease of \$33.1 million or -41.1% from the FY 2020-21 (FY21) projected net income before fair market value adjustments. The decrease is mainly due to projected decrease in one-time premiums on gain on sale of loans combined with other factors described below. Utah Housing is projecting a small overall decrease in FY22 in terms of single-family loan production, yet a large decrease in the gains on sale of loans, which will match closer to the longer term trends. For FY19, Utah Housing earned an average of 103.9% (\$39,740,319) on the sale of \$1.048 billion of production with 96% sold as MBS. For FY20, Utah Housing earned an average of 104.2% (\$40,344,496) on the sale of \$1.113 billion of production with 87% sold as MBS. For FY21, Utah Housing is projecting to earn an average of 105.4% (\$75,000,000) on total loan production of \$1.3 billion, with 98% sold as MBS. It is projected that for FY22, UHC will earn a lesser premium of approximately 104.0% (\$48 million), on its' loan sales of 98% of \$1.2 billion production to MBS. The four percent premium is a four year average of UHC's actual earned premiums over that time period. Thus, the margin and loan sales are similar to those experienced the last few years with a slight reduction projected due to uncertainty in the economy as well as a continued lack of affordability in Utah Housing's primary single-family market. Additionally, with the passage of the CARES act and a record number of loans in forbearance, Utah Housing has increased its reserve for loan losses related to its uninsured second mortgage portfolio from 1% to 3.5% in 2020 and believes that remains sufficient for the coming fiscal year.

A detailed analysis of the largest fund groupings are projected as follows:

Operating Fund: Decrease of -\$77,700 (-3.6%)

The current presentation of the Operating Fund presents only ancillary and other revenues related to activities not included in Single Family, Servicing, or Housing Development programs. The general and administrative budget and most overhead operations presented here will be primarily funded by transfers and profits from the Single Family Program. Funding transfers from the Single Family Program and other fees and revenues are the major revenue source for most of UHC's operations.

The overall decrease as compared to the projected FY21 operations is comprised of the following major components: a larger General and Administrative budget (-\$627,700), higher projected fee revenues (+\$550,000).

Mortgage Servicing: No Net Income/No change

The mortgage servicing operation shows a zero net income for FY22, which is consistent with the actual results of FY20 and projected actual results of FY21. This presentation is due to an overall net operating loss in the Servicing division, which is offset by a transfer (operational subsidy) by the Single Family Program to show a break even presentation. Utah Housing projects an increase in the operating transfer of (+\$2,560,000) next year mainly due to reduced servicing revenues (-\$561,000) due to record loan forbearance and applicable application of requirements in the federal regulations (CARES Act), as well as increased refinancing of existing mortgages. Additionally, Utah Housing has projected higher amortization of (-\$896,700) of servicing release fees paid from mortgage loan production. UHC pays servicing release fees to its participating lenders who originate the loans. The fees paid an individual originator can vary with loan production as well as loan program. The higher service release fee per loan and higher overall production levels experienced during the past several years, have required more expenditure for fees to be paid. The amortization is based on the corresponding revenues expected to be earned over the estimated life of the loan. Additionally, due to increased legislation and regulatory requirements, salaries and benefits in the Servicing department will increase (-\$305,000) due to projected staffing and benefit levels and vacancies. Other servicing general and administrative expenses are expected to increase (-\$455,500) due to increased production and operational activities.

The Mortgage Servicing operation is presented in its own column for this presentation and for internal financial statements. It will be combined with the operating fund for the audited financial statement presentation.

Single Family Mortgage Purchase Program Funds: Decrease of \$33,648,200 (-42.7%)

The Single Family Mortgage Purchase Program is a consolidation of over 200 series of bonds issued over the past thirty years, which have been categorized into nine separate program groups for this projection along with the Warehouse, Second Mortgage portfolio (down payment assistance program), and Repurchased Loan Pools from MBS repurchases. The individual groups have been organized by bond structure, loan program, or other variables to increase the accuracy and transparency of the projection.

The projected level of premiums UHC will receive from its loan sales are a function of market interest rates as compared to the note rate being sold. The higher the note rate the more premium is received. The projection for next year is that premiums will be 4.00 percent, which is a four year average (-\$24,015,000). The projected FY21 premiums averaged 5.4 percent due to the federal government support of the market during the pandemic. The FY22 forecast includes an annual production of \$1.2 billion as compared to annual production \$1.3 billion and \$1.1 billion for FY21 and FY20, respectively.

The projection also includes a component of the loan mix for CRA Participation sales, tax-exempt or taxable bond issues. Under these programs the loans are sold at 100 percent without an upfront premium. However, these loans will produce an ongoing margin of interest income over the life of the loans. The margin will contribute a smaller amount to next year's net income but will also contribute to future net income over the next several years. Therefore, the best economic choice, or best execution, is always evaluated as a net present value calculation, which may cause UHC to forego a large upfront premium this year in favor of more income over the next several years. Based on expectations for FY22, and the competitive interest rate environment, Utah Housing is projecting a very small amount of CRA Participation production in FY22.

The FY 22 projection also includes a larger transfer to help fund other programs (+\$3,235,000). Utah Housing has recently and over the years refunded and refinanced all of its existing variable rate debt portfolio to lower its overall cost of borrowing and to achieve efficiencies based on current market risks and conditions.

Furthermore, due to a record number of forbearance loans in the portfolio as part of the CARES act and increased delinquency, Utah Housing increased the reserve for loan losses last year on its second mortgage portfolio to 3.5%. It is projected that this will remain sufficient to adequately provide for the potential increased expense for loan losses. In addition, the projected loan losses will also be mitigated by the interest earnings on the second mortgage portfolio that will help to cover the loan losses.

The final component of the decrease from the pro-forma to FY21 actual net income is a reflection of this best execution analysis, as existing capital financing models continue to pay-off and produce a decreased income on a smaller overall balance.

Housing Development Program Funds: Increase of \$622,000 (220.6%)

Housing Development funds are used to assist in the financing and acquisition of difficult-to-develop housing. Net income comes mainly from fees and interest earnings. A few new projects are started each year, which are financed by Utah Housing. Additionally, the Crown program has several projects which mature each year and are sold to the tenants or other community residents. These sold properties produce a revenue to UHC that represents the earned equity over time, and is shared with each community dispersed as community funds. The change for FY22 is a reflection of decreased in the projected use of community funds needs of our affordable housing partners in area where the equities were generated (+\$650,000). The overall presentation reflects the current mix of projects in various stages of development, and program life cycle.

UTAH HOUSING CORPORATION
SENSITIVITY FORECASTED STATEMENT OF REVENUE AND EXPENSES
For twelve months ending June 30, 2022

	Projected Actual June 30, 2021	Baseline Projection June 30, 2022	Negative Projection ⁽¹⁾ Components June 30, 2022	Negative Projection June 30, 2022	Positive Projection ⁽²⁾ Components June 30, 2022	Positive Projection June 30, 2022
PROJECTED REVENUE						
Interest Income - Mortgages	\$ 28,380,000	\$ 25,350,000	\$ (1,000,000)	\$ 24,350,000	\$ 1,000,000	\$ 26,350,000
Interest Income - Investments	42,365,800	42,810,000	(700,000)	42,110,000	700,000	43,510,000
Service Fees	11,361,000	10,800,000	(500,000)	10,300,000	500,000	11,300,000
Late Fees	1,325,000	1,200,000	-	1,200,000	-	1,200,000
Fee Income	3,480,000	3,795,000	-	3,795,000	-	3,795,000
Gain on Sale of Loans	75,000,000	47,970,000	(17,100,000)	30,870,000	18,200,000	66,170,000
Other	144,200	60,000	-	60,000	-	60,000
TOTAL PROJECTED REVENUE	\$ 162,056,000	\$ 131,985,000	\$ (19,300,000)	\$ 112,685,000	\$ 20,400,000	\$ 152,385,000
PROJECTED EXPENSES						
Interest	\$ 39,500,000	\$ 40,003,000	\$ -	\$ 40,003,000	\$ -	\$ 40,003,000
Amortization - Other Assets	14,480,200	15,376,900	-	15,376,900	-	15,376,900
Mortgage Servicing Fees	2,056,000	2,000,000	-	2,000,000	-	2,000,000
Salaries & Fringe Benefits	12,660,000	13,878,500	-	13,878,500	-	13,878,500
General & Administration	6,053,000	7,066,100	-	7,066,100	-	7,066,100
Capital Expenditures	821,800	679,400	-	679,400	-	679,400
Depreciation	350,000	350,000	-	350,000	-	350,000
Loan Loss Reserve/Bad Debt	1,150,000	1,000,000	430,000	1,430,000	(430,000)	570,000
Perpetual Program Costs	4,400,000	4,150,000	(500,000)	3,650,000	300,000	4,450,000
TOTAL PROJECTED EXPENSES	\$ 81,471,000	\$ 84,503,900	\$ (70,000)	\$ 84,433,900	\$ (130,000)	\$ 84,373,900
PROJECTED NET INCOME						
BEFORE FMV ADJUSTMENT	\$ 80,585,000	\$ 47,481,100	\$ (19,230,000)	\$ 28,251,100	\$ 20,530,000	\$ 68,011,100

1) - \$900 million loan production and negative economic variables.

2) - \$1.5 billion loan production and positive economic variables.

Utah Housing Corporation

Fiscal Year 2021-22

- ❖ General Administrative Budget with Analytic Review of Changes

**UTAH HOUSING CORPORATION
GENERAL AND ADMINISTRATIVE BUDGET
FY 2021 - 2022**

Proposed

DESCRIPTION	FY 20 - 21		FY 21 - 22	FY 20-21 BUDGET TO FY19-20 BUDGET CHANGES		FY21-22 BUDGET TO FY20-21 PROJECTED ACTUAL CHANGES	
	BUDGET	PROJECTED ACTUAL	BUDGET	\$	%	\$	%
Expenditures:							
SALARIES AND WAGES							
Regular Salaries and Wages	\$ 6,300,000	\$ 6,296,000	\$ 6,860,000	\$ 560,000	8.9%	\$ 564,000	9.0%
Other Salary Expense	19,000	66,048	69,000	50,000	263.2%	2,952	4.5%
Total	6,319,000	6,362,048	6,929,000	610,000	9.7%	566,952	8.9%
FRINGE BENEFITS	3,324,000	3,212,000	3,584,500	260,500	7.8%	372,500	11.6%
SALARIES AND BENEFITS	9,643,000	9,574,048	10,513,500	870,500	9.0%	939,452	9.8%
PROFESSIONAL DEVELOPMENT							
Dues and Subscriptions	84,500	77,000	88,000	3,500	4.1%	11,000	14.3%
Professional Training	261,800	66,000	261,800	-	0.0%	195,800	296.7%
Total	346,300	143,000	349,800	3,500	1.0%	206,800	144.6%
OFFICE AND ADMINISTRATIVE							
Supplies	85,500	95,000	85,500	-	0.0%	(9,500)	-10.0%
Mailing/Printing	115,000	117,000	120,000	5,000	4.3%	3,000	2.6%
Utilities/Insurance	380,000	385,000	510,000	130,000	34.2%	125,000	32.5%
Miscellaneous	7,500	5,500	7,500	-	0.0%	2,000	36.4%
Total	588,000	602,500	723,000	135,000	23.0%	120,500	20.0%
PROGRAM DEVELOPMENT	80,500	29,400	80,500	-	0.0%	51,100	173.8%
MAINTENANCE EXPENSE	1,028,000	1,284,600	1,193,500	165,500	16.1%	(91,100)	-7.1%
BOARD OF TRUSTEES EXPENSE	39,500	500	39,500	-	0.0%	39,000	0.0%
COMMUNICATION/PROMOTION	57,300	55,000	57,300	-	0.0%	2,300	4.2%
PROFESSIONAL SERVICES							
Consultant Services	369,000	252,000	439,000	70,000	19.0%	187,000	74.2%
Legal Fees	220,000	175,000	170,000	(50,000)	-22.7%	(5,000)	-2.9%
Auditing / Banking Services	170,000	165,000	180,000	10,000	5.9%	15,000	9.1%
Total	759,000	592,000	789,000	30,000	4.0%	197,000	33.3%
GENERAL ADMINISTRATION	2,898,600	2,707,000	3,232,600	334,000	11.5%	525,600	19.4%
CAPITAL EXPENDITURES	821,800	580,000	679,400	(142,400)	-17.3%	99,400	17.1%
TOTAL BUDGET	\$ 13,363,400	\$ 12,861,048	\$ 14,425,500	\$ 1,062,100	7.9%	\$ 1,564,452	12.2%

Utah Housing Corporation

ANALYTICAL REVIEW OF GENERAL AND ADMINISTRATIVE BUDGET

FY 2021-22

General:

The General and Administrative Budget for FY 2021-22 reflects an increase of 7.9 percent as compared to the prior year's budget. The increase is due mainly to increases in staffing and employee expenses as Utah Housing works to ensure its success in meeting the challenges of the changing mortgage lending industry, program objectives, and providing affordable housing throughout the State during the current economic situation.

This budget has been prepared recognizing that the mortgage lending and housing industry is very complex with many new and evolving regulatory requirements, which require more resources to remain compliant with and to successfully implement. In addition, Utah Housing has developed multiple types of single-family products with various sources of capital funding. These changes along with employee salary and benefit increases as well as program changes and development impact the annual General and Administrative Budget, most of which are analyzed below.

