



**Board Meeting
Tentative Agenda
December 2, 2015, 11:00 a.m.**

**Presentation Room
2015 Grand Ave.
Des Moines, Iowa**

I. Consent Agenda

- Approval of Minutes of the November 4, 2015, IFA Board Meeting
- ED 15-15, Wellmark YMCA Aquatic Center Project
- WQ 15-20, SRF Planning and Design Loans
- WQ 15-21, SRF Construction Loans
- AG 15-075A, Neil A. Ellensohn
- AG 15-076A, Jonathan E. and Anne R. Ball
- AG 15-077A, Kyle A. and Shellina Herink
- AG 15-078A, Josh Van Kekerix
- AG 15-079A, Ben Van Kekerix
- AG 15-080A, Brock T. Fister
- AG 15-081A, James Thompson
- AG 15-082A, Kenneth L. Gansz
- AG 15-083A, Michael D. Bucheit

- AG 15-084A, Kyla S. and Bret Cox
- AG 15-085A, Michael and Randi Grevengoed
- AG 15-086A, Eric M. and Angela M. Sieh
- AG 15-087A, Neric D. and Shawna R. Smith
- AG 15-088A, Craig E. Schweer
- AG 15-089A, Ashley and Kyle Moon Bushman
- AG 15-090A, Curtis B. Kuehl
- AG 15-091A, Jacob F. Schulte
- AG 15-092A, Nicholas J. and Carlyn Lechtenberg
- 04359M, Beau M. Romsey
- AG-LP 15-10, Loan Participation Program
- AG-TC 15-12, Beginning Farmer Tax Credit Program

II. Administration

- **Executive Director's Report**
- **Accounting and Finance**
 - ◆ Presentation of FY15 Financial Audit by KPMG
 - ◆ October Financial Statement
 - ◆ FIN 15-12, Revolving Line of Credit to Warehouse Single Family Loans
 - ◆ FIN 15-13, Single Family Reimbursement

III. Housing Iowa

- HI 15-15, Local Housing Trust Fund Awards
- HI 15-16, City View Settlement

IV. Community Development

- **Economic Development**
 - ◆ ED 15-10B, Western Home Community Project
 - ◆ ED 15-12B, Claremont's Ramsey Village Project
 - ◆ ED 15-13B, UnityPoint Health Series 2006 Refunding Project
 - ◆ ED 15-14B, UnityPoint Health Series 2009 A/B Refunding

● **Iowa Agriculture Development Division**

- ◆ AG 15-075B, Neil A. Ellensohn
- ◆ AG 15-076B, Jonathan E. and Anne R. Ball
- ◆ AG 15-077B, Kyle A. and Shellina Herink
- ◆ AG 15-078B, Josh Van Kekerix
- ◆ AG 15-079B, Ben Van Kekerix
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- ◆ AG 15-091B, Jacob F. Schulte
- ◆ AG 15-092B, Nicholas J. and Carlyn Lechtenberg

V. Title Guaranty

- **Transfer of Funds**

VI. Miscellaneous Items

- Receive Comments from General Public – 5 min./person: 30 min. total time

VII. Adjournment

Items on the consent agenda may be removed from the consent agenda for separate consideration at the request of any Board member. Agenda items may be taken out of order at the discretion of the Board Chair.



BOARD MEETING MINUTES

**Iowa Finance Authority
2015 Grand Ave
Des Moines, Iowa
November 4, 2015**

Board Members Present

Ruth Randleman, Chair
Darlys Baum
Jane Bell

Joan Johnson
Jeff Heil
Michel Nelson, Treasurer
Eric Peterson

Board Members Absent

David Greenspon
Shaner Magalhães

Staff Members Present

David Jamison, Executive Director
Jess Flaherty, Executive Assistant/
Recording Secretary
Cindy Harris, Chief Financial Officer
Tammy Nebola, IA AG Program Specialist
Steve Harvey, Accounting Director
Ashley Jared, Communications Director
Amber Lewis, Homeless Programs Coordinator

Carolann Jensen, Chief Programs Officer
Katie Kulisky, LIHTC Administrative Assistant
Tim Morlan, Underwriter
Terri Rosonke, HousingIowa Development
Specialist
Mark Thompson, General Counsel
Wes Peterson, Director of Government Relations
Tara Lawrence, Iowa Title Guaranty Director

Others Present

James Smith, Dorsey & Whitney
Ron Robinson, LSA

David Grossklaus, Dorsey & Whitney
Mike Mclain, ILTA

Call to Order

Chair Randleman called to order the November 4, 2015, regular monthly meeting of the Iowa Finance Authority (IFA) Board of Directors at 11:03 a.m. Roll call was taken, and a quorum was established with the following Board members present: Randleman, Baum, Heil, Johnson, Peterson, Bell, and Nelson.

Consent Agenda

Chair Randleman introduced the consent agenda and asked if anyone wanted to request items be removed.

MOTION: There being no objections, Ms. Bell made a motion to approve the items on the consent agenda, which included the following:

- Approval of Minutes of the October 7, 2015, IFA Board Meeting
- AG 15-064A, Scott W. Brockman
- AG 15-066A, Boderic A. Higgins
- AG 15-067A, Dustin E. and Shonna Lampe
- AG 15-068A, Noah P. and Sky M. Hahn
- AG 15-069A, Aaron M. Adam
- AG 15-070A, Jacob and Chelsea Lohmann
- AG 15-071A, Matthew M. and Sarah M. Stoutner
- AG 15-072A, Brent and Amy VandenTop
- Ag 15-073A, Corey L. Plendl
- AG 15-074A, Laura L. Lunders
- AG-LP 15-09, Loan Participation Program
- AG-TC 15-11, Beginning Farmer Tax Credit Program
- ED 15-13, UnityPoint Health Series 2006 Refunding Project
- ED 15-14, UnityPoint Health Series 2009 A/B Refunding
- WQ 15-18, SRF Planning and Design Loans
- WQ 15-19, SRF Construction

On a second by Mr. Peterson, the Board unanimously approved the items on the consent agenda.

Administration

EXECUTIVE DIRECTOR'S REPORT

Director Jamison updated the Board about a recent breakfast with presidential candidate, Rick Santorum and local leaders to discuss housing. He also reported that he had attended a few LIHTC ground breakings in the last month.

ACCOUNTING AND FINANCE

September Financial Statement

Mr. Harvey presented the September 2015 financial results. He said that as a housing agency, year-to-date net operating income before grants of \$1,907,699 is favorable to budget by \$1,093,594.

The State Revolving Fund year-to-date net operating income after grants of \$20,131,546 is favorable to budget by \$9,357,609.

MOTION: On a motion by Ms. Baum and a second by Mr. Peterson, the Board unanimously approved the September Financial Statement.

COMMUNICATIONS

Ms. Jared gave a brief update on the House Hunt contest that was held over the summer and reported that the winner was Amanda Blair. She reminded the Board that the Iowa Title Guaranty Fall Conference was being held on November 12 at Prairie Meadows in Altoona.

HousingIowa

HI 15-14, Shelter Assistance Fund Program Awards

Ms. Lewis stated that there was \$900,937 in funding available for grants this year. She reported that IFA received 23 applications and was recommending funding 21 of the 23 applications received. Ms. Lewis requested Board action on HI 15-14, Shelter Assistance Fund Program Awards.

MOTION: On a motion by Mr. Peterson and a second by Ms. Bell, the Board unanimously approved resolution HI 15-14.

Community Development

COMMUNITY DEVELOPMENT

ED 14-03B, ESW RURAL DEVELOPMENT PROJECT

Ms. Nebola stated that this is a resolution amending the authorizing resolution for the issuance on an amount not to exceed \$3,830,000 of Iowa Finance Authority Multifamily Housing Revenue Bonds for the ESW Rural Development Project in several locations. The bonds will be used for the acquisition and rehabilitation of 79 units for seniors in Earlham, Stuart, and Winterset. This project will also use 4% LIHTC and will need an allocation of Private Activity Bond Cap. The inducement resolution was adopted on April 9, 2014, for \$3,325,000. This resolution increases the original amount. Ms. Nebola requested Board action on ED 14-03B.

MOTION: On a motion by Mr. Peterson and a second by Ms. Bell, the Board unanimously approved resolution ED 14-03B.

ED 11-12B-1, GMT CORPORATION PROJECT

Ms. Nebola stated that this is a resolution authorizing amendments to loan agreements for \$10,741,000, of Midwestern Disaster Area bonds issued in 2011 for the GMT Corporation Project in Waverly. This resolution allows for amendments to the Equipment Loan Agreement and the Real Estate Loan agreement to provide additional security for the lender, amend certain covenants of the borrower and extend certain bond payments. Ms. Nebola requested Board action on ED 11-12B-1.

MOTION: On a motion by Ms. Bell and a second by Mr. Peterson, the Board unanimously approved resolution ED 11-12B-1.

IOWA AGRICULTURAL DEVELOPMENT DIVISION (IADD)

AG 15-064B, SCOTT W. BROCKMAN

AG 15-066B, BODERIC A. HIGGINS

AG 15-067B, DUSTIN E. AND SHONNA LAMPE

AG 15-068B, NOAH P. AND SKY M. HAHN

AG 15-069B, AARON M. ADAM

AG 15-070B, JACOB AND CHELSEA LOHMANN

AG 15-071B, MATTHEW M. AND SARAH M. STOUTNER

AG 15-072B, BRENT AND AMY VANDENTOP

AG 15-073B, COREY L. PLENDL

AG 15-074B, LAURA L. LUNDERS

Ms. Nebola introduced the resolutions for the IADD and asked for Board action.

MOTION: On a motion by Mr. Peterson and a second by Ms. Baum, the Board unanimously approved the resolutions.

Iowa Title Guaranty

TG 15-01, ADMINISTRATIVE RULES, CHAPTER 9: REGULATORY ANALYSIS

Mr. Thompson presented and outlined the Regulatory Analysis. He stated that this analysis was allowed as part of the administrative rules process. He requested approval of the analysis.

MOTION: On a motion by Ms. Bell and a second by Mr. Peterson, the Board unanimously approved TG 15-01, Chapter 9 Regulatory Analysis.

Iowa Title Guaranty Update

Ms. Lawrence gave a brief update to the board reporting that both residential and commercial volume had been excellent. She also stated that ITG would be releasing a new electronic payment portal at the beginning of the year to streamline the payment process for their customers.

Miscellaneous

Receive Comments from General Public

Chair Randleman opened the public comment period and asked if anyone in the audience would like to address the Board.

