



Utah Housing Corporation

Special Board Meeting

April 13, 2023

Utah Housing Corporation

2479 Lake Park Blvd

West Valley City, UT 84120

**NOTICE OF SPECIAL MEETING
UTAH HOUSING CORPORATION
APRIL 13, 2023**

PUBLIC NOTICE is hereby given that Utah Housing Corporation (UHC) will hold a Special Meeting commencing at 1:30 p.m. Thursday, April 13, 2023.

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://us02web.zoom.us/j/86778624149?pwd=bldEczV3SyswOTM0V3lPZF15Rkg5Zz09>

The agenda will be substantially as follows:

1. Approval of minutes:
 - Monthly Board Meeting, March 2, 2023
 - Special Board Meeting, April 3, 2023
2. Disclosure of Trustees' Interests
3. Non-Action Items/Reports
4. Closed Meeting for the purpose of discussing the character and professional competence of individuals.

UTAH HOUSING CORPORATION



David C. Damschen
President & CEO

UTAH HOUSING CORPORATION
Minutes of Monthly Meeting
March 2, 2023

PARTICIPANTS

UHC Trustees in Person:

Patricia Sheffield, Chair
Lee A Carter, Trustee
Kirt Slaugh, Designee-Trustee
Lori Fleming, Trustee
Nate McDonald, Designee-Trustee

UHC Trustee via Teleconference

Darryle Rude, Designee-Trustee

UHC Trustee—Excused

Annette Lowder, Vice Chair
Jessica Norie, Trustee
Rob Allphin, Trustee

Guests in Person:

Ryan Warburton, Gilmore & Bell
Jacob Carlton, Gilmore & Bell

UHC Staff in Person:

David Damschen, President and CEO
Jonathan Hanks, Senior Vice President and COO
Cleon Butterfield, Senior Vice President and CFO
Rhonda Pregeant, Executive Assistant/Records Officer
Valerie Terry, Internal Audit Director
Claudia O’Grady, VP Multifamily Finance & Development

UHC Staff via Teleconference:

None

UHC Staff—Excused

None

Guests via Teleconference:

Todd Reeder, Howick Apartments, CDCU
John Hastings, BlueLine Development
Christian Pritchett, BlueLine Development

Trustees of the Utah Housing Corporation (UHC or Utah Housing) and UHC staff met in the Monthly Meeting on Thursday, March 2, 2023, at 1:30 PM MDT with attendance in person and via teleconference. In accordance with Utah’s Open and Public Meetings Act (OPMA), the meeting was an electronic meeting and the anchor location was Utah Housing Corporation’s offices located at 2479 Lake Park Blvd, West Valley City, Utah.

Patricia Sheffield, Board Chair, called the meeting to order and welcomed everyone. The Chair then asked Mr. Damschen to confirm compliance with the Open and Public Meetings Act (OPMA).

Mr. Damschen then reported that Notice and Agenda of the Monthly Meeting and material addressing agenda items had been distributed to Trustees and posted on the Utah Public Notice website in advance of the meeting in compliance with the OPMA.

The Chair then determined for the record that a quorum of Trustees was present, as follows:

Patricia Sheffield, Chair
Lee A Carter, Trustee
Kirt Slaugh, Designee-Trustee
Lori Fleming, Trustee
Nate McDonald, Designee-Trustee
Darryle Rude, Designee-Trustee

The Chair excused the following trustees:

Annette Lowder, Vice Chair
Jessica Norie, Trustee
Rob Allphin, Trustee

The Chair called for the first agenda item.

1. Approval of the Minutes of February 2, 2023 Monthly Meeting

The Trustees had been provided with a copy of the written minutes of the February 2, 2023 Monthly Meeting in their board packets. The Trustees acknowledged they had sufficient time to review these minutes. Ms. Sheffield asked for any discussion on the minutes as presented.

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

MOTION: TO APPROVE THE WRITTEN MINUTES OF THE MONTHLY MEETING OF FEBRUARY 2, 2023.

Made by: Lee A Carter
Seconded by: Nate McDonald

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:

Kirt Slaugh
Darryle Rude
Nate McDonald
Lee A Carter
Lori Fleming
Patricia Sheffield

Voted Against the Motion:

Abstained From Voting:

Annette Lowder
Jessica Norie
Rob Allphin

The Chair called for the next agenda item.

2. Disclosure of Trustees' Interests

Ms. Sheffield stated that the consolidated list of the disclosures of interests on file for each Trustee are contained in the board packet, and subject to any changes, will be attached to the minutes of this meeting.

Mrs. Pregeant asked each Trustee to affirm that their respective disclosures of interest on file were current. Each Trustee was called on and they responded as follows:

Kirt Slaugh	Yes
Darryle Rude	Yes
Nate McDonald	Yes
Lee A Carter	Yes
Annette Lowder	(Excused)
Jessica Norie	(Excused)

Lori Fleming	Yes
Rob Allphin	(Excused)
Patricia Sheffield	Yes

The following is a consolidated list of the disclosures of interest on file for each Trustee:

Name of Trustee	Nature of Interest or Potential Interest
Patricia Sheffield <i>(chair)</i>	Presently retired from any employment and has no interests in any transactions with the Corporation.
Annette Lowder <i>(vice chair)</i>	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.
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.
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.
Rob Allphin	Presently serving as an Executive Vice President of First Colony Mortgage, a mortgage lender doing business in the state of Utah. First Colony Mortgage may originate mortgage loans for sale to the Corporation under the Corporation's program.
Lori Fleming	Presently serving as an Associate Broker with Golden Spike Realty. Golden Spike Realty 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.
Kirt Slauch <i>(designee of ex-officio)</i>	Presently serving as the Chief Deputy Treasurer for the State of Utah and has no interests in any transactions with the Corporation.
Darryle Rude <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. As the Deputy Director, Mr. McDonald oversees the Olene Walker Housing Loan Fund, the Private Activity Bond Board of Review, and the National Housing Trust Fund. Monies from each of these may be used in financing of affordable rental housing financed with Low-Income Housing Tax Credits.

The Chair called for the next agenda item.

Resolution 2023-04, Howick Apartments, authorizing the reimbursement of qualified expenditures with proceeds of multifamily housing revenue bonds in an amount not to exceed \$33,000,000.

A RESOLUTION OF UTAH HOUSING CORPORATION (“UHC”) EXPRESSING AN INTENT TO REIMBURSE CERTAIN QUALIFIED EXPENDITURES WITH PROCEEDS OF AN ISSUE OF MULTIFAMILY HOUSING REVENUE BONDS OR A TAX-EXEMPT MORTGAGE LOAN TO BE ISSUED IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$33,000,000 TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MULTIFAMILY HOUSING APARTMENT DEVELOPMENT; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

Mr. Hanks stated that this resolution relates to a new project and would allow the developer to begin incurring costs eligible for reimbursement from proceeds of the bond issue. The Howick Apartments are located at 4101 South Howick Street in Millcreek, and features approximately 150 units. At this point, there is not a commitment of UHC to issue bonds. That will come to the Board at a later date once the project is more fully organized and partners are identified.

Ms. Sheffield then asked if there were any additional comments or discussion from the Board, and following brief discussion asked for a motion to adopt the Resolution.

Motion: APPROVE RESOLUTION 2023-04, HOWICK APARTMENTS, AUTHORIZING THE REIMBURSEMENT OF QUALIFIED EXPENDITURES WITH PROCEEDS OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$33,000,000.

Made by: Darryle Rude
Seconded by: Lori Fleming

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:

Kirt Slaugh
Darryle Rude
Nate McDonald
Lee A Carter
Lori Fleming
Patricia Sheffield

Voted Against the Motion:

Abstained From Voting:

Annette Lowder
Jessica Norie
Rob Allphin

The Chair called for the next agenda item.

Resolution 2023-05, amending and restating Resolution 2022-37 (Nest at Rio Grande) and authorizing a tax-exempt mortgage loan in an amount not to exceed \$33,960,000.

A RESOLUTION OF UTAH HOUSING CORPORATION (“UHC”) AUTHORIZING A TAX-EXEMPT MORTGAGE LOAN IN AN AMOUNT NOT TO EXCEED \$33,960,000 AND THE ISSUANCE AND DELIVERY BY UHC OF ITS TAX-EXEMPT MULTIFAMILY HOUSING REVENUE NOTE (THE NEST AT RIO GRANDE APARTMENTS) SERIES 2023 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$33,960,000 (THE “NOTE”) TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT; AUTHORIZING THE EXECUTION BY UHC OF A BANK LOAN AGREEMENT, A BORROWER LOAN AGREEMENT, A TAX REGULATORY AGREEMENT, AN ASSIGNMENT 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.

Ms. O’Grady stated that this resolution is to amend and restate Resolution 2022-37 which was approved on December 14, 2022 at a special meeting of the Board. Subsequently, the developer changed lending partners from Zions Bank to Merchants Bank of Indiana. The structure of the resolution is still the same, however, it is a slightly lower not-to-exceed amount.

Ms. Sheffield then asked if there were any additional comments or discussion from the Board, and following brief discussion asked for a motion to adopt the Resolution.

Motion: **APPROVE RESOLUTION 2023-05, AMENDING AND RESTATING RESOLUTION 2022-37 (NEST AT RIO GRANDE) AND AUTHORIZING A TAX-EXEMPT MORTGAGE LOAN IN AN AMOUNT NOT TO EXCEED \$33,960,000.**

Made by: **Kirt Slaugh**
Seconded by: **Lee A Carter**

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:	Voted Against the Motion:	Abstained From Voting:
Kirt Slaugh Darryle Rude Nate McDonald Lee A Carter Lori Fleming Patricia Sheffield		Annette Lowder Jessica Norie Rob Allphin

The Chair called for the next agenda item.

Resolution 2023-06, Approval of Internal Audit Department 2023 Audit Plan.

ADOPTION OF RESOLUTION 2023-06 WILL PROVIDE THE INTERNAL AUDIT DEPARTMENT AT UHC WITH THE TOOLS REQUIRED TO COMPLETE AUDIT ENGAGEMENTS APPROPRIATELY AND TO OPTIMALLY UTILIZE RESOURCES. INTERNAL AUDIT WILL HELP UHC MEET ITS OBJECTIVES BY BRINGING A SYSTEMATIC, DISCIPLINED APPROACH TO EVALUATE AND IMPROVE THE EFFECTIVENESS OF RISK MANAGEMENT, CONTROL, AND GOVERNANCE PROCESSES.

Mr. Damschen stated that going forward, UHC will ask that the Board review and approve an annual audit plan, which is reviewed and approved by the Audit Committee beforehand. This Resolution is for the 2023 Audit Plan. Ms. Terry gave an update and stated that audits within the 2022 Audit Plan are completed. Mr. Carter, Chair of the Audit Committee, stated that what was envisioned with having an Internal Audit Department, is exactly what UHC has now, and Ms. Terry and Ms. Gill have done a fantastic job. Mr. McDonald asked Ms. Terry if they will be diving into compliance. Ms. Terry stated that the goal is to go through all processes at UHC, which will include compliance. Mr. Carter also stated that the Audit Committee discussed resources and the number of hours available for the Internal Audit Department to perform the 2023 audits. This resolution is for the requested plan, however, adjustments to the schedule could be made if other urgent matters arise, and flexibility of the schedule will be allowed, as needed. Any changes to the schedule would be reported back to the Board.

Ms. Sheffield then asked if there were any additional comments or discussion from the Board, and following brief discussion asked for a motion to adopt the Resolution.

Motion: APPROVE RESOLUTION 2023-06, APPROVAL OF INTERNAL AUDIT DEPARTMENT 2023 AUDIT PLAN.

Made by: Nate McDonald
Seconded by: Kirt Slaugh

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:

Kirt Slaugh
Darryle Rude
Nate McDonald
Lee A Carter
Lori Fleming
Patricia Sheffield

Voted Against the Motion:

Abstained From Voting:

Annette Lowder
Jessica Norie
Rob Allphin

3. Reports and Non-Action Items

- **Operating Reports:** Summary memos from Mr. Butterfield and Mr. Hanks were included in the Board Packet in relation to the operating reports.
 - Mr. Butterfield stated that the S&P Global upgraded UHC's ICR from AA- to AA.

- Mr. Hanks stated that he has provided an aging report on loans that are in foreclosure, as had been requested by Mr. Carter. UHC currently has 55 loans that are in foreclosure and about 40% of them are 5 years or older. UHC is trying to assist the borrowers and help them avoid foreclosure.
- Mr. Hanks also stated that in regards to the Multifamily Risk Share program, UHC closed the first Risk Share loan yesterday (March 1, 2023). Mr. Hanks also wanted to note that Ed Trageser, UHC Multifamily Lending Manager, did a phenomenal job on the Risk Share Program, and unfortunately for UHC, Mr. Trageser is leaving UHC and moving to Virginia.
- Mr. Damschen gave an update on the 2023 Annual Board of Trustees Retreat, which will be Wednesday, April 26th through Friday, April 28th. There will be a Board meeting at the retreat on Friday, April 28th, which will take the place of the May 2023 regular Board meeting. UHC has made a huge commitment to Crucial Conversations and it is an all-staff initiative. There was an all-day, all-staff training and then there have been some follow-up trainings in-house which is being taught by the Executives. There will be a 2 hour training session at the retreat. Habitat for Humanity will also be speaking at the retreat, and we are hoping to have an outing to one of the projects. Michael O'Brien will also be joining the retreat to lead the annual compliance training.
- Mr. Damschen gave an update on the 2023 Legislative Session. He mentioned HB 364, Housing Affordability Amendments, which increases the state's Low Income Housing Tax Credit program from \$1 million annually to \$10 million annually, with a six year sunset. The long-term incremental increase in the program, in terms of tax revenue foregone, is \$500 million. SB 240 passed and will take effect July 1, 2023. \$50 million was appropriated to the program, which will be administered by UHC. HB 231, Exemption from Property Tax of Permanent Supportive Housing Project (there are 8 of them), passed the Senate this morning.
- **Upcoming Events:**
 - The next regular monthly meeting is scheduled for April 6, 2023, however, that is Spring Break for some. Ms. Pregeant will send out an email to check the Trustees availability for a quorum for the April 6 meeting, or whether to move the meeting to April 13, 2023.

The Chair announced that the meeting was adjourned with a motion from Lori Fleming.

UTAH HOUSING CORPORATION
Minutes of Special Meeting
April 3, 2023

PARTICIPANTS

UHC Trustees in Person:

None

UHC Trustee via Teleconference

Patricia Sheffield, Chair

Lee A Carter, Trustee

Jessica Norie, Trustee

Rob Allphin, Trustee

Lori Fleming, Trustee

Darryle Rude, Designee-Trustee

UHC Trustee—Excused

Annette Lowder, Vice Chair

Kirt Slaugh, Designee-Trustee

Nate McDonald, Designee-Trustee

Guests in Person:

Jacob Carlton, Gilmore & Bell

Jodi Bangerter, Gilmore & Bell

UHC Staff in Person:

David Damschen, President and CEO

Rhonda Pregeant, Executive Assistant/Records Officer

UHC Staff via Teleconference:

Jonathan Hanks, Senior Vice President and COO

Valerie Terry, Internal Audit Director

Claudia O’Grady, VP Multifamily Finance & Development

UHC Staff—Excused

Cleon Butterfield, Senior Vice President and CFO

Guests via Teleconference:

Trustees of the Utah Housing Corporation (UHC or Utah Housing) and UHC staff met in the Special Meeting on Monday, April 3, 2023, at 10:30 AM MDT with attendance via teleconference. In accordance with Utah’s Open and Public Meetings Act (OPMA), the meeting was an electronic meeting and the anchor location was Utah Housing Corporation’s offices located at 2479 Lake Park Blvd, West Valley City, Utah.

Patricia Sheffield, Board Chair, called the meeting to order and welcomed everyone. The Chair then asked Mr. Damschen to confirm compliance with the Open and Public Meetings Act (OPMA).

Mr. Damschen then reported that Notice and Agenda of the Monthly Meeting and material addressing agenda items had been distributed to Trustees and posted on the Utah Public Notice website in advance of the meeting in compliance with the OPMA.

The Chair then determined for the record that a quorum of Trustees was present, as follows:

- Patricia Sheffield, Chair
- Lee A Carter, Trustee
- Jessica Norie, Trustee
- Rob Allphin, Trustee
- Lori Fleming, Trustee
- Darryle Rude, Designee-Trustee

The Chair excused the following trustees:

- Annette Lowder, Vice Chair
- Kirt Slaugh, Designee-Trustee
- Nate McDonald, Designee-Trustee

The Chair called for the first agenda item.

1. Disclosure of Trustees' Interests

Ms. Sheffield stated that the consolidated list of the disclosures of interests on file for each Trustee are contained in the board packet, and subject to any changes, will be attached to the minutes of this meeting.

Mrs. Pregeant asked each Trustee to affirm that their respective disclosures of interest on file were current. Each Trustee was called on and they responded as follows:

Kirt Slaugh	(Excused)	
Darryle Rude	Yes	Updated March 31, 2023
Nate McDonald	(Excused)	
Lee A Carter	Yes	
Annette Lowder	(Excused)	
Jessica Norie	Yes	
Lori Fleming	Yes	
Rob Allphin	Yes	
Patricia Sheffield	Yes	

The following is a consolidated list of the disclosures of interest on file for each Trustee:

Name of Trustee	Nature of Interest or Potential Interest
Patricia Sheffield <i>(chair)</i>	Presently retired from any employment and has no interests in any transactions with the Corporation.
Annette Lowder <i>(vice chair)</i>	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.
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.
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.
Rob Allphin	Presently serving as an Executive Vice President of Momentum Loans, a mortgage lender doing business in the state of Utah. Momentum Loans may originate mortgage loans for sale to the Corporation under the Corporation's program.
Lori Fleming	Presently serving as an Associate Broker with Golden Spike Realty. Golden Spike Realty 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.

Kirt Slaugh (<i>designee of ex-officio</i>)	Presently serving as the Chief Deputy Treasurer for the State of Utah and has no interests in any transactions with the Corporation.
Darryle Rude (<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. As the Deputy Director, Mr. McDonald oversees the Olene Walker Housing Loan Fund, the Private Activity Bond Board of Review, and the National Housing Trust Fund. Monies from each of these may be used in financing of affordable rental housing financed with Low-Income Housing Tax Credits.

The Chair called for the next agenda item.

Resolution 2023-07, Reservation of State Housing Tax Credits.

RESERVES STATE OF UTAH 2023 HOUSING TAX CREDITS IN THE AMOUNT AND TO THE PROJECT IDENTIFIED IN EXHIBIT A TO RESOLUTION 2023-07, SUBJECT TO ANY CONDITIONS, MODIFICATIONS, OR CLARIFICATIONS THEREIN.

Mr. Damschen stated that this is also for the Nest at Rio Grande project for state tax credits needed to close the gap and ensure that the developer is crossing the 50% threshold with a margin of safety, in terms of their total capital.

Ms. Sheffield then asked if there were any additional comments or discussion from the Board, and following brief discussion asked for a motion to adopt the Resolution.

Motion: RESERVATION OF STATE HOUSING TAX CREDITS.

Made by: Darryle Rude
Seconded by: Lori Fleming

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:

Darryle Rude
Lee A Carter
Jessica Norie
Lori Fleming
Rob Allphin
Patricia Sheffield

Voted Against the Motion:

Abstained From Voting:

Annette Lowder
Kirt Slaugh
Nate McDonald

The Chair called for the next agenda item.

Resolution 2023-08, amendment to an amended Resolution 2023-05 (Nest at Rio Grande) and authorizing a tax-exempt loan in an amount not-to-exceed \$37.460.000.

A RESOLUTION OF UTAH HOUSING CORPORATION (“UHC”) AMENDING RESOLUTION NO. 2023-05 TO INCREASE THE PERMITTED NOT TO EXCEED AMOUNT OF THE MORTGAGE LOAN AUTHORIZED THEREIN BY AUTHORIZING THE ISSUANCE OF A MORTGAGE LOAN IN AN AMOUNT NOT TO EXCEED \$37,460,000 AND THE ISSUANCE AND DELIVERY BY UHC OF ITS MULTIFAMILY HOUSING REVENUE NOTE SERIES 2023 (THE NEST AT RIO GRANDE APARTMENTS) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$37,460,000; SUBJECT TO THE REQUIREMENTS SET FORTH HEREIN; AND RELATED MATTERS.

Mr. Damschen stated that the Nest at Rio Grande project has requested additional volume cap at a Private Activity Bond Review Board meeting last week. The volume cap that is allocated by the PABRB, expires at a certain point, which is why there is an urgency in approving this resolution.

It was noted that the Agenda needed to be amended to show the correct Resolution numbers. The correct information is:

1. Resolution 2023-07, Reservation of State Housing Tax Credits
2. Resolution 2023-08, Resolution 2023-08, Amendment to an Amended and Restated Resolution 2023-05 (Nest at Rio Grande) and Authorizing a Tax-Exempt Mortgage Loan in an amount not-to-exceed \$37,460,000

Ms. Sheffield then asked if there were any additional comments or discussion from the Board, and following brief discussion asked for a motion to adopt the Resolution.

Motion: **AMENDMENT TO AN AMENDED RESOLUTION 2023-05 (NEST AT RIO GRANDE) AND AUTHORIZING A TAX-EXEMPT LOAN IN AN AMOUNT NOT-TO-EXCEED \$37,460,000.**

Made by: **Rob Allphin**
Seconded by: **Lee A Carter**

Ms. Sheffield called for a vote on the motion:

Voted in Favor of the Motion:

Darryle Rude
 Lee A Carter
 Jessica Norie
 Lori Fleming
 Rob Allphin
 Patricia Sheffield

Voted Against the Motion:

Abstained From Voting:

Annette Lowder
 Kirt Slaugh
 Nate McDonald

The Chair called for the next agenda item.

The Chair announced that the meeting was adjourned with a motion from Lori Fleming.