Utah Housing is totally self-funding and receives no appropriations or support from state, local, or federal sources. Its funding sources are generated, or have been generated internally to replenish the funds used for general administration and other operations. The equity built-up over time is also a source available to Utah Housing to fund its mission; to assure an adequate source of capital for affordable housing. Utah Housing's equity is dedicated to its internal programs and to fund its ongoing general and administrative costs.

The General and Administrative Budget as presented, accounts for Salaries and Fringe Benefits for non-servicing employees, General Administrative expenditures, and Capital Expenditures. This budget will be sufficient to fund the proposed Business Plan Objectives for fiscal year 2021-22.

In addition to the General and Administrative Budget, a separate annual budget for direct costs associated with the Mortgage Servicing program is also attached. This Servicing Budget includes servicing staff salaries and fringe benefits, administrative and operational costs, as well as projected funding for mortgage servicing rights. Other additional costs associated with perpetual programs previously authorized by the Board of Trustees are not part of this presentation and require no annual authorization. Additionally, this presentation does not include any actuarial pension adjustments or depreciation expense as these are not cash expenditures and therefore are not presented as budgetary items.

Capital funding requirements associated with the financing or development of affordable housing properties for Single Family; Multi-family; or Housing Development funds will be presented to the Board for authorization separately as needed; allowing for a more thorough discussion and analysis of detailed items. An example of this would be the approval of MBS or bond authority for the single family program.

The significant factors affecting the changes in the proposed FY 21-22 General and Administrative Budget, as compared to the prior year budgeted expenditures are analyzed as follows:

Salaries and Wages: Increase of \$610,000 (+9.7%)

The projected increase over the prior year's budget is attributable to the net differences of the new mix of full time staff members, currently vacant positions expected to be filled, and the hiring of new staff (+\$294,000) to address increased workloads, programs, and business needs. This budget also reflects an annual increase to current salaries for FY22. The Corporation's compensation consultant reported, that to achieve the 50th percentile of the local compensation market, the UHC's pay plan should be increased two percent. Individual employee's compensation is proposed to be increased by an additional average of 3 percent for FY22 based on their performance survey (+\$316,000).

Utah Housing's payroll will now include 114 positions; of which 78 are included in this General and Administrative Budget. The other 36 positions will be funded from the separate Mortgage Servicing Budget.

Fringe Benefits: Increase of \$260,500 (+7.8%)

This category encompasses expenditures such as FICA, life and health insurance costs, retirement, disability insurance contributions, workers compensation, among others. These costs are based in general upon a percentage of total salaries and wages paid. The increased salary expense above, along with additional staff expected to be hired during the next year together with a continued increase for health insurance and retirement benefits (+\$177,000); payroll taxes and other benefits (+\$83,500), account for the projected increase.

Professional Development: Increase of \$3,500 (+1.0%)

This category of expense includes the costs for dues paid to our national organization, the National Council of State Housing Agencies as well as other corporate dues and subscriptions to industry associations, journals, and publications. This budgeted amount also includes staff involvement and attendance at industry-related conferences and seminars, as well as relevant training for new staff and new programs. Additional costs of educational and professional development activities are also included.

These expenditures are critical to keep abreast of the changing environment related to UHC's business and programs and to continue to invest in our employees. The increase in projected costs is increased dues, subscriptions, and reference materials (+3,500) is based on projected FY21 actual expenses incurred, and planning for the most efficient and relevant training, as well as participation in other NCSHA and specific industry training and events.

Office & Administrative: Increase of \$135,000 (+23.0%)

This category includes those expenditures associated with general administration of the office, such as; computer supplies, insurance, office supplies, postage, office printing, telephone, utilities and others. The largest budgetary increased this years are for the expenses related to Insurance and Utility costs (+\$130,000) to increase coverage of the Mortgage Protection Policy. Insurance costs increases are based on coverages, premiums, disasters experienced, and IT back-up services.

Program Development: No Change

This category of expense includes the costs associated with enhancing existing and developing new corporate programs for lower-income housing efforts. These costs include in-state and out-of-state travel, lodging and miscellaneous expenses needed to initiate housing programs throughout the State of Utah. These expenditures enable UHC to educate stakeholders about its housing programs and pursue innovative approaches in financing and developing affordable housing. Also included are payments for business related mementos, events and meals incurred by UHC Trustees, Officers and their spouses and UHC employees when it's inappropriate to have them paid for by others. Due to the COVID-19 pandemic, a ban was put in place regarding travel during FY21 and actual expenditures were down significantly. For FY22 the travel ban has been lifted and we are anticipating travel to return to pre-pandemic levels for the upcoming fiscal year.

Maintenance Expense: Increase of \$165,500 (+16.1%)

This category includes the costs of maintaining and repairing UHC's building, vehicles and equipment, including costs of maintenance contracts on computer hardware and software. Examples of these would be the hedging system to manage the mortgage loan pipeline; virtual document management systems; and IT systems and security software.

The increase in this category is a reflection of the continued shift in software expenses from an upfront installation and annual maintenance charge to a software sold as a service (SaaS) ongoing billing model, software to enable remote working, and the expanding inventory of systems supported and maintained by Utah Housing. The specific items related to the current year increase are an increase based on a the new General Ledger system to enhance financial reporting (+\$44,000), increased IT monitoring and security systems (+\$50,000), an enhanced phone system (+94,000), and ongoing

services as well as system enhancements for other programs and user licenses and systems implemented in the current and prior years (-\$22,500).

Board of Trustees Expense: No Change

This category of expense includes those costs associated with conducting Board Meetings, and providing Members with certain reasonable educational and professional development-related opportunities. The budgeted expenditures this year are expected to be sufficient to attend the NCSHA conference in Detroit Michigan in the fall, and a Board retreat in the spring.

Communication / Promotion: No Change

This category includes expenditures for advertising, newsletter production, brochures and fliers production, annual report production, special promotional events and initiatives to update delivery methods of borrower education and customer service questions.

Professional Services: Increase of \$30,000 (4.0%)

This category includes the fees that UHC incurs for outside professional services such as: consultant services, compliance services, general counsel services, special legal counsel services, banking fees, and independent audit services. The increase being projected for FY22 is based on projected actual costs incurred during the year as well as projected projects and services needed for FY22 (+\$70,000). Also projected is a decrease in legal fees due to litigation and costs incurred during FY21 that are not anticipated in FY22 (-50,000) and an increase in Bank fees (\$10,000) due to actual services used in the current year.

Capital Acquisitions: Decrease of \$142,400 (-17.3%)

This category includes the acquisition of capital assets, including computer equipment, new major computer software, office equipment, automobiles, and furniture and fixtures. Utah Housing continually monitors the needs and capabilities of its IT infrastructure, updates, and upgrades its systems as needed. Projected expenditures for computer equipment increased (+\$34,700) based on projected needs due to infrastructure to support ongoing remote working and other projects for FY22. This FY22 budget includes amounts for enhancement of IT security and other IT programs. However, these acquisition costs have decreased (-\$177,100), due to the movement of these software acquisitions to SaaS, which increases the expenditures for maintenance.

Utah Housing Corporation

Fiscal Year 2021-22

❖ Mortgage Servicing Budget

**UTAH HOUSING CORPORATION
MORTGAGE SERVICING BUDGET
FY 2020 - 2021**

DESCRIPTION	FY20-21		Proposed			FY21-22 BUDGET TO FY20-21 PROJECTED ACTUAL CHANGES	
	BUDGET	PROJECTED ACTUAL	FY 21-22 BUDGET	FY 21-22 BUDGET TO FY20-21 BUDGET CHANGES		FY21-22 BUDGET TO FY20-21 PROJECTED ACTUAL CHANGES	
				\$	%	\$	%
DIRECT EXPENDITURES:							
SALARIES AND WAGES							
Regular Salaries and Wages	\$ 2,080,000	\$ 2,035,000	\$ 2,230,000	\$ 150,000	7.2%	\$ 195,000	9.6%
Overtime	65,000	45,000	65,000	-	0.0%	20,000	44.4%
Total	2,145,000	2,080,000	2,295,000	150,000	7.0%	215,000	10.3%
FRINGE BENEFITS	1,010,000	985,000	1,070,000	60,000	5.9%	85,000	8.6%
PROFESSIONAL DEVELOPMENT	45,000	6,000	45,000	-	0.0%	39,000	650.0%
OFFICE AND ADMINISTRATIVE							
Printing Coupon/Statements	175,000	160,000	175,000	-	0.0%	15,000	9.4%
Office and Admin Other	56,500	45,000	56,500	-	0.0%	11,500	25.6%
Total	231,500	205,000	231,500	-	0.0%	26,500	12.9%
SYSTEMS AND EQUIPMENT							
System Provider	1,050,000	900,000	1,022,000	(28,000)	-2.7%	122,000	13.6%
Equipment Acquisition	10,000	-	10,000	-	0.0%	10,000	
Total	1,060,000	900,000	1,032,000	(28,000)	-2.6%	132,000	14.7%
PROFESSIONAL SERVICES							
Consulting Fees	10,000	-	10,000	-	0.0%	10,000	
Legal and Recording Fees	25,000	30,519	25,000	-	0.0%	(5,519)	-18.1%
Auditing Fees	30,000	30,000	30,000	-	0.0%	-	0.0%
Lockbox/Bank Fees	110,000	424,000	450,000	340,000	309.1%	26,000	6.1%
Total	175,000	484,519	515,000	340,000	194.3%	30,481	6.3%
OPERATIONAL COSTS							
MBS Servicing Expense - Sch/Sch	1,875,000	1,750,000	1,875,000	-	0.0%	125,000	7.1%
Servicing Losses	100,000	16,000	100,000	-	0.0%	84,000	525.0%
Total	1,975,000	1,766,000	1,975,000	-	0.0%	209,000	11.8%
DIRECT COSTS BEFORE AMORTIZATION	\$ 6,641,500	\$ 6,426,519	\$ 7,163,500	522,000	7.9%	736,981	11.5%
SERVICING RIGHTS AMORTIZATION	13,500,000	14,500,000	15,376,900	1,876,900	13.9%	876,900	6.0%
TOTAL DIRECT SERVICING EXPENSES	\$ 20,141,500	\$ 20,926,519	\$ 22,540,400	\$ 2,398,900	11.9%	\$ 1,613,881	7.7%
PROJECTED ANNUAL FUNDING:							
SERVICING RIGHTS PURCHASES	\$ 13,500,000	\$ 16,750,000	\$15,600,000	\$2,100,000	15.6%	(\$1,150,000)	-6.9%

RESOLUTION 2021-23

MEMORANDUM

To: UHC Trustees

From: David C. Damschen
President

Date: June 24, 2021

Subject: Resolution 2021-23 Amends and Restates Resolution 2021-16 authorizing the issuance of not to exceed \$300,000,000 Ginnie Mae MBS revised

Recommendation:

It is recommended that the Trustees adopt the Resolution 2021-23 amending and restating Resolution 2021-16 authorizing the issuance in an amount not to exceed \$300,000,000 of Ginnie Mae Mortgage Backed Securities (MBS). UHC had previously passed Resolution 2021-16 authorizing the issuance of Ginnie Mae MBS to fund mortgage loans under its Single Family Program. Approval of the amended resolution will enable UHC to accomplish the following:

- Add the authorization to allow Investor Relations Manager to trade TBA and assure more trading coverage to sell and hedge interest rate risk on UHC daily loan production.
- Purchase single family mortgage loans made to low-moderate income home buyers
- Provide economic stimulus to Utah's economy

Background

Resolution 2021-23 amends and restates Resolution 2021-16 to allow in addition to the President and Senior Vice Presidents and Vice President of Financial Analysis; the Investor Relations Manager to be fully authorized on behalf of UHC to give oral or written instructions to the Brokers to sell Ginnie Mae mortgage-backed securities and to bind and obligate UHC for the carrying out of any such transaction. This additional trading ability will provide more coverage internally to trade TBA securities to hedge UHC loan production and mitigate interest rate risk, while maintaining the segregation of duties and assure oversight for proper internal control.

The proceeds of the loan sale are used to pay off the warehouse line used to purchase the first lien mortgage loans from participating lenders. All amounts of all Ginnie Mae issuance authority will be considered interchangeable with other unused authority, and amounts will be used for both new money loans and refinancing existing mortgage loans under UHC's Single Family Program.

UHC continues to rely heavily on its ability to securitize Ginnie Mae MBS to provide a capital source to fund its single family programs. UHC also funds its single-family mortgage programs by issuing bonds and sells participations in loans to Utah's industrial banks. The single family capital source UHC uses for any given pool of loans is based on which source provides the best financial benefit as determined by pricing or by the loan characteristics that conform to specific capital source requirements. Delivering loans into a Ginnie Mae MBS sold as an interest rate hedge represents one of the best executions and pricing for the sale of UHC loans.

Board approval is the first step to request issuing approval directly from Ginnie Mae at a pace that matches the actual production that we experience. Staff will continue to keep the Board informed as to how active the programs are and the amount of authority that has been used. UHC's production of single family loans continues to be very strong. Throughout this fiscal year, loan production has averaged just over \$5.2 million a day.