No members of the audience requested to speak. Chair Randleman closed the public comment period.

Adjournment

On a motion by Mr. Nelson and a second by Mr. Peterson, the November 4, 2015, regular monthly meeting of the IFA Board of Directors adjourned at 11:29 a.m.

Dated this 2nd day of December 2015.

Respectfully submitted:

Approved as to form:

David D. Jamison
Executive Director/Board Secretary

Ruth Randleman, Chair
Iowa Finance Authority



IOWA FINANCE
AUTHORITY

To: IFA Board of Directors
From: Lori Beary, Community Development Director
Date: 11/19/15
Re: Economic Development and Water Quality

Consent Agenda

Economic Development Bond Program

ED Loan #15-15, Wellmark YMCA Aquatic Center Project

This is an application for \$10,000,000 of Iowa Finance Authority Wellness and Recreation Facility Revenue Bonds for the Wellmark YMCA Aquatic Center Project. The bonds will be used to construct an aquatic center as an addition to the Wellmark YMCA in Des Moines. The aquatic center will consist of a 50-meter pool with bleacher seating for 1500 and a small teaching and therapy pool. Wellmark YMCA is a 501 c(3) non-profit corporation.

State Revolving Fund

SRF Planning and Design Loans - WQ 15-20

This is a resolution to approve a \$400,000 SRF Planning and Design Loan for the city of Tiffin. P&D loans have 0% interest for up to 3 years to help communities with the costs during the planning and design phase of their wastewater or drinking water project. P&D Loans are either rolled into an SRF construction loan or repaid when other permanent financing is acquired.

SRF Construction Loans - WQ 15-21

This is a resolution to approve SRF Construction Loans for a total amount of \$5,601,000 for the cities of Fort Madison and West Liberty. SRF loans have an interest rate of 1.75% for 20 years or 2.75% for 30 years.

RESOLUTION
ED15-15A

Approving an Application for \$10,000,000
Iowa Finance Authority Wellness and Recreation Facility Revenue Bonds
(Wellmark YMCA Aquatic Center Project), Series 2015
For Young Men's Christian Association of Greater Des Moines (the "Borrower")

And Evidencing the Intent to Proceed with the Issuance of
\$10,000,000 Wellness and Recreation Facility Revenue Bonds

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa (the "Act") to issue bonds and notes for the purpose of financing or refunding the cost of certain projects defined in the Act that further the development and expansion of family farming, soil conservation, housing, and business in the State; and

WHEREAS, the Authority has received the Economic Development Loan Program Application set forth in Exhibit A attached hereto (the "Application") which Application is incorporated herein as though set out here in full; and

WHEREAS, the Application is a request that the Authority issue its Wellness and Recreation Facility Revenue Bonds in an amount not to exceed \$10,000,000 (the "Bonds") and loan the proceeds from the sale of the Bonds to the Borrower listed in the Application for the purposes stated therein (the "Project"); and

WHEREAS, the Authority and the Borrower desire to comply with the requirements of Treasury Regulation 1.150-2 (the "Regulations") with respect to the Project;

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Approval of Application. The Application is hereby approved, and the Executive Director of the Authority is authorized to notify the Borrower of such approval.

Section 2. Reimbursement from Bond Proceeds. Based upon representations of the Borrower, the Authority declares (a) that the Borrower proposes to undertake the Project, (b) that except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5% of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20% of the issue price of the Bonds, and (iii) other expenditures made not earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Borrower and no expenditures will be made by the Borrower until after the date hereof, and (c) the Borrower reasonably expects to reimburse the expenditures made for costs of the Project with the proceeds of the Bonds. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. Intent to Issue Bonds. It is hereby determined necessary and advisable that the Authority proceed with the issuance and sale of the Bonds as permitted by the Act and that the Authority hereby declares its intent to issue the Bonds to finance the Project, and that

such actions will be taken by the Authority as may be required by the Act to authorize, issue and sell the Bonds.

Section 4. Execution and Approval of Agreements. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bonds. The Authority's Program Counsel and/or General Counsel shall approve all agreements to be entered into in connection with the issuance of the Bonds, and such agreements shall be authorized and approved after due consideration by the Authority prior to their execution by the Authority.

Section 5. Notice and Governor Approval. The Executive Director, and the staff of the Authority are directed, on behalf of the Authority, to publish notice of the proposal to issue the Bonds, to conduct a public hearing on such proposal and, following such hearing, obtain the approval of the Governor as the chief elected executive officer, all as required by Section 147(f) of the Internal Revenue Code of 1986, as amended.

Section 6. Preliminary Official Statement. The Executive Director and the staff of the Authority are authorized to cooperate in the preparation of a preliminary official statement with respect to the Bonds, and that the Executive Director is authorized to execute and deliver such certificates to comply with SEC Rule 15c2-12 in connection with the offer, sale and issuance of the Bonds.

Section 7. Further Actions. The officers, Executive Director and Program Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and purpose of this Resolution, the accomplishment of the Project and the sale and issuance of the Bonds.

Section 8. Not Obligations of the Authority. The Bonds, when issued, shall be limited obligations payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Borrower, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of, or claim against, the State of Iowa or the Authority or a charge against their general credit or general funds.

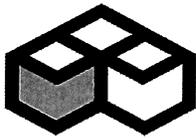
Section 9. Costs. It is to be understood that the Borrower shall pay all reasonable and necessary costs, including costs of counsel, and expenses of the Authority related to the Bonds and the Project.

Section 10. Repealer. All resolutions, parts of resolutions, and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

David D. Jamison, Secretary

(Seal)



IOWA FINANCE AUTHORITY

David D. Jamison, Executive Director
2015 Grand Avenue
Des Moines, Iowa 50312
(515) 725-4900 - (800) 432-7230

FOR IFA USE ONLY

Project No. EDIS15
Application Received 10/29/15
Application Fee Received? [X]
Volume Cap? [] Yes [X] No
Amount of Request \$ 10,000,000

Application forms can be obtained from the Authority's website at www.IowaFinanceAuthority.gov

ECONOMIC DEVELOPMENT BOND APPLICATION

Part A - Borrower Information

- 1. Project Name: Wellmark YMCA Aquatic Center
2. Contact Person/Title: Vernon Delpesce, President/CEO
Company: YMCA of Greater Des Moines
Address: 501 Grand Ave.
City, State, Zip: Des Moines, IA 50309
Telephone: 515-471-8515 E-mail: Vernon.delpesce@dmymca.org
5. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.
Chairman of the Board: Clarence Hudson
Chair Elect (Vice Chair): Rick Tollakson
Secretary of the Board: Dr. Teri Wahlig
Treasurer of the Board: Jim Usgaard
6. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: See Attached
7. Is the Borrower currently qualified to transact business within the State of Iowa? Yes [X] No []
8. If project is a Nursing Facility, is state certificate of need required: [] Yes [X] No
If yes, attach copy.
9. Total current FTE's of Borrower: 318
Number of permanent FTE's created by the project: 34

Part B - Project Information

1. This Project qualifies for financing pursuant to the Economic Development Loan Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

501 c (3) entity:

Private college or university

Housing facility for elderly or disabled persons

Museum or library facility

Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1 (6) of the Iowa Code. Specify: _____

Other 501c (3) entity (please specify) health, wellness recreation

Manufacturing facility

Agricultural processing facility

Multi-family housing

Solid Waste facility

3. Amount of Loan Request: \$ 10,000,000

Amount to be used for refunding: \$ 0

4. Address/Location of Project

Street/City/State 501 Grand Ave., Des Moines, IA 50309

County Polk County

5. General Project Description:

Addition of an aquatic center to the Wellmark YMCA. Aquatic center consists of a 50-meter indoor pool with bleacher seating for 1,500 and a small teaching and therapy pool.

Part B - Project Information continued

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?
 _____ No
 X Yes, in the amount of \$1,000,000 (There are IRS limitations on eligible reimbursable costs.)

7. Parties related to the Project:
- a. Principal User will be: YMCA of Greater Des Moines
 - b. Seller (if any) of the Project: _____
 - c. Purchaser (if any) or Owner or Lessee of the Project: _____
 - d. Relationship of Project Seller and Purchaser, if any: _____

8. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:		Amount	Uses:		Amount
Bonds		\$ 10,000,000	General contractor		\$ 3,515,000
_____		_____	Pool contractor		\$ 3,985,000
_____		_____	Mechanical & Electrical		\$ 2,500,000
_____		_____	_____		_____
_____		_____	_____		_____
_____		_____	_____		_____
_____		_____	_____		_____
		\$ 10,000,000	_____		\$ 10,000,000
	Total	_____	Total		_____

9. Type of Bond Sale Public Sale Private Placement

Part C - Professionals Participating in the Financing

Applications must have either Bond Counsel or Underwriter/Financial Institution identified

1. Bond Counsel: (an attorney hired by the borrower to ensure the bonds can be issued on a tax-exempt basis)

Name: Thomas Stanberry
Firm Name: Davis Brown Law Firm
Address: 215 10th Street, Suite 1300
City/State/Zip Code: Des Moines, Iowa 50309
Telephone: 515-288-2500 E-mail: ThomasStanberry@davisbrownlaw.com

2. Counsel to the Borrower:

Name: Thomas Stanberry
Firm Name: Davis Brown Law Firm
Address: 2105 10th Street, Suite 1300
City/State/Zip Code: Des Moines, Iowa 50309
Telephone: 515-288-2500 E-mail: ThomasStanberry@davisbrownlaw.com

3. Underwriter or Financial Institution purchasing the bonds:

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

4. Counsel to the Underwriter:

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

5. Trustee: (if needed)

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

PART D - Fees and Charges

1. **A non-refundable application fee must accompany this form at the time of submission to the Authority. For applications up to \$10 million, the application fee is \$1,000. For applications over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.**

Applications will expire if the bonds are not issued within 18 months.

Submit application to the Authority at the following address:

Lori Beary
Community Development Director
Iowa Finance Authority
2015 Grand Avenue
Des Moines, IA 50312

2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at 515-725-4965 or lori.beary@iowa.gov for more information.
3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Claypool (claypool.david@dorsey.com) or David Grossklaus (Grossklaus.David@dorsey.com) at Dorsey & Whitney and the Authority's Community Development Director (lori.beary@iowa.gov).