Utah Housing Corporation
Board of Trustees Disclosures of Interest
 March 31, 2023

Name of Trustee	Nature of Interest or Potential Interest
Patricia Sheffield <i>(chair)</i>	Presently retired from any employment and has no interests in any transactions with the Corporation.
Annette Lowder <i>(vice chair)</i>	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.
Lee A Carter	Presently serving as the Head of Banking Development of Rakuten. Rakuten is an industrial bank (in formation) 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.
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.
Rob Allphin	Presently serving as an Executive Vice President of Momentum Loans, a mortgage lender doing business in the state of Utah. Momentum Loans may originate mortgage loans for sale to the Corporation under the Corporation's program.
Lori Fleming	Presently serving as an Associate Broker with Golden Spike Realty. Golden Spike Realty 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.
Kirt Slaugh <i>(designee of ex-officio)</i>	Presently serving as the Chief Deputy Treasurer for the State of Utah and has no interests in any transactions with the Corporation.
Darryle Rude <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. As the Deputy Director, I oversee the Housing and Community Development division that administers 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.

M E M O R A N D U M

To: UHC Trustees

From: Cleon P. Butterfield, CPA
Senior Vice President and CFO

Date: April 13, 2023

Subject: Operating Report Summary and Trends

Summary:

The February 28, 2023 financial statements and the operating reports dated February 28, 2023 continue to show the significant impact of the inflationary economy and rising interest rates. UHC loan production has slowed and the average home acquisition price has moved lower as the market slowed. This impact has contributed to the lower dollar volume and production and the even lower number of units financed under UHC's programs. The higher interest rate environment also adversely impacts the premium investors are willing to pay for program loans securitized in mortgage-backed securities, diminishing the profitability of our single family funding and marketing activities.

Analysis:

- The Single Family Program Capital Sources chart in blue shows a multi-year perspective of UHC's capital sources totaled by fiscal year. During this fiscal year the major three active sources have been: GNMA Securities Sold; Tax Exempt GNMA Securities Sold; Taxable Bonds issuance. In addition, there have also been a small amount of volume for Freddie whole conventional loan sales and some CRA Participation Pools. All of these sources have provided over \$437.7 million in funding for affordable housing programs for the first seven months this fiscal year. The average net premium for the taxable MBS Securities sold has decreased nearly 292 basis points (2.92%) lower than the multiyear average. Our average net premium on the Tax Exempt Mortgage Securities (TEMS) is at 2.32 for the fiscal year about 186 bps less than last year and about 35 bps better than the standard GNMA MBS, thus demonstrating that our TEMS structure does add value in the form of both higher premiums for UHC and lower interest rate for the homebuyer.
- The set of pie charts summarize UHC's program production, differentiating by capital source. Total volume of production for last fiscal year was \$1.08 billion, funding 3,105 loans for an average of \$350,520 per unit. This compares to the eight months of fiscal year 2023 at \$437.7 million funding 1,180 loans for an average mortgage loan of \$370,900 reflecting an increase in housing prices in Utah. Fiscal year to date production implies projected FY 2023 totals could be \$656.5 million, funding 1.800 homes or more is the spring buying season brings more production.
- Financial Analysis Dashboard: The SF loan pipeline reflects a 38/57/3/2 % split in the pipeline production between **firstHome** loans; **homeAgain**; **HFA Advantage**; and for **Score**. The **firstHome** with its tax-exempt funding producing a slightly lower interest rate and has been preferred by our homebuyers but the household incomes must be lower to qualify for the program. We are starting to see a shift to the **homeAgain** since we have started to allow the homebuyer to buy down the interest rate. The market is becoming a buyer's market with sellers willing to pay points for closing costs or buy downs. These options that we are providing allow homebuyer the ability to select the UHC loan product that best fits their income and circumstances.
- Month-end Unaudited Financial Statements, which consolidate hundreds of individual self-balancing entities consisting of bond issues and housing programs, as analyzed:

- An analysis of the Balance Sheet shows that the Corporation's total asset are slightly higher than the fiscal year end totals. The fair market value adjustment (FMV) for our large portfolio of MBS investments continues to trend down as interest rate trend up. This adjustment is also noted below in the Statement of Revenue and Expenses section since it impacts both statements. The analysis also shows that the volume of prepayments has slowed down and the mortgage loan portfolio held on the balance sheet has increased producing changes in the mix between mortgage loans held as investment and MBS held as investments and how they are valued.
- The Statement of Revenue and Expenses analysis indicates that fiscal year net income first eight months is \$18.9 million before Fair Market Value (FMV) adjustment. This amount is favorable when compared with the forecasted amount of \$10.6 million. The two biggest contributor to this increase in net income, this fiscal year, is higher interest revenue and more fees income from the larger than forecasted volume of multifamily bond issues. The main driver of net income has traditionally been the Gain on Sale of Loans, which varies with the interest rate environment and our pricing decisions. The Gain on Sale of Loans revenue for the first eight months of the fiscal year is \$9.8 million as compared with our Forecasted gain of \$16 million. Again bring into the focus the very volatile mortgage market that we are in as inflation concerns ripple through the economy and as policy makers react.
- The budget summary indicates that the Corporation is on track with the overall annual budget that the board approved for the fiscal year. The General and Administrative Budget is at 63% with 64% of the fiscal year past. The Mortgage Servicing Budget shows it staffing budgets and other budgets are on track at 56.7% with 64% of the fiscal year past. Capital Acquisitions continues to represents a shift to software as a service and ongoing capital projects that will carry over into the new fiscal year. More detail can be provided as needed.

Single Family Program

Capital Sources

as of 2/28/23

GNMA Securities Sold					
Calendar Year	Avg Pass Thru Rate	Avg Servicing Fee (bps)	GNMA Pool Amounts	Avg Net Premium	Net Premium Amt Rec'd
2009-17 Total/Avg.	4.01%	35.0	\$ 2,495,876,045	105.45%	\$ 135,904,472
2018 Total/Avg.	4.78%	33.4	\$ 428,023,823	104.94%	\$ 21,165,660
2019 Total/Avg.	4.77%	36.1	\$ 236,111,525	104.30%	\$ 10,163,347
2020 Total/Avg.	3.37%	32.6	\$ 836,269,261	105.55%	\$ 46,452,860
2021 Total/Avg.	2.80%	30.0	\$ 666,150,693	104.49%	\$ 29,909,580
2022 Total/Avg.	4.51%	46.5	\$ 559,508,040	102.37%	\$ 13,252,191
2023 YTD Total/Avg.	6.07%	43.1	\$ 43,271,877	101.72%	\$ 744,024
GNMA MBS Totals/Avg.	4.16%	35.79	\$ 5,265,211,264	104.89%	\$ 257,592,134

Tax Exempt GNMA Sold					
Calendar Year	Avg Pass Thru Rate	Avg Servicing Fee (bps)	Principal	Avg Net Premium	Net Premium Amt Rec'd
2013-17 Total/Avg.	3.53%	35.4	\$ 1,016,809,210	104.78%	\$ 48,606,790
2018 Total/Avg.	4.11%	45.6	\$ 245,074,617	103.74%	\$ 9,163,728
2019 Total/Avg.	4.16%	36.5	\$ 366,705,569	104.45%	\$ 16,336,001
2020 Total/Avg.	3.09%	26.2	\$ 275,834,510	105.00%	\$ 13,789,016
2021 Total/Avg.	2.43%	33.7	\$ 559,214,104	104.37%	\$ 24,411,854
2022 Total/Avg.	4.60%	49.9	\$ 299,835,868	103.00%	\$ 8,997,346
2023 YTD Total/Avg.	6.24%	43.1	\$ 25,528,122	102.42%	\$ 617,943
Tax Exempt GNMA Totals/Avg.	3.84%	37.5	\$ 2,789,002,000	104.37%	\$ 121,922,678

FNMA/Freddie Whole Loans Sold					
Calendar Year	Avg Pass Thru Rate	Avg Servicing Fee (bps)	Principal	Avg Net Premium	Net Premium Amt Rec'd
2013-17 Total/Avg.	4.61%	29.6	\$ 278,559,820	104.37%	\$ 12,185,059
2018 Total/Avg.	5.25%	25.0	\$ 38,109,496	104.06%	\$ 1,548,729
2019 Total/Avg.	5.35%	25.0	\$ 69,350,368	103.89%	\$ 2,694,920
2020 Total/Avg.	4.59%	25.0	\$ 8,983,614	106.32%	\$ 567,684
2022 Total/Avg.	5.97%	25.0	\$ 10,723,946	102.83%	\$ 303,501
2023 YTD Total/Avg.	6.29%	25.0	\$ 5,304,545	103.17%	\$ 167,990
FNMA Whole Loans Totals/Avg.	4.91%	27.6	\$ 405,727,244	104.26%	\$ 17,299,893

FNMA/Freddie Securities Sold					
Calendar Year	Avg Pass Thru Rate	Avg Servicing Fee (bps)	Principal	Avg Net Premium	Net Premium Amt Rec'd
2015-17 Total/Avg.	3.77%	25.0	\$ 357,484,317	104.49%	\$ 16,050,998
2018 Total/Avg.	4.36%	25.0	\$ 287,625,519	103.54%	\$ 10,174,225
2019 Total/Avg.	4.43%	25.0	\$ 192,596,609	103.91%	\$ 7,523,746
2020 Total/Avg.	3.84%	25.0	\$ 93,338,602	104.32%	\$ 4,033,400
FNMA MBS Totals/Avg.	3.96%	25.0	\$ 931,045,047	104.06%	\$ 37,782,369

CRA Participation Pools Sold					
Calendar Year	Avg. Pass Thru Rate	Weighted Avg Loan Rate	Principal	Avg Spread	Anticipated Annual Income
2012-17 Total/Avg. (UBS/AMEX)	2.75%	4.097%	\$ 246,550,050	1.34%	\$ 3,439,093
2018 Total/Avg. (AMEX)	3.57%	4.560%	\$ 19,998,745	0.99%	\$ 197,668
2019 Total/Avg. (AMEX)	2.37%	5.237%	\$ 5,581,063	2.87%	\$ 160,121
2020 Total/Avg. (AMEX)	2.12%	3.987%	\$ 19,971,888	1.87%	\$ 372,875
2022 Total/Avg. (UBS)	4.96%	6.720%	\$ 5,534,977	1.76%	\$ 97,250
2023 YTD Total/Avg. (UBS)	4.90%	5.952%	\$ 3,523,188	1.05%	\$ 37,064
CRA YTD Totals/Avg.	3.17%	4.69%	\$ 301,159,911	1.52%	\$ 4,304,070

Taxable Bonds					
Calendar Year	Avg. Pass Thru Rate	Weighted Avg Loan Rate	Principal	Avg Spread	Anticipated Annual Income
2012-17 Total/Avg.	2.49%	4.085%	\$ 303,861,251	1.60%	\$ 4,872,352
2018 Total/Avg.	3.64%	5.186%	\$ 39,860,435	1.55%	\$ 618,235
2019 Total/Avg.	3.17%	5.392%	\$ 188,947,791	2.22%	\$ 4,202,199
2020 Total/Avg.	1.88%	3.475%	\$ 27,194,948	1.60%	\$ 434,983
2021 Total/Avg.	1.85%	3.309%	\$ 41,997,226	1.46%	\$ 612,740
2022 Total/Avg.	4.89%	5.558%	\$ 39,859,924	0.67%	\$ 267,061
Taxable Bonds Totals/Avg.	2.76%	4.31%	\$ 641,721,575	1.55%	\$ 11,007,571

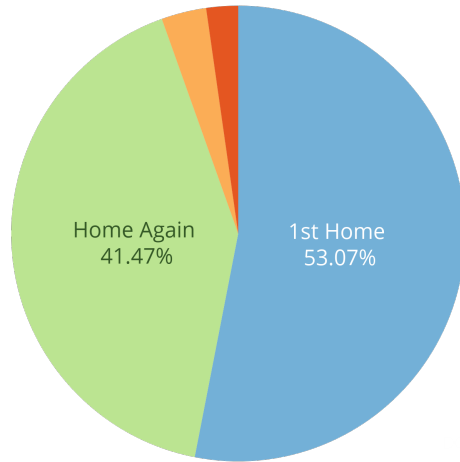
Tax-Exempt Bonds					
Calendar Year	Avg Pass Thru Rate	Weighted Avg Loan Rate	Principal	Avg Spread	Anticipated Annual Income
2015 Total/Avg.	2.82%	3.94%	\$ 65,084,595	1.13%	\$ 732,202

Fiscal Year Purchased Loans as of February 28th, 2023

Purchased Loans FY 2023 by Program Type

1,183 Total Loans

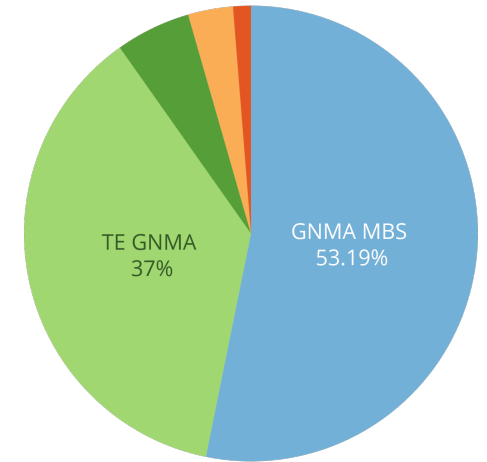
1st Home	\$232M	53.1%
Home Again	\$181M	41.5%
HFA Advantage	\$14.0M	3.2%
Score	\$9.90M	2.26%



Purchased Loans FY 2023 By Capital Source

\$437,685,530 Total Amount

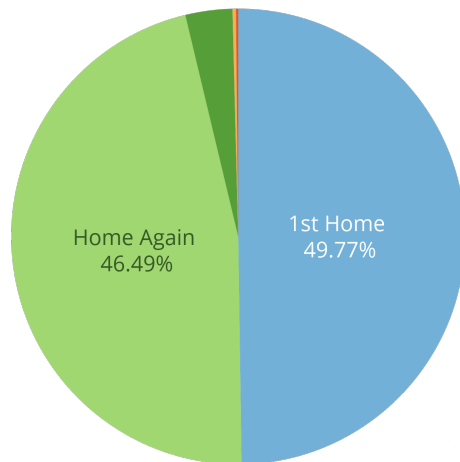
GNMA MBS	\$233M	53.2%
TE GNMA	\$162M	37%
BONDS	\$23.4M	5.34%
FNMA/FREDDIE	\$14.0M	3.2%
CRA	\$5.54M	1.27%



Purchased Loans FY 2022 by Program Type

3,105 Count of loan_id

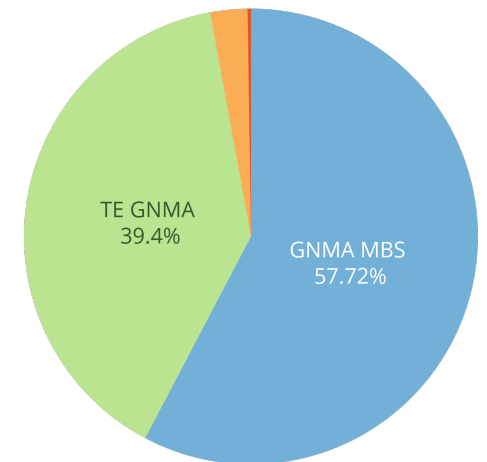
1st Home	541M	49.8%
Home Again	505M	46.5%
Score	36.3M	3.34%
HFA Advantage	2.63M	0.24%
FSR	1.72M	0.16%



Purchased Loans FY 2022 By Capital Source

\$1,086,627,615 Total Amount

GNMA MBS	\$627M	57.7%
TE GNMA	\$428M	39.4%
BONDS	\$28.7M	2.64%
FNMA/FREDDIE	\$2.63M	0.24%

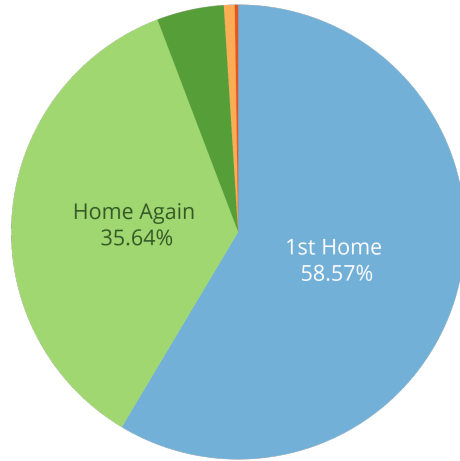


Loan Production and Capital Sources - FY

Purchased Loans FY 2021 by Program Type

4,573 Count of loan_id

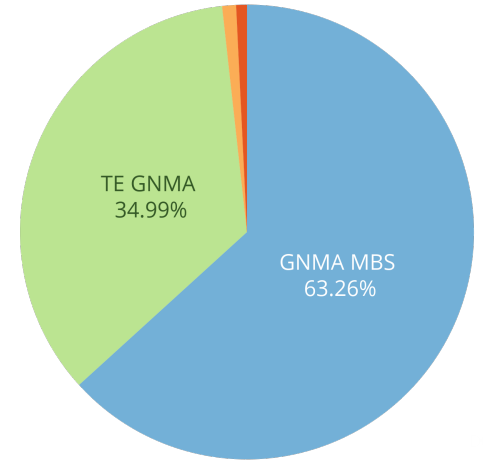
1st Home	769M	58.6%
Home Again	468M	35.6%
Score	62.8M	4.78%
NoMi	10.0M	0.76%
FSR	3.23M	0.25%



Purchased Loans FY 2021 By Capital Source

\$1,312,998,120 Total Amount

GNMA MBS	\$831M	63.3%
TE GNMA	\$459M	35.0%
BONDS	\$13.0M	0.99%
FNMA/FREDDIE	\$10.0M	0.76%

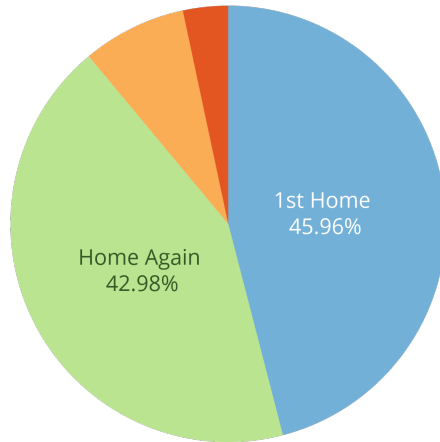


Calendar Year Purchased Loans as of February 28th, 2023

Purchased Loans CY 2023 by Program Type

217 Total Loans

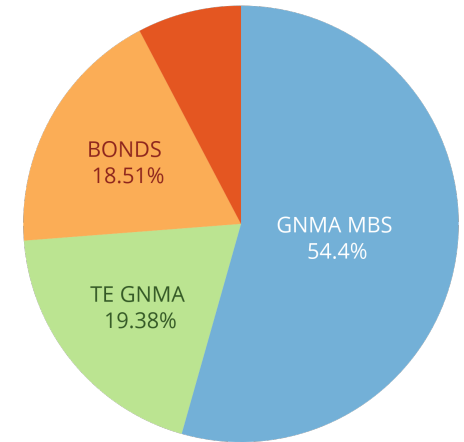
1st Home	\$35.2M	46.0%
Home Again	\$32.9M	43.0%
HFA Advantage	\$5.91M	7.71%
Score	\$2.56M	3.35%



Purchased Loans CY 2023 By Capital Source

\$76,629,382 Total Amount

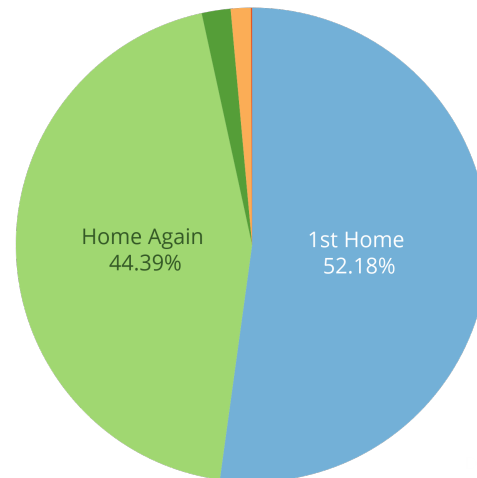
GNMA MBS	\$41.7M	54.4%
TE GNMA	\$14.9M	19.4%
BONDS	\$14.2M	18.5%
FNMA/FREDDIE	\$5.91M	7.71%



Purchased Loans CY 2022 by Program Type

2,124 Total Loans

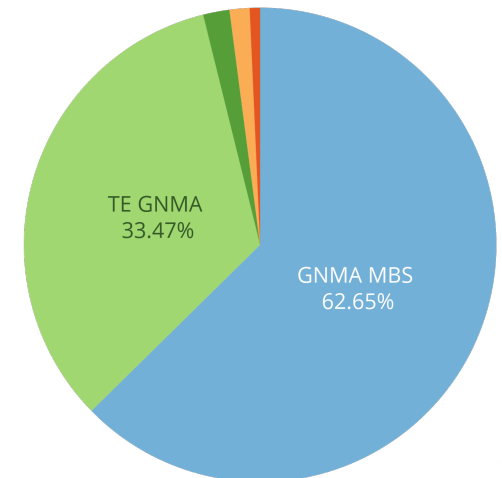
1st Home	\$409M	52.2%
Home Again	\$348M	44.4%
Score	\$15.5M	1.98%
HFA Advantage	\$10.7M	1.37%
FSR	\$659K	0.08%