Approval of the Resolution also authorizes use of UHC general funds to make available second mortgage loans for down payment assistance at a rate 2% higher than that of the first mortgage loan. The second mortgage loan will be in an amount not to exceed 6.0% of the first mortgage loan, and will be used to fund part of the borrowers' down payment and closing costs. The procedures and program limits used for each loan product will be those most recently authorized by the Board.

RESOLUTION NO. 2021-23

AMENDING AND RESTATING 2021-16 RESOLUTION OF UTAH HOUSING CORPORATION AUTHORIZING THE PURCHASE OF NOT TO EXCEED \$300,000,000 OF SINGLE FAMILY MORTGAGE LOANS, THE EXCHANGE OF SUCH MORTGAGE LOANS FOR GINNIE MAE MORTGAGE-BACKED SECURITIES, THE SALE OF SUCH GINNIE MAE MORTGAGE-BACKED SECURITIES AND AUTHORIZING ALL DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND RELATED MATTERS.

WHEREAS, the Legislature of the State of Utah, at its 1975 regular session, adopted Chapter 190, Laws of Utah, 1975, currently known and cited as the Utah Housing Corporation Act, which has been codified as Title 63H, Chapter 8, Utah Code Annotated 1953, as amended (the “Act”); and

WHEREAS, there was created by the Act, an independent body politic and corporate, constituting a public corporation known and identified as “Utah Housing Corporation” (“UHC”), being created and established to serve a public purpose and to act for the public benefit by improving the health, safety and welfare of residents of the State of Utah; and

WHEREAS, the purposes of UHC are to provide decent, safe and sanitary residential housing to low and moderate income persons and UHC has determined that it will serve and fulfill the purposes for which it was created by the establishment of a program for the purchase of single family mortgage loans made by eligible mortgage lenders for the financing of residential housing for low and moderate income persons; and

WHEREAS, UHC is authorized by the Act to purchase mortgage loans originated by mortgage lenders to finance the construction, development, rehabilitation, purchase or refinancing of residential housing for low and moderate income persons under rules adopted by UHC; and

WHEREAS, UHC by resolution previously authorized the purchase of single family mortgage loans under UHC’s Single Family Mortgage Program, to exchange such mortgage loans for Ginnie Mae mortgage-backed securities and to sell such Ginnie Mae mortgage-backed securities, as approved by the President; and

WHEREAS, in furtherance of its Single Family Mortgage Program and in order to provide funds to be used to finance the purchase of housing by low and moderate income persons within the State of Utah or to refinance an existing mortgage loan currently serviced by UHC, it has been deemed necessary and appropriate that UHC authorize additional purchases of not to exceed \$300,000,000 of single family mortgage loans under its Single Family Mortgage Program, the exchange of such mortgage loans

for Ginnie Mae mortgage-backed securities and sale of such Ginnie Mae mortgage-backed securities to entities or persons (the "Brokers") approved by the President.

NOW, THEREFORE, BE IT RESOLVED BY UTAH HOUSING CORPORATION, AS FOLLOWS:

Section 1. All actions previously taken (not inconsistent with the provisions of this resolution) by UHC and by the officers of UHC directed toward the transactions contemplated hereunder are hereby ratified and approved.

Section 2. The President is hereby authorized and empowered to make additional purchases up to \$300,000,000 of single family mortgage loans under UHC's Single Family Mortgage Program, to securitize such mortgage loans into Ginnie Mae mortgage-backed securities and to sell such Ginnie Mae mortgage-backed securities. The mortgage-backed securities shall bear pass-through interest rates which will result in related mortgage interest rates not greater than 6.00% per annum.

Section 3. The President is fully authorized to open such accounts as deemed necessary and to pay in cash or by check and/or drafts drawn upon the funds of UHC such sums as may be necessary in connection with the purchase of such mortgage loans; and to deliver Ginnie Mae mortgage-backed securities to the Brokers or to any other person.

Section 4. The President and Senior Vice Presidents and Vice President of Financial Analysis and Investor Relations Manager are each fully authorized on behalf of UHC to give oral or written instructions to the Brokers to sell Ginnie Mae mortgage-backed securities and to bind and obligate UHC for the carrying out of any such transaction.

Section 5. In connection with the origination of each mortgage loan the proceeds of which are to be used to finance the purchase of housing, UHC is authorized to use UHC general funds to make a second mortgage loan to the borrower for down payment and closing cost assistance bearing interest at a rate two percent (2%) higher than the first mortgage loan. Each second mortgage loan will be in an amount not to exceed six percent (6.0%) of the related first mortgage loan and the proceeds thereof will be used to finance in part the borrowers' down payment and closing costs. The total aggregate principal amount of UHC general funds to be used to finance second mortgage loans in connection with the first mortgage loans authorized hereby shall not exceed \$18,000,000.

Section 6. In connection with the origination of each mortgage loan the proceeds of which are to be used to refinance an existing mortgage loan currently serviced by UHC, UHC is authorized to purchase such mortgage loan at a premium in order to finance loan closing costs of the borrower, provided that such premium may not exceed the expected premium to be received upon the sale of the related Ginnie Mae mortgage-backed security.

Section 7. The President is authorized to take all action necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated thereby.

Section 8. If any provisions of this resolution should be held invalid, the invalidity of such provision shall not affect the validity of any of the other provisions of this resolution.

Section 9. The President is authorized to execute and deliver on behalf of UHC, all additional certificates and documents and to perform all other acts deemed necessary or appropriate in order to implement and carry out the matters authorized in this resolution and agreed to in the documents authorized herein.

Section 10. Except as otherwise disclosed during the meeting at which this resolution was adopted, no trustee, officer or employee of UHC has any interest, direct or indirect, in the transactions contemplated by UHC.

Section 11. All resolutions of UHC or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency.

Section 12. This resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY UTAH HOUSING CORPORATION THIS
24TH DAY OF JUNE 2021.

Chair

(SEAL)

ATTEST:

President

REPORTS

NON-ACTION ITEMS

Single Family Program
Capital Sources
as of 5/31/21

GNMA Securities Sold					
Fiscal Year	Avg Pass Thru Rate	Avg Servicing Fee (bps)	GNMA Security Amounts	Avg Net Premium	Net Premium Amt Rec'd
2009-15 Total/Avg.	4.05%	36.2	\$ 1,152,543,220	104.32%	\$ 58,424,644
2015-16 Total/Avg.	3.94%	31.1	\$ 394,529,544	105.80%	\$ 22,889,190
2016-17 Total/Avg.	3.79%	35.7	\$ 574,207,406	105.78%	\$ 33,208,023
2017-18 Total/Avg.	4.32%	36.2	\$ 619,969,368	105.44%	\$ 33,711,692
2018-19 Total/Avg.	4.93%	33.1	\$ 311,275,318	104.54%	\$ 14,140,910
2019-20 Total/Avg.	4.12%	33.8	\$ 402,561,810	104.63%	\$ 18,644,076
2020-21 YTD Total/Avg.	2.89%	32.4	\$ 782,723,725	105.65%	\$ 44,230,458
GNMA YTD Totals/Avg.	4.03%	35.0	\$ 4,237,810,391	105.32%	\$ 225,248,993

Tax Exempt GNMA Sold					
Fiscal Year	Avg Pass Thru Rate	Avg Servicing Fee (bps)	GNMA Security Amounts	Avg Net Premium	Net Premium Amt Rec'd
2013-15 Total/Avg.	3.60%	34.7	\$ 315,177,827	104.34%	\$ 15,020,764
2015-16 Total/Avg.	3.36%	38.0	\$ 214,132,310	104.78%	\$ 10,227,623
2016-17 Total/Avg.	3.24%	40.3	\$ 372,936,979	104.82%	\$ 17,967,955
2017-18 Total/Avg.	3.62%	41.4	\$ 171,304,282	104.47%	\$ 7,652,418
2018-19 Total/Avg.	4.41%	44.0	\$ 345,793,903	103.98%	\$ 13,761,604
2019-20 Total/Avg.	3.74%	29.7	\$ 316,466,240	104.44%	\$ 14,043,724
2020-21 YTD Total/Avg.	2.47%	27.6	\$ 413,949,326	105.06%	\$ 20,935,565
Tax Exempt GNMA Totals/Avg.	3.51%	36.3	\$ 2,149,760,867	104.63%	\$ 99,609,653

FNMA/Freddie Whole Loans Sold					
Fiscal Year	Avg Pass Thru Rate	Avg Servicing Fee (bps)	Principal	Avg Net Premium	Net Premium Amt Rec'd
2013-15 Total/Avg.	4.76%	35.6	\$ 180,669,093	104.20%	\$ 7,557,128
2016-17 Total/Avg.	4.58%	25.0	\$ 75,932,284	104.61%	\$ 3,502,116
2017-18 Total/Avg.	4.94%	25.0	\$ 42,251,481	104.90%	\$ 2,069,404
2018-19 Total/Avg.	5.44%	25.0	\$ 62,981,023	103.75%	\$ 2,363,684
2019-20 Total/Avg.	5.03%	25.0	\$ 29,702,963	104.32%	\$ 1,283,562
2020-21 YTD Total/Avg.	4.40%	25.0	\$ 3,466,454	106.36%	\$ 220,498
FNMA Totals/Avg.	4.84%	28.0	\$ 395,003,298	104.30%	\$ 16,996,392

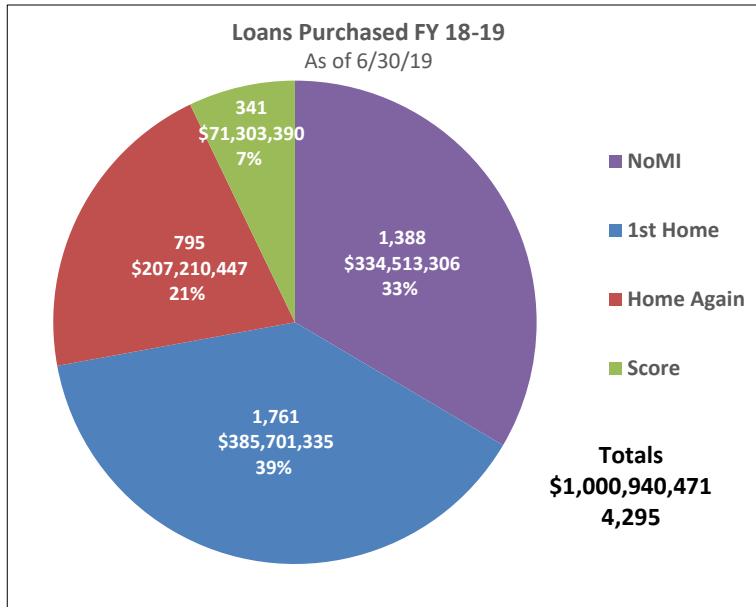
FNMA/Freddie Securities Sold					
Fiscal Year	Avg Pass Thru Rate	Avg Servicing Fee (bps)	FNMA Security Amounts	Avg Net Premium	Net Premium Amt Rec'd
2014-15 Total/Avg.	3.66%	25.0	\$ 55,104,925	104.92%	\$ 2,708,875
2015-16 Total/Avg.	3.79%	25.0	\$ 109,811,589	104.55%	\$ 5,000,534
2016-17 Total/Avg.	3.75%	25.0	\$ 91,524,409	104.45%	\$ 4,074,838
2017-18 Total/Avg.	4.11%	25.0	\$ 212,365,248	104.19%	\$ 8,902,181
2018-19 Total/Avg.	4.50%	25.0	\$ 288,348,811	103.29%	\$ 9,474,121
2019-20 Total/Avg.	4.12%	25.0	\$ 149,444,752	104.26%	\$ 6,373,134
2020-21 YTD Total/Avg.	3.60%	25.0	\$ 24,445,313	105.11%	\$ 1,248,686
FNMA Totals/Avg.	3.93%	25.0	\$ 931,045,047	104.06%	\$ 37,782,370

CRA Participation Pools Sold					
Fiscal Year	Avg Pass Thru Rate	Weighted Avg Loan Rate	Principal	Avg Spread	Anticipated Annual Income
2015-16 Total/Avg. (AMEX)	2.70%	4.094%	\$ 10,136,984	1.39%	\$ 141,310
2017-18 Total/Avg. (AMEX)	3.25%	4.343%	\$ 33,790,551	1.09%	\$ 369,331
2019-20 Total/Avg. (AMEX)	2.21%	4.260%	\$ 25,552,951	2.05%	\$ 523,324
CRA Totals/Avg.	2.62%	4.068%	\$ 292,101,743	1.45%	\$ 4,165,904