Dated this 28th day of October, 2015

Borrower: 

By: Vernon Delpesce
Title: President/CEO – YMCA of Greater Des Moines

CINCINNATI OH 45999-0038

In reply refer to: 0248367576
Mar. 27, 2015 LTR 4168C 0
42-0680438 000000 00
00022104
BODC: TE

YOUNG MENS CHRISTIAN ASSOCIATION OF
GREATER DES MOINES
501 GRAND AVE
DES MOINES IA 50309

Employer Identification Number: 42-0680438
Person to Contact: Ms. Yates
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Mar. 18, 2014, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in January 1938.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

0248367576

Mar. 27, 2015 LTR 4168C 0

42-0680438 000000 00

00022105

YOUNG MENS CHRISTIAN ASSOCIATION OF
GREATER DES MOINES
501 GRAND AVE
DES MOINES IA 50309

If you have any questions, please call us at the telephone number
shown in the heading of this letter.

Sincerely yours,

Doris P. Kenwright

Doris Kenwright, Operation Mgr.
Accounts Management Operations 1

RESOLUTION
WQ 15-20

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the "SRF Program"); and

WHEREAS, the Authority offers loans under the SRF Program for planning and design expenses associated with clean water and drinking water projects (the "Planning and Design Loans"); and

WHEREAS, the Authority offers the Planning and Design Loans as zero interest loans maturing no later than three years from execution; and

WHEREAS, the communities listed on Exhibit A have applied to the Authority for financial assistance through Planning and Design Loans; and

WHEREAS, the Authority desires to approve Planning and Design Loans to the communities and in the amounts set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes funding Planning and Design Loans to the communities and in the amounts set forth on Exhibit A attached hereto, each with an interest rate of 0%, with a maturity of not to exceed three years, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2nd day of December, 2015.

David D. Jamison, Secretary

(Seal)

Exhibit A

Planning and Design Loans

Borrower	County	Population	Amount	CW/ DW	Description
Tiffin	Johnson	2,600	\$400,000	CW	Wastewater Treatment Improvements

\$400,000

RESOLUTION
WQ 15-21

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and sections 455B.291 through and including 455B.299 of the Code of Iowa, works with the Iowa Department of Natural Resources (the "Department"), to administer the Iowa Water Pollution Control Works Financing Program and the Iowa Drinking Water Facilities Financing Program (collectively, the "SRF Program"); and

WHEREAS, the Authority offers loans under the SRF Program as a means of financing all or part of the construction of certain drinking water or wastewater treatment facilities; and

WHEREAS, the construction activities being undertaken meet the requirements of the SRF Program and have been approved by the Department; and

WHEREAS, the Authority offers the SRF loans at below market interest maturing no later than thirty years from execution; and

WHEREAS, the Authority desires to approve SRF Loans to the communities and in the amounts set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes funding SRF Loans to the communities and in the amounts set forth on Exhibit A attached hereto, each with an interest rate of 1.75% for a maturity of twenty years or an interest rate of 2.75% with a maturity of not to exceed thirty years, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to fund said loan from funds held under the SRF Program, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

Exhibit A

SRF Construction Loans

Borrower	County	Population	Amount	CW/ DW	Description
Fort Madison	Lee	11,051	\$1,978,000	CW	Treatment Improvements
West Liberty	Muscatine	3,736	\$3,623,000	CW	UV Disinfection

\$5,601,000



To: IFA Board of Directors
From: Tammy Nebola, Iowa Ag Program Specialist
Lori Beary, Community Development Director
Date: November 18, 2015
Re: Iowa Agricultural Division Beginning Farmer Loan Program

Consent Agenda

Iowa Agricultural Development Division

Inducement Resolutions

AG 15-075 Neil A. Ellensohn

This is an application for \$250,000 of Agricultural Development Revenue Bonds for Neil A. Ellensohn. The bond will be used: To construct a 1,200 Hd Hog Barn in Plymouth County. The lender is Primebank in Le Mars.

- **Need Board action on Resolution AG 15-075A**

AG 15-076 Jonathan E. and Anne R. Ball

This is an application for \$517,700 of Agricultural Development Revenue Bonds for Jonathan E. and Anne R. Ball. The bond will be used: To purchase approximately 178 acres of agricultural land, house and out-buildings in Louisa County. The lender is Mediapolis Savings Bank in Mediapolis.

- **Need Board action on Resolution AG 15-076A**

AG 15-077 Kyle A. and Shellina Herink

This is an application for \$383,500 of Agricultural Development Revenue Bonds for Kyle A. and Shellina Herink. The bond will be used: To purchase approximately 86.34 acres of agricultural land in Tama County. The lender is Farmers Savings Bank & Trust in Traer.

- **Need Board action on Resolution AG 15-077A**

AG 15-078 Josh Van Kekerix

This is an application for \$295,630 of Agricultural Development Revenue Bonds for Josh Van Kekerix. The bond will be used: To purchase approximately 54 acres of agricultural land in O'Brien County. The lender is American State Bank in Sioux Center.

- **Need Board action on Resolution AG 15-078A**

AG 15-079 Ben Van Kekerix

This is an application for \$295,630 of Agricultural Development Revenue Bonds for Ben Van Kekerix. The bond will be used: To purchase approximately 54 acres of agricultural land in O'Brien County. The lender is American State Bank in Sioux Center.

- **Need Board action on Resolution AG 15-079A**

AG 15-080 Brock T. Fister

This is an application for \$87,500 of Agricultural Development Revenue Bonds for Brock T. Fister. The bond will be used: To purchase approximately 40 acres of agricultural land and house in Taylor County. The lender is Bank Iowa in Clarinda.

- **Need Board action on Resolution AG 15-080A**

AG 15-081 James Thompson

This is an application for \$215,900 of Agricultural Development Revenue Bonds for James Thompson. The bond will be used: To purchase approximately 63.5 acres of agricultural land in Delaware County. The lender is GNB Bank in Manchester.

- **Need Board action on Resolution AG 15-081A**

AG 15-082 Kenneth L. Gansz

This is an application for \$361,756 of Agricultural Development Revenue Bonds for Kenneth L. Gansz. The bond will be used: To purchase approximately 78.66 acres of agricultural land in Webster County. The lender is Northwest Bank in Fort Dodge.

- **Need Board action on Resolution AG 15-082A**

AG 15-083 Michael D. Bucheit

This is an application for \$517,700 of Agricultural Development Revenue Bonds for Michael D. Bucheit. The bond will be used: To purchase approximately 180 acres of agricultural land, house and out-buildings in Clayton County. The lender is Peoples State Bank in Guttenberg.

- **Need Board action on Resolution AG 15-083A**

AG 15-084 Kyla S. and Bret Cox

This is an application for \$98,400 of Agricultural Development Revenue Bonds for Kyla S. and Bret Cox. The bond will be used: To purchase approximately 27.5 acres of agricultural land in Madison County. The lender is Farmers and Merchants State Bank in Winterset.

- **Need Board action on Resolution AG 15-084A**

AG 15-085 Michael and Randi Grevengeod

This is an application for \$250,000 of Agricultural Development Revenue Bonds for Michael and Randi Grevengeod. The bond will be used: To construct a 1,200 Hd Hog Barn in Lyon County. The lender is American State Bank in Hull.

- **Need Board action on Resolution AG 15-085A**

AG 15-086 Eric M. and Angela M. Sieh

This is an application for \$277,500 of Agricultural Development Revenue Bonds for Eric M. and Angela M. Sieh. The bond will be used: To purchase approximately 67.7 acres of agricultural land and house in Pottawattamie County. The lender is Shelby County State Bank in Harlan.

- **Need Board action on Resolution AG 15-086A**

AG 15-087 Neric D. and Shawna R. Smith

This is an application for \$152,000 of Agricultural Development Revenue Bonds for Neric D. and Shawna R. Smith. The bond will be used: To purchase approximately 83.2 acres of agricultural land in Davis County. The lender is First National Bank in Fairfield.

- **Need Board action on Resolution AG 15-087A**

AG 15-088 Craig E. Schweer

This is an application for \$300,000 of Agricultural Development Revenue Bonds for Craig E. Schweer. The bond will be used: To purchase approximately 86 acres of agricultural land, house and out-buildings in Bremer County. The lender is First National Bank in Waverly.

- **Need Board action on Resolution AG 15-088A**

AG 15-089 Ashley and Kyle Moon Bushman

This is an application for \$69,000 of Agricultural Development Revenue Bonds for Ashley and Kyle Moon Bushman. The bond will be used: To purchase 40 Hd of Jersey breeding cattle (28 bred cows, 7 bred heifers, 5 open cows) in Winneshiek County. The lender is Citizens Savings Bank in Spillville.

- **Need Board action on Resolution AG 15-089A**

AG 15-090 Curtis B. Kuehl

This is an application for \$210,000 of Agricultural Development Revenue Bonds for Curtis B. Kuehl. The bond will be used: To purchase approximately 43.7 acres of agricultural land, house and out-buildings in Cedar County. The lender is De Witt Bank & Trust Company in De Witt.

- **Need Board action on Resolution AG 15-090A**

AG 15-091 Jacob F. Schulte

This is an application for \$225,000 of Agricultural Development Revenue Bonds for Jacob F. Schulte. The bond will be used: To purchase approximately 70.7 acres of agricultural land, house and out-buildings in Lee County. The lender is Pilot Grove Savings Bank in Pilot Grove.

- **Need Board action on Resolution AG 15-091A**

AG 15-092 Nicholas J. and Carlyn Lechtenberg

This is an application for \$387,500 of Agricultural Development Revenue Bonds for Nicholas J. and Carlyn Lechtenberg. The bond will be used: To purchase approximately 154.04 acres of agricultural land in Clayton County. The lender is Luana Savings Bank in Luana.

- **Need Board action on Resolution AG 15-092A**

Amending Resolutions

04359 Beau M. Romsey, Gilbert

This is a resolution amending a \$81,900 Beginning Farmer Loan to Beau M. Romsey issued 11/14/2008 to Exchange farmland with a 1031 Exchange. Release mortgage dated March 24, 2009 in the amount of \$117,500 on approximately 77 acres of agricultural land and take a new mortgage dated December 15, 2015 in the amount of \$843,150 on approximately 77 acres of agricultural land. All

other loan terms remain the same. The lender is U.S. Bank, N.A. in Boone.

- **Need Board action on Resolution 04359M**

Loan Participation Program

AG-LP #15-10, Loan Participation Program

The Loan Participation Program (LPP) was established in to assist low income farmers secure loans and make down payments. IADD's participation can be used to supplement the borrower's down payment, thereby helping a farmer secure a loan more readily. The lender's risk is also reduced since the IADD provides a "last-in/last-out" loan participation for the financial institution. The interest rate will be 1.0% over the FSA Direct Farm Ownership Down Payment Loan Program (which is currently at 1.5%) fixed for the first five years, then re-adjusted to the same index and fixed for the final five years. The participation loan is a 10 year balloon with a 20 year amortization. Attached are the LPP applications reviewed last month. The IADD Board has recommended approval.