Purchased Loans CY 2022 By Capital Source

\$784,565,853 Total Amount

GNMA MBS	\$492M	62.7%
TE GNMA	\$263M	33.5%
BONDS	\$14.2M	1.8%
FNMA/FREDDIE	\$10.7M	1.37%
CRA	\$5.54M	0.71%

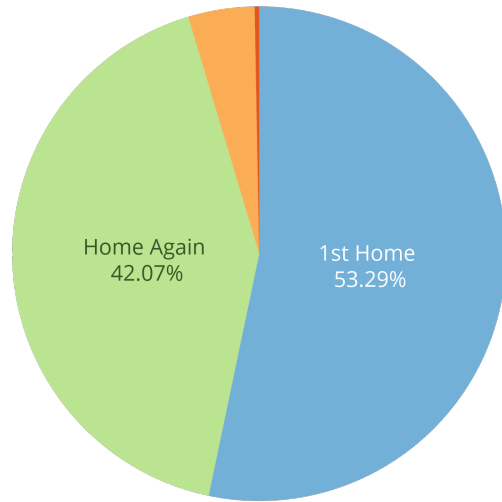


Loan Production and Capital Sources - CY

Purchased Loans CY 2021 by Program Type

3,876 Total Loans

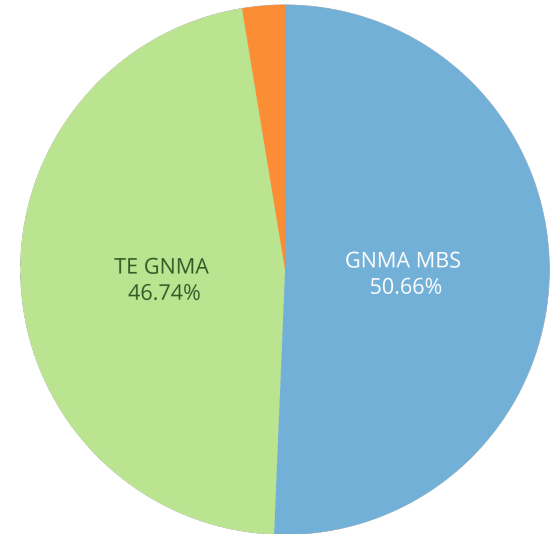
1st Home	660M	53.3%
Home Again	521M	42.1%
Score	53.8M	4.34%
FSR	3.67M	0.3%



Purchased Loans CY 2021 By Capital Source

\$1,239,178,635 Total Amount

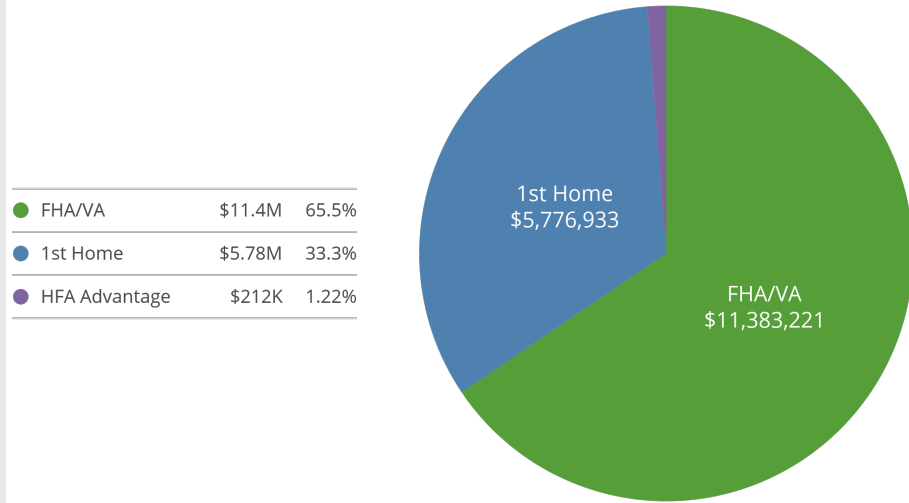
GNMA MBS	\$628M	50.7%
TE GNMA	\$579M	46.7%
BONDS	\$32.2M	2.6%



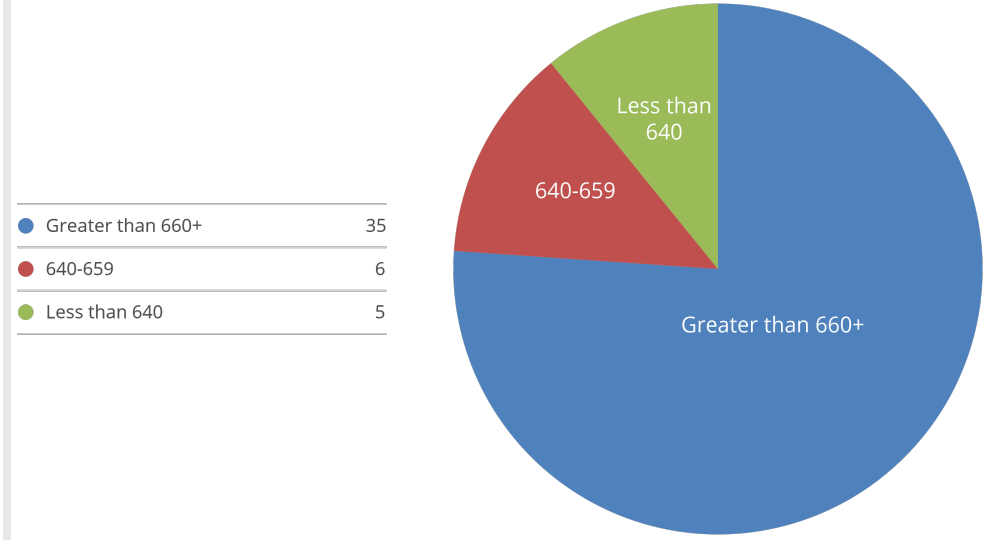
UHC Financial Analysis Dashboard - April 3rd, 2023

Previous Week's Reservations

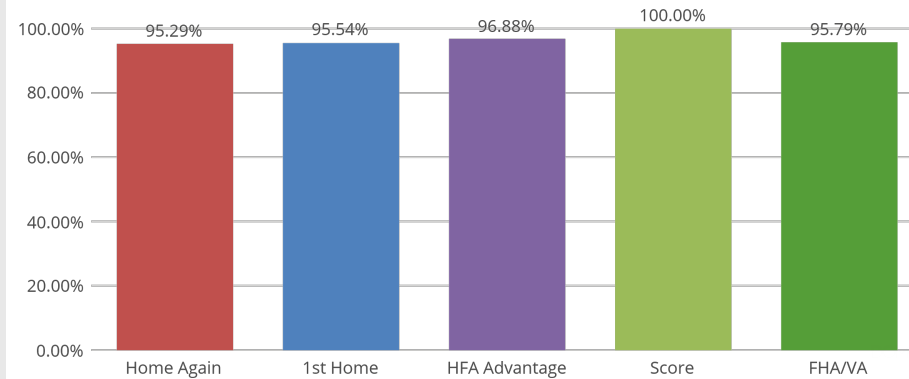
46 Total Reservations



Previous Week's Credit Scores



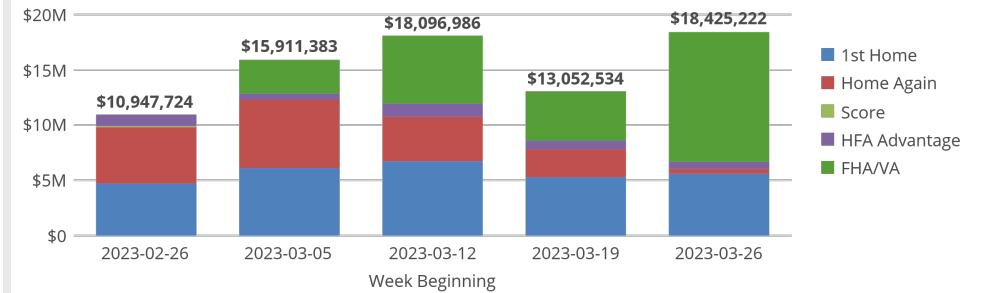
Pull Through



Weekly Purchases

by Week

212 Total 5 Week Loan Count

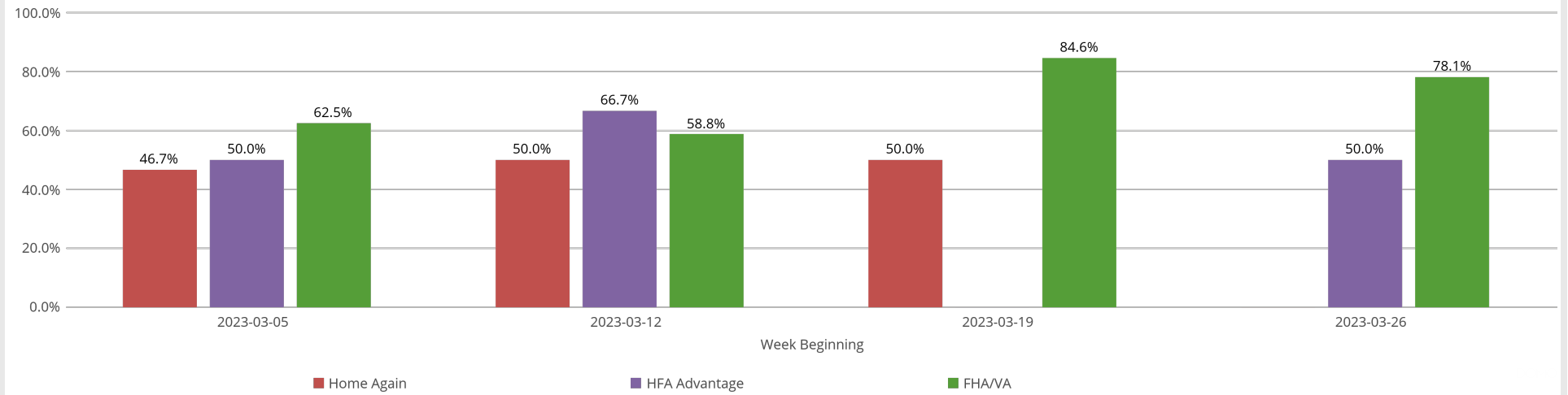


Financial Analysis Dashboard

Percent of Purchased Loans with a Buydown Amount by Program

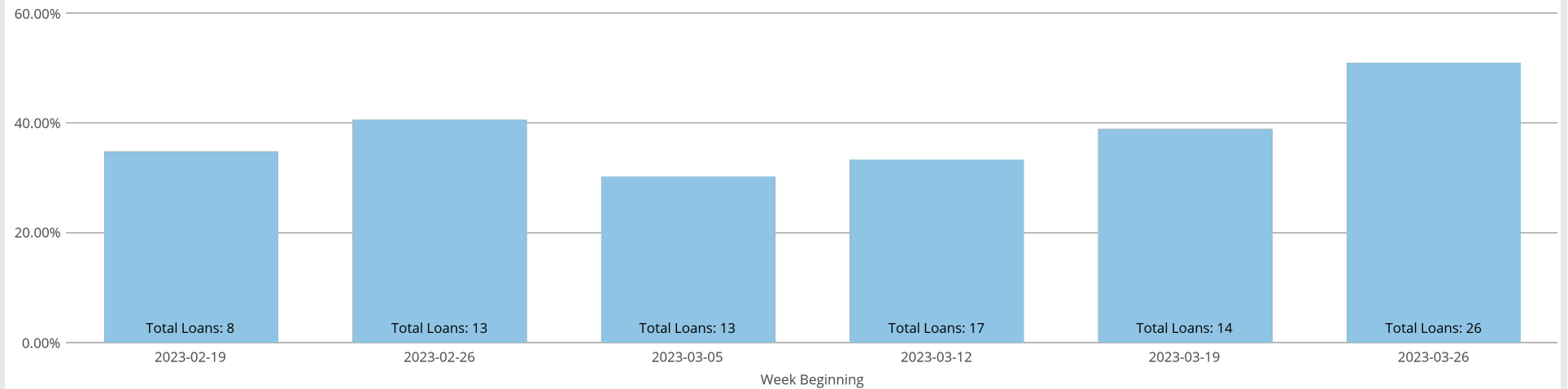
by Week

63.06% Percent of Eligible Loans with a Buydown Amount



Weekly Buydown Count

38.56% Percent of All Loans with a Buydown Amount

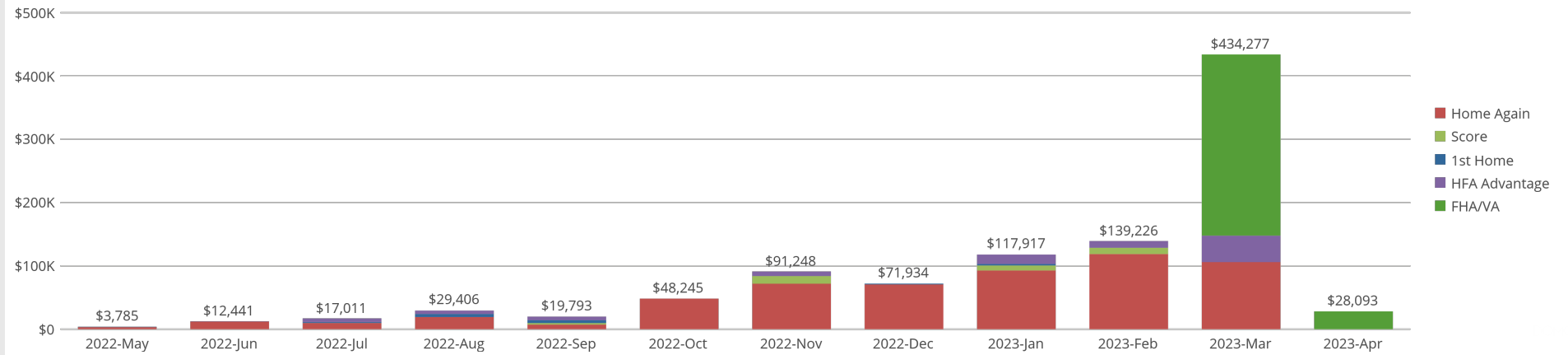


Financial Analysis Dashboard

Buydown Amounts - by month (previous 12 months)

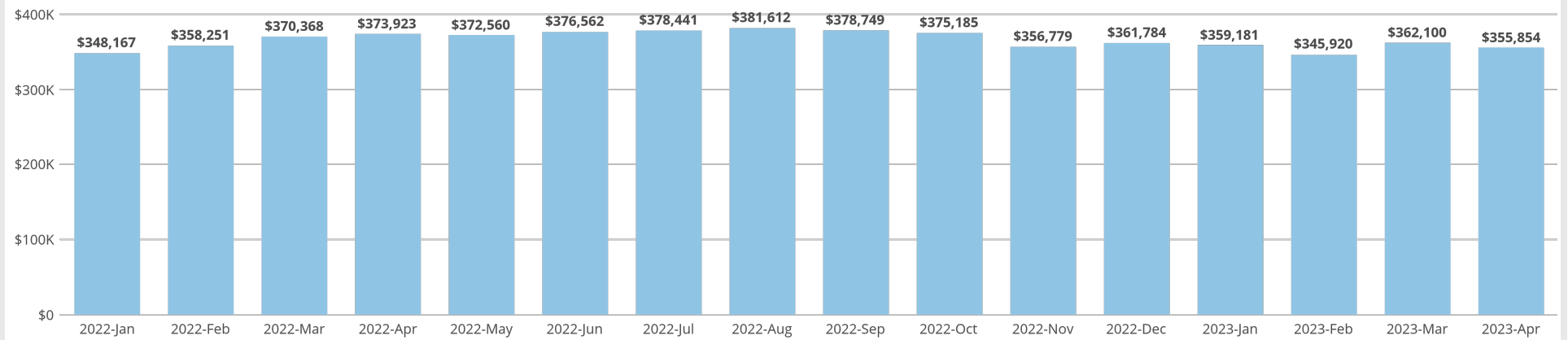
by Month

\$1,013,376 Total Buydown Amount



Average Original Loan Amount (1st Mortgages)

by Month



TPO Loans this CY

20

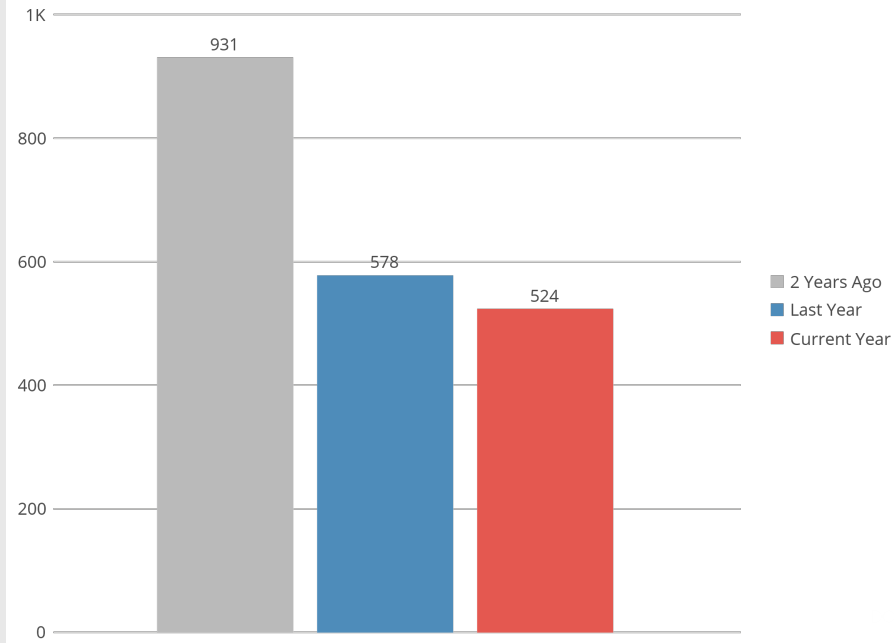
% of TPO Loans this CY

3.82%

Financial Analysis Dashboard

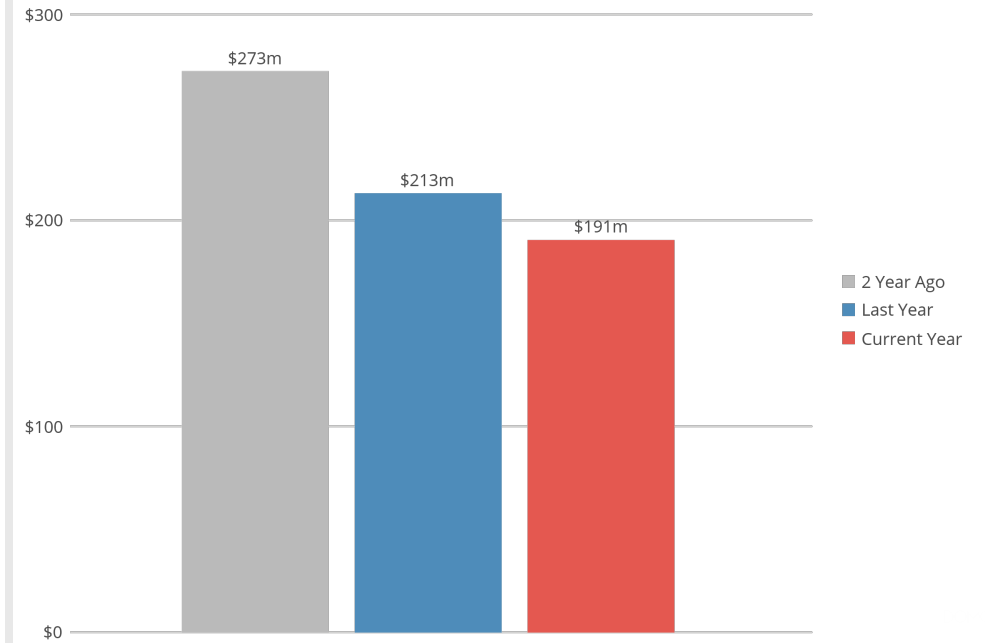
CY Reservation Count

by Year



CY Reservation Amount

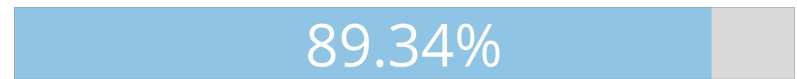
by Year



CY Reservation Count vs 2021 (YTD)



CY Reservation AMT vs 2021 (YTD)



CY Reservation Count vs 2020 (YTD)



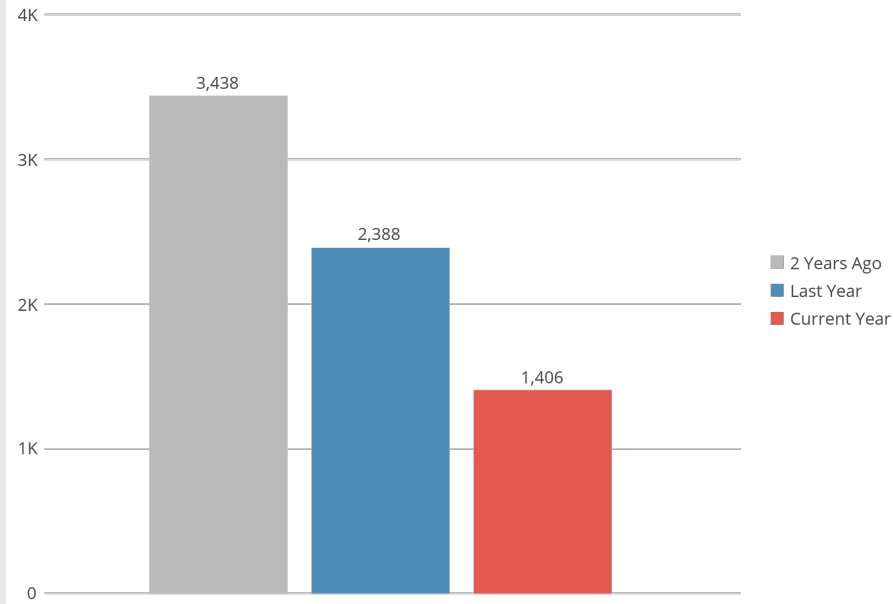
CY Reservation AMT vs 2020 (YTD)