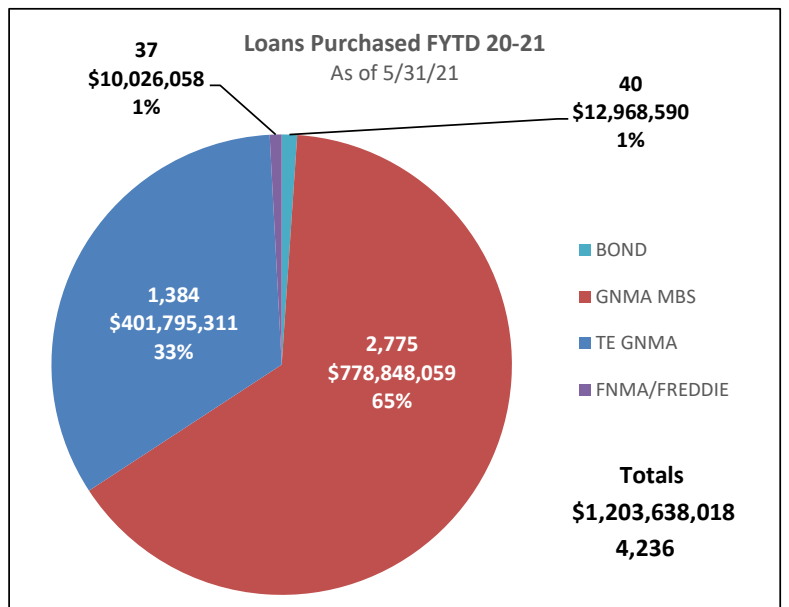
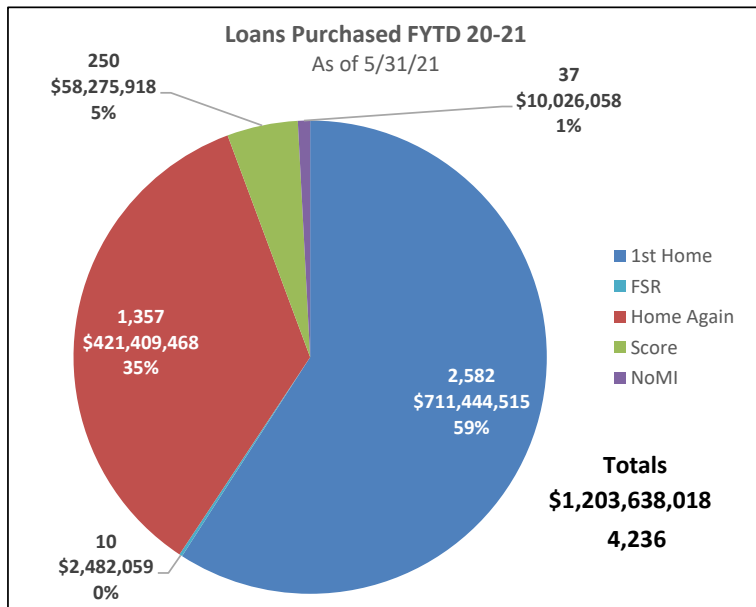
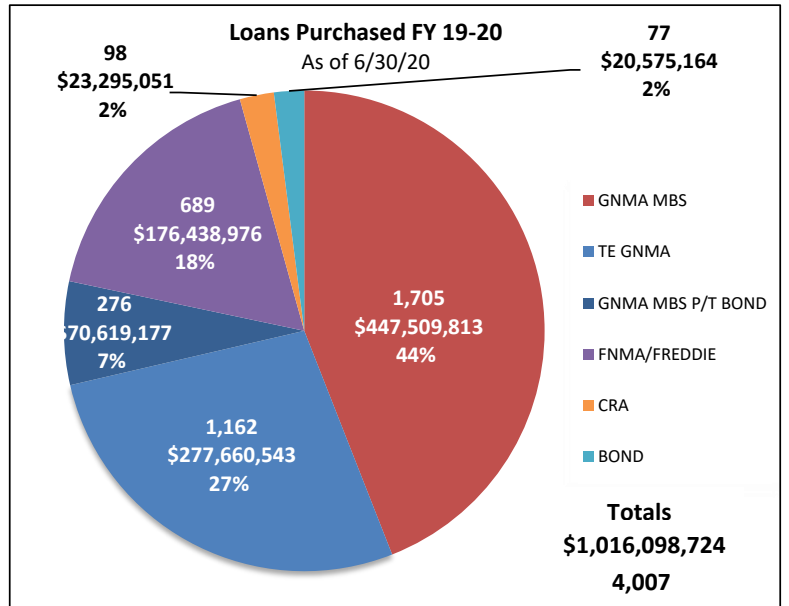
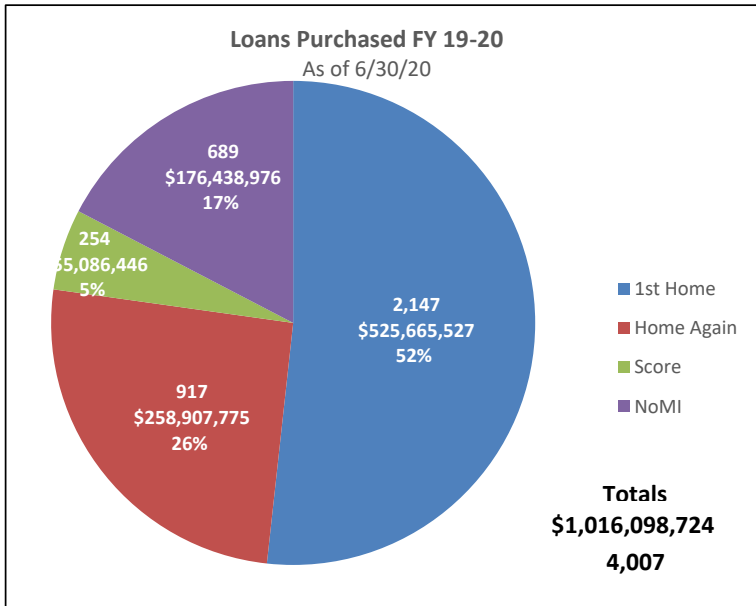
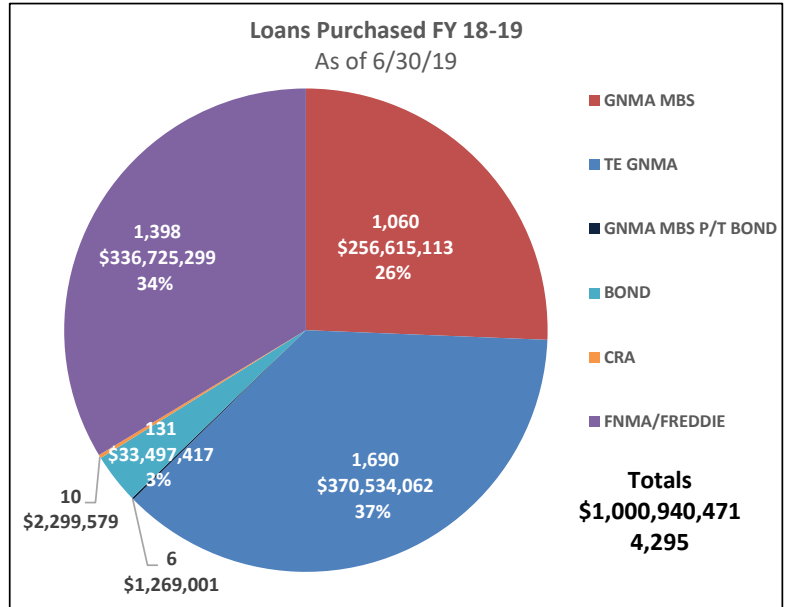
Taxable Bonds					
Fiscal Year	Avg Pass Thru Rate	Weighted Avg Loan Rate	Principal	Avg Spread	Anticipated Annual Income
2012-15 Total/Avg.	2.56%	4.06%	\$ 191,139,056	1.50%	\$ 2,879,020
2015-16 Total/Avg.	2.51%	4.085%	\$ 72,013,717	1.58%	\$ 1,136,376
2016-17 Total/Avg.	2.80%	4.300%	\$ 30,004,782	1.50%	\$ 450,072
2017-18 Total/Avg.	2.69%	4.195%	\$ 10,703,696	1.51%	\$ 161,091
2018-19 Total/Avg.	3.64%	5.186%	\$ 39,860,434	1.55%	\$ 618,235
2019-20 Total/Avg.	3.17%	5.392%	\$ 188,947,791	2.22%	\$ 4,202,199
2020-21 YTD Total/Avg.	1.88%	3.475%	\$ 27,194,948	1.60%	\$ 434,983
Taxable Bonds Totals/Avg.	2.71%	4.313%	\$ 559,864,425	1.61%	\$ 9,881,977

Tax-Exempt Bonds					
Fiscal Year	Avg Pass Thru Rate	Weighted Avg Loan Rate	Principal	Avg Spread	Anticipated Annual Income
2015-16 Total/Avg.	2.82%	3.94%	\$ 65,084,595	1.125%	\$ 732,202

Single Family Loan Production

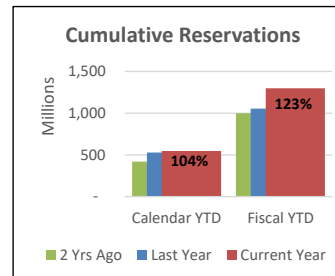
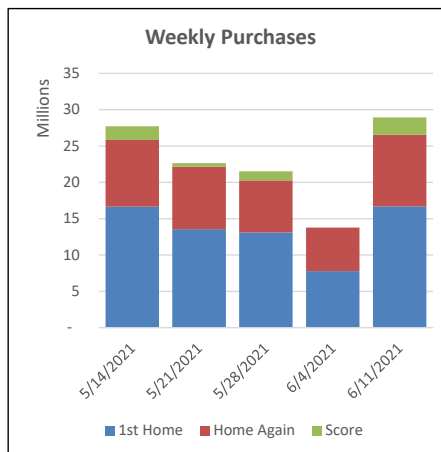
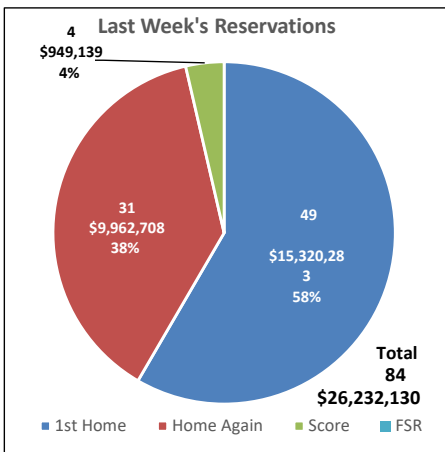
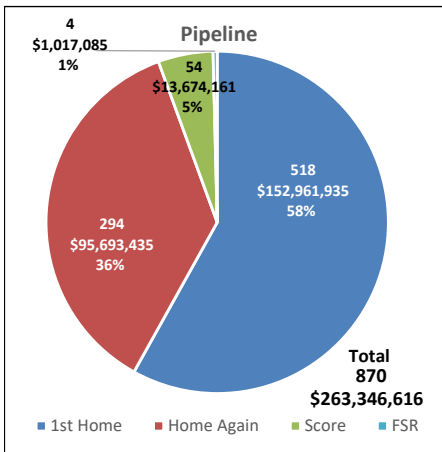