Beginning Farmer Tax Credit Program

AG-TC #15-12, Beginning Farmer Tax Credit Program

The Agricultural Assets Transfer Tax Credit commonly referred to as the Beginning Farmer Tax Credit (BFTC) program allows agricultural asset owners to earn tax credits for leasing their land, equipment and/or breeding livestock to beginning farmers. Leases must be for terms of 2-5 years. The tax credit for cash rent leases is 7% of the amount of the rent. The tax credit for crop share leases is 17%. There is an additional 1% tax credit if the beginning farmer is also a veteran. Maximum tax credit for any one asset owner is \$50,000 per year. The maximum amount of tax credits allocated cannot be more than \$12 million in any one year. Attached are the BFTC applications reviewed last month. The IADD Board has recommended approval.

RESOLUTION
AG 15-075A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-075
- 2. Beginning Farmer:** Neil A. Ellensohn
12721 Juniper Ave
Le Mars, IA 51031-8446
- 3. Bond Purchaser:** Primebank
37 1st Ave NW, PO Box 1408
Le Mars, IA 51031-1408
- 4. Principal Amount:** \$250,000
- 5. Approval Date:** 12/2/2015
- 6. Project:** To construct a 1,200 Hd Hog Barn

RESOLUTION
AG 15-076A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-076
- 2. Beginning Farmer:** Jonathan E. and Anne R. Ball
2515 123rd Ave
Wapello, IA 52653-9548
- 3. Bond Purchaser:** Mediapolis Savings Bank
605 Main St, PO Box 397
Mediapolis, IA 52637-0397
- 4. Principal Amount:** \$517,700
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 178 acres of agricultural land,
house and out-buildings

RESOLUTION
AG 15-077A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-077
- 2. Beginning Farmer:** Kyle A. and Shellina Herink
2277 Highway E29
Clutier, IA 52217-9540
- 3. Bond Purchaser:** Farmers Savings Bank & Trust
611 2nd St, PO Box 435
Traer, IA 50675-1230
- 4. Principal Amount:** \$383,500
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 86.34 acres of agricultural land

RESOLUTION
AG 15-078A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-078
- 2. Beginning Farmer:** Josh Van Kekerix
5161 320th St
Sheldon, IA 51201-7591
- 3. Bond Purchaser:** American State Bank
525 N Main Ave, PO Box 140
Sioux Center, IA 51250-0140
- 4. Principal Amount:** \$295,630
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 54 acres of agricultural land

RESOLUTION
AG 15-079A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-079
- 2. Beginning Farmer:** Ben Van Kekerix
5161 320th St
Sheldon, IA 51201-7591
- 3. Bond Purchaser:** American State Bank
525 N Main Ave, PO Box 140
Sioux Center, IA 51250-0140
- 4. Principal Amount:** \$295,630
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 54 acres of agricultural land

**RESOLUTION
AG 15-080A**

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-080
- 2. Beginning Farmer:** Brock T. Fister
1049 200th St
New Market, IA 51646-4008
- 3. Bond Purchaser:** Bank Iowa
101 N 15th St, PO Box 119
Clarinda, IA 51632-1614
- 4. Principal Amount:** \$87,500
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 40 acres of agricultural land and house

RESOLUTION
AG 15-081A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-081
- 2. Beginning Farmer:** James Thompson
1993 240th St
Manchester, IA 52057
- 3. Bond Purchaser:** GNB Bank
300 E Main St, PO Box 439
Manchester, IA 52057
- 4. Principal Amount:** \$215,900
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 63.5 acres of agricultural land

RESOLUTION
AG 15-082A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-082
- 2. Beginning Farmer:** Kenneth L. Gansz
1530 Madison Ave
Fort Dodge, IA 50501-8535
- 3. Bond Purchaser:** Northwest Bank
10 N 29th St, PO Box 977
Fort Dodge, IA 50501
- 4. Principal Amount:** \$361,756
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 78.66 acres of agricultural land

RESOLUTION
AG 15-083A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-083
- 2. Beginning Farmer:** Michael D. Bucheit
16081 King Rd
Mc Gregor, IA 52157-8541
- 3. Bond Purchaser:** Peoples State Bank
15 Goethe St, PO Box 430
Guttenberg, WI 52052-0430
- 4. Principal Amount:** \$517,700
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 180 acres of agricultural land,
house and out-buildings

RESOLUTION
AG 15-084A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-084
- 2. Beginning Farmer:** Kyla S. and Bret Cox
2908 46th St
Des Moines, IA 50310-3122
- 3. Bond Purchaser:** Farmers and Merchants State Bank
101 W Jefferson St, PO Box 29
Winterset, IA 50273-0029
- 4. Principal Amount:** \$98,400
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 27.5 acres of agricultural land

RESOLUTION
AG 15-085A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-085
- 2. Beginning Farmer:** Michael and Randi Grevengoed
603 N 6th Ave, PO Box 351
Doon, IA 51235-7726
- 3. Bond Purchaser:** American State Bank
624 Main St, PO Box 806
Hull, IA 51239-0806
- 4. Principal Amount:** \$250,000
- 5. Approval Date:** 12/2/2015
- 6. Project:** To construct a 1,200 Hd Hog Barn

RESOLUTION
AG 15-086A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-086
- 2. Beginning Farmer:** Eric M. and Angela M. Sieh
32407 390th St
Shelby, IA 51570-4033
- 3. Bond Purchaser:** Shelby County State Bank
508 Court St, PO Box 29
Harlan, IA 51537-0029
- 4. Principal Amount:** \$277,500
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 67.7 acres of agricultural land and house

RESOLUTION
AG 15-087A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-087
- 2. Beginning Farmer:** Neric D. and Shawna R. Smith
20981 Lime Trl
Bloomfield, IA 52537-7628
- 3. Bond Purchaser:** First National Bank
100 E Burlington Ave, PO Box 1007
Fairfield, IA 52556-1007
- 4. Principal Amount:** \$152,000
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 83.2 acres of agricultural land

RESOLUTION
AG 15-088A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-088
- 2. Beginning Farmer:** Craig E. Schweer
2419 210th St
Tripoli, IA 50676-9673
- 3. Bond Purchaser:** First National Bank
316 E Bremer Ave, PO Box 837
Waverly, IA 50677-0837
- 4. Principal Amount:** \$300,000
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 86 acres of agricultural land,
house and out-buildings

RESOLUTION
AG 15-089A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-089
- 2. Beginning Farmer:** Ashley and Kyle Moon Bushman
1402 Highway 150
Calmar, IA 52132-7608
- 3. Bond Purchaser:** Citizens Savings Bank
101 Church St, PO Box 7
Spillville, IA 52168-0007
- 4. Principal Amount:** \$69,000
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase 40 Hd of Jersey breeding cattle (28 bred cows, 7 bred heifers, 5 open cows)

RESOLUTION
AG 15-090A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-090
- 2. Beginning Farmer:** Curtis B. Kuehl
1522 Madison Ave
Tipton, IA 52772-9368
- 3. Bond Purchaser:** De Witt Bank & Trust Company
815 6th Ave, PO Box 260
De Witt, IA 52742-0260
- 4. Principal Amount:** \$210,000
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 43.7 acres of agricultural land,
house and out-buildings

RESOLUTION
AG 15-091A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-091
- 2. Beginning Farmer:** Jacob F. Schulte
2185 County Road 103
West Point, IA 52656-9379
- 3. Bond Purchaser:** Pilot Grove Savings Bank
1341 Pilot Grove Rd, PO Box 5
Pilot Grove, IA 52648-0005
- 4. Principal Amount:** \$225,000
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 70.7 acres of agricultural land,
house and out-buildings

RESOLUTION
AG 15-092A

A Resolution approving an Application of a Beginning Farmer and evidencing an Intent to Proceed with Issuance of an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, an Application has been received by the Authority from a Beginning Farmer requesting that the Authority issue its Agricultural Development Revenue Bond for the purposes heretofore stated, the name and address of the Beginning Farmer, the name and address of the Bond Purchaser, the maximum principal amount of the bond, and the nature of the project to be financed with respect to the Application (the “Project”) being set out in Exhibit A attached hereto; and

WHEREAS, the Internal Revenue Service has issued Section 1.150-2 of the Income Tax Regulations (the “Regulations”) dealing with the issuance of bonds, all or a portion of the proceeds of which are to be used to reimburse project expenditures incurred prior to the date of issuance; the Regulations generally require that a prior declaration of official intent be made by the Authority as issuer if the Beginning Farmer intends to reimburse itself for such prior expenditures out of the proceeds of a subsequently issued borrowing, that the borrowing occur and the reimbursement allocation be made from the proceeds of such borrowing within eighteen months of the payment of the expenditure or, if longer, within eighteen months of the date the project is placed in service, and that the expenditure be a capital expenditure or payment of costs of issuance; and the Authority is issuer and the Beginning Farmer desire to comply with requirements of the Regulations with respect to the Project;

Now, Therefore, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Application received from the Beginning Farmer named in Exhibit A attached hereto, which Application by this reference is incorporated herein as though set out here in full, for the issuance of an Agricultural Development Revenue Bond (the “Bond”) is not to exceed the principal amount stated in said Exhibit A is hereby approved, and the Executive Director of the Authority is hereby authorized to mark appropriately said Application as approved and to notify the Beginning Farmer and the Bond Purchaser of such approval.

Section 2. Based upon representations of the Beginning Farmer, the Authority declares (a) that the Beginning Farmer proposes to undertake the Project, (b) that, except for (i) expenditures aggregating no more than the lesser of \$100,000 or 5 percent of the proceeds of the Bonds, (ii) preliminary expenditures (as described in the Regulations) in an amount not to exceed 20 percent of the issue price of the Bonds, and (iii) other expenditures made no earlier than 60 days before the date hereof, no expenditures for the Project have been made by the Beginning Farmer and no expenditures will be made by the Beginning Farmer until after the date hereof, and (c) the Beginning Farmer reasonably expects to reimburse the expenditures made for costs of the Project out of proceeds of the

bond. This Resolution is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 3. It is hereby determined to be necessary and advisable that the Authority proceed with the issuance and sale of the Bond as a separate and distinct issue as authorized and permitted by the Act to finance the cost of the Project and the Authority hereby declares its intent to issue the Bond to finance the Project, and such actions will be taken by the Authority as may be required pursuant to the provisions of the Act to authorize, issue and sell the Bond.