Financial Analysis Dashboard

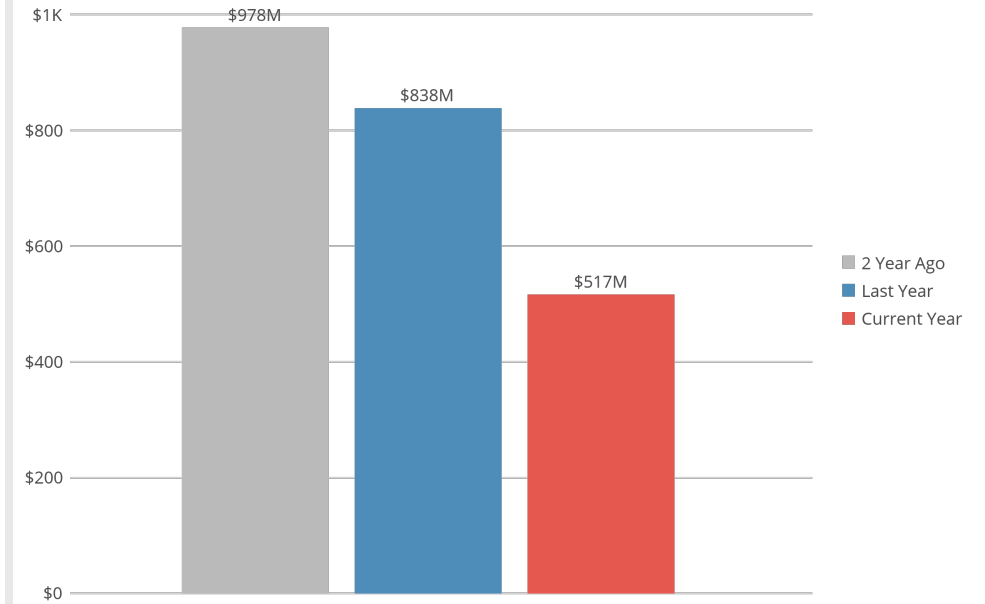
FY Reservation Count

by Year



FY Reservation Amount (in millions)

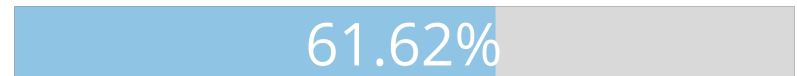
by Year



FY Reservation Count vs 2021 (YTD)



FY Reservation AMT vs 2021 (YTD)



FY Reservation Count vs 2020 (YTD)

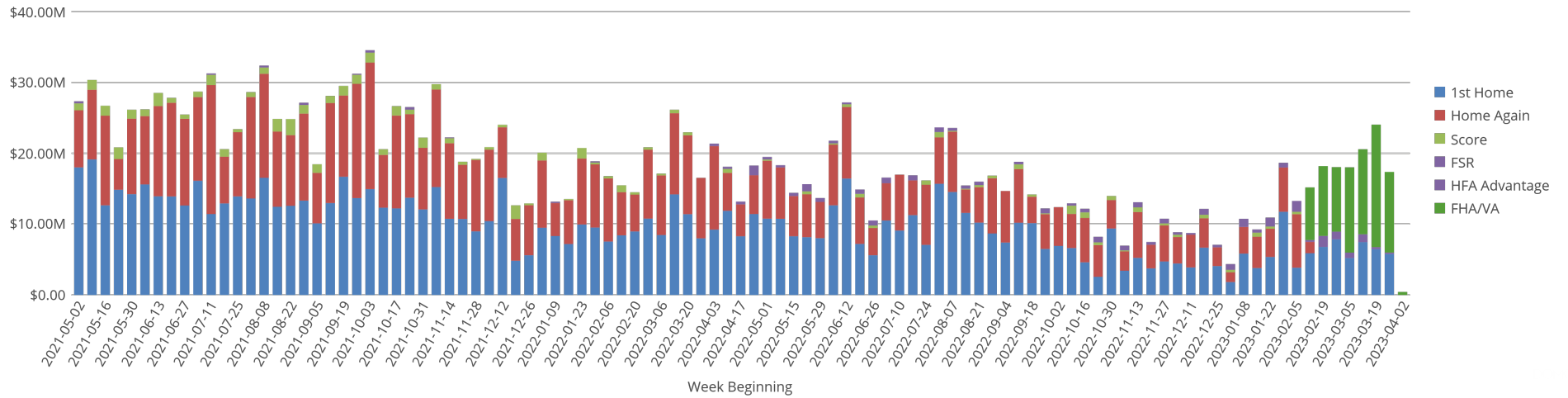


FY Reservation AMT vs 2020 (YTD)

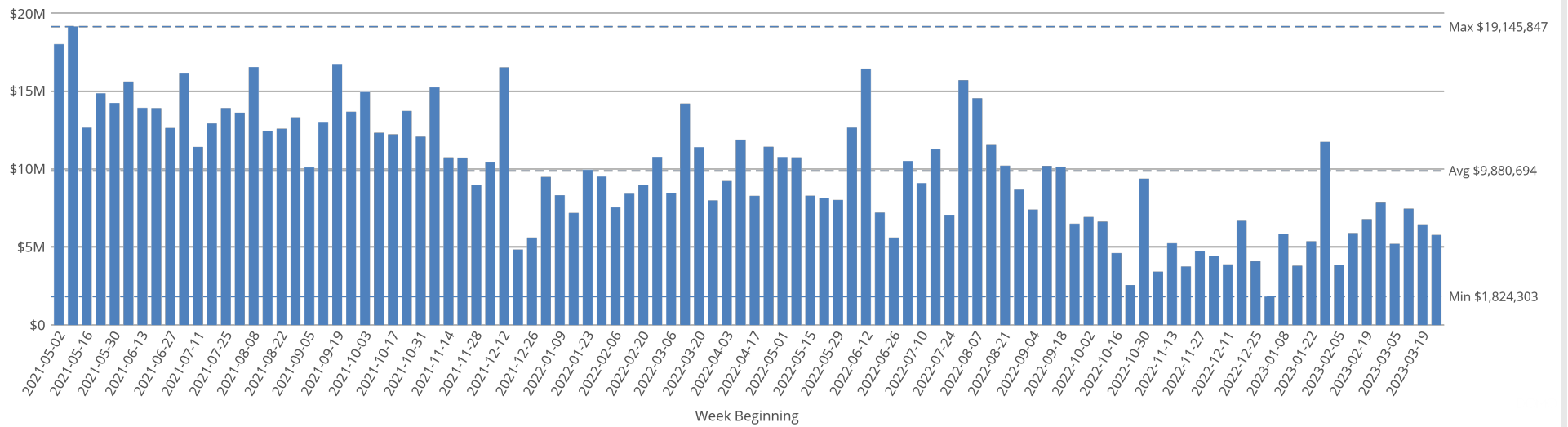


Financial Analysis Dashboard

Weekly Reservations

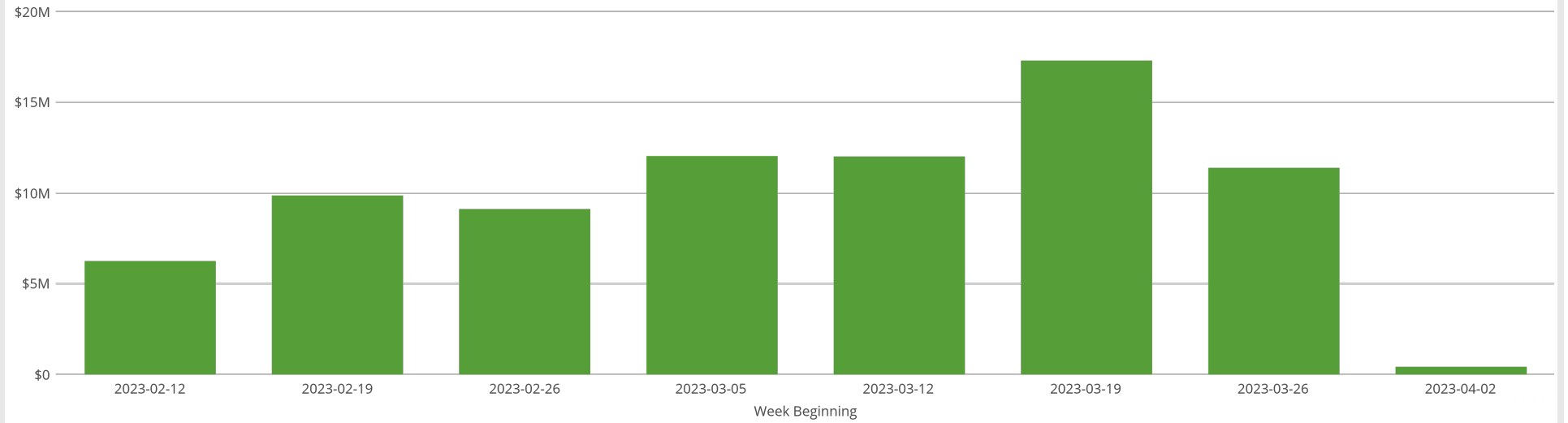


1st Home Weekly Reservations

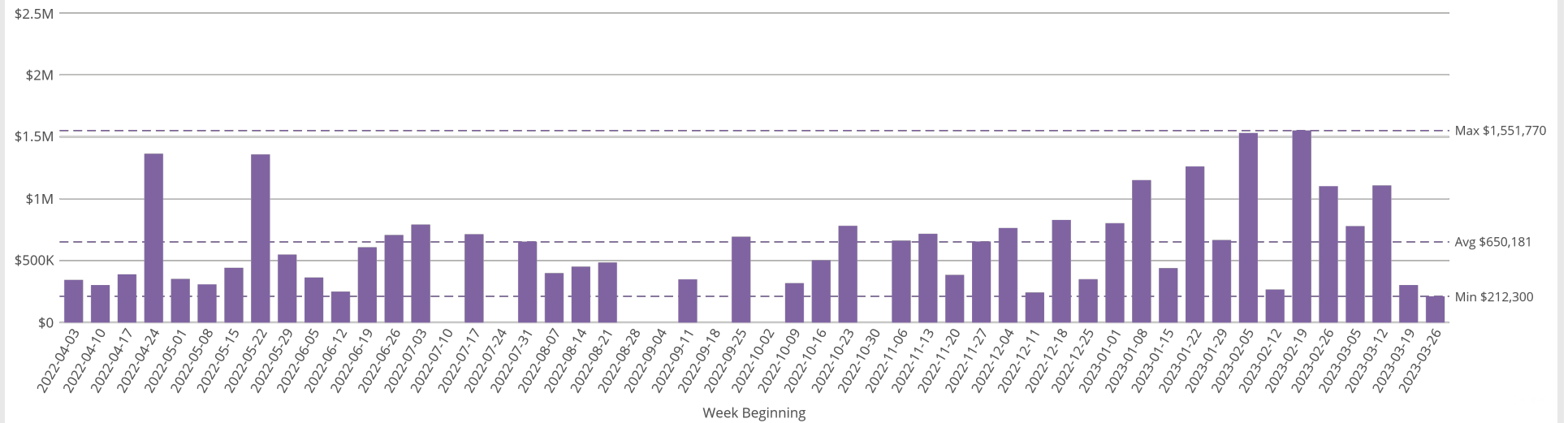


Financial Analysis Dashboard

FHA/VA Weekly Reservations



HFA Advantage

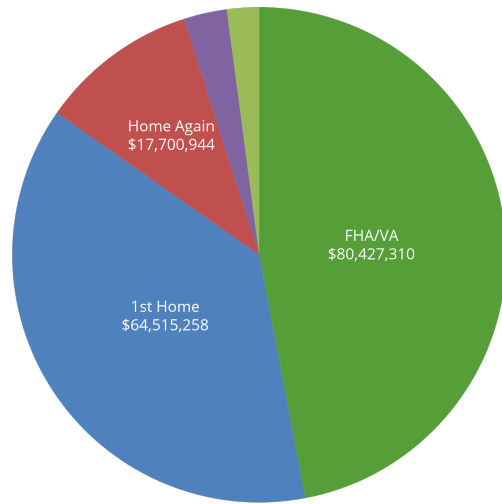


Financial Analysis Dashboard

Pipeline Amount

\$171,071,520 Total Amount

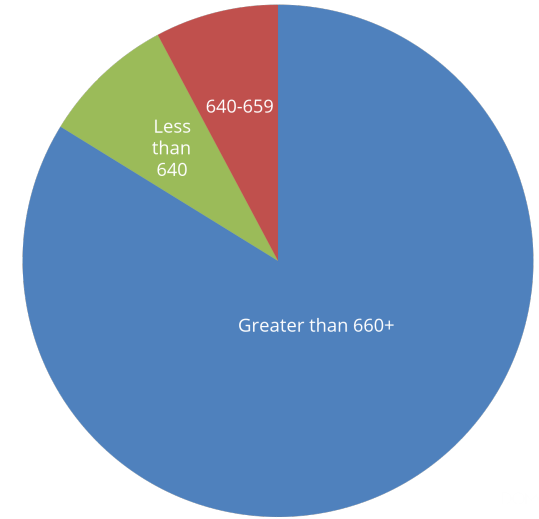
FHA/VA	\$80.4M	47.0%
1st Home	\$64.5M	37.7%
Home Again	\$17.7M	10.3%
HFA Advantage	\$4.83M	2.82%
Score	\$3.60M	2.1%



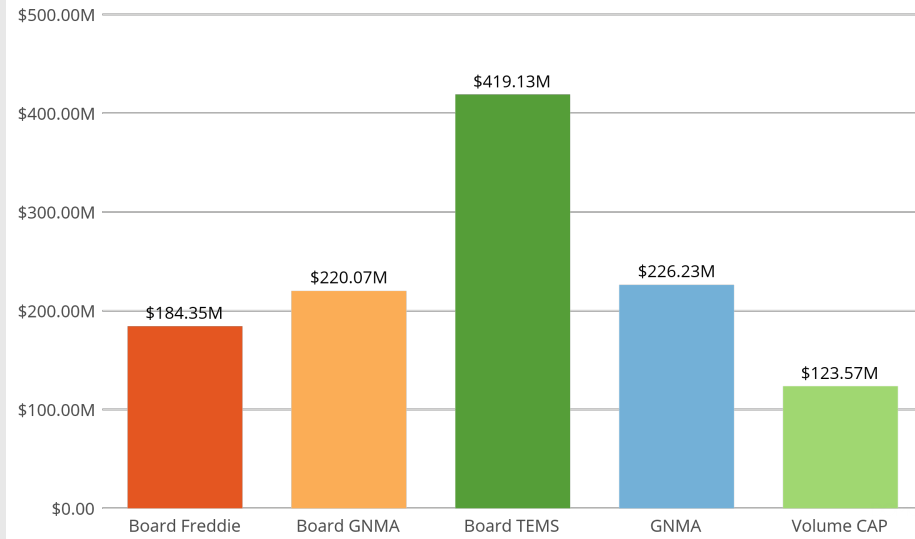
Credit Scores - Entire Pipeline

487 Total Loans

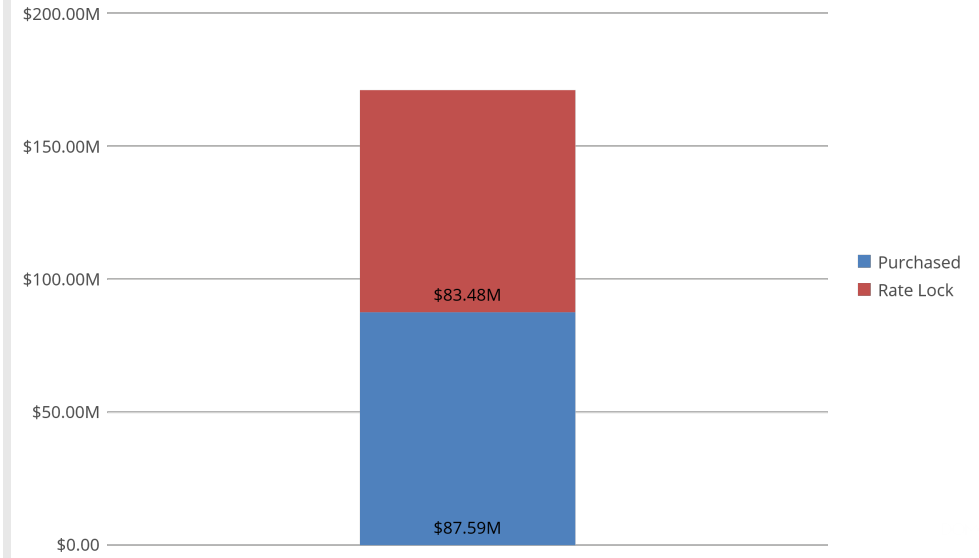
Greater than 660+	408	83.8%
Less than 640	41	8.42%
640-659	38	7.8%