Capital Sources



UHC Financial Analysis Dashboard

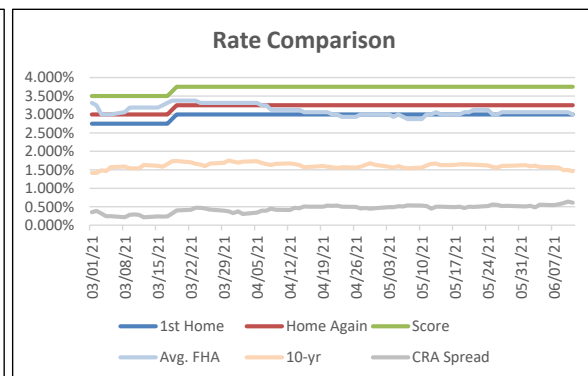
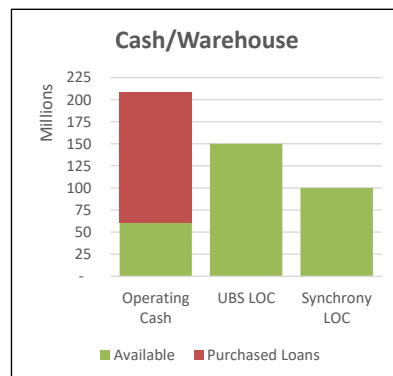
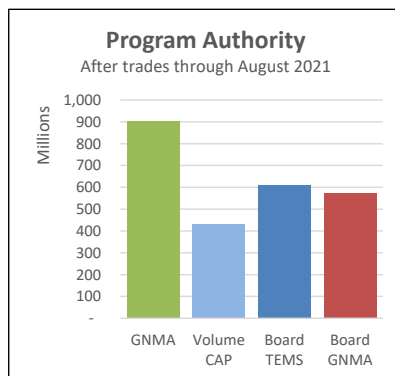
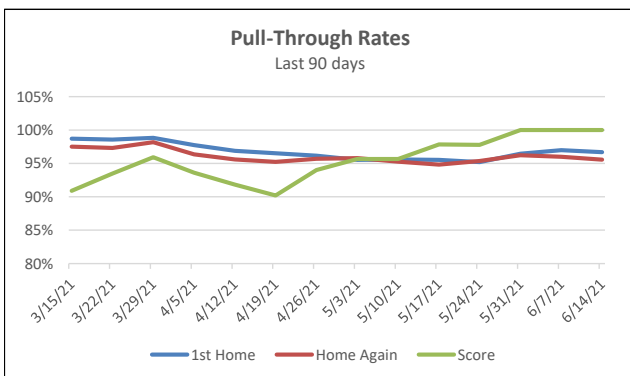
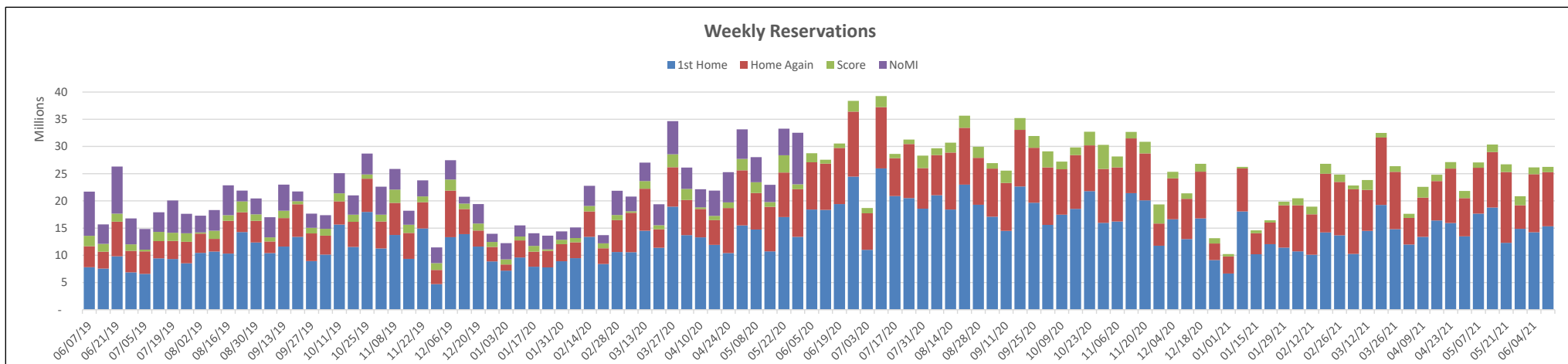
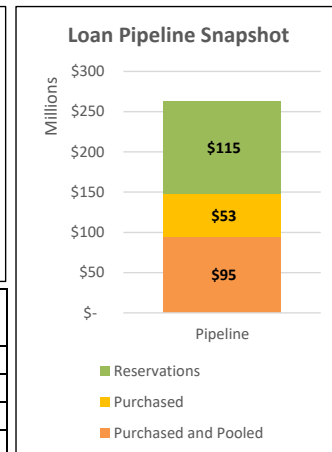
June 14, 2021



Avg. Days from Lock to Purchase

Last 30 days

1st Home	35
Home Again	34
Score	37
FSR	44



UTAH HOUSING CORPORATION
BALANCE SHEET
As of April 30, 2021

ASSETS	Operating Fund	Mortgage Servicing	Single Family Mortgage Purchase Program Funds	Housing Development Program Funds	Total April 30, 2021	Total June 30, 2020	Difference Amount	%
Encumbered Cash	\$ -	\$ 117,927,878	\$ -	\$ 6,593,322	\$ 124,521,200	\$ 119,358,083	\$ 5,163,117	4.3%
Cash	2,646,987	7,046,099	126,858,808	18,825,862	155,377,756	82,495,555	72,882,201	88.3%
Trustee Investments	-	-	1,167,651,673	-	1,167,651,673	1,254,074,218	(86,422,545)	(6.9%)
Mortgage Loans Available for Sale	-	828,600	132,846,353	-	133,674,953	154,462,578	(20,787,625)	(13.5%)
Mortgage Loans Held for Investment	-	-	273,850,941	14,032,026	287,882,967	365,118,172	(77,235,205)	(21.2%)
Second Mortgage Portfolio	-	-	158,645,050	-	158,645,050	157,039,701	1,605,349	1.0%
Interest Receivable - Mortgages	-	-	2,688,062	60,489	2,748,551	3,557,609	(809,058)	(22.7%)
Interest Receivable - Investments	-	-	2,981,508	-	2,981,508	3,664,527	(683,019)	(18.6%)
Deferred Costs/Other Assets	380,256	40,224,160	45,421	65,740	40,715,577	34,157,438	6,558,139	19.2%
Deferred Outflow of Resources	1,196,216	25,931	(59,277)	-	1,162,870	1,163,370	(500)	(0.0%)
Property/Equipment (net)	6,217,233	-	-	-	6,217,233	6,517,215	(299,982)	(4.6%)
TOTAL ASSETS	\$ 10,440,692	\$ 166,052,668	\$ 1,865,508,539	\$ 39,577,439	\$ 2,081,579,338	\$ 2,181,608,466	\$ (100,029,128)	(4.6%)
LIABILITIES AND NET ASSETS								
Notes Payable	\$ -	\$ -	\$ 45,665,052	\$ -	\$ 45,665,052	\$ 74,931,950	\$ (29,266,898)	(39.1%)
Bonds Payable	-	-	1,282,611,524	-	1,282,611,524	1,396,273,661	(113,662,137)	(8.1%)
Bonds Payable - Variable	-	-	-	-	0	1,910,000	(1,910,000.00)	(100.0%)
Bonds Payable - General Obligation	-	-	51,625,000	-	51,625,000	64,485,000	(12,860,000.00)	(19.9%)
Warehouse Lines of Credit Payable	-	-	-	-	-	-	-	0.0%
Derivative Instrument	-	-	(59,277)	-	(59,277.00)	(59,277)	-	0.0%
Accrued Interest Payable	-	-	6,086,234	-	6,086,234	11,021,105	(4,934,871)	(44.8%)
Escrow/Other Payable	5,772,840	117,927,878	181,596	1,439,848	125,322,162	116,010,051	9,312,111	8.0%
Deferred Inflow of Resources	2,768,126	-	-	-	2,768,126	2,768,126	-	0.0%
Unearned Income	678,965	-	-	-	678,965	793,459	(114,494)	(14.4%)
Inter-Company Payable (Receivable)	(44,654,247)	52,840,709	(8,186,462)	-	-	-	-	100.0%
TOTAL LIABILITIES	\$ (35,434,316)	\$ 170,768,587	\$ 1,377,923,667	\$ 1,439,848	\$ 1,514,697,786	\$ 1,668,134,075	\$ (153,436,289)	(9.2%)
NET POSITION	45,875,008	(4,715,919)	487,584,872	38,137,591	566,881,552	513,474,391	53,407,161	10.4%
TOTAL LIABILITIES AND NET POSITION	\$ 10,440,692	\$ 166,052,668	\$ 1,865,508,539	\$ 39,577,439	\$ 2,081,579,338	\$ 2,181,608,466	\$ (100,029,128)	(4.6%)

Statements are unaudited and without opinion

UTAH HOUSING CORPORATION
STATEMENT OF REVENUE AND EXPENSES

For ten months ending April 30, 2021

	Operating Fund	Mortgage Servicing	Single Family Mortgage Program Funds	Housing Development Program Funds	Total April 30, 2021	Total April 30, 2020	Forecasted April 30, 2021	Difference Amount	%
REVENUE									
Interest Income - Mortgages	\$ -	\$ -	\$ 22,875,859	\$ 361,267	\$ 23,237,126	\$ 28,515,508	\$ 25,291,667	\$ (2,054,541)	-8.12%
Interest Income - Investments	6,975	297,344	18,996,124	-	19,300,443	28,972,856	38,650,000	(19,349,557)	-50.06%
Service Fees	-	9,467,505	-	-	9,467,505	10,566,384	9,166,667	300,838	3.28%
Late Fees	-	1,100,248	-	-	1,100,248	1,151,142	500,000	600,248	120.05%
Fee Income	1,589,232	407,639	-	856,752	2,853,623	1,994,232	2,405,417	448,206	18.63%
Gain on sale of loans	-	-	63,046,272	-	63,046,272	30,359,431	30,000,000	33,046,272	110.15%
Other	2,178,985	-	86,145	39,875	2,305,005	1,823,774	41,667	2,263,338	5431.97%
TOTAL REVENUE	\$ 3,775,192	\$ 11,272,736	\$ 105,004,400	\$ 1,257,894	\$ 121,310,222	\$ 103,383,327	\$ 106,055,418	\$ 15,254,804	14.38%
EXPENSES									
Interest	\$ -	\$ -	\$ 26,084,986	\$ -	\$ 26,084,986	\$ 46,554,975	\$ 47,500,000	\$ (21,415,014)	-45.08%
Swap Termination Expense	-	-	-	-	-	12,879,454	-	-	0.00%
Amortization - Other Assets	-	10,666,670	-	-	10,666,670	10,666,670	11,250,000	(583,330)	-5.19%
Mortgage Servicing Fees	-	-	1,721,977	-	1,721,977	1,945,260	1,916,667	(194,690)	-10.16%
Salaries & Fringe Benefits	7,920,611	2,533,397	-	-	10,454,008	9,923,537	10,665,000	(210,992)	-1.98%
General & Administration	2,231,654	2,785,307	-	8,928	5,025,889	4,283,700	5,183,417	(157,528)	-3.04%
Capital Expenditures	667,120	-	-	-	667,120	706,927	976,500	(309,380)	-31.68%
Loan Loss Reserve/Bad Debt	-	-	303,777	-	303,777	387,049	6,083,333	(5,779,556)	-95.01%
Perpetual Program Costs	67,961	-	2,493,374	1,425,579	3,986,914	5,099,517	3,854,167	132,747	3.44%
TOTAL EXPENSES	\$ 10,887,346	\$ 15,985,374	\$ 30,604,114	\$ 1,434,507	\$ 58,911,341	\$ 92,447,089	\$ 87,429,084	\$ (28,517,743)	-32.62%
NET INCOME									
BEFORE FMV ADJUSTMENT	\$ (7,112,154)	\$ (4,712,638)	\$ 74,400,286	\$ (176,613)	\$ 62,398,881	\$ 10,936,238	\$ 18,626,334	\$ 43,772,547	235.00%
Fair Market Value Adjustment	-	-	(8,991,720)	-	(8,991,720)	42,978,931	-	(8,991,720)	
NET INCOME BEFORE TRANSFERS	\$ (7,112,154)	\$ (4,712,638)	\$ 65,408,566	\$ (176,613)	\$ 53,407,161	\$ 53,915,169	\$ 18,626,334	\$ 34,780,827	186.7%
Transfers	10,969,500	-	(10,969,500)	-	-	-	-	-	
NET INCOME	\$ 3,857,346	\$ (4,712,638)	\$ 54,439,066	\$ (176,613)	\$ 53,407,161	\$ 53,915,169	\$ 18,626,334	\$ 34,780,827	

Statements are unaudited and without opinion

UTAH HOUSING CORPORATION

General and Administrative Budget
For ten months ending April 30, 2021

CATEGORY	ANNUAL BUDGET	MONTHLY BUDGET	OPERATING EXPENSES				
			April	Monthly Variance	YEAR-TO- DATE	% OF BUDGET	Budget Variance
SALARIES AND WAGES							
Regular Salary & Wages	\$ 6,300,000	\$ 525,000	\$ 521,250	\$ 3,750	\$ 5,185,703	82.31%	\$ 1,114,297
Other Salary Expense	19,000	1,583	655	928	51,819	272.73%	(32,819)
Total	6,319,000	526,583	521,905	4,678	5,237,522	82.89%	1,081,478
FRINGE BENEFITS	3,324,000	277,000	334,944	(57,944)	2,683,089	80.72%	640,911
TOTAL SALARIES & BENEFITS	\$ 9,643,000	\$ 803,583	\$ 856,849	\$ (53,266)	\$ 7,920,611	82.14%	\$ 1,722,389
PROFESSIONAL DEVELOPMENT							
Dues and Subscriptions	84,500	7,042	3,444	3,598	60,411	71.49%	24,089
Professional Training	261,800	21,817	5,577	16,240	48,694	18.60%	213,106
Total	346,300	28,858	9,021	19,837	109,105	31.51%	237,195
OFFICE & ADMINISTRATION							
Supplies	85,500	7,125	4,069	3,056	67,904	79.42%	17,596
Mailing / Printing	115,000	9,583	7,521	2,062	91,080	79.20%	23,920
Utilities / Insurance	380,000	31,667	28,295	3,372	380,972	100.26%	(972)
Miscellaneous	7,500	625	8	617	3,449	45.99%	4,051
Total	588,000	49,000	39,893	9,107	543,405	92.42%	44,595
PROGRAM DEVELOPMENT	80,500	6,708	96	6,612	20,259	25.17%	60,241
MAINTENANCE EXPENSE	1,028,000	85,667	62,540	23,127	1,072,784	104.36%	(44,784)
BOARD OF DIRECTORS EXP	39,500	3,292	1,011	2,281	55	0.14%	39,445
COMMUNICATION/PROMO.	57,300	4,775	3,988	787	44,405	77.50%	12,895
PROFESSIONAL SERVICES							
Consultant Services	369,000	30,750	3,367	27,383	151,998	41.19%	217,002
Legal Services	220,000	18,333	7,746	10,587	133,647	60.75%	86,353
Financial Services	170,000	14,167	5,235	8,932	155,996	91.76%	14,004
Total	759,000	63,250	16,348	46,902	441,641	58.19%	317,359
TOTAL GENERAL AND ADMINISTRATIVE	\$ 2,898,600	\$ 241,550	\$ 132,897	\$ 108,653	\$ 2,231,654	76.99%	\$ 666,946
CAPITAL AQUISITIONS	821,800	68,483	34,322	34,161	367,138	44.67%	454,662
TOTAL BUDGET	\$ 13,363,400	\$ 1,113,617	\$ 1,024,068	\$ 89,549	\$ 10,519,403	78.72%	\$ 2,843,997