Section 4. The Authority will enter into all agreements necessary to be entered into by the Authority in connection with the issuance and sale of the Bond. The Authority's Bond Counsel shall approve all agreements to be entered into in connection with the issuance of the Bond, and such agreements shall be authorized and approved after due consideration by this Authority prior to their execution by the Authority.

Section 5. The Chairman, Vice Chairman, Secretary and Bond Counsel of the Authority are hereby authorized and directed to take such further actions as may be necessary to effect the intent and the purpose of this Resolution, the accomplishment of the Project, and the sale and issuance of the Bond.

Section 6. The Bond, when issued, shall be a limited obligation payable solely out of the revenues derived from the debt obligation, collateral, or other security furnished by or on behalf of the Beginning Farmer, and the principal and interest thereof shall not constitute an indebtedness of or charge against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit or give rise to a pecuniary liability of the State of Iowa or the Authority or a charge against their general credit or general fund.

Section 7. All resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-092
- 2. Beginning Farmer:** Nicholas J. and Carlyn Lechtenberg
107 Sunset St
Elgin, IA 52141-9319
- 3. Bond Purchaser:** Luana Savings Bank
100 Harvest Dr, PO Box 68
Luana, IA 52156-0068
- 4. Principal Amount:** \$387,500
- 5. Approval Date:** 12/2/2015
- 6. Project:** To purchase approximately 154.04 acres of agricultural land

**RESOLUTION
04359M**

A Resolution amending an Agricultural Development Revenue Bond.

WHEREAS, the Iowa Agricultural Development Authority, or its successor, the Iowa Finance Authority (the "Authority"), heretofore took action to authorize the issuance of an Agricultural Development Revenue Bond, Project No. 04359 (the "Bond") pursuant to Resolution B relating thereto (the "Bond Resolution") for the purpose of financing the acquisition of the Project (as defined in the Bond Resolution) by the Beginning Farmer (as defined in the Bond Resolution); and

WHEREAS, the Beginning Farmer has requested to exchange farmland on the Bond with a 1031 Exchange.

NOW, THEREFORE, Be It Resolved by the Iowa Finance Authority, as follows:

Section 1. The Authority hereby approves exchanging farmland on the Bond with a 1031 Exchange. Release mortgage dated March 24, 2009 in the amount of \$117,500 on approximately 77 acres of agricultural land (see attached for legal description) and take a new mortgage dated December 15, 2015 in the amount of \$843,150 on approximately 77 acres of agricultural land (see attached for legal description). All other loan terms remain the same. Eff. 12/15/2015

Section 2. That the Staff and Officers of the Authority are hereby authorized to amend any and all loan documents as necessary to reflect the aforementioned amendments.

Section 3. That except as amended herein, the Bond and other loan documents are hereby confirmed in all other respects.

Section 4. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall become effective immediately upon adoption.

Passed and approved on this 2nd day of December, 2015.

Chairman

ATTEST:

Secretary

(Seal)



IOWA AGRICULTURAL
DEVELOPMENT DIVISION

December 2, 2015

Jayne J. Unga
U.S. Bank, N.A.
724 Story St, PO Box 518
Boone, IA 50036-0518

Re: Beau M. Romsey – Project No. 04359

Dear Mr. Unga:

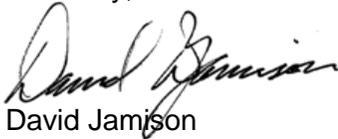
The Iowa Finance Authority (IFA) Board held its monthly meeting on December 2, 2015, and the above project was approved for the proposed loan changes. The changes approved were as follows:

Exchanging farmland with a 1031 Exchange. Release mortgage dated March 24, 2009 in the amount of \$117,500 on approximately 77 acres of agricultural land (see attached for legal description) and take a new mortgage dated December 15, 2015 in the amount of \$843,150 on approximately 77 acres of agricultural land (see attached for legal description). All other loan terms remain the same. Eff. 12/15/2015

Attached is a copy of the official board resolution for the above Beginning Farmer Loan Program project. This resolution was recently approved by the Iowa Finance Authority (IFA) board of directors and prepared by our bond attorney.

If you have any questions, please contact our office at 515.725.4900.

Sincerely,



David Jamison
Executive Director

Enclosure: Board Resolution
cc: Beau M. Romsey

**RESOLUTION
AG-LP 15-10**

WHEREAS, the Iowa Finance Authority (the "Authority"), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa and 2013 Iowa Acts House File 607, has established the Iowa Agricultural Development Division ("IADD") to administer the Loan Participation Program pursuant to Chapter 175 and Chapter 16

WHEREAS, the Authority administers programs to assist beginning farmers with the purchase of agricultural land, equipment and breeding livestock; and

WHEREAS, the Authority understands that the lack of capital is a major impediment for beginning farmers and desires to assist those farmers with down payment assistance; and

WHEREAS, the IADD has received an application from a lending institution to participate in a loan for the down payment for the purchase of agricultural land by an eligible beginning farmer; and

WHEREAS, the IADD Board has recommended approval of the funding of the Loan Participation set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes the Authority to finalize this transaction with the Borrower, to negotiate and complete the necessary loan documents, and to fund the participation in the Loan as described herein. The Executive Director is authorized to prepare and execute any necessary documents in connection with the participation in the Loan, consistent with the terms of this Resolution.

SECTION 3. The Board authorizes the Executive Director to fund said participation from available funds held under the IADD, all in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2nd day of December, 2015.

David D. Jamison, Secretary

(Seal)

Exhibit A

Loan Participation Program

Project No.	Beginning Farmer	Bank	Purpose	Loan Amt
P0208	Jonathan J. Orr & Randene S. Davis	Luana Savings Bank, Luana	To purchase a 5,400 Hd Hog Confinement Building	<u>\$150,000.00</u> \$150,000.00

**RESOLUTION
AG-TC 15-12**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, has established the Iowa Agricultural Development Division (“IADD”) to administer the Agricultural Assets Transfer Tax Credit program and the Custom Farming Contract Tax Credit (together the “Iowa Agricultural Tax Credit Programs”); and

WHEREAS, the Authority offers tax credits under the Iowa Agricultural Tax Credit Programs as a means of encouraging the execution of assets transfer agreements and custom farming contracts with beginning farmers; and

WHEREAS, the Authority has received applications seeking tax credit allocations from the Iowa Agricultural Tax Credit Programs; and

WHEREAS, the IADD has determined the applications meet the eligibility requirements of Chapter 16; and

WHEREAS, the IADD Board has recommended approval of the tax credit applications set forth on Exhibit A; and

WHEREAS, the Authority desires to authorize the allocation of tax credits set forth on Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Executive Director to execute and deliver for and on behalf of the Authority any and all certificates, documents, opinions or other papers and perform all other acts as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

SECTION 2. The Board authorizes allocating tax credits to the asset owners set forth on Exhibit A, attached hereto, against taxes imposed in chapter 422, division II, as provided in section 422.11M, and in chapter 422, division III, as provided in section 422.33, and such other restrictions as may be deemed necessary and appropriate by the Executive Director.

SECTION 3. The Board authorizes the Executive Director to certify said tax credits in the manner deemed necessary and appropriate by the Executive Director, subject to the terms and conditions of this Resolution.

SECTION 4. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

SECTION 5. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

PASSED AND APPROVED this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

Exhibit A

Agricultural Assets Transfer Tax Credit Program

Project #	Owner Name	County	Beginning Farmer	Rental Type	Term(Years)	Tax Credit
2076	Eugene Blanshan	Greene	Tanner Lawton	Share Crop	5	\$ 5,822.18
2096	Richard McCormick	Lucas	Tyler & Jacob Sutter	Cash Rent	3	\$ 1,022.00
2117	Jane Sersland & Suzanne Ruitter	Franklin	Spencer Jurgens	Cash Rent	2	\$ 1,473.92
2129	Sturtz Family Trust	Cedar	Raymond Nebergall	Share Crop	5	\$ 9,644.88
2132	Jeff W Meyer	Dickinson	Andrew William Meyer	Share Crop	5	\$ 6,218.26
2133	Ray R & Catherine E Stockdale	Humboldt	Roger Carlson	Hybrid	2	\$ 5,041.71
2136	C Darrell Brunko	Buchanan	Andrew J White	Cash Rent	3	\$ 1,218.00
2139	Paul Gochenour	Harrison	Clinton & Justin Gochenour	Cash Rent	5	\$ 6,461.00
2143	William Brenny	Guthrie	Brian Brenny	Share Crop	5	\$ 16,437.15
2146	VanGundy Farms Inc	Guthrie	Mike VanGundy	Cash Rent	5	\$ 3,500.00
2148	Kenneth M & Shirley Mallas	Taylor	Christopher Knox	Share Crop	5	\$ 7,990.40
2156	Schulz Farms Partnership	Chickasaw	Kevin & Tyler Schulz	Cash Rent	5	\$ 498.95
2165	Leo H Brownlee Farms, Inc.	Palo Alto	Mark Hobart	Share Crop	5	\$ 17,255.46
2166	Doris Erickson, Harlan Ehlers, & Fred Ehlers	Buena Vista	Lucas Ehlers	Cash Rent	2	\$ 3,346.55
2167	Craig Tesch	Mitchell	Samuel Tesch	Cash Rent	5	\$ 2,100.00
2170	Darrel L Pospisil	Linn	Shawn Nemec	Cash Rent	2	\$ 1,862.00
2172	Tom Crosier	Guthrie	Michael Van Gundy	Cash Rent	2	\$ 3,500.00
2174	Ronald C & Judith A Girres	Palo Alto	Dustin Girres	Cash Rent	5	\$ 3,780.63
2175	James & Bonnie Harms	Kossuth	Dustin Girres	Cash Rent	5	\$ 481.01
2178	Ron McCarty	O'Brien	Ryan McCarty	Share Crop	5	\$ 7,580.88
2179	Carol McCarty	O'Brien	Ryan McCarty	Share Crop	2	\$ 4,216.12
2180	Loretta Bahl	Dubuque	Sarah Hartman & Michael Bahl	Cash Rent	3	\$ 1,120.00
2181	Joyce Ag Inc	Palo Alto	Jeffrey D Joyce	Share Crop	5	\$ 5,092.83
2194	SEF Farms LLC	Clayton	Ryan Oberbroeckling	Cash Rent	3	\$ 1,428.35
2195	Brushy Creek Hills LLC	Guthrie	Kyler Oswald	Cash Rent	5	\$ 7,896.00
2196	Robert Mallory Rev Trust	Franklin	Samuel James Showalter	Cash Rent	2	\$ 1,447.74
2202	Emily Eisenmann	Kossuth	Lewis Rolling	Cash Rent	3	\$ 6,877.50
2204	Thomas A Krapfl	Delaware	Luke Krapfl	Share Crop	3	\$ 2,855.40
2205	Ron Breiner	Dubuque	Marissa Miller	Cash Rent	2	\$ 2,800.00
2208	Lawerence Peterson	Montgomery	Jeremy Conry	Share Crop	5	\$ 4,861.98
2225	Steven Kuehn	Chickasaw	Eric J Kuehn	Cash Rent	2	\$ 2,906.75
2229	Judith Durr	Poweshiek	Scott Durr	Share Crop	2	\$ 8,961.34
2233	Secor Family Farms LLC	Webster	Robert William Secor & Brandon Zwink	Share Crop	5	\$ 13,116.89
2234	Kirby Moon	Henry	Todd H Moon	Share Crop	5	\$ 20,056.39
2235	Sharon K Kesselring	Henry	Todd H Moon	Share Crop	5	\$ 5,080.95
2237	Paula J Smith Trust & Earl Ralph Smith	Howard	Kenneth & Christopher Smith	Share Crop	5	\$ 30,067.90
2238	Ralph E Wardius Trust & Gleneva Wardius	Black Hawk	Jason North	Cash Rent	2	\$ 5,859.00
2242	Hayes-Chamberlin Corp	Jasper	Jay De Vries	Cash Rent	2	\$ 2,010.56
2243	Wilbur Vander Kraan	Jasper	Jay De Vries	Cash Rent	2	\$ 3,480.96
2246	David E Yahnke	Davis	Eugene M Joos	Share Crop	3	\$ 18,394.02
2247	Jane Triplitt	Guthrie	Nolan Clark	Cash Rent	5	\$ 1,601.60
2250	Thomas Landherr	Mitchell	Brian & Justin Juenger	Cash Rent	2	\$ 949.55
2252	Virgil D Muller	Grundy	Mike Depping	Cash Rent	2	\$ 2,800.00