Program Authority

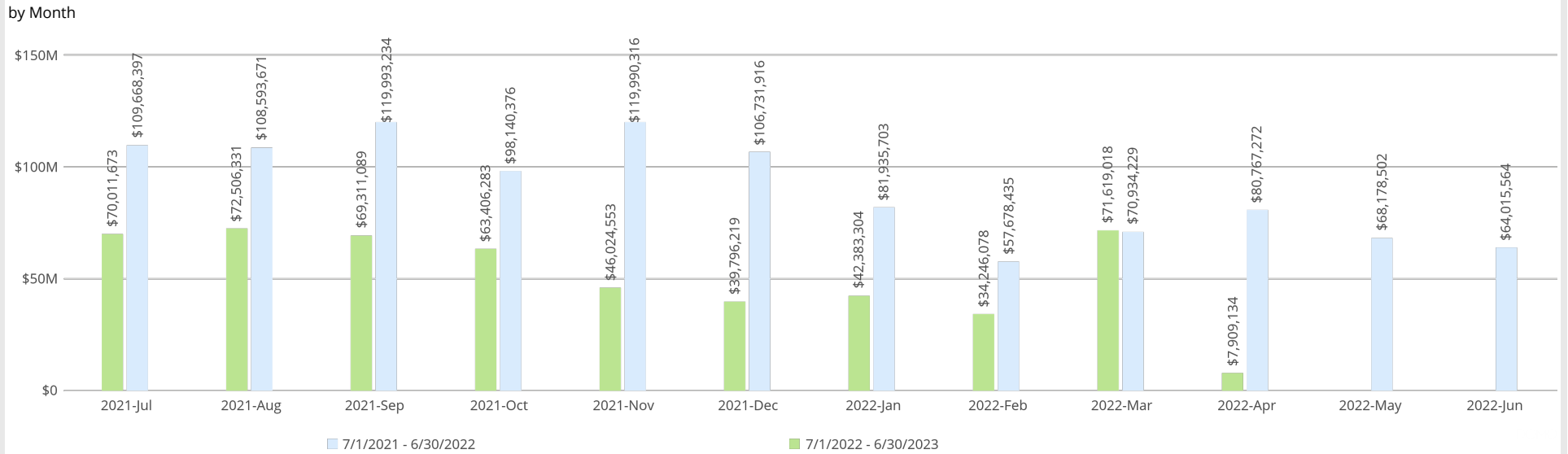


Loan Pipeline Snapshot

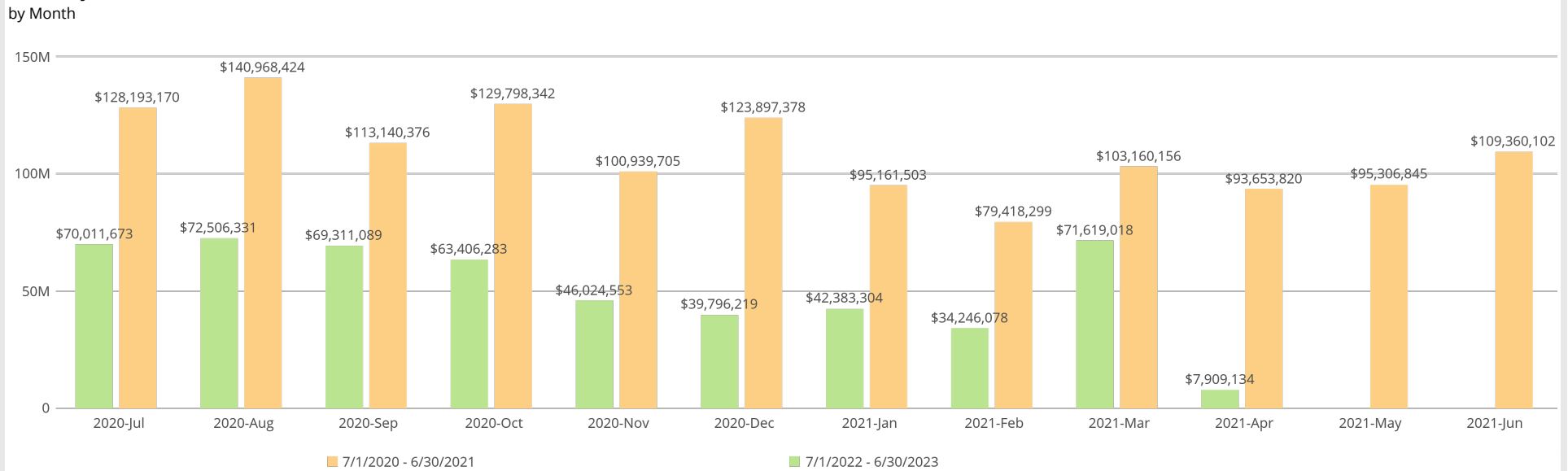


Financial Analysis Dashboard

Monthly Purchases - FY 2022 vs FY 2023



Monthly Purchases - FY 2021 vs FY 2023

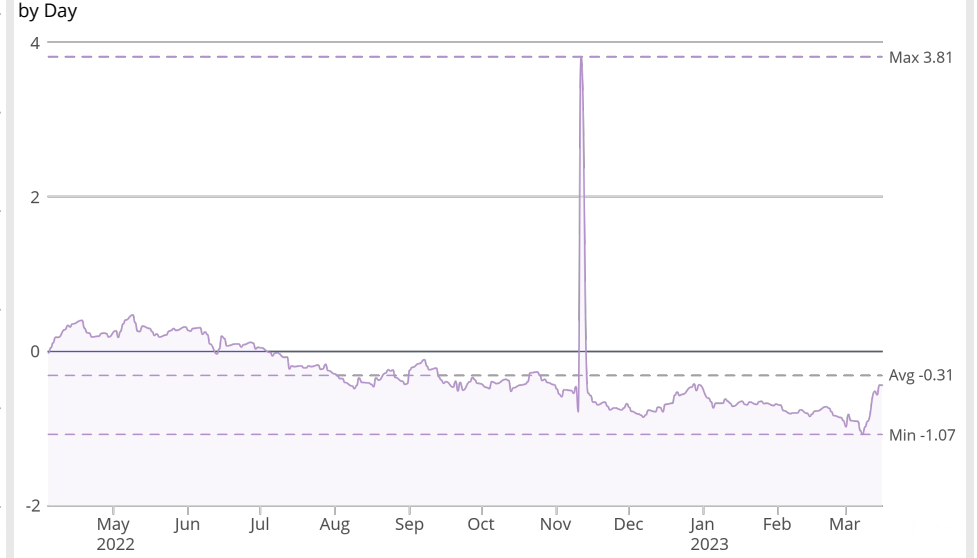


Financial Analysis Dashboard

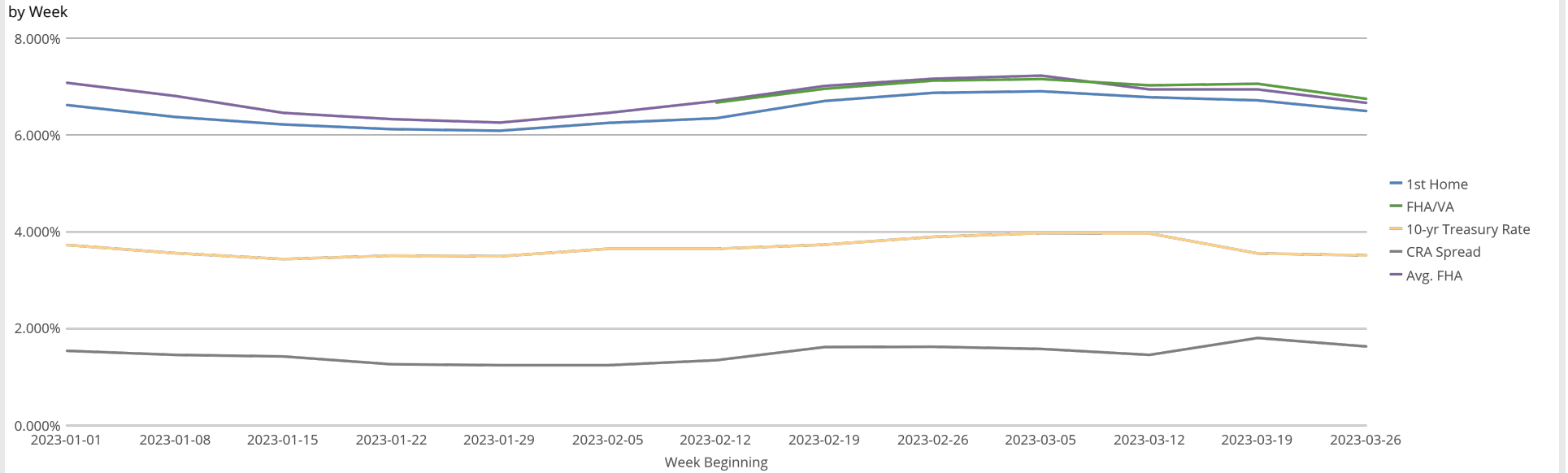
10 Year Rate History



Spread on 10 Year vs 2 Year



Rate Tracker



Utah Housing Corporation
BALANCE SHEET
As of February 28, 2023

	Operating Fund	Mortgage Servicing	Single Family	Housing Development	February 28, 2023		06/30/2022	
	Actual	Actual	Actual	Actual	Total	Total	Difference	%
Assets								
Cash and Cash Equivalents	1,029,781	20,752,591	232,430,641	2,728,590	256,941,603	214,507,489	42,434,114	19.78 %
Encumbered Cash	-	23,413,390	-	26,880,450	50,293,840	77,689,899	(27,396,059)	(35.26) %
Trustee Investments	-	-	1,135,570,138	-	1,135,570,138	1,133,038,940	2,531,198	0.22 %
Mortgage Loans Available for Sale	-	-	57,754,799	-	57,754,799	105,481,553	(47,726,754)	(45.25) %
Mortgage Loans Held for Investment	-	103,794	254,634,703	18,418,159	273,156,656	232,531,893	40,624,763	17.47 %
Second Mortgages	-	-	167,242,678	-	167,242,678	157,984,826	9,257,853	5.86 %
Accounts Receivable	1,502,950	2,616,267	68,776	274,692	4,462,685	1,854,918	2,607,766	140.59 %
Notes Receivable	-	-	-	1,899,676	1,899,677	1,381,164	518,513	37.54 %
Mortgage Servicing Rights	1,567	31,780,646	-	-	31,782,212	34,585,252	(2,803,040)	(8.10) %
Interest Receivable- Mortgages	-	-	2,729,179	340,943	3,070,121	2,174,283	895,837	41.20 %
Interest Receivable- Investments	-	-	3,607,424	-	3,607,424	2,788,074	819,350	29.39 %
Net Pension Asset	6,111,700	-	-	-	6,111,700	6,111,700	-	0.00 %
Deferred Outflows of Resources	2,150,100	-	(550,689)	-	1,599,411	2,582,419	(983,008)	(38.07) %
Capital Assets	5,579,048	-	-	-	5,579,048	5,866,785	(287,736)	(4.90) %
Other Assets	690,389	26,386	(29,609)	207,287	894,453	614,193	280,260	45.63 %
Total Assets	17,065,535	78,693,074	1,853,458,040	50,749,797	1,999,966,445	1,979,193,388	20,773,057	1.05 %
Liabilities and Net Position								
Liabilities								
Notes Payable	-	-	29,101,900	-	29,101,900	25,653,595	3,448,305	13.44 %
Bonds Payable	-	-	1,235,364,719	-	1,235,364,719	1,121,980,724	113,383,995	10.11 %
Bonds Payable- General Obligation	-	-	29,180,000	-	29,180,000	34,275,000	(5,095,000)	(14.87) %
Bonds Payable- Taxable	-	-	191,342,000	-	191,342,000	214,151,000	(22,809,000)	(10.65) %
Bonds Payable- Variable	-	-	-	-	-	-	-	0.00 %
Warehouse Line of Credit Payable	-	-	-	-	-	-	-	0.00 %
Derivative Instrument	-	-	(550,689)	-	(550,689)	432,319	(983,008)	(227.38) %
Accrued Interest Payable	-	-	4,622,531	-	4,622,531	6,214,790	(1,592,259)	(25.62) %
Escrow Payable	-	23,413,390	-	-	23,413,390	56,266,647	(32,853,258)	(58.39) %
Other Payable	3,051,611	374,700	16,224	1,516,952	4,959,487	5,883,965	(924,477)	(15.71) %
Net Pension Liability	-	-	-	-	-	-	-	0.00 %
Deferred Inflow or Resources	9,704,028	-	-	-	9,704,028	9,704,028	-	0.00 %
Unearned Income	5,476	-	-	-	5,475	2,976	2,500	84.02 %
Inter-Company Payable (Receivable)	(48,223,194)	57,934,996	(9,731,522)	19,719	-	-	-	0.00 %
Total Liabilities	(35,462,079)	81,723,086	1,479,345,163	1,536,671	1,527,142,841	1,474,565,044	52,577,798	3.57 %
Net Position	52,527,614	(3,030,012)	374,112,877	49,213,126	472,823,604	504,628,344	(31,804,741)	(6.30) %
Total Liabilities and Net Position	17,065,535	78,693,074	1,853,458,040	50,749,797	1,999,966,445	1,979,193,388	20,773,057	1.05 %

Utah Housing Corporation
STATEMENT OF REVENUE AND EXPENSES
As of February 28, 2023

	Operating Fund	Mortgage Servicing	Single Family	Housing Development	February 28, 2023	February 28, 2022	February 28, 2023	Forecast Difference	%
	Actual	Actual	Actual	Actual	Total	Total	Forecasted		
Net Income									
Operating Revenue									
Interest Income- Mortgages	-	-	16,263,871	387,357	16,651,229	17,700,096	16,966,667	(315,438)	(1.86) %
Interest Income- Investments	475,321	162,770	26,908,363	319	27,546,772	9,793,422	24,785,333	2,761,439	11.14 %
Service Fees	-	8,125,797	-	-	8,125,797	8,020,712	6,546,667	1,579,130	24.12 %
Late Fees	38,601	618,035	-	-	656,636	726,286	733,333	(76,697)	(10.46) %
Fee Income	4,888,623	107,860	-	1,427,448	6,423,930	2,719,623	2,606,667	3,817,264	146.44 %
Gain on Sale of Loans	-	-	9,798,154	-	9,798,154	33,598,778	16,008,666	(6,210,513)	(38.79) %
Other	5,910	-	1,380	5,805	13,096	23,560	56,667	(43,571)	(76.89) %
Total Operating Revenue	5,408,455	9,014,462	52,971,768	1,820,929	69,215,614	72,582,477	67,704,000	1,511,614	2.23 %
Expenditures									
Interest Expense	-	-	24,921,668	-	24,921,667	12,045,485	27,519,333	(2,597,666)	(9.44) %
Servicing Rights Amortization	-	8,574,696	-	-	8,574,696	8,548,032	9,533,334	(958,637)	(10.06) %
Mortgage Servicing Fees	-	-	1,041,230	-	1,041,231	1,415,770	1,333,333	(292,103)	(21.91) %
Salaries and Benefits	7,519,600	2,375,162	-	-	9,894,762	8,561,510	10,258,667	(363,905)	(3.55) %
General and Administrative	2,277,237	1,092,465	55,192	29,339	3,454,232	3,868,570	4,455,903	(1,001,671)	(22.48) %
Capital Acquisitions	581,980	-	-	-	581,980	547,269	852,000	(270,020)	(31.69) %
Servicing Losses	-	2,151	-	-	2,151	391	66,667	(64,516)	(96.77) %
Perpetual Program Costs	-	-	1,609,406	3,341	1,612,747	3,085,837	2,700,000	(1,087,253)	(40.27) %
Loan Loss Reserve/Bad Debt	-	-	263,389	-	263,388	3,332	333,333	(69,945)	(20.98) %
Total Expenditures	10,378,817	12,044,474	27,890,885	32,680	50,346,854	38,076,196	57,052,570	(6,705,716)	(11.75) %
Total Net Income Before FMV Adjustment	(4,970,362)	(3,030,012)	25,080,883	1,788,249	18,868,759	34,506,281	10,651,430	8,217,330	77.15 %
Fair Market Value Adjustment	-	-	(50,673,500)	-	(50,673,500)	(34,319,875)	-	(50,673,500)	0.00 %
Total Net Income Before Transfers	(4,970,362)	(3,030,012)	(25,592,617)	1,788,249	(31,804,741)	186,406	10,651,430	(42,456,170)	(398.60) %
Transfers	(7,633,087)	-	10,383,086	(2,750,000)	-	-	-	(1)	(100.00) %
Total Net Income	2,662,725	(3,030,012)	(35,975,703)	4,538,249	(31,804,741)	186,406	10,651,430	(42,456,170)	(398.60) %

Statements are unaudited and without opinion

Utah Housing Corporation
General and Administrative Budget
As of February 28, 2023

	Year Ending	Month Ending		Year To Date		% of Budget	Budget Variance
	06/30/2023	02/28/2023	02/28/2023	02/28/2023	02/28/2023		
	Annual Budget	Monthly Budget	Actual	Monthly Variance	Year to Date		
Expenses							
Salaries and Benefits	11,690,412	974,201	832,479	141,722	7,519,600	64.32 %	4,170,812
General and Administrative							
Professional Development	375,780	31,315	18,212	13,103	199,071	52.98 %	176,709
Office and Administrative	719,500	59,958	43,294	16,664	452,761	62.93 %	266,739
Program Development	136,500	11,375	894	10,481	33,987	24.90 %	102,513
Building/Systems and Equipment	1,501,150	125,096	123,117	1,979	951,073	63.36 %	550,077
Board of Trustees	42,000	3,500	13,203	(9,703)	25,661	61.10 %	16,339
Communication and Promotion	77,300	6,442	4,523	1,919	40,070	51.84 %	37,230
Professional Services	617,400	51,450	46,731	4,719	516,972	83.73 %	100,428
Other	0	0	113	(113)	113	0.00 %	(113)
Total General and Administrative	3,469,630	289,136	250,087	39,049	2,219,708	63.98 %	1,249,922
Capital Acquisitions	753,000	62,750	74,585	(11,835)	294,243	39.08 %	458,757
Total Expenses	15,913,042	1,326,087	1,157,151	168,936	10,033,551	63.05 %	5,879,491

Utah Housing Corporation
Mortgage Servicing Budget
As of February 28, 2023

	Year Ending	Month Ending		Monthly Variance	Year To Date	% of Budget	Budget Variance
	06/30/2023	02/28/2023	Actual		02/28/2023		
	Annual Budget	Monthly Budget			Year to Date		
Expenses							
Salaries and Benefits	3,697,588	308,132	254,556	53,576	2,375,162	64.24 %	1,322,426
General and Administrative							
Professional Development	43,725	3,644	3,859	(215)	15,534	35.53 %	28,192
Office and Administrative	6,000	500	667	(167)	6,897	114.95 %	(898)
Program Development	10,400	867	0	867	560	5.38 %	9,840
Building/Systems and Equipment	1,091,500	90,958	65,673	25,285	560,124	51.32 %	531,377
Professional Services	692,600	57,717	55,173	2,544	310,907	44.89 %	381,692
MBS Pool Interest Expense	1,200,000	100,000	18,211	81,789	152,918	12.74 %	1,047,082
Other	70,000	5,833	5,486	347	45,525	65.03 %	24,476
Total General and Administrative	3,114,225	259,519	149,069	110,450	1,092,465	35.08 %	2,021,761
Capital Acquisitions	25,000	2,083	0	2,083	0	0.00 %	25,000
Servicing Losses	100,000	8,334	0	8,334	2,150	2.15 %	97,849
Servicing Rights Amortization	14,300,000	1,191,666	1,071,837	119,829	8,574,696	59.96 %	5,725,304
Total Expenses	21,236,813	1,769,734	1,475,462	294,272	12,044,473	56.72 %	9,192,340

MEMORANDUM

To: UHC Trustees
From: Jonathan A. Hanks, COO
Date: April 7, 2023
Subject: Operating Reports

Monthly SF Mortgage Activity Report

- 1st mortgage portfolio increased for 7 consecutive months, both in volume and number of loans serviced
- FY '23 loan purchases (through 2/28/2023) down YOY 45.5% (\$) and 49.5% (#)
- February production down YOY 38% (\$) and 41% (#) (but an improvement from approximately 50% last month)
- Response to recent single family program changes has been very positive

Portfolio Performance

- Delinquency statistics:
 - Total delinquency lowest levels since July 2022
 - 30-60 day delinquencies lowest since June 2022
 - 90+ delinquencies unchanged from January
- Loans in loss mitigation down 8 bps from January
- Loans in foreclosure up 9 bps from January to 48 bps (69 loans)
- Loans in bankruptcy – highest level (.81% or 155 delinquent loans) since May 2022

January 2023 Foreclosure Aging Report**

# of months since origination	0-12	13-36	37-60	61 or more	TOTAL
# of loans	5	18	13	20	56

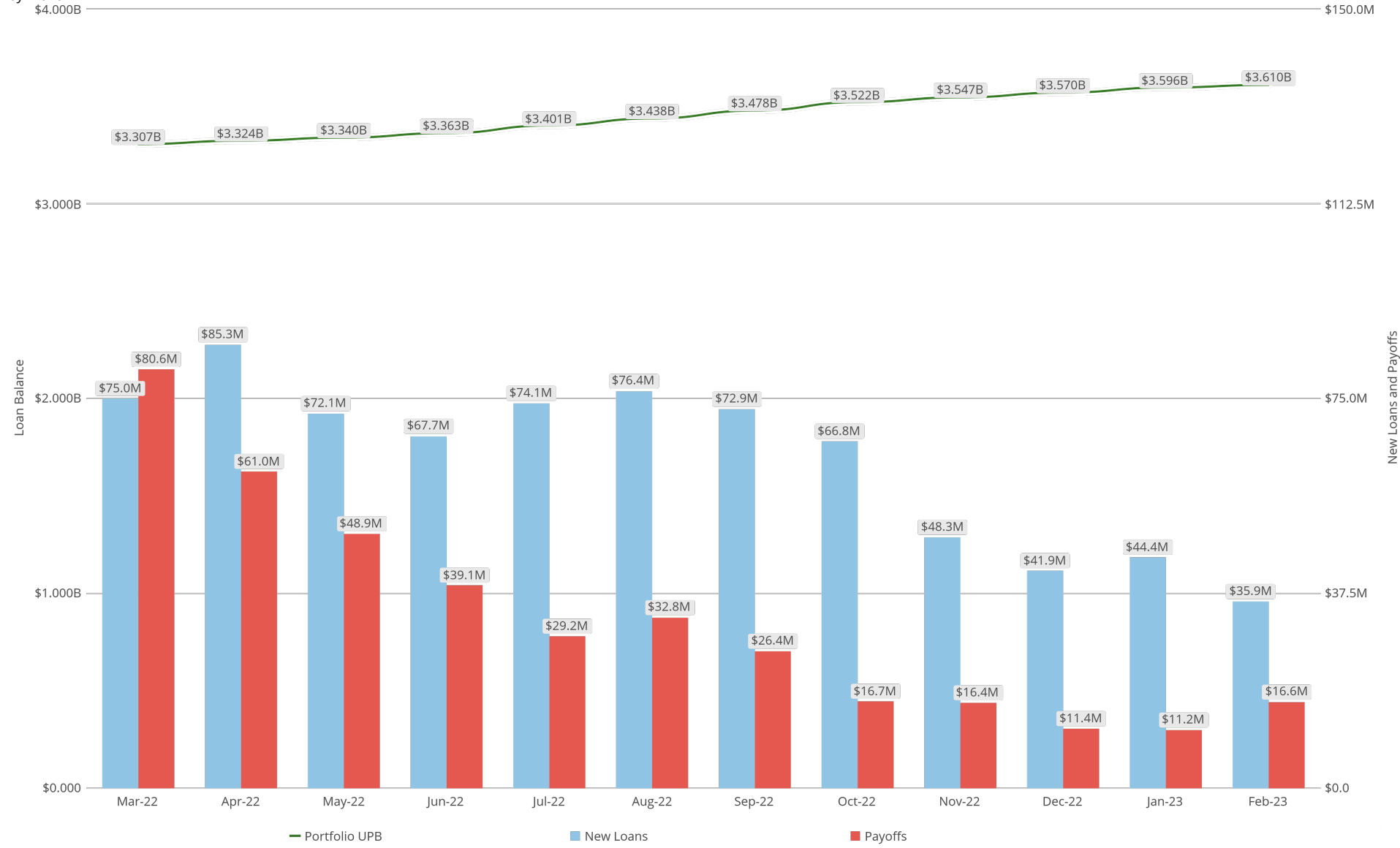
** aging report for February will be supplemented either at or shortly before the Board meeting

Multifamily Risk Share

- 2 Letters of Interest delivered (Ogden Housing Authority)