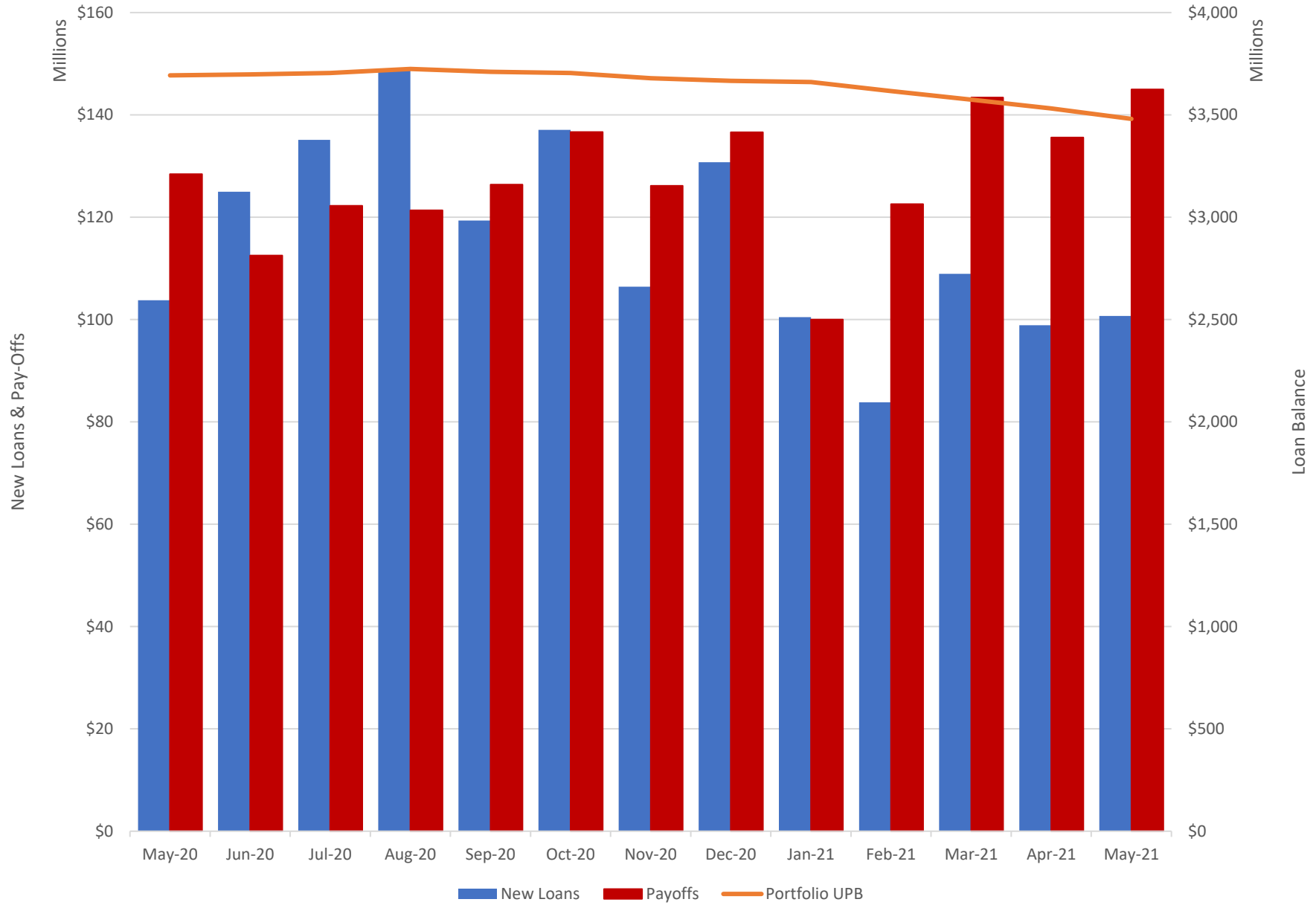
UTAH HOUSING CORPORATION

Mortgage Servicing Budgeted Statement of Direct Expenses

For ten months ending April 30, 2021

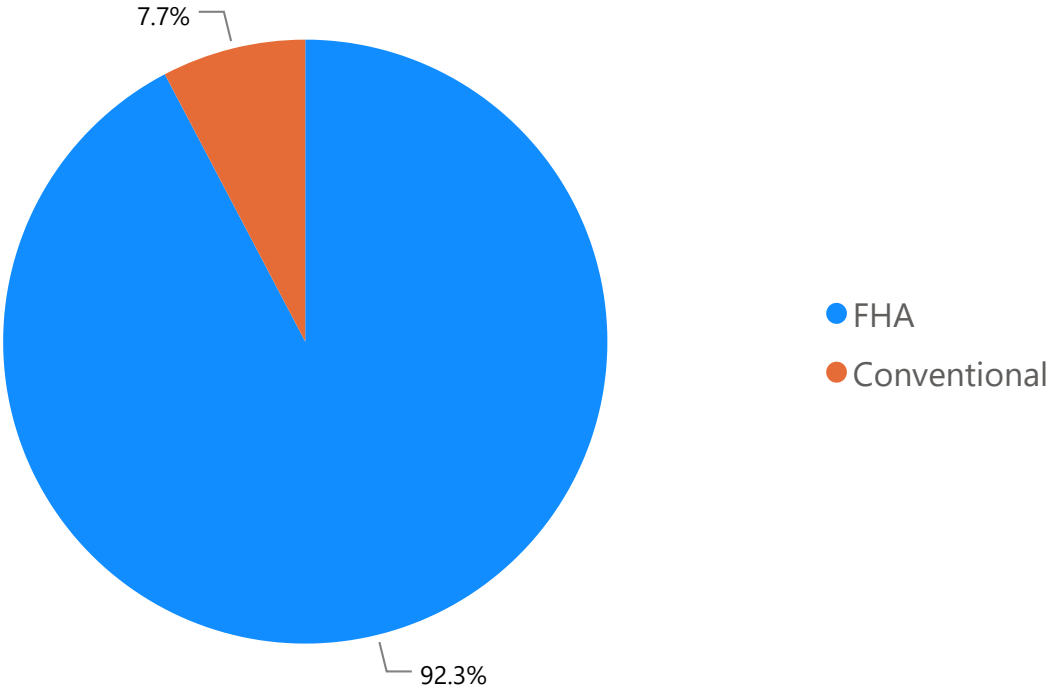
	<i>Annual Budget</i>	<i>Monthly Budget</i>	<i>April</i>	<i>Monthly Variance</i>	<i>YEAR-TO- DATE</i>	<i>% OF BUDGET</i>	<i>Budget Variance</i>
<i>Direct Expenses</i>							
Salaries and Benefits	\$ 3,155,000	\$ 262,917	\$ 238,614	\$ 24,303	\$ 2,533,397	80%	\$ 621,603
Professional Development	45,000	3,750	500	3,250	4,578	10%	40,422
Office and Administrative	231,500	19,292	13,069	6,223	180,039	78%	51,461
Equipment Expense	1,060,000	88,333	73,701	14,632	741,393	70%	318,607
Professional Services	175,000	14,583	44,566	(29,983)	412,537	236%	(237,537)
MBS Pool Differences	1,875,000	156,250	159,409	(3,159)	1,434,607	77%	440,393
Servicing Losses	100,000	8,333	-	8,333	12,153	12%	87,847
Servicing Rights Amortization	13,500,000	1,125,000	1,066,667	58,333	10,666,670	79%	2,833,330
<i>Total Direct Expenses</i>	<i>\$ 20,141,500</i>	<i>\$ 1,678,458</i>	<i>\$ 1,596,526</i>	<i>\$ 81,932</i>	<i>\$ 15,985,374</i>	<i>79%</i>	<i>\$ 4,156,126</i>

Monthly Single Family Mortgage Loan Activity

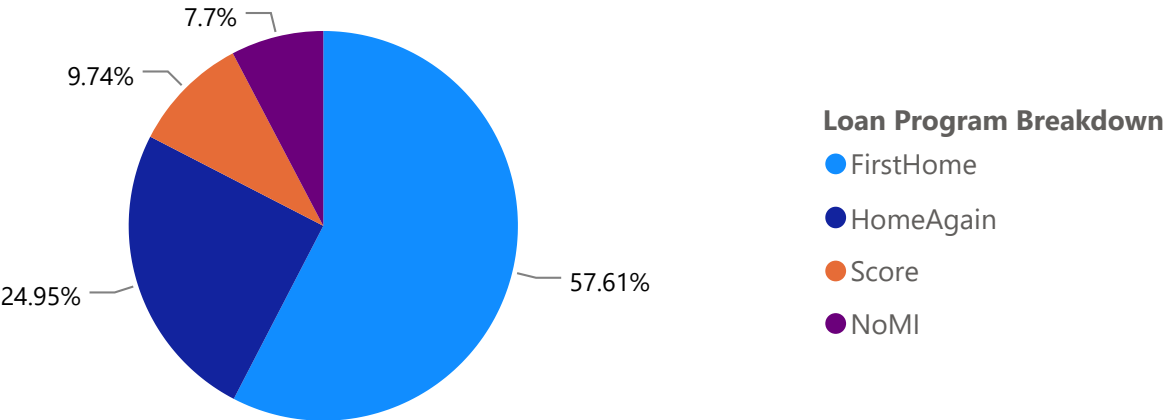


Utah Housing 1st Mortgage Portfolio Breakdown
As of 05/31/2021

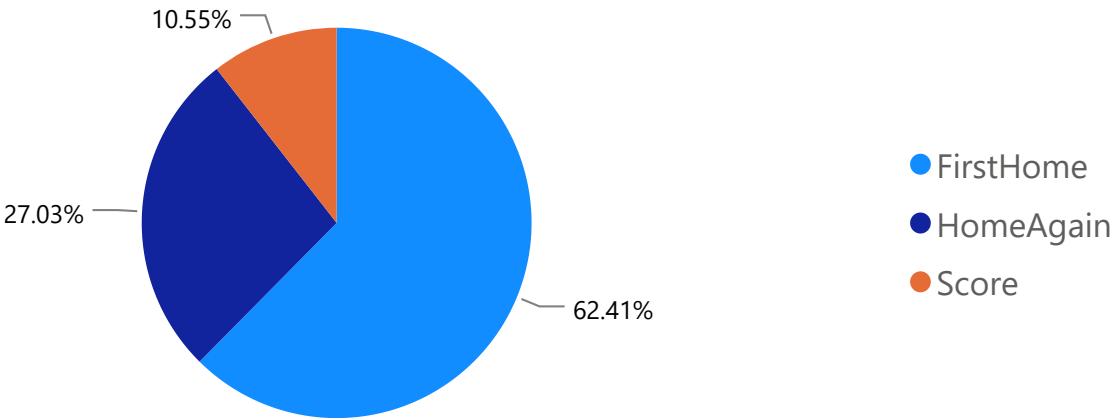
Loan Type by Count



Loan Program by Count



FHA Program by Count



Loan Program Breakdown		Count of Loans
▲		
FirstHome		9334
HomeAgain		4043
NoMI		1247
Score		1578
Total		16202

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Last Refreshed (Local)