Project #	Owner Name	County	Beginning Farmer	Rental Type	Term(Years)	Tax Credit
2255	Thomas M Robert	Hamilton	Jacob Handsaker	Cash Rent	2	\$ 3,444.00
2259	Connie Howdle & Roseann Gorden	Crawford	Quentin Heistand	Cash Rent	2	\$ 3,850.00
2260	Garrett Holdings LLC	Shelby	Quentin Heistand	Cash Rent	2	\$ 1,400.00
2262	Donald E Hanson	Story	Mark & David Hanson	Share Crop	5	\$ 21,276.49
2263	Edward G Kuhlers	Cerro Gordo	Jordan L White	Share Crop	5	\$ 6,496.59
2266	Lillian Dahl c/o Evelyn L Morey, POA	Winnnebago	Jeffrey Divan	Cash Rent	3	\$ 1,524.43
2268	Donald & Lucille Starr	Jones	Cameron Sorgenfrey	Share Crop	3	\$ 6,090.69
2272	Pamela C Griffel	Franklin	Eric Held	Cash Rent	2	\$ 2,716.00
2273	Janet Fortman	Winneshiek	Derek Taylor	Cash Rent	5	\$ 1,229.45
2274	Dale Buettner	Woodbury	Greg Drea	Cash Rent	2	\$ 808.50
2275	Marvin Buettner	Woodbury	Greg Drea	Cash Rent	2	\$ 3,162.25
2276	Janelle K Francis	Mitchell	Jeff Francis	Cash Rent	2	\$ 1,750.00
2277	Hardebeck Family Rev Trust	Taylor	Ryan Thornton	Share Crop	5	\$ 15,266.11
2278	Randall L Toel Rev Trust & Larae A Toel Rev Trust	Plymouth	Austan Koopmans	Cash Rent	2	\$ 3,627.72
2283	Loyd D & Colleen Ellen Keck	Cherokee	Joshua Keck	Share Crop	5	\$ 9,100.20
2285	Laurie & Dan Schwarck	Mitchell	Brad Schwarck	Share Crop	5	\$ 1,783.96
2286	Gayle E Melcher, Judith D Coyne, Darcy J Mullenbach, & Lloyd A Melcher	Floyd	Grant Greenzweig	Cash Rent	2	\$ 2,521.56
2289	Paul K Willis	Cerro Gordo	Jon I Carlson	Cash Rent	5	\$ 3,709.71
2293	Lisa Van Kekerix	O'Brien	Ben Van Kekerix	Cash Rent	3	\$ 1,501.50
2294	Arlen & Janet Eggerling	Jasper	Jay DeVries	Cash Rent	2	\$ 944.13
2295	Georgie W and Laura Arnold	Buchanan	Dan Arnold	Cash Rent	2	\$ 4,025.00
64						\$ 355,345.10

Custom Farming Contract Tax Credit Program

5022	James Pudenz Cattle Company	Carroll	Lee Schon	Custom Farming	1	\$ 4,015.35
5023	Greg Pudenz	Carroll	Lee Schon	Custom Farming	1	\$ 4,466.35
2						\$ 8,481.70
66						\$ 363,826.80

 Denotes Military Veteran

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Basic Financial Statements and
Schedule of Expenditures of Federal Awards

June 30, 2015

(With Independent Auditors' Report Thereon)



IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

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**Message from David Jamison,
Executive Director**

The Iowa Finance Authority (Authority) celebrated its 40th anniversary in 2015. Looking back, the Authority has invested billions of dollars in Iowa's economy and helped create more than 100,000 jobs for Iowans. Celebrating a milestone such as this is an opportunity to review our accomplishments and refresh our vision for the future. The Authority has surpassed every expectation had for it when it was established in 1975 with a new law, a \$100,000 allocation and a handful of employees.

Today, the Authority is a separate and distinct instrumentality of the state, manages more than \$2 billion in assets and administers nearly forty programs. The Authority's programs have increased the quality of life of countless Iowans and the ripple effects are felt across the state.

This anniversary allowed the Authority to reflect on its past accomplishments as well as look forward to all of the important work to be done in the areas of affordable homeownership and rental, addressing homelessness, assisting beginning farmers, improving water quality infrastructure and providing low-cost real estate title protection.

Fiscal Year 2015 (FY15) was heavily dedicated to strategic planning for the future and setting exciting goals for the years to come. The Authority implemented the innovative Entrepreneurial Operating System (EOS), to help us in improving operating efficiencies, refreshing our core focus statement, core values and short and long-term goals, as well as realigning staff to focus on priorities and allow IFA to improve processes and customer service to stakeholders.

We set a ten-year goal of having 100 percent name awareness by the year 2025. This goal is central to our mission as the more Iowans that are aware of the programs available to them, the more Iowans we will be able to assist. To accomplish this goal, we'll not only need to continue our track record of excellence in the administration of our current programs, but we'll be continuously looking for ways to innovate in order to improve the quality of life for more Iowans.

FY15 Accomplishments:

Homeownership

- The Authority invested more than \$150 million to assist more than 1,500 Iowans in realizing their dream of homeownership through our affordable homeownership programs.
- More than 940 of these home buyers also utilized down payment assistance to make homeownership a reality.
- Supported Governor Branstad and Lt. Governor Reynolds Administration's Home Base Iowa effort to recruit military service members and veterans to live and work in Iowa. In FY15, 410 military service members or veterans received up to \$5,000 in down payment and closing cost assistance to purchase a home through the Military Homeownership Assistance Program.
- The Take Credit! Program provided 395 first-time home buyers a federal income tax credit of up to \$2,000 per year for the life of their mortgage. Funding for the program was made available by converting expiring tax-exempt bond volume cap.

Homelessness: The Authority awarded more than \$3.3 million to agencies across the state to assist people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. These funds also supported the costs of operations of homeless and domestic violence shelters. The state Shelter Assistance Fund Program offers bonus points for applicants that demonstrate exceptional services or priority assistance for veterans.

Housing Tax Credits: The Authority allocated more than \$7.8 million in Federal Housing Tax Credits in calendar year 2015 which will create 523 safe and affordable units to benefit families.

HOME Program: 700 Iowa families were assisted with a total of \$14 million in affordable rental, homebuyer or tenant-based assistance.

State Housing Trust Fund: More than 2,300 families were provided access to affordable housing through more than \$7.6 million in funding. An additional \$6.6 million in local funds were leveraged to complete these projects.

Project-Based Section 8: The Authority holds a Performance-Based Annual Contribution Contract with the U.S. Department of Housing and Urban Development to provide oversight of select project-based Section 8 properties in Iowa. The Section 8 Contract currently covers 214 properties providing affordable housing to approximately 12,000 low-income Iowa households in 71 counties throughout the state.

State Revolving Fund (SRF): The SRF reached a major milestone during FY15, surpassing the \$2.5 billion mark in assistance provided to Iowa communities. A total of \$218 million was committed in loans executed during FY15, doubling the amount committed during the previous fiscal year.

The total included:

- **\$70 million** to design and construct wastewater treatment upgrades, sewer rehabilitation, combined sewer overflow correction, and new collector and interceptor sewers.
- **\$106 million** to design and construction water treatment, storage, and water supply projects.
- **\$42 million** for nonpoint source projects to prevent soil erosion, manage manure, replace inadequate septic systems, improve storm water quality, and conserve land for water quality and habitat protection.

Iowa Agricultural Development Division : More than 400 beginning farmers received assistance beginning their farming operations through a total of more than \$13 million in low-interest loans and tax credits offered by the Iowa Agricultural Development Division in FY15.

Iowa Title Guaranty (ITG): ITG issued residential and commercial title certificates covering more than \$10.4 billion worth of Iowa real estate in FY15 and provided over \$1 million to support affordable housing within Iowa.

Financial Strength: The Iowa Finance Authority maintained an AA rating from Standard & Poor's Rating Agency and an Aa3 from Moody's.

Helping Iowans has been at the core of the Iowa Finance Authority's mission for forty years and we look forward to the tremendous opportunity to serve many more Iowans in the coming years.

Sincerely,



David Jamison
Executive Director

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

This section of the Iowa Finance Authority's (the Authority) annual financial report presents management's discussion and analysis of the financial position and results of operations at and for the fiscal year ended June 30, 2015. This information is being presented to provide additional information regarding the activities of the Authority and to meet the disclosure requirement of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This discussion should be read in conjunction with the financial statements and accompanying notes.