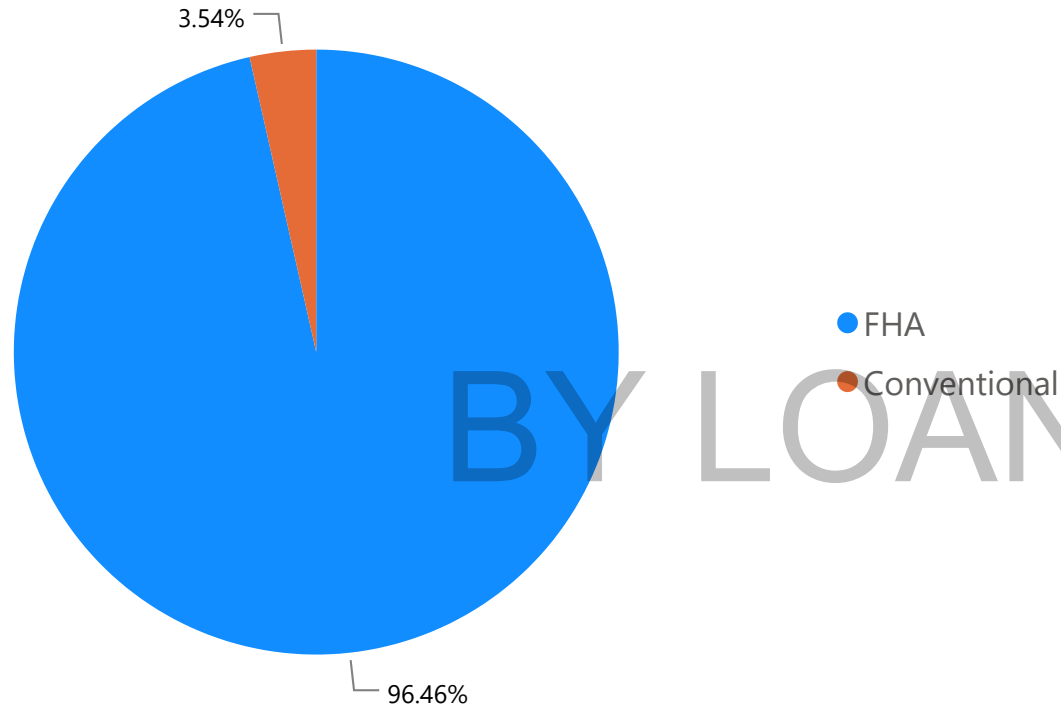
Monthly Single Family Mortgage Loan Activity

by Month

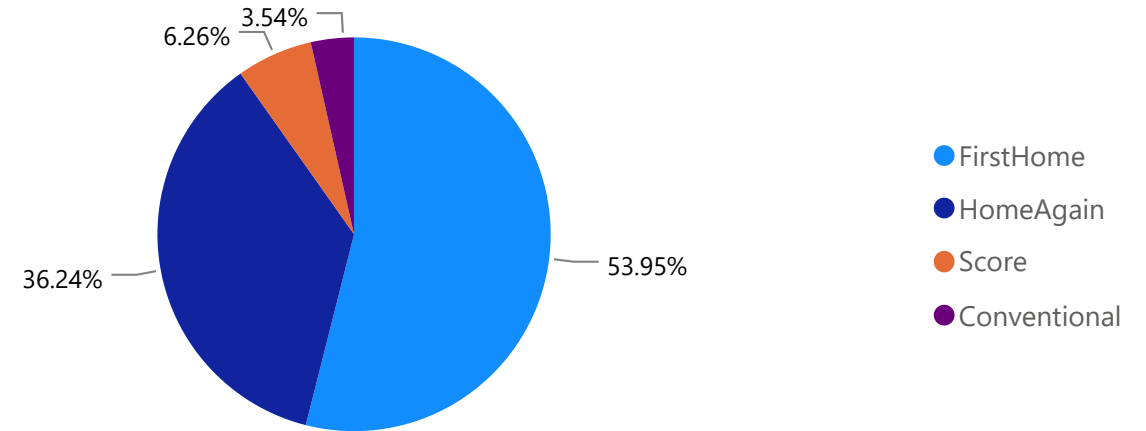


Utah Housing 1st Mortgage Portfolio Breakdown As of 02/28/2023

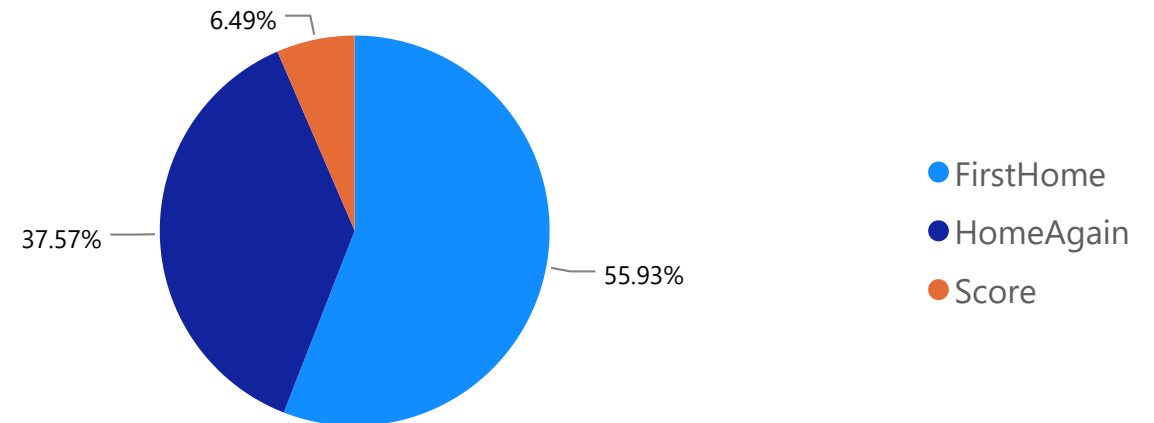
Loan Type by UPB Amount



Loan Program by UPB Amount



FHA Program by UPB Amount



Loan Program Breakdown	UPB
FirstHome	\$1,854,799,967.70
HomeAgain	\$1,246,036,882.83
Score	\$215,327,123.89
Conventional	\$121,699,257.73
Total	\$3,437,863,232.15

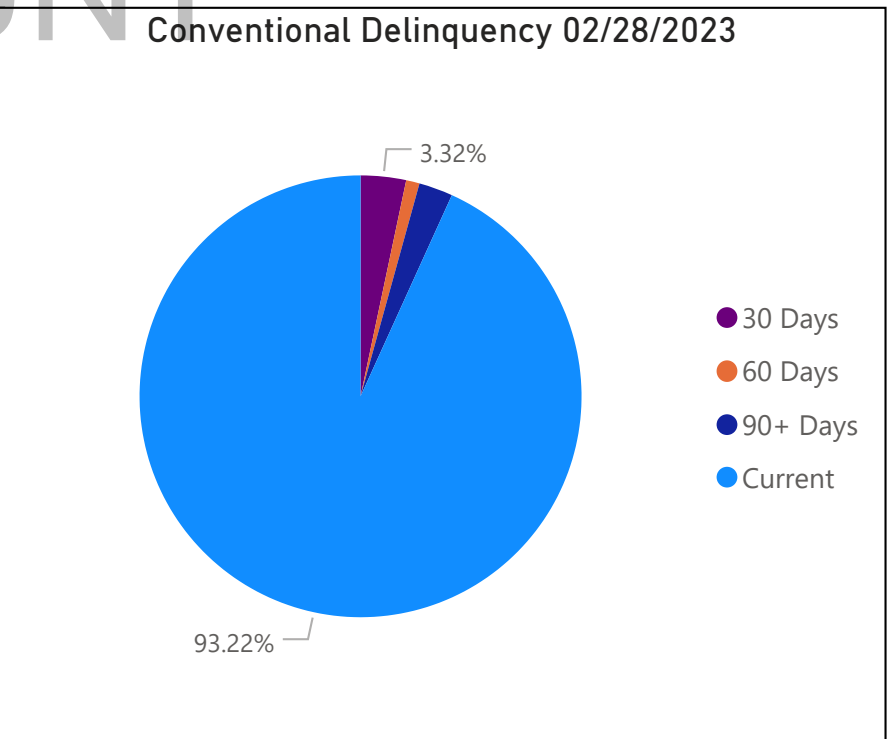
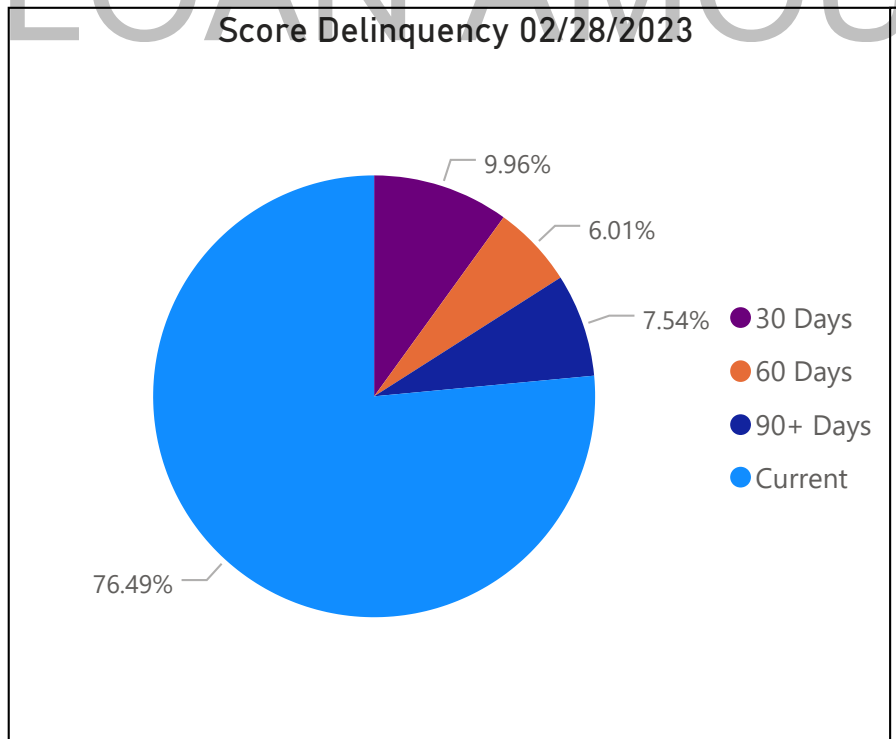
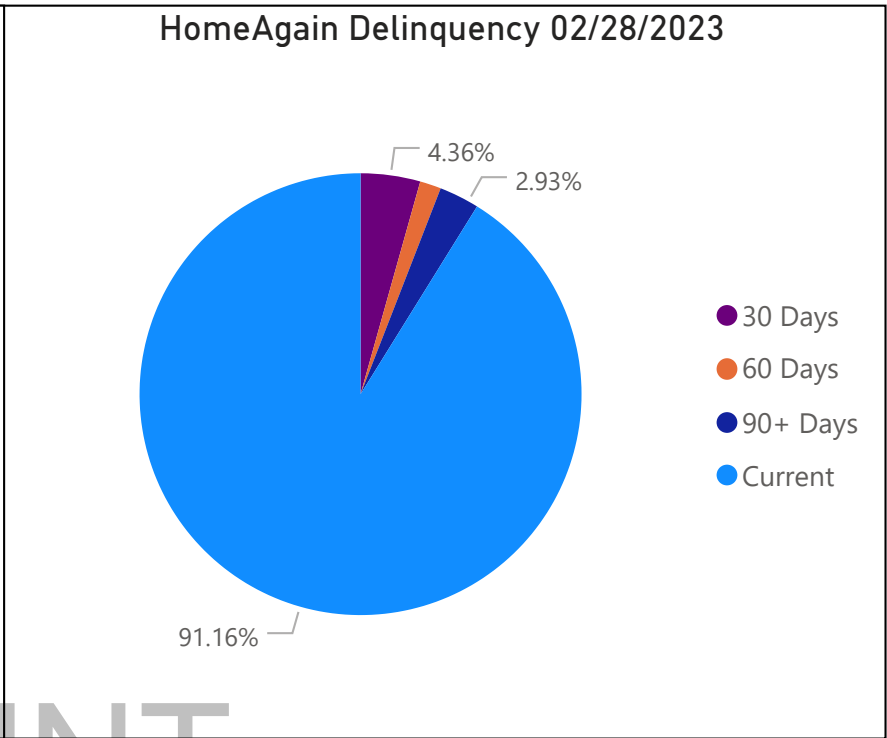
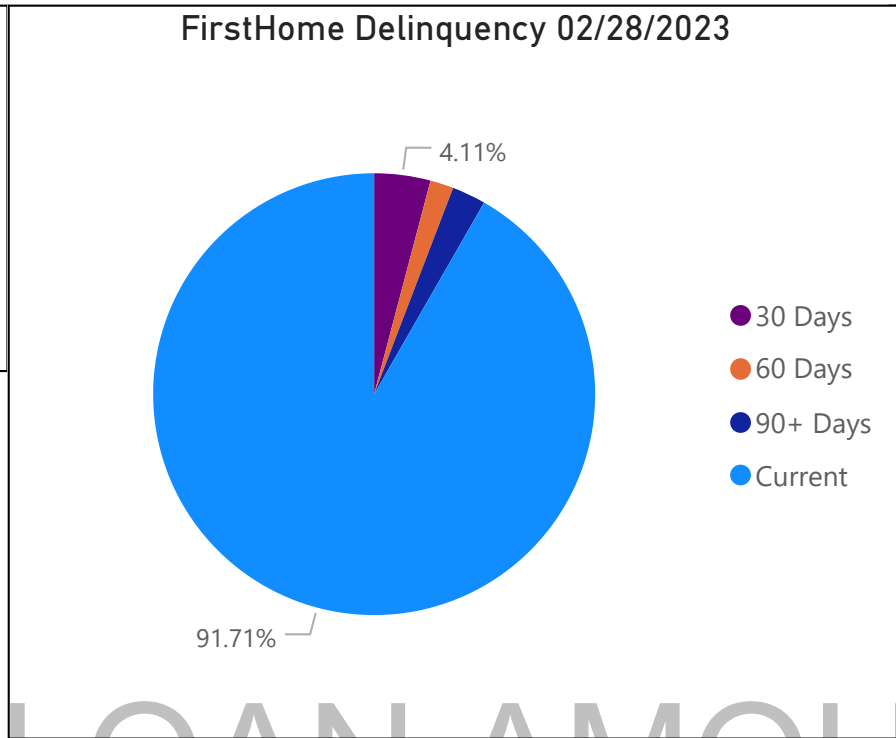
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Last Refreshed (Local)

Data Type: Gross - 1st Mortgages by \$AMT

Loan Program Breakdown	UPB	Percent of Total
FirstHome	\$1,854,799,967.70	53.95%
HomeAgain	\$1,246,036,882.83	36.24%
Score	\$215,327,123.89	6.26%
Conventional	\$121,699,257.73	3.54%
Total	\$3,437,863,232.15	100.00%

DLQ Levels	UPB	Percent of Total
30 Days	\$156,017,623.20	4.54%
60 Days	\$65,163,550.48	1.90%
90+ Days	\$101,626,479.30	2.96%
Current	\$3,115,055,579.17	90.61%
Total	\$3,437,863,232.15	100.00%

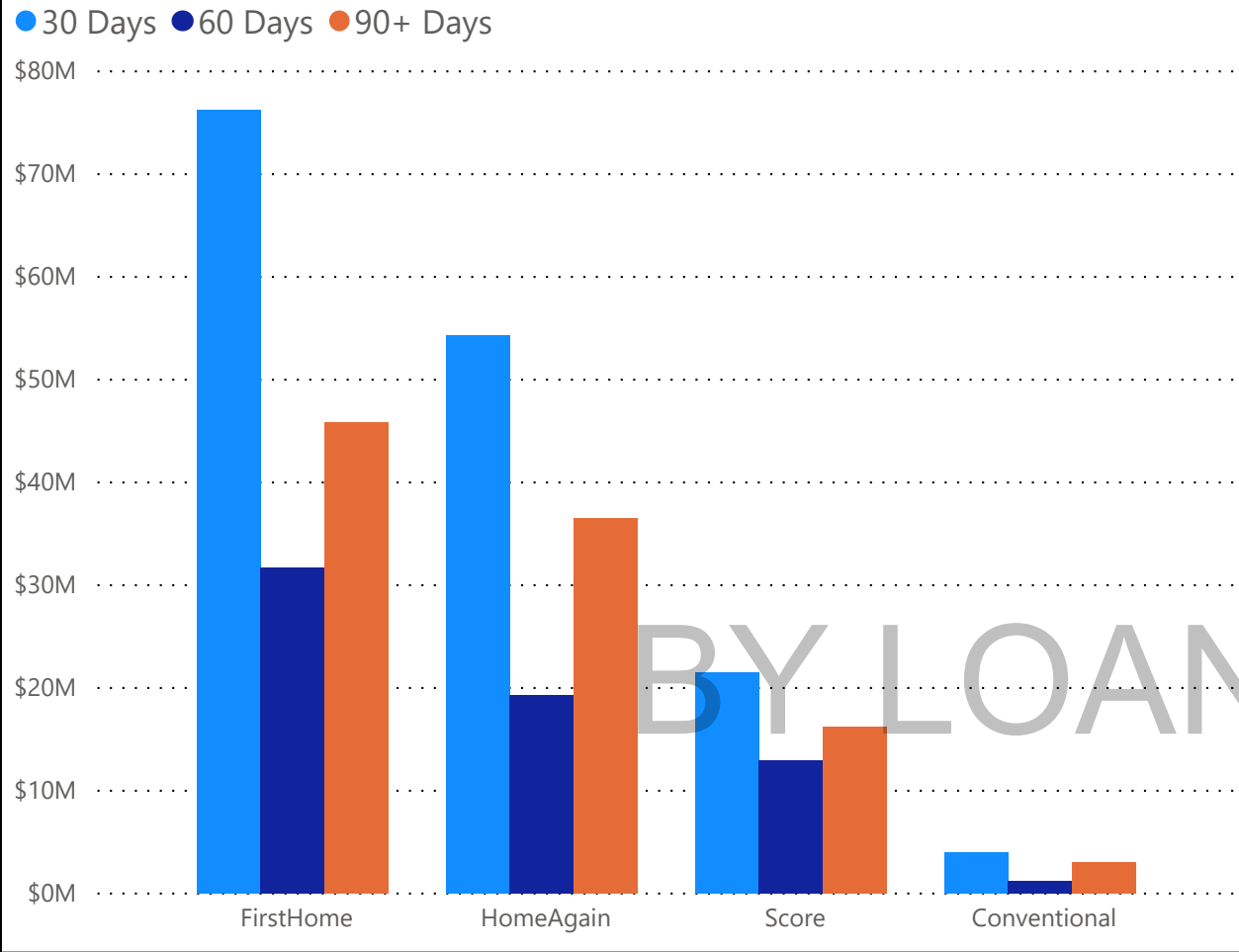


BY LOAN AMOUNT

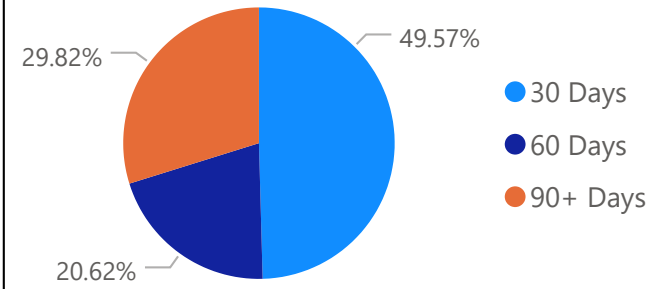
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Data Type: Gross - 1st Mortgages by \$AMT

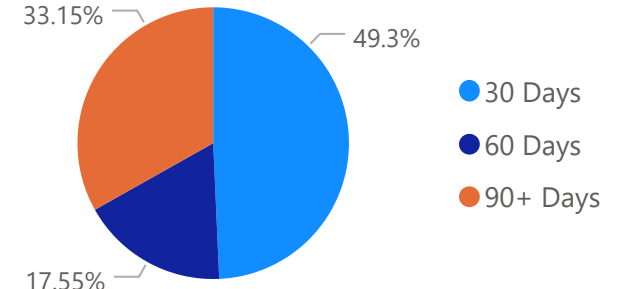
Loan Program Delinquency Breakdown 02/28/2023



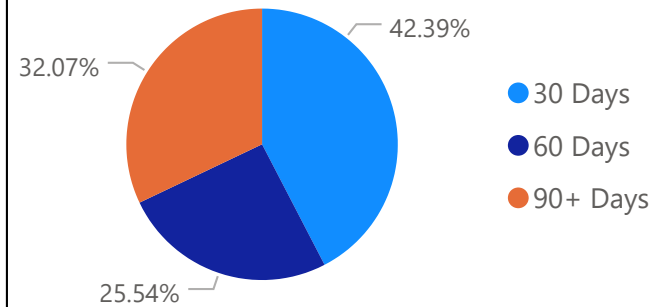
FirstHome Delinquency 02/28/2023



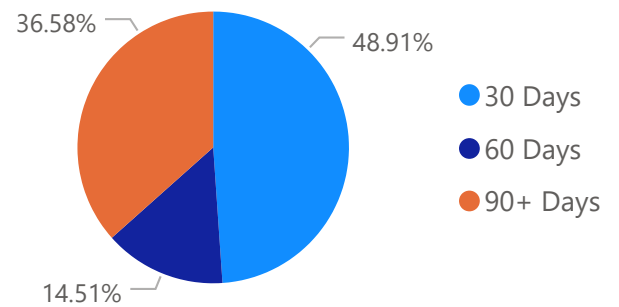
HomeAgain Delinquency 02/28/2023



Score Delinquency 02/28/2023



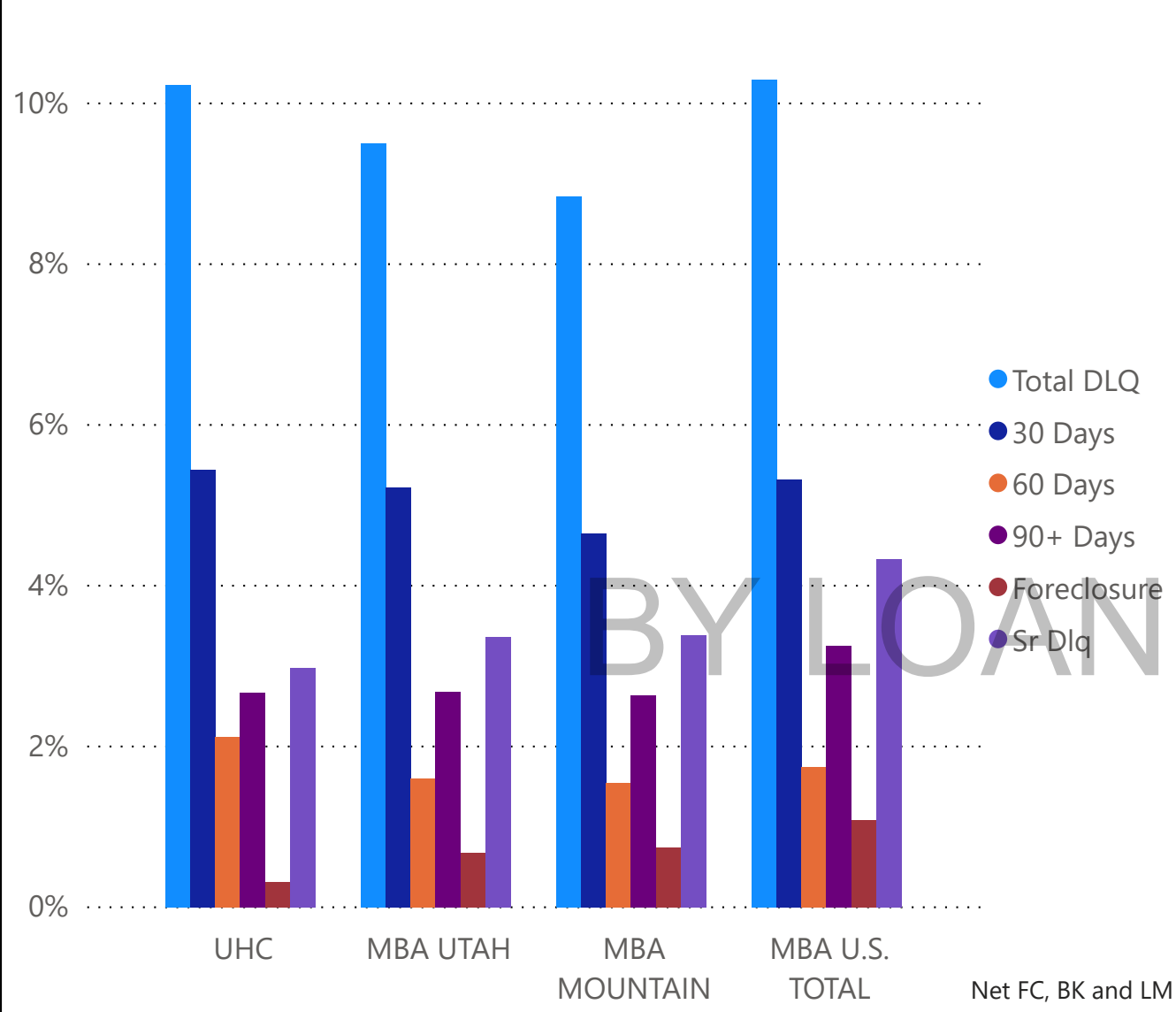
Conventional Delinquency 02/28/2023



Loan Program Breakdown	UPB
FirstHome	\$153,812,130.72
HomeAgain	\$110,121,310.17
Score	\$50,622,698.46
Conventional	\$8,251,513.63
Total	\$322,807,652.98