Data Type: Gross - 1st Mortgages by Loan Count

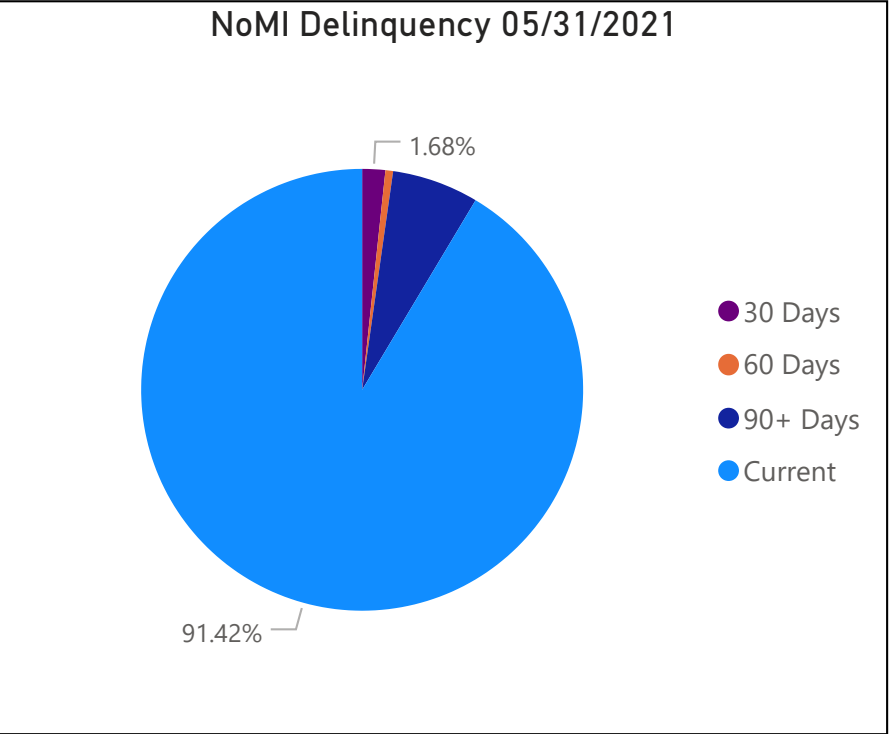
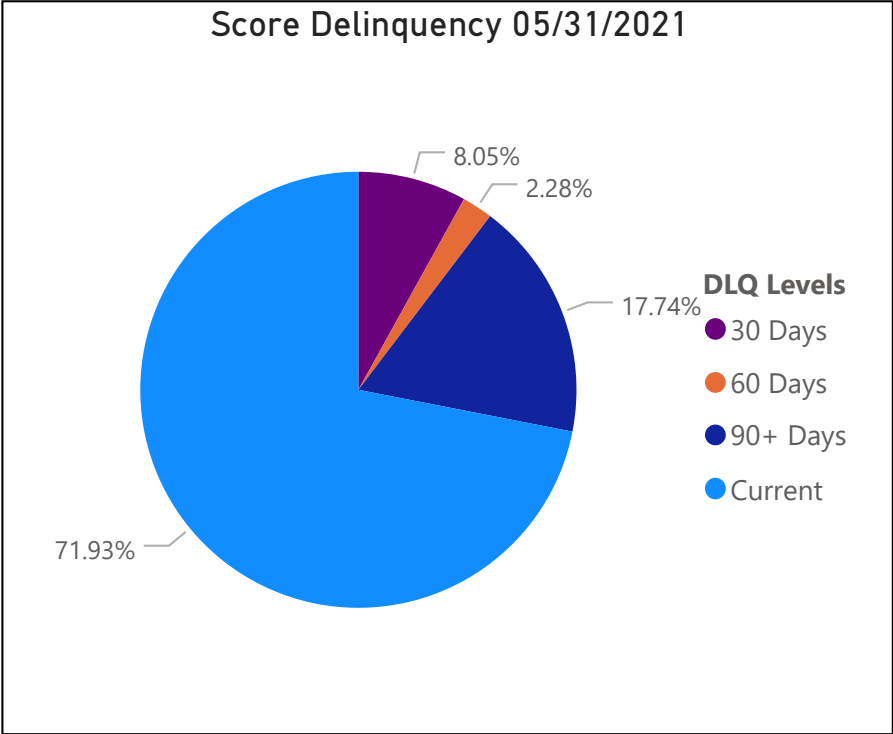
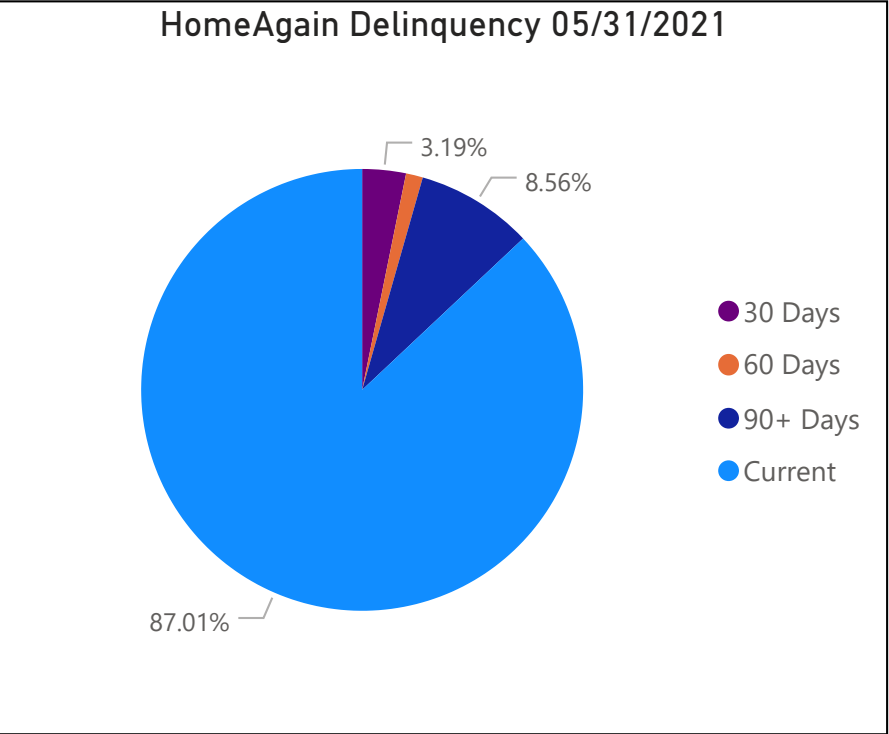
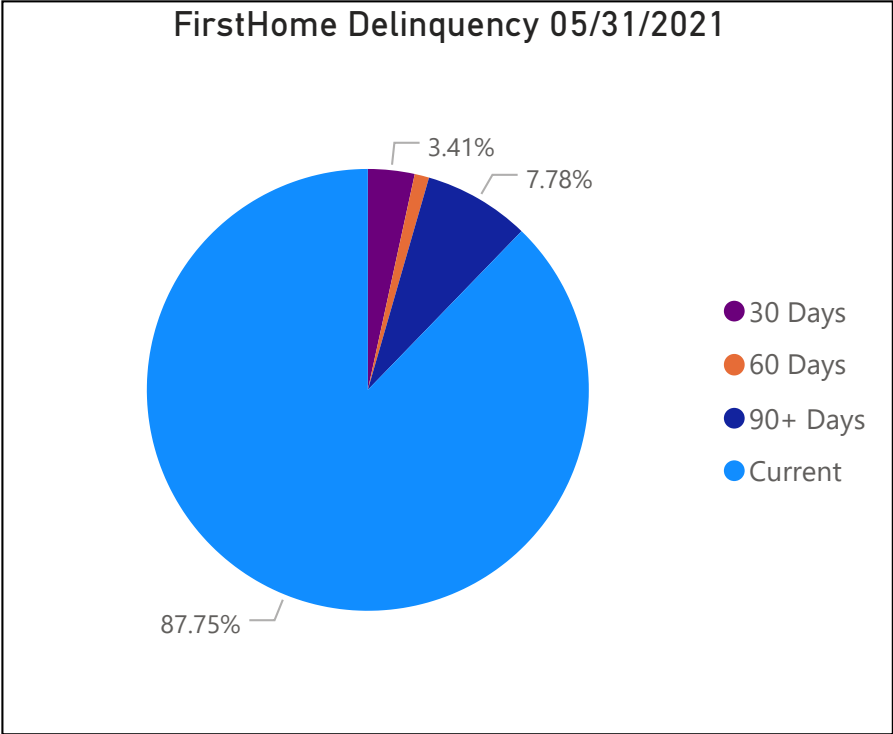
Loan Program Breakdown	Loan Count	Percent of Total
FirstHome	9334	57.61%
HomeAgain	4043	24.95%
Score	1578	9.74%
NoMI	1247	7.70%
Total	16202	100.00%

DLQ Levels	Loan Count	Percent of Total
30 Days	595	3.67%
60 Days	192	1.19%
90+ Days	1431	8.83%
Current	13984	86.31%
Total	16202	100.00%

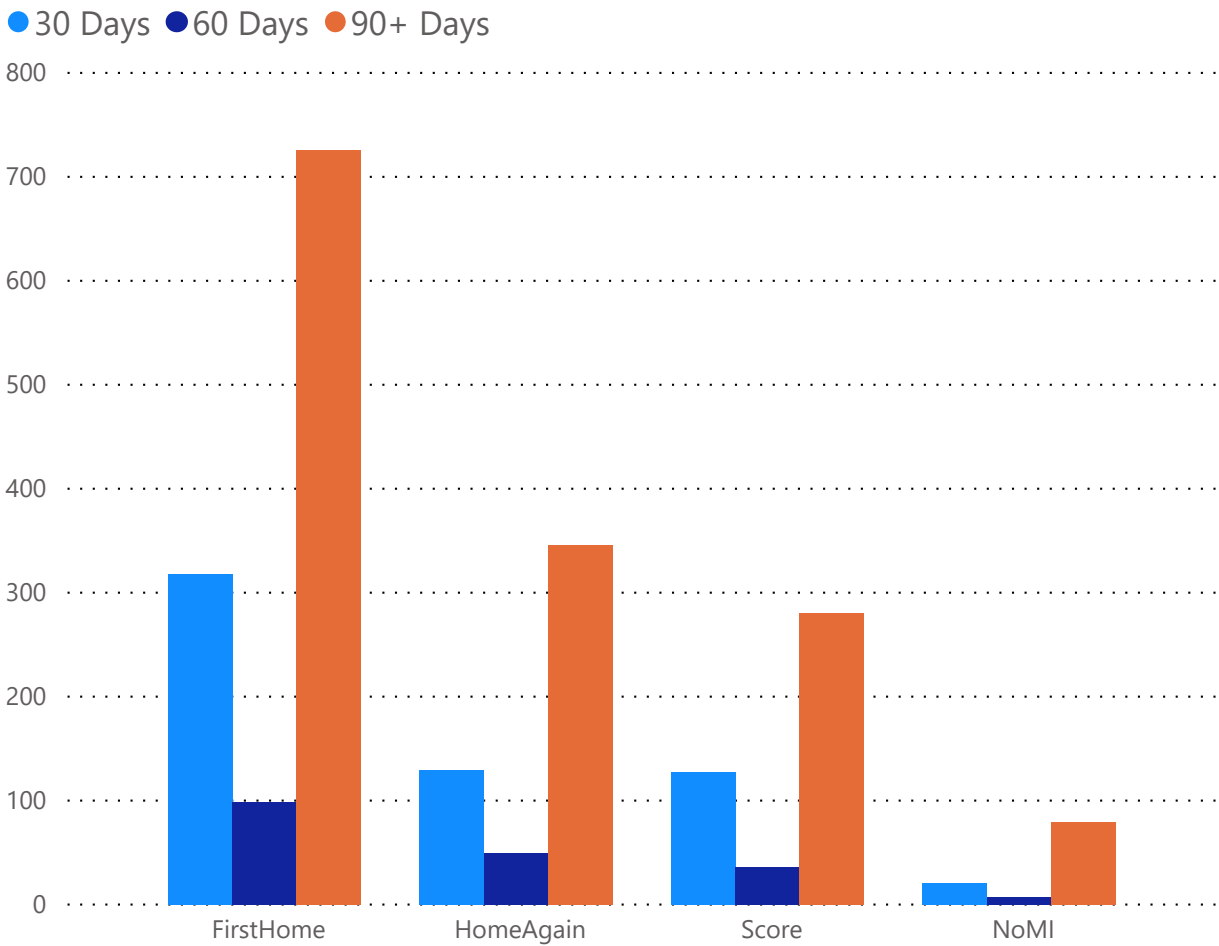
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Last Refreshed (Local)

Data Type: Gross - 1st Mortgages by Loan Count



Loan Program Delinquency Breakdown 05/31/2021



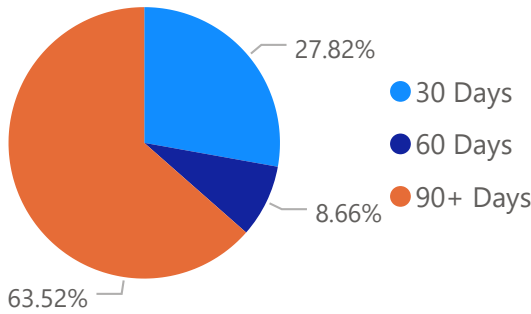
Loan Program Breakdown	Count of Loans
FirstHome	1143
HomeAgain	525
NoMI	107
Score	443
Total	2218

DLQ Levels	Count of Loans
30 Days	595
60 Days	192
90+ Days	1431
Total	2218

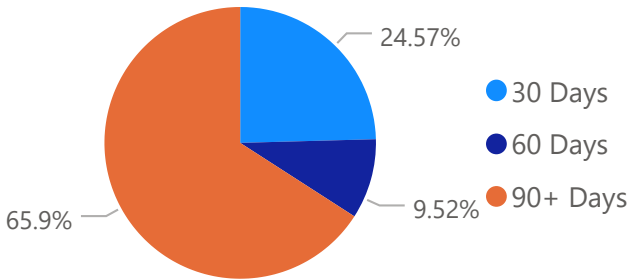
Data Type: Gross - 1st Mortgages by Loan Count

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Last Refreshed (Local)