The Authority was created in 1975 by the Iowa legislature through the enactment of Chapter 16 of the Code of Iowa (the Act), and constitutes a public instrumentality and agency of the State of Iowa (the State). The Authority was established to undertake programs, which assist low- and moderate-income families attain adequate housing, and to undertake various finance activities. Subsequent amendments to the Act expanded the Authority's responsibilities to include the administration of numerous housing, water quality, agricultural, and economic development programs. The Authority's mission is to enhance the quality of life for Iowans by making affordable financing possible for home and community.

The Authority raises funds through the public and private sale of bonds, which are not obligations of the State. The proceeds are loaned to eligible borrowers through private lending institutions across the state or directly to municipalities to fund water quality infrastructure. As a self-sustaining entity, the Authority's operating revenues come from loan and investment income, program administration fees, loan servicing, and gains on sales of loans. The Authority is a self-supporting entity and receives no tax appropriations for its operations.

Authority Credit and General Obligation Rating

The unsecured general obligation of the Authority is rated AA by Standard & Poor's Rating Services (Standard & Poor's) and Aa3 by Moody's Investors Service (Moody's) as of June 30, 2015. These ratings take into account the amount of unrestricted net position maintained by the Authority, as well as certain contingent obligations to which the general obligation of the Authority is pledged. While there is no assurance that these ratings will remain in effect for any period of time, management is committed to maintaining an investment-grade rating of its general obligation.

Overview of the Financial Statements

This annual financial report consists of three parts: the independent auditor's report, management's discussion and analysis (this section), and the basic financial statements. The basic financial statements consist of Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, and the accompanying notes to the Financial Statements. The Authority follows enterprise fund accounting. Accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

The Statement of Net Position includes all of the Authority's assets and liabilities, presented in order of liquidity, as well as deferred outflows and deferred inflows. The organization of the statement separates assets and liabilities into current and non-current components. The resulting Net Position is displayed as either restricted or unrestricted.

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

Net Position is restricted when assets are subject to external limits such as bond indentures, legal agreements, federal and state statutes, or pledged in connection with the general obligation of the Authority.

The Statement of Revenues, Expenses, and Changes in Net Position accounts for the Authority's current year revenues and expenses. This statement measures the activities of the Authority's operations over the past year and presents the resulting change in net position. It is organized by separating operating revenues and expenses from non-operating revenue and expenses.

The Statement of Cash Flows primarily provides information about the net change in the Authority's cash and cash equivalents for the fiscal year. It provides information about the Authority's cash receipts, cash payments, and net changes in cash resulting from operating, noncapital financing, investing, and capital financing activities. The statement provides information regarding the sources and uses of cash and the change in the cash balance during the reporting period.

These statements are accompanied by a complete set of Notes to the Financial Statements that provide additional information that is essential for a fair presentation of the basic financial statements.

During 2015, the Authority implemented GASB No. 68, *Accounting and Financial Reporting for Pensions*, ("GASB No. 68"), which is effective and applicable for the Authority's fiscal year 2015. GASB No. 68 revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits, including additional note disclosures and required supplementary information. GASB No. 68 requires recognition of a net pension liability and changes in the net pension liability, deferred outflows of resources, and deferred inflows of resources, which arise from other types of events related to pensions. During the transition year beginning balances for deferred outflows of resources and deferred inflows of resources will not be reported, except for deferred outflows of resources related to contributions made after the measurement date of the beginning net pension liability.

The basic financial statements are presented on an Authority-wide basis and by the two major funds, the Housing Agency Fund and the State Revolving Fund (SRF). Authority-wide financial statements are provided to display a comprehensive view of all Iowa Finance Authority funds. All of the assets in these funds are substantially restricted as to use by the Authority and are available only in accordance with the applicable bond resolutions, federal and Iowa laws, and other outstanding agreements.

Discussion of Individual Funds

The Housing Agency Fund includes the Authority's programs that assist in providing affordable financing for single family and multifamily housing, agricultural development for beginning farmers, and real estate title protection. These programs are funded through various ways: issuance of tax-exempt bonds, state and federal funds, tax credits, and fee income. Additionally, the General Operating Account, where program fee receipts are collected and from which Authority operations are paid, is also included within the Housing Agency Fund. See Combining Schedules of Net Position (Schedule 1) and Revenues, Expenses, and Changes in Net Position (Schedule 2).

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

Single Family

Single family homeownership programs include the FirstHome and Homes for Iowans Programs, which offer eligible first time and repeat home buyers affordable fixed rate mortgages. The Plus Programs offer these same home buyers a grant up to \$2,500 to help with down payment and closing costs. The Take Credit Program provides eligible first time home buyers with a Mortgage Credit Certificate (MCC) that may reduce the home buyers federal tax liability up to \$2,000 every year for the life of the mortgage. These loan programs are funded through the issuance of bonds under the 1991 Single Family Mortgage Bond Resolution, 2009 Single Family Mortgage Revenue Bond Resolution or through the sale of mortgage backed securities (MBS) in the secondary market.

Multifamily

The Authority seeks to preserve the existing supply of affordable rental units at risk of being lost and to foster the production of new affordable units through its multifamily loan program. These projects are funded through the issuance of bonds under the Multifamily Housing Bond Resolution or equity within this Resolution.

Federal and State Programs

The Authority receives both state and federal resources that support affordable housing (both single and multifamily) and address homelessness. Financial activity within Federal and State Programs is primarily grant income and expenses as the Authority mainly passes these grants to recipients within Iowa. These moneys are restricted for uses in accordance with applicable legislation or grant agreements.

Some state programs include Home and Community Based Revolving Loan Programs that provide facilities for seniors, populations who have disabilities, and those who need health, nutrition, or respite services. The State Housing Trust Fund provides grants to advance and preserve affordable single family and multifamily housing throughout the state. The Shelter Assistance Fund (SAF) Program supports costs of operations of shelters for the homeless and domestic violence shelters, essential services for homeless, and evaluation and reporting services for the homeless. In addition, the Authority also administers the Military Homeownership Assistance Program which provides eligible service members and veterans with a \$5,000 grant for down payment and closing costs when purchasing a home.

Some federal programs the Authority administers include the HOME Investment Partnerships Program (HOME), the Housing Opportunities for Persons with AIDS (HOPWA) Program and the Emergency Solutions Grant (ESG) Program, which are all funded by the U.S. Department of Housing and Urban Development (HUD). The HOME program provides no interest loans to developers to create or rehabilitate affordable rental housing. HOME also provides grants to governmental entities and non-profit organizations to assist low-income households in purchasing a home or providing rental assistance. The HOPWA Program provides housing assistance and supportive services for low-income persons with HIV/AIDS and their families. The ESG Program provides grants to agencies that assist people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

Agricultural Development Division

The Iowa Agricultural Development Division (IADD) within the Authority administers programs to encourage new beginning farmers. The Beginning Farmer Loan Program and Loan Participation Program help Iowa farmers purchase agricultural land, depreciable machinery or equipment, breeding livestock, or buildings. The Beginning Farmer Tax Credit Program allows agricultural asset owners to earn a tax credit for leasing their land to beginning farmers. The Custom Hire Tax Credit Program offers a tax credit to anyone hiring a beginning farmer to do agricultural contract work for the production of crops or livestock in Iowa. As a division of the Iowa Finance Authority, the IADD is totally self-supporting.

Iowa Title Guaranty

Iowa Title Guaranty (ITG) a division of the Iowa Finance Authority, supplements the abstract-attorney's title opinion system by providing a low-cost mechanism for guaranties of real property titles facilitating mortgage lenders' participation in the secondary market and adds to the integrity of Iowa's land-title transfer system. As a division of the Iowa Finance Authority, ITG is totally self-supporting.

General Operating Account

The General Operating Account is where program fee receipts are collected and from which Authority operations are paid. The Authority receives fee income from administering programs such as the Low Income Housing Tax Credit (LIHTC), Project-Based Section 8, HOME, and various homeless assistance programs. Furthermore, the General Operating Account receives fees from the Economic Development Bond Program, which issues tax-exempt bonds on behalf of private entities of organizations for eligible purposes.

The State Revolving Fund (SRF) is a federal program jointly administered with the Department of Natural Resources (DNR) to provide low-cost financing to Iowa communities and municipalities for the design and construction of water and wastewater infrastructure projects. The SRF consists of grants from the United States Environmental Protection Agency (EPA), tax-exempt bond proceeds, and repayments of loan principal and interest.

The Clean Water SRF funds wastewater treatment, sewer rehabilitation, and storm water quality improvements, as well as non-point source projects. The Drinking Water SRF funds water treatment plants or improvements to existing facilities, water line extensions to existing properties, water storage facilities, wells, and source water protection efforts. The financing for these projects comes in the form of different types of loans depending on the community's need: construction, planning and design, and source water protection. Low-interest loans are also available to public and private borrowers to address storm water management, septic systems, landfill closure, soil erosion, and manure management, for example.

More information regarding these programs is provided in the Notes to Financial Statements.

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

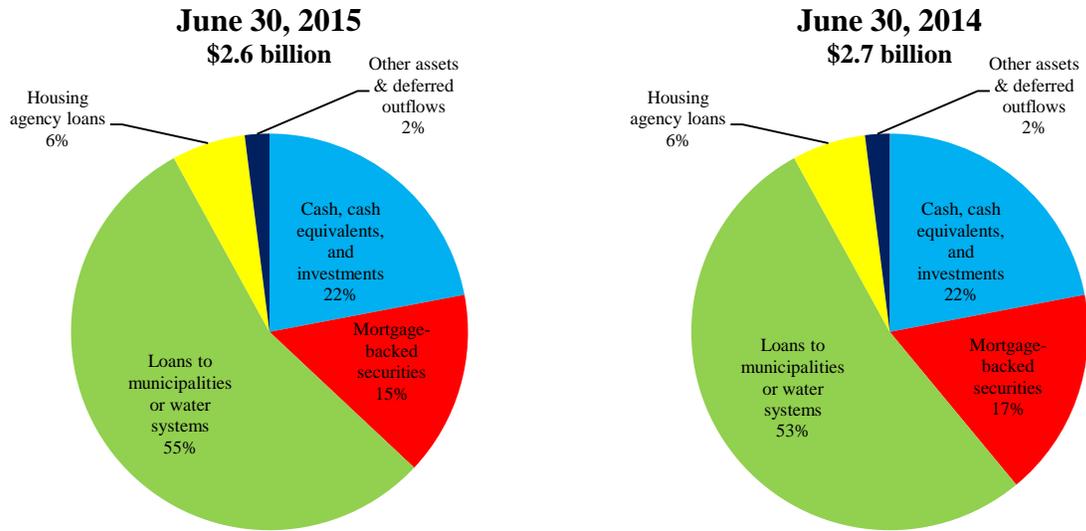
(Unaudited)

June 30, 2015

Condensed Financial Information

The following charts and tables present condensed financial information for fiscal year 2015 and fiscal year 2014.