DLQ Levels	UPB
30 Days	\$156,017,623.20
60 Days	\$65,163,550.48
90+ Days	\$101,626,479.30
Total	\$322,807,652.98

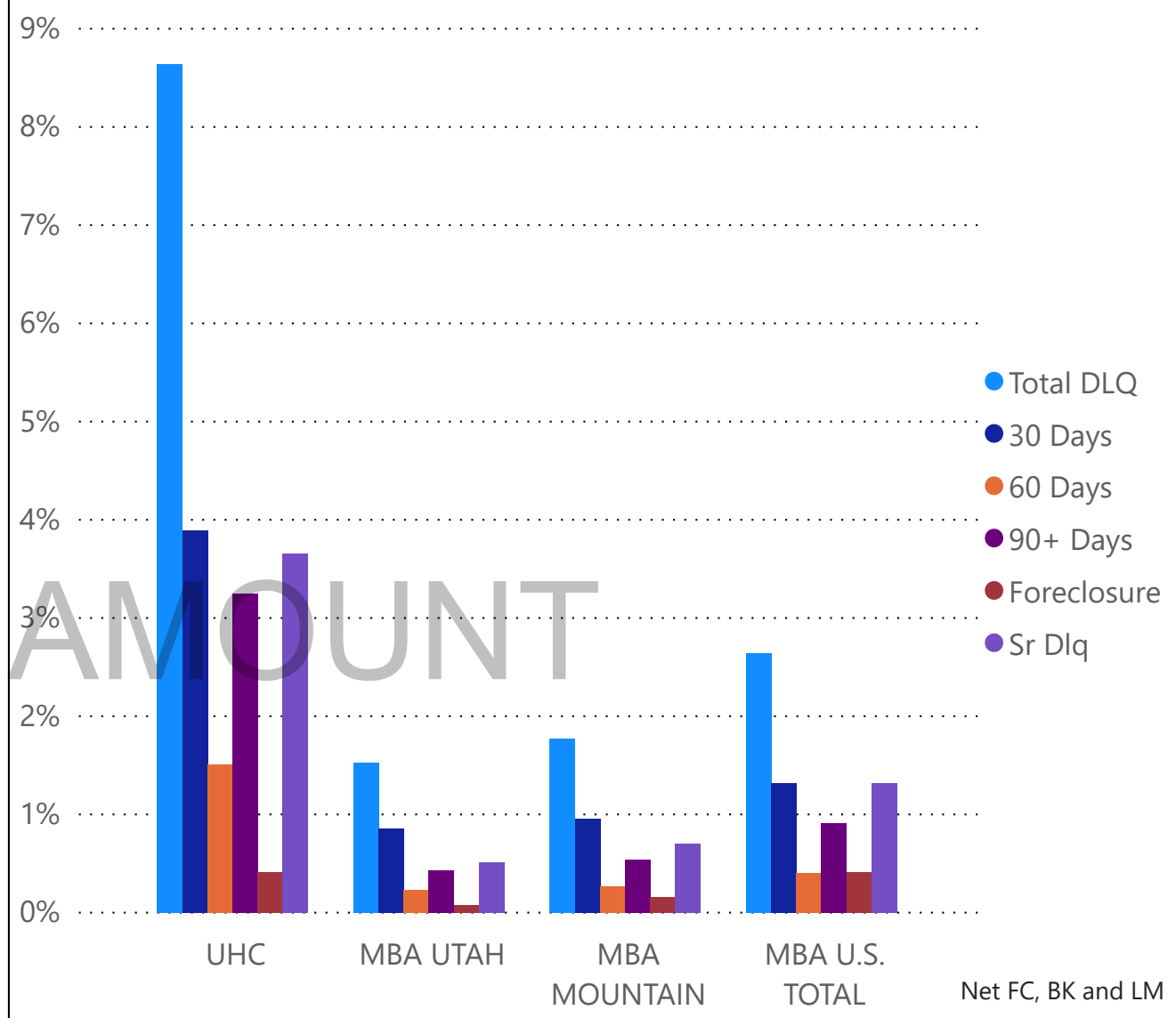
UHC vs MBA Servicing Q4: FHA FRM Loans



Org-Area (groups)	Total DLQ	30 Days	60 Days	90+ Days	Foreclosure	Sr Dlq
UHC	10.23%	5.44%	2.12%	2.67%	0.31%	2.98%
MBA UTAH	9.50%	5.22%	1.60%	2.68%	0.68%	3.36%
MBA MOUNTAIN	8.84%	4.65%	1.55%	2.64%	0.74%	3.38%
MBA U.S. TOTAL	10.30%	5.32%	1.74%	3.25%	1.08%	4.33%

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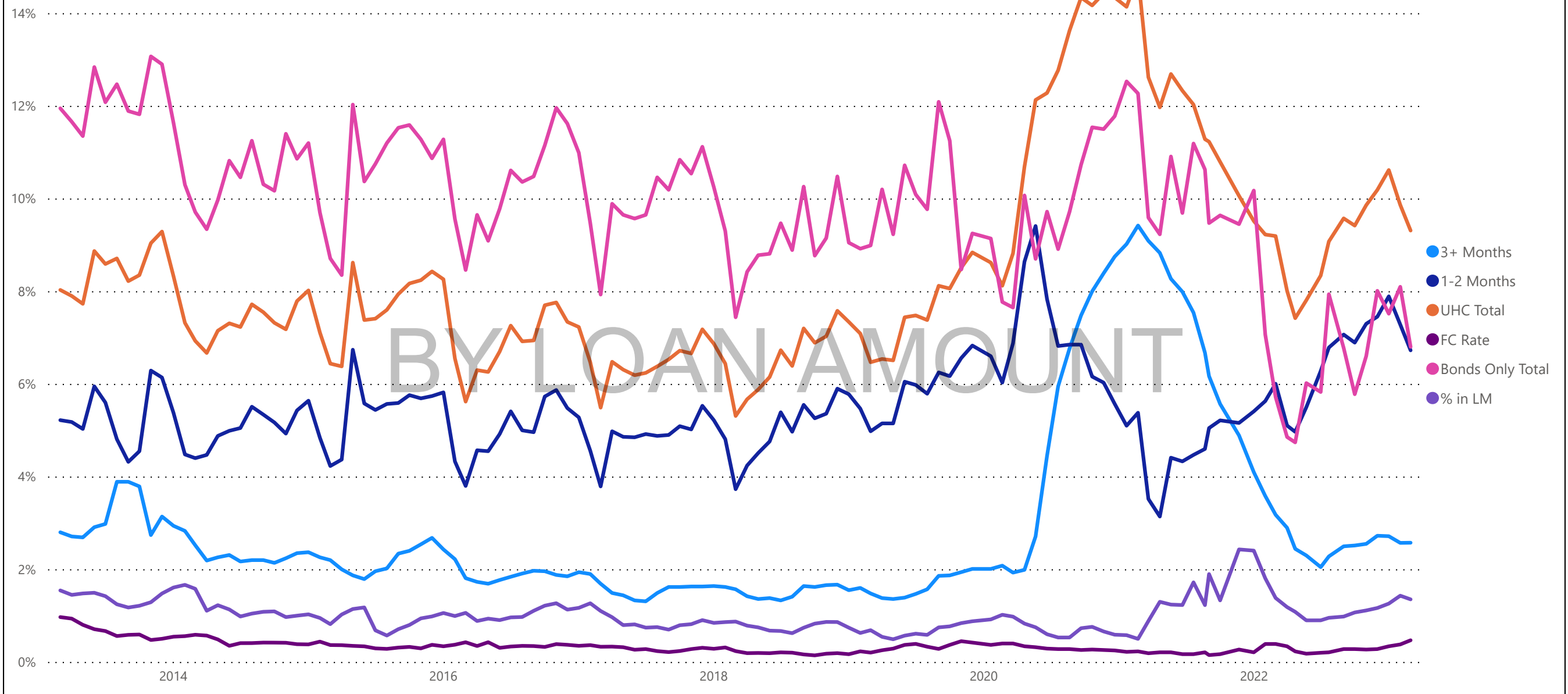
UHC vs MBA Servicing Q4: Conventional FRM Loans



Org-Area (groups)	Total DLQ	30 Days	60 Days	90+ Days	Foreclosure	Sr Dlq
UHC	8.64%	3.89%	1.51%	3.25%	0.41%	3.66%
MBA UTAH	1.53%	0.86%	0.23%	0.43%	0.08%	0.51%
MBA MOUNTAIN	1.77%	0.96%	0.27%	0.54%	0.16%	0.70%
MBA U.S. TOTAL	2.64%	1.32%	0.40%	0.91%	0.41%	1.32%

Data Source: Quarterly Comparison Data

UHC Single Family Delinquency and FC Rates



BY LOAN AMOUNT

2/28/2013 2/28/2023



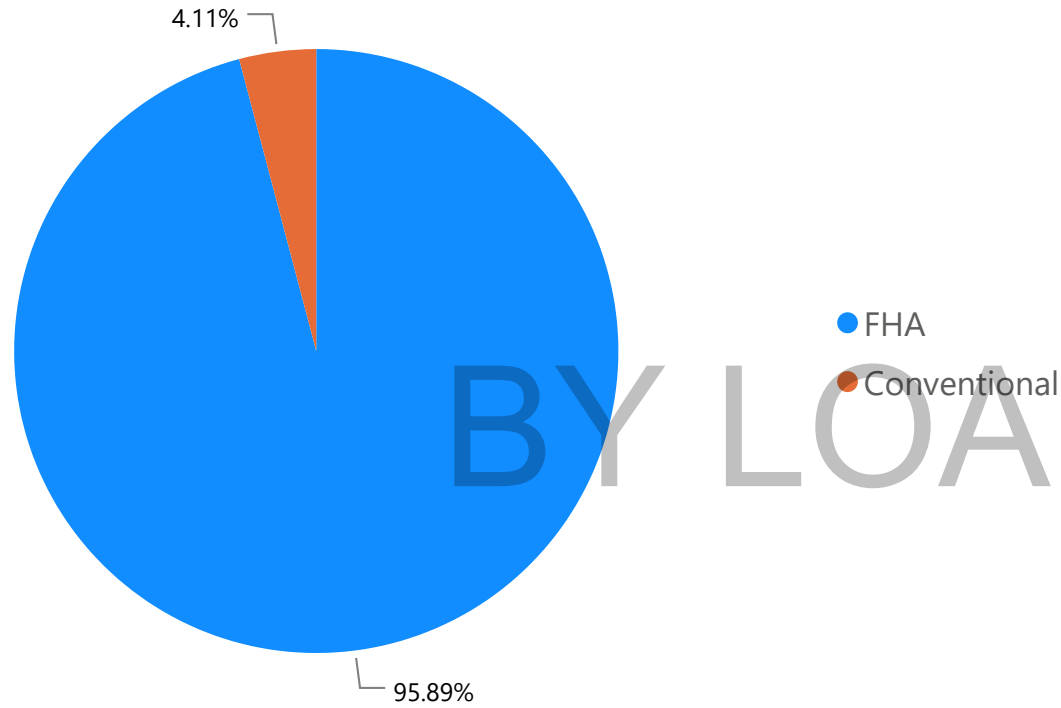
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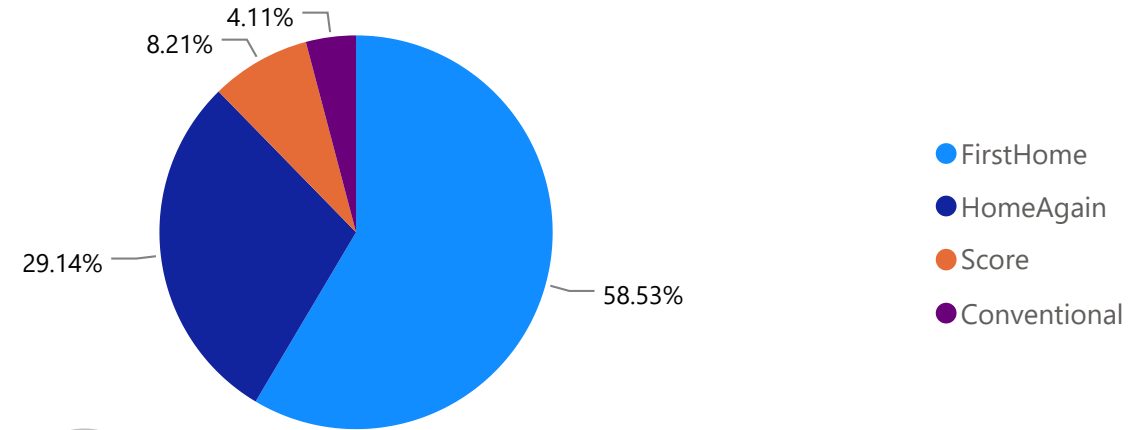
Data Source: EOM DLQ and FC Rates 1992-Current

Utah Housing 1st Mortgage Portfolio Breakdown As of 02/28/2023

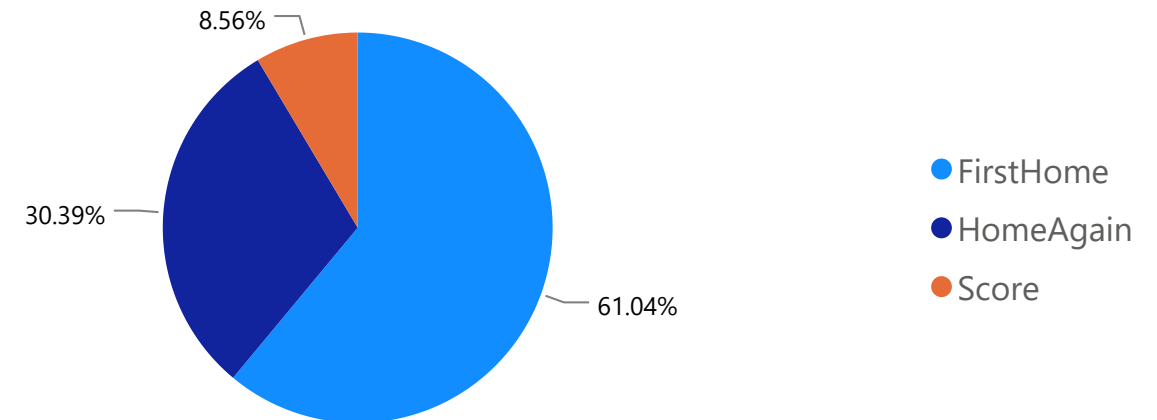
Loan Type by Count



Loan Program by Count



FHA Program by Count



Loan Program Breakdown Count of Loans

FirstHome	8333
HomeAgain	4149
Score	1169
Conventional	585
Total	14236

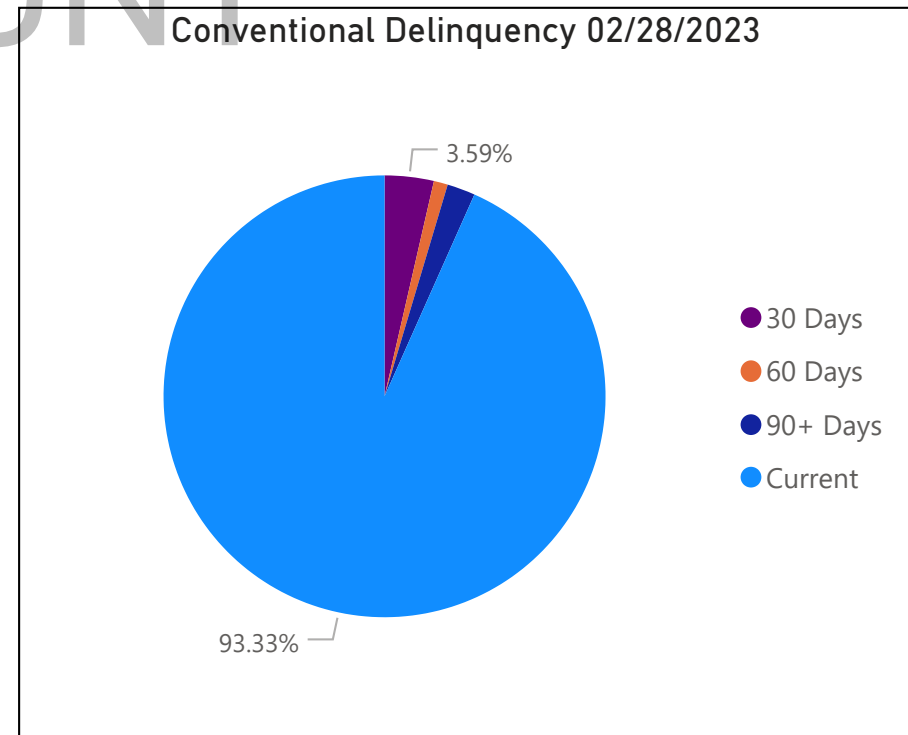
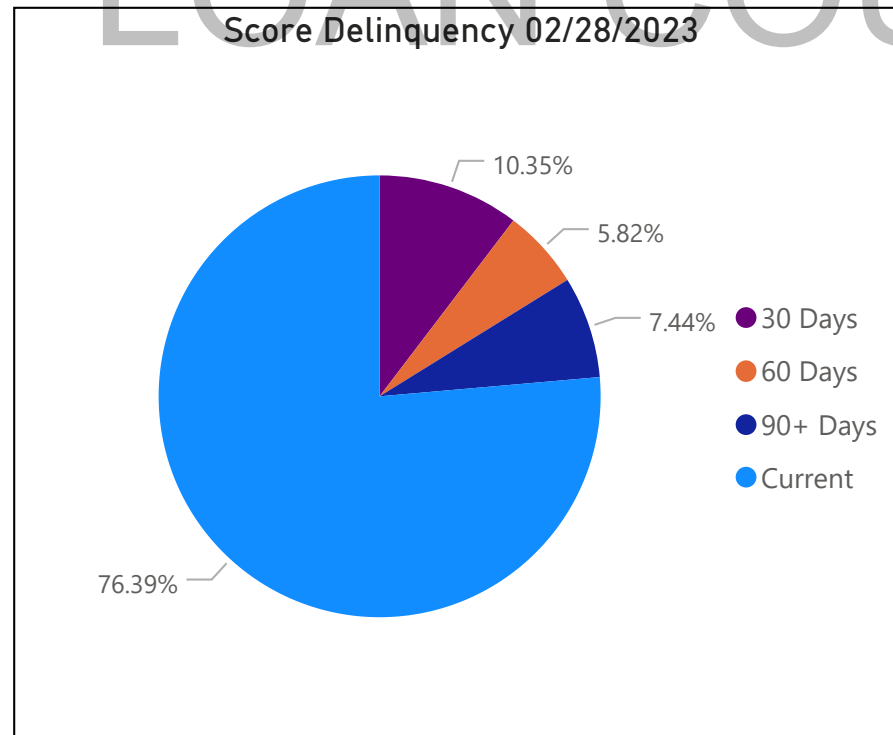
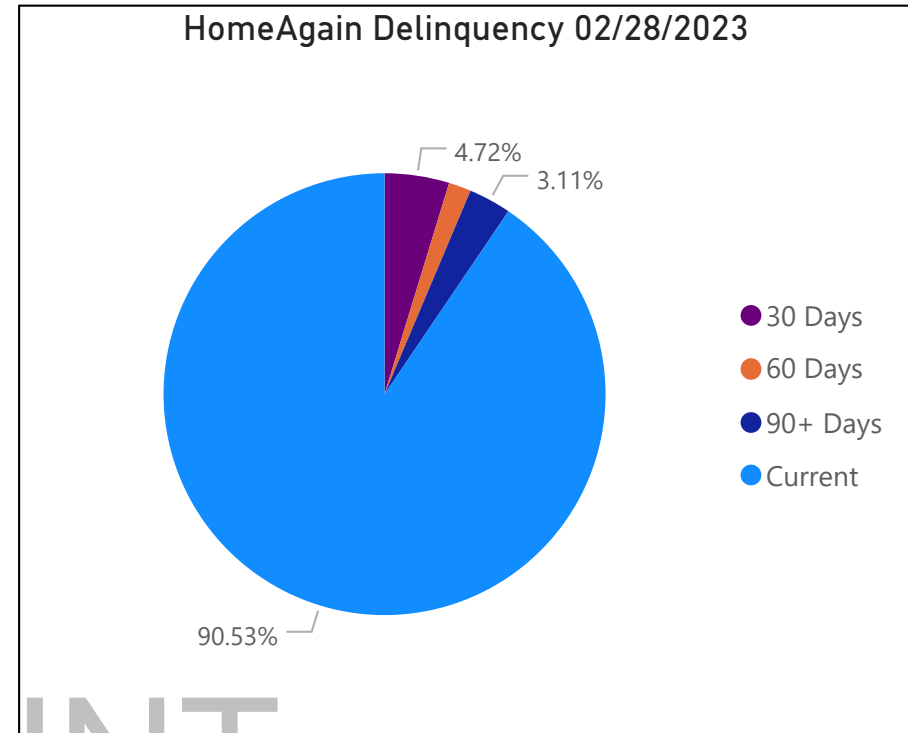
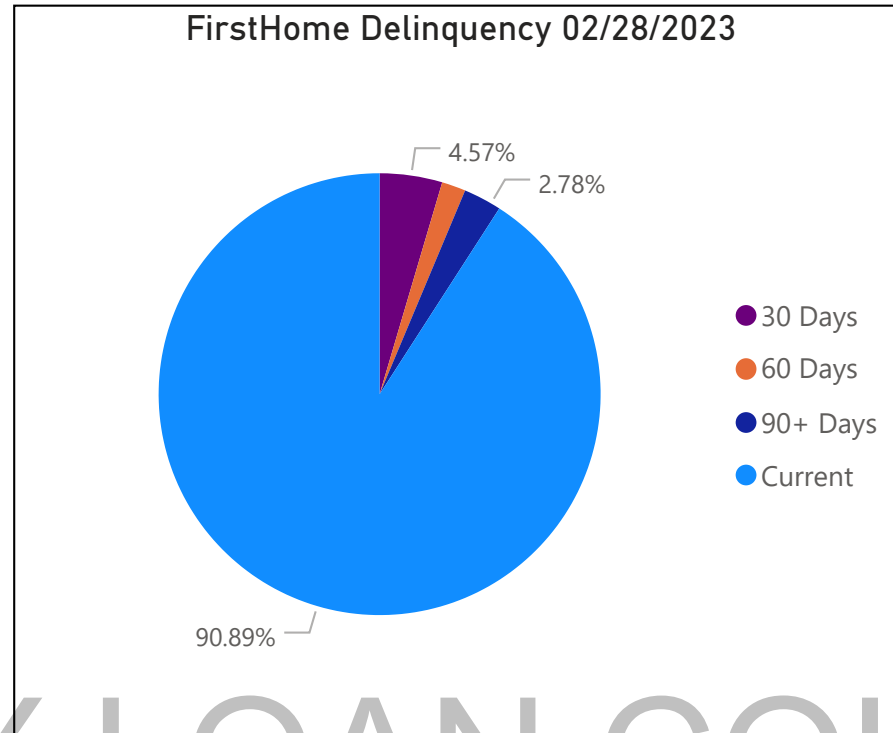
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Last Refreshed (Local)