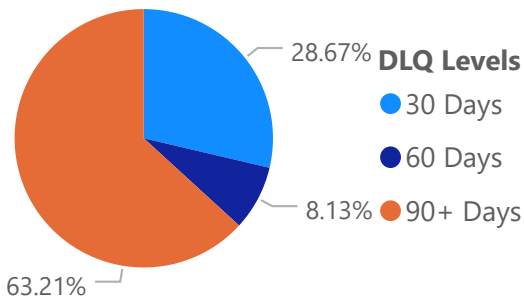
FirstHome Delinquency 05/31/2021



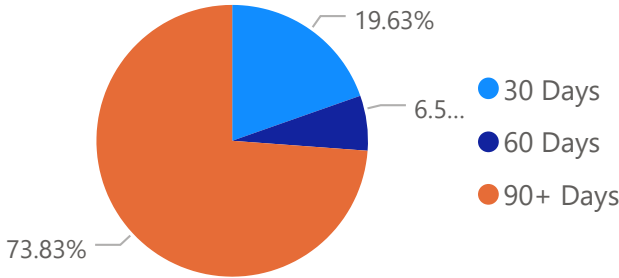
HomeAgain Delinquency 05/31/2021



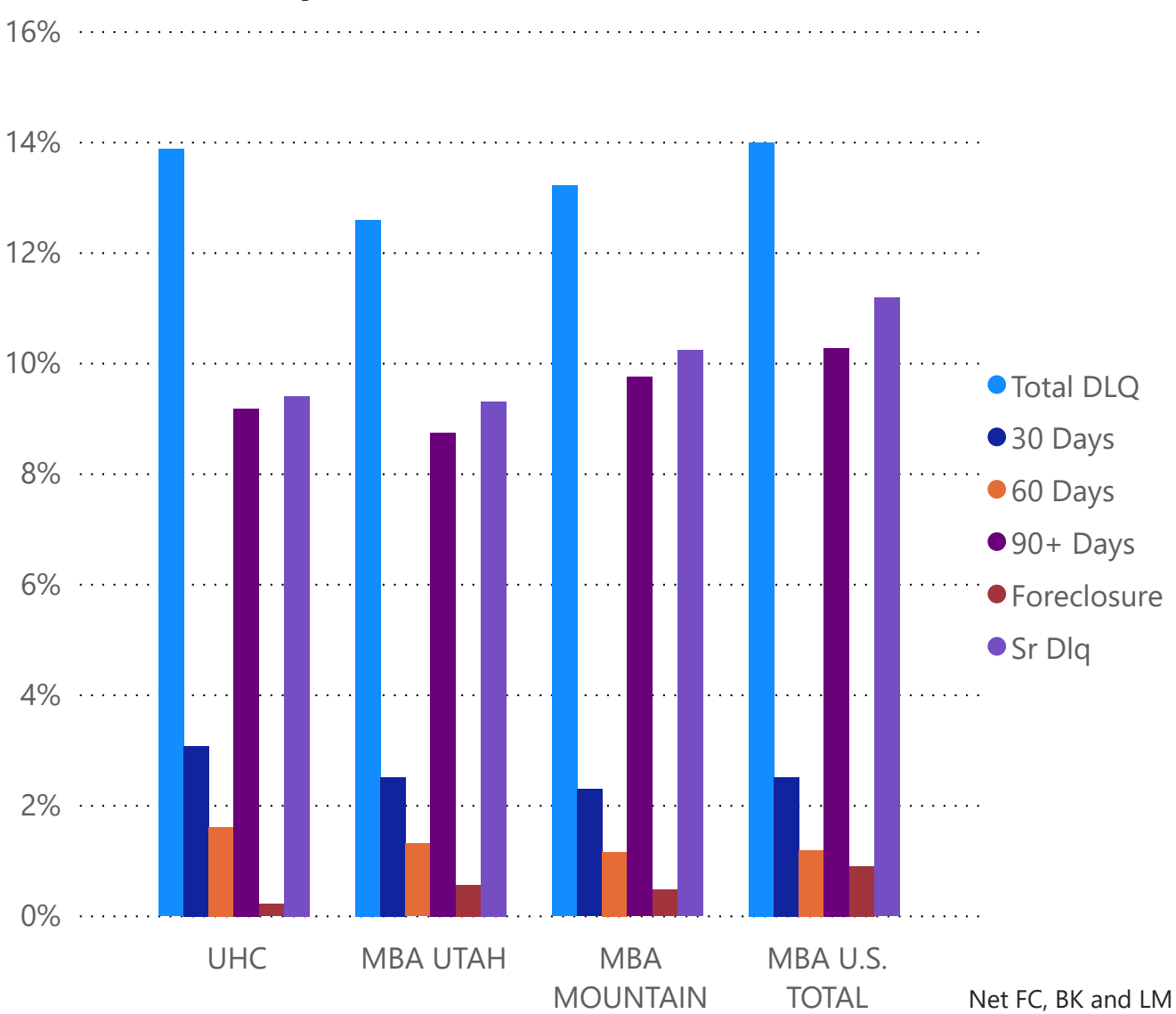
Score Delinquency 05/31/2021



NoMI Delinquency 05/31/2021

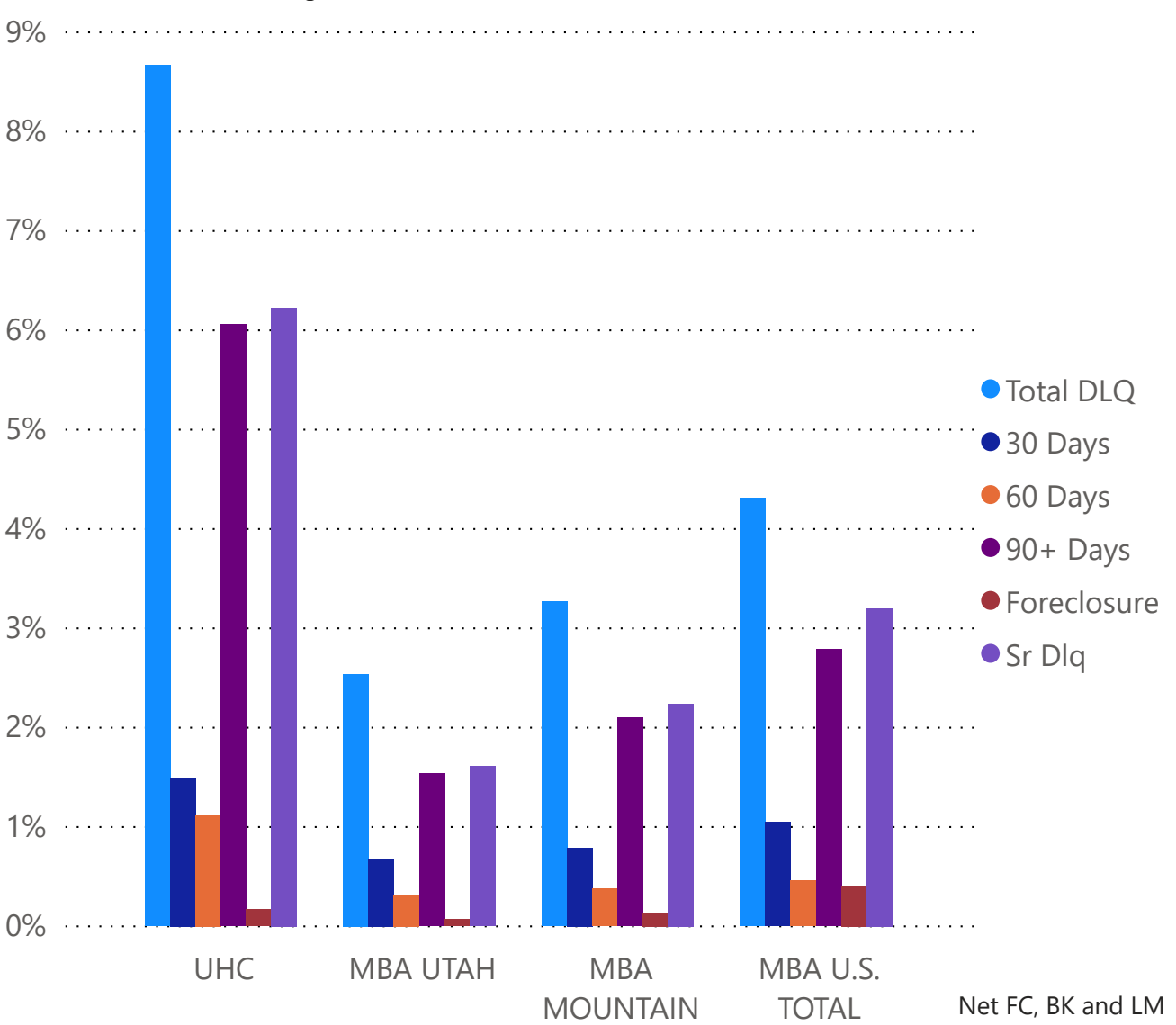


UHC vs MBA Servicing Q1: FHA FRM Loans



UHC vs MBA Servicing Q1: FHA FRM Loans						
Org-Area (groups)	Total DLQ	30 Days	60 Days	90+ Days	Foreclosure	Sr Dlq
UHC	13.88%	3.08%	1.62%	9.19%	0.22%	9.41%
MBA UTAH	12.60%	2.52%	1.32%	8.75%	0.57%	9.32%
MBA MOUNTAIN	13.22%	2.30%	1.16%	9.76%	0.48%	10.24%
MBA U.S. TOTAL	14.00%	2.52%	1.20%	10.28%	0.91%	11.19%

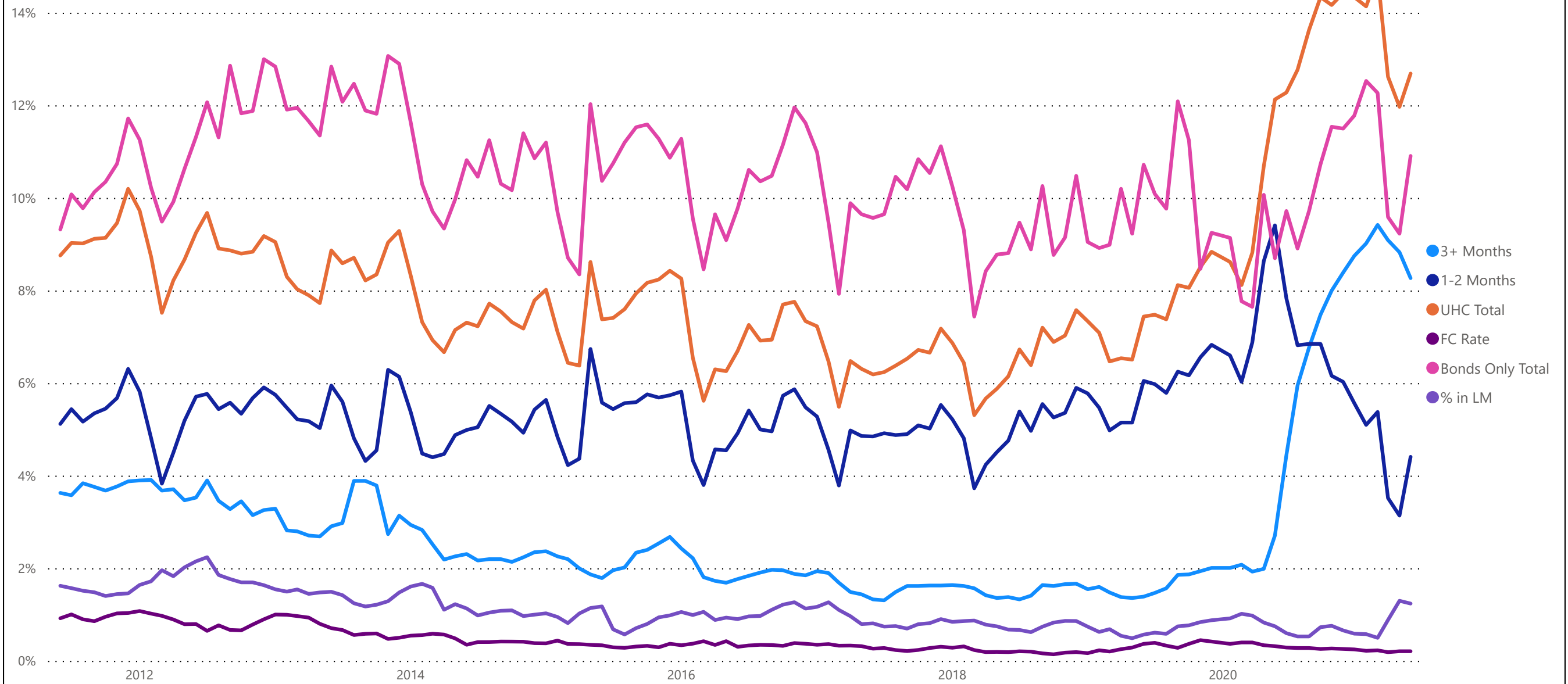
UHC vs MBA Servicing Q1: Conventional FRM Loans



UHC vs MBA Servicing Q1: Conventional FRM Loans						
Org-Area (groups)	Total DLQ	30 Days	60 Days	90+ Days	Foreclosure	Sr Dlq
UHC	8.67%	1.49%	1.12%	6.06%	0.17%	6.23%
MBA UTAH	2.54%	0.68%	0.32%	1.54%	0.07%	1.61%
MBA MOUNTAIN	3.27%	0.79%	0.38%	2.10%	0.14%	2.24%
MBA U.S. TOTAL	4.31%	1.05%	0.46%	2.79%	0.41%	3.20%

Data Source: Quarterly Comparison Data

UHC Single Family Delinquency and FC Rates



5/31/2011 5/31/2021



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Last Refreshed (Local)

Data Source: EOM DLQ and FC Rates 1992-Current