Data Type: Gross - 1st Mortgages by Loan Count

Loan Program Breakdown	Loan Count	Percent of Total
FirstHome	8333	58.53%
HomeAgain	4149	29.14%
Score	1169	8.21%
Conventional	585	4.11%
Total	14236	100.00%

DLQ Levels	Loan Count	Percent of Total
30 Days	719	5.05%
60 Days	288	2.02%
90+ Days	460	3.23%
Current	12769	89.70%
Total	14236	100.00%

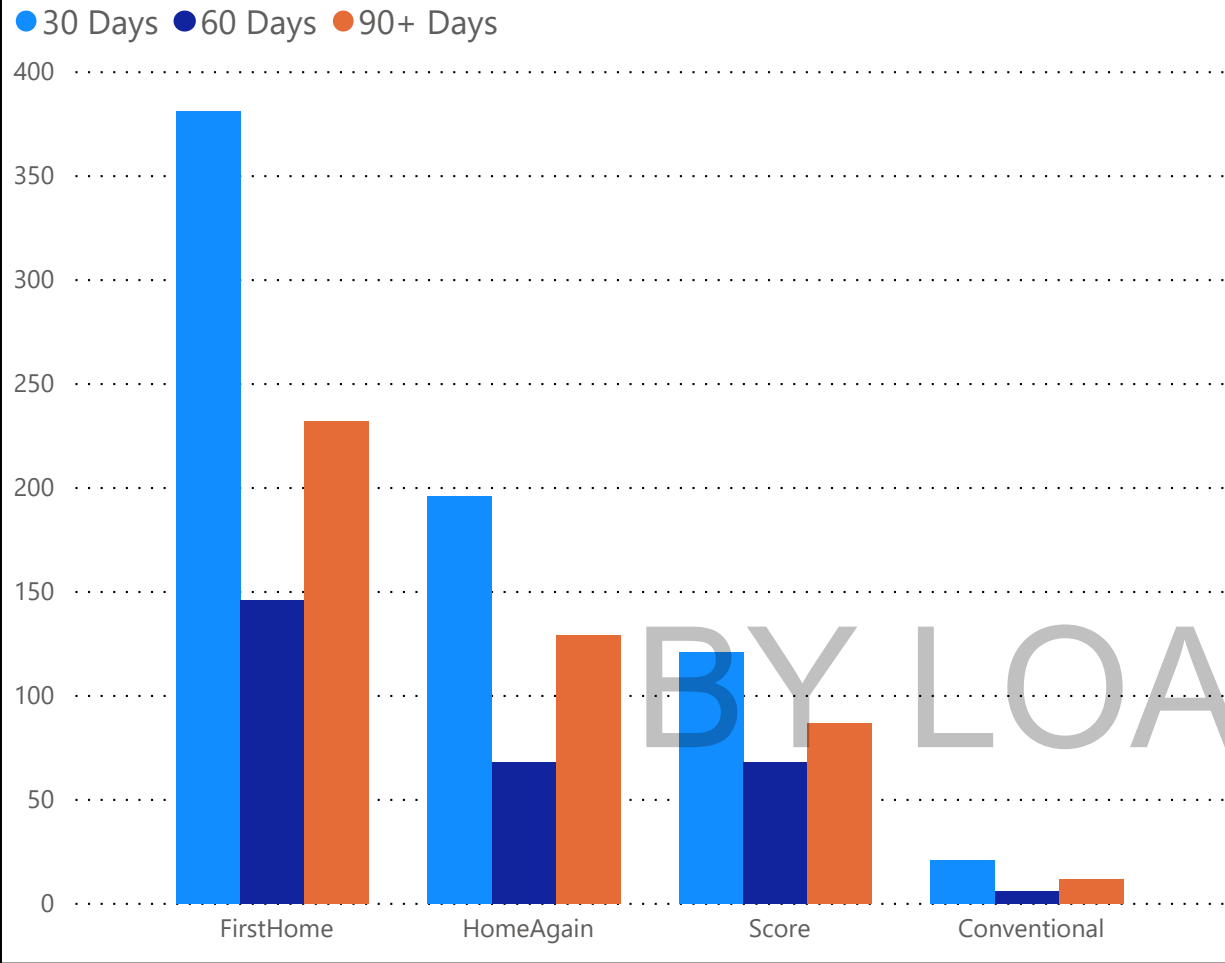


BY LOAN COUNT

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Last Refreshed (Local)

Data Type: Gross - 1st Mortgages by Loan Count

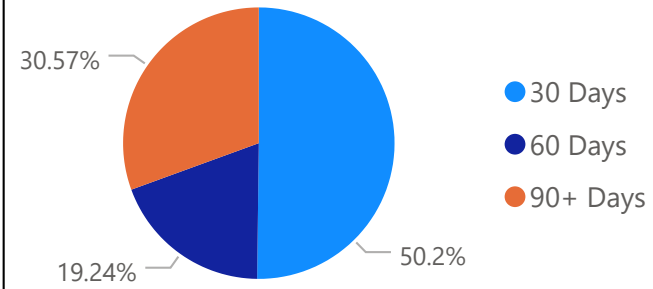
Loan Program Delinquency Breakdown 02/28/2023



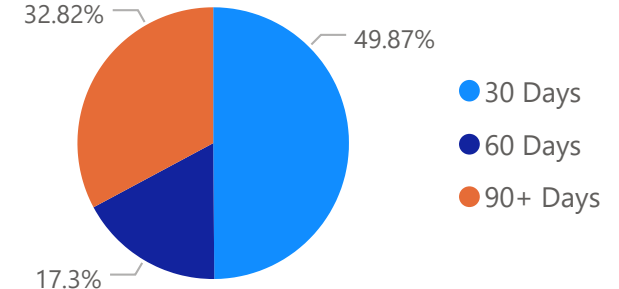
Loan Program Breakdown	Count of Loans
FirstHome	759
HomeAgain	393
Score	276
Conventional	39
Total	1467

DLQ Levels	Count of Loans
30 Days	719
60 Days	288
90+ Days	460
Total	1467

FirstHome Delinquency 02/28/2023



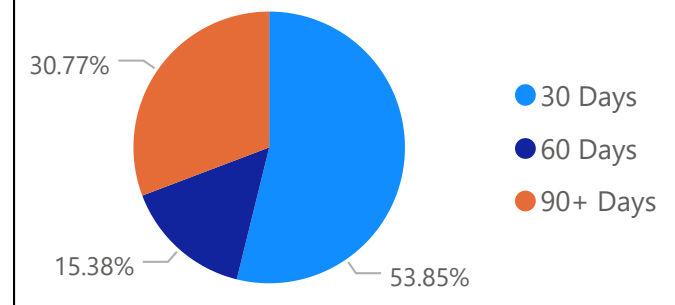
HomeAgain Delinquency 02/28/2023



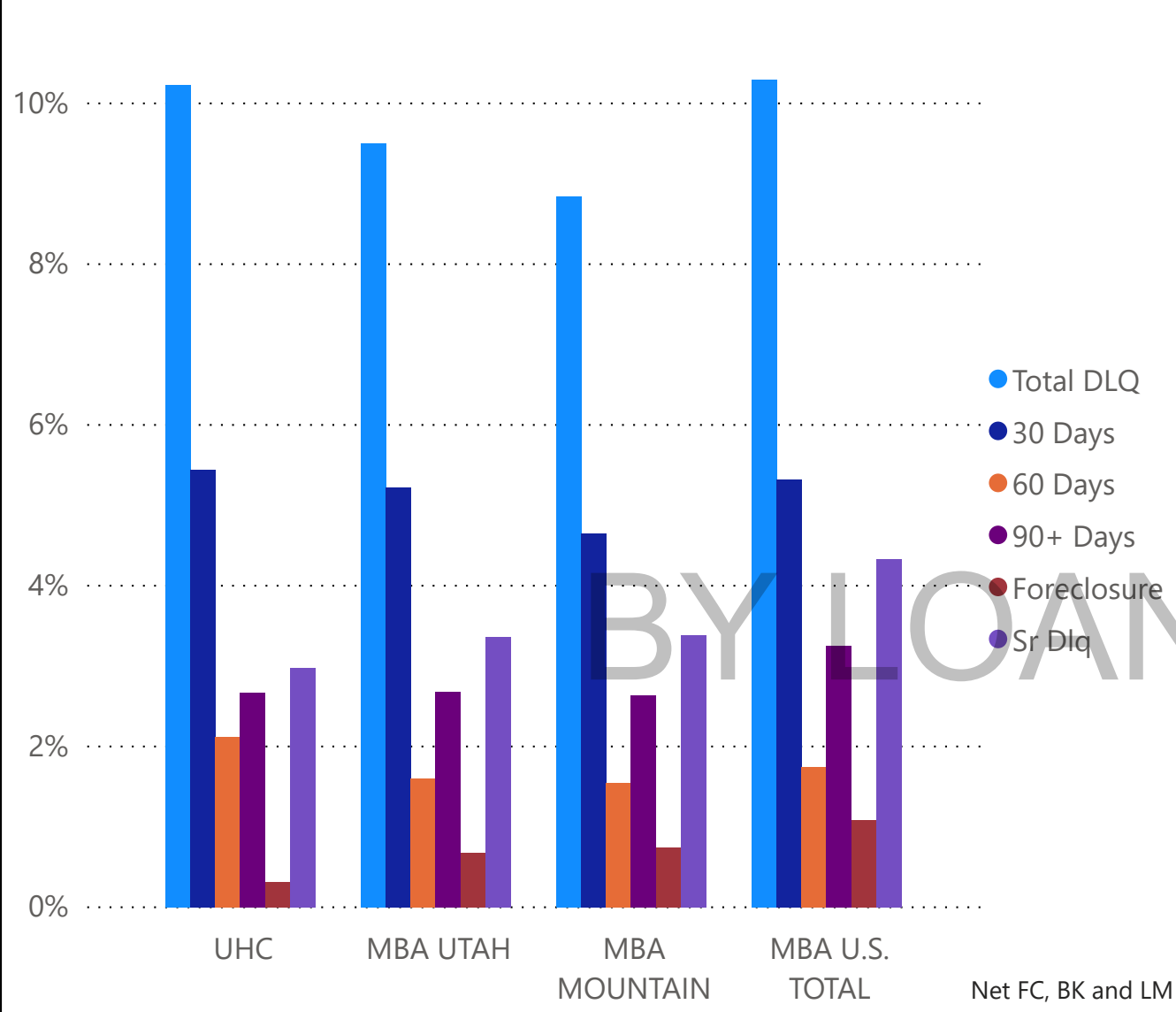
Score Delinquency 02/28/2023



Conventional Delinquency 02/28/2023

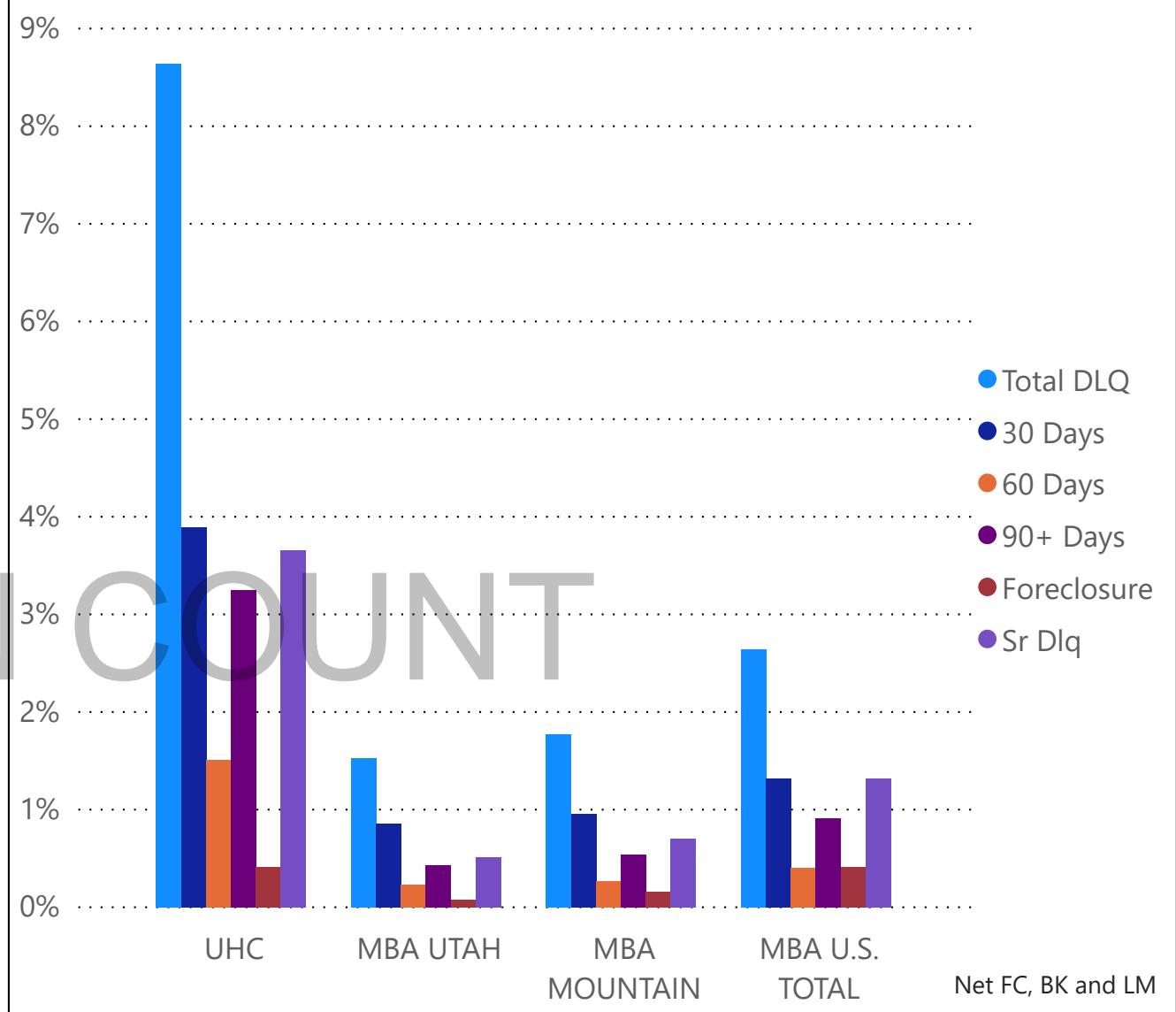


UHC vs MBA Servicing Q4: FHA FRM Loans



Org-Area (groups)	Total DLQ	30 Days	60 Days	90+ Days	Foreclosure	Sr Dlq
UHC	10.23%	5.44%	2.12%	2.67%	0.31%	2.98%
MBA UTAH	9.50%	5.22%	1.60%	2.68%	0.68%	3.36%
MBA MOUNTAIN	8.84%	4.65%	1.55%	2.64%	0.74%	3.38%
MBA U.S. TOTAL	10.30%	5.32%	1.74%	3.25%	1.08%	4.33%

UHC vs MBA Servicing Q4: Conventional FRM Loans

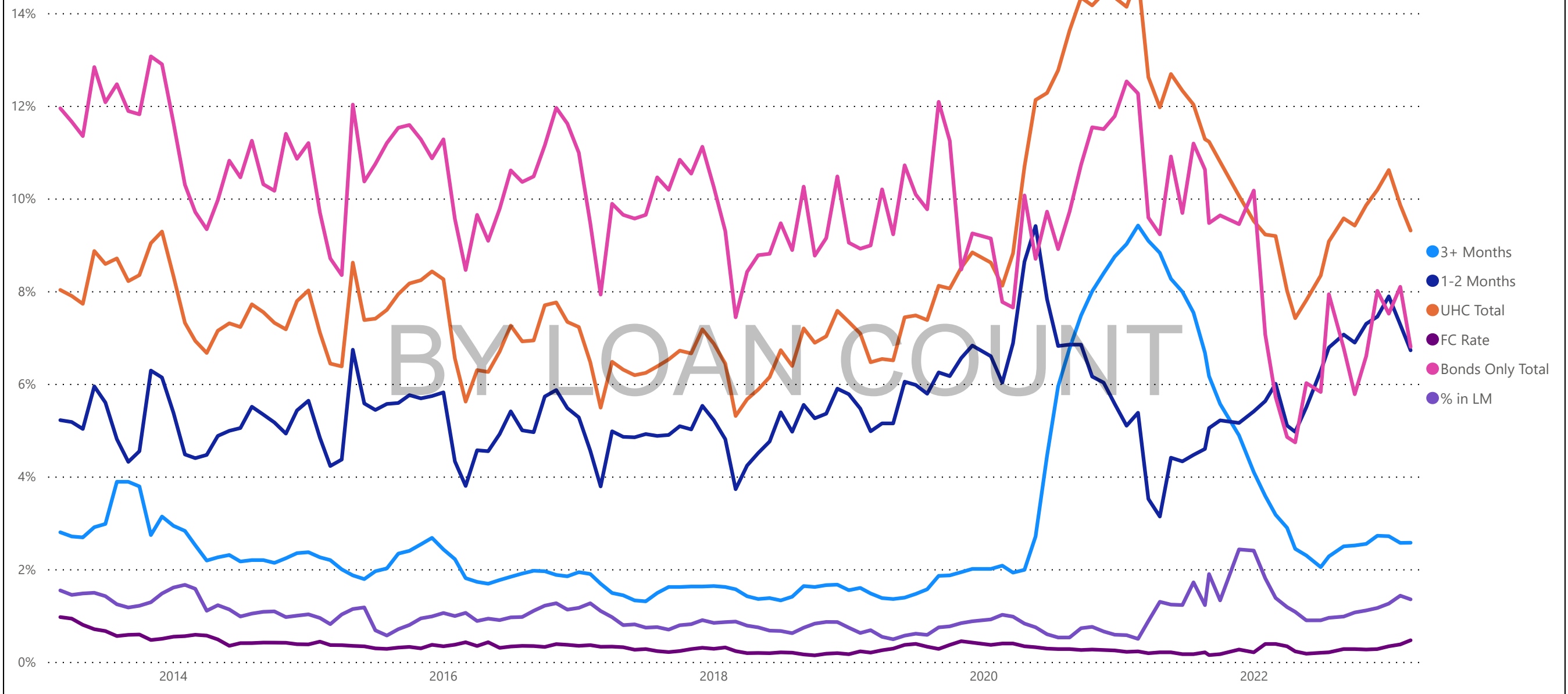


Org-Area (groups)	Total DLQ	30 Days	60 Days	90+ Days	Foreclosure	Sr Dlq
UHC	8.64%	3.89%	1.51%	3.25%	0.41%	3.66%
MBA UTAH	1.53%	0.86%	0.23%	0.43%	0.08%	0.51%
MBA MOUNTAIN	1.77%	0.96%	0.27%	0.54%	0.16%	0.70%
MBA U.S. TOTAL	2.64%	1.32%	0.40%	0.91%	0.41%	1.32%

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Last Refreshed (Local)

Data Source: Quarterly Comparison Data

UHC Single Family Delinquency and FC Rates



2/28/2013 2/28/2023



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Last Refreshed (Local)

Data Source: EOM DLQ and FC Rates 1992-Current

Active FHA Portfolio as of 01/31/2023