Iowa Finance Authority Total Assets and Deferred Outflows as of:



IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

Iowa Finance Authority
Net Position
(Dollars in thousands)

	2015	2014
Assets:		
Cash, cash equivalents, and investments	\$ 562,826	594,850
Mortgage-backed securities	400,887	464,419
Loans to municipalities or water systems	1,422,797	1,395,279
Housing agency loans	146,581	145,557
Other assets	18,780	46,143
Total assets	2,551,871	2,646,248
Deferred outflows	30,675	8,668
Total assets and deferred outflows	2,582,546	2,654,916
Liabilities:		
Bonds payable, net	1,362,920	1,430,358
Other liabilities	65,917	94,777
Total liabilities	1,428,837	1,525,135
Deferred inflows	1,692	—
Total liabilities and deferred inflows	1,430,529	1,525,135
Net position:		
Net investment in capital assets	2,816	3,016
Restricted net position	1,144,052	1,113,797
Unrestricted net position	5,149	12,968
Total net position	\$ 1,152,017	1,129,781

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

Iowa Finance Authority
Revenues, Expenses, and Changes in Net Position
(Dollars in thousands)

	2015	2014
Operating revenues:		
Interest income	\$ 64,543	67,527
Gain on sale of mortgage-backed securities	4,746	3,408
Net (decrease) increase in fair value of investments and mortgage-backed securities	(3,941)	(1,148)
Fee income	14,448	16,872
Other income (loss)	253	1,714
Total operating revenues	80,049	88,373
Operating expenses:		
Interest on bonds	46,204	51,865
Loss on swap novation	—	5,875
General and administrative	24,197	25,202
Provision (recoveries) for losses	(4,323)	303
Total operating expenses	66,078	83,245
Net operating income	13,971	5,128
Non-operating revenue (expense):		
Grant income	53,739	64,648
Grants and aid	(40,053)	(40,861)
Net non-operating revenue (expense)	13,686	23,787
Change in net position	27,657	28,915
Net position at beginning of year, as previously reported	1,129,781	1,094,935
Agriculture Development Division merger	—	5,931
Adoption of GASB 68	(5,421)	—
Net position at beginning of year, as restated	1,124,360	1,100,866
Net position at end of year	\$ 1,152,017	1,129,781

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

Financial Analysis – Total Iowa Finance Authority 2015 (dollars in thousands)

- The Authority's assets and deferred outflows declined 2.7% or \$72,370 to \$2,582,546 in FY15 compared to \$2,654,916 in FY14 due primarily to a decline in mortgage-backed securities (MBS) by 13.7%, or \$63,532. Cash, cash equivalents, and investments also declined 5.4%, or \$32,024 due to their use in debt reduction. Loans to municipalities or water systems (SRF loans) increased 2.0%, or \$27,518.
- The Authority's liabilities and deferred inflows declined 6.2% or \$94,606 to \$1,430,529 in FY15 compared to \$1,525,135 in FY14 due to large refunding and defeasance transactions. Bonds payable declined 4.7%, or \$67,438.

In 2015, the Authority issued one single-family bond series totaling \$11,895 to refund existing higher cost debt and one SRF bond series with a face value of \$321,530, which sold at a premium for total proceeds of \$381,050 to purchase SRF loans and to defease prior bonds. The Authority made bond payments of \$438,622.

<u>Series</u>	<u>Date</u>	<u>Amount (In thousands)</u>	<u>Rating</u>
SF 2014 B-2	12/30/14	\$ 11,895	AA+ by Standard & Poor's; Aaa by Moody's
SRF 2015	02/25/15	\$ 321,530	AAA by Standard & Poor's; Aaa by Moody's; AAA by Fitch Ratings
Total		<u>\$ 333,425</u>	

- Interest income declined 4.4% to \$64,543 due to prepayments in the Authority's MBS portfolio.
- Gain on sale of mortgage-backed securities increased 39.3% to \$4,746 due to higher margins on the sales.
- The fair value of investments and MBS declined \$2,793 due to the reduction of the MBS portfolio.
- Fee income declined 14.4% to \$14,448 primarily due to fewer residential refinancing transactions in the Iowa Title Guaranty Division.
- Interest on bonds declined 10.9% to \$46,204 due to the reduction in outstanding bonds.
- General and administrative expenses declined 4.0% to \$24,197 due to lower marketing, professional services, and SRF program expenses.
- The Authority reduced ITG claim reserves resulting in a reduction (recovery) of Provision for losses of \$4,323 in FY15.
- Grant income declined 16.9% to \$53,739 due to a delay in the availability of SRF capitalization grants.
- As a result, the Authority's net position increased 2.0% or \$22,236 to \$1,152,017 in FY15 compared to \$1,129,781 in FY14 despite the implementation of GASB 68, which reduced net position by \$5,421.

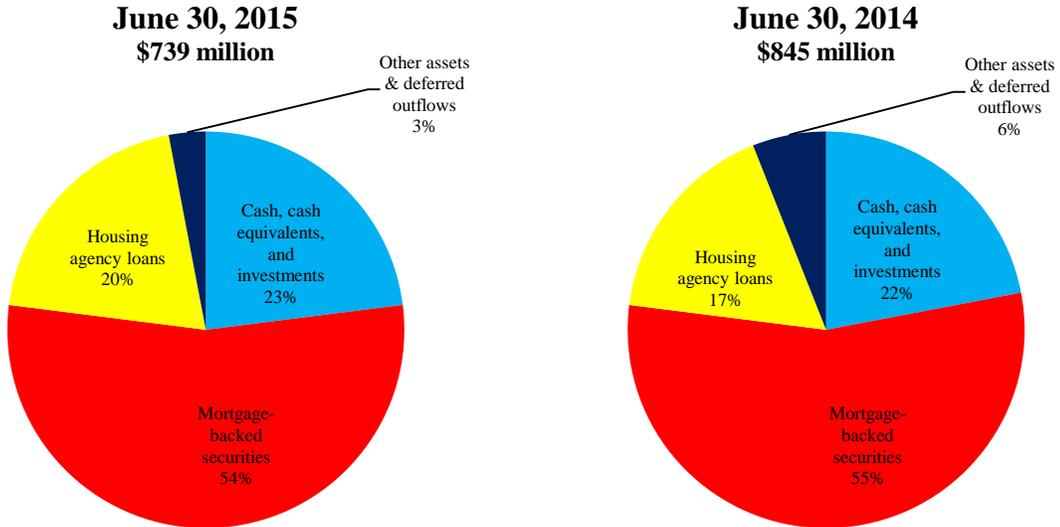
IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

Housing Agency Fund Total Assets and Deferred Outflows as of:



IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

Housing Agency Fund
Net Position
(Dollars in thousands)

	<u>2015</u>	<u>2014</u>
Assets:		
Cash, cash equivalents, and investments	\$ 172,377	187,407
Mortgage-backed securities	400,887	464,419
Loans to municipalities or water systems	—	—
Housing agency loans	146,581	145,557
Other assets	14,828	41,726
Total assets	<u>734,673</u>	<u>839,109</u>
Deferred outflows	<u>3,915</u>	<u>5,501</u>
Total assets and deferred outflows	<u>738,588</u>	<u>844,610</u>
Liabilities:		
Bonds payable, net	360,159	446,710
Other liabilities	49,531	76,894
Total liabilities	<u>409,690</u>	<u>523,604</u>
Deferred inflows	<u>1,537</u>	<u>—</u>
Total liabilities and deferred inflows	<u>411,227</u>	<u>523,604</u>
Net position:		
Net investment in capital assets	2,791	2,946
Restricted net position	319,421	305,092
Unrestricted net position	5,149	12,968
Total net position	<u>\$ 327,361</u>	<u>321,006</u>

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

Housing Agency Fund
Revenues, Expenses, and Changes in Net Position
(Dollars in thousands)

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Interest income	\$ 26,214	29,654
Gain on sale of mortgage-backed securities	4,746	3,408
Net (decrease) increase in fair value of investments and mortgage-backed securities	(4,026)	(1,505)
Fee income	10,193	12,956
Other income (loss)	253	1,714
Total operating revenues	<u>37,380</u>	<u>46,227</u>
Operating expenses:		
Interest on bonds	13,105	17,240
Loss on swap novation	—	5,875
General and administrative	15,170	15,992
Provision (recoveries) for losses	(4,318)	328
Total operating expenses	<u>23,957</u>	<u>39,435</u>
Net operating income	<u>13,423</u>	<u>6,792</u>
Non-operating revenue (expense):		
Grant income	31,846	32,973
Grants and aid	(33,896)	(35,199)
Net non-operating revenue (expense)	<u>(2,050)</u>	<u>(2,226)</u>
Change in net position	<u>11,373</u>	<u>4,566</u>
Net position at beginning of year, as previously reported	321,006	310,509
Agriculture Development Division merger	—	5,931
Adoption of GASB 68	(5,018)	—
Net position at beginning of year, as restated	<u>315,988</u>	<u>316,440</u>
Net position at end of year	<u>\$ 327,361</u>	<u>321,006</u>

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

Financial Analysis – Housing Agency Fund (dollars in thousands)

- Assets and deferred outflows declined 12.6% or \$106,022 to \$738,588 in FY15 compared to \$844,610 in FY14 due primarily to a decline in (MBS) by 13.7%, or \$63,532 and a reduction of cash, cash equivalents, and investments by 8.0%, or \$15,030 used to pay down debt. MBS declined due to prepayments in existing MBS and the sale of new MBS production in the secondary market.
- Liabilities and deferred inflows declined 21.5% or \$112,377 to \$411,227 in FY15 compared to \$523,604 in FY14 due primarily to debt reduction with Bonds payable declining by 19.4%, or \$86,551.
- The HAF issued one single-family mortgage bond series totaling \$11,895 to refund prior, higher cost debt.
- Interest income declined 11.6% to \$26,214 due to prepayments in the MBS portfolio.
- Gain on sale of mortgage-backed securities increased 39.3% to \$4,746 due to higher margins on the sales.
- The fair value of investments and MBS declined \$2,521 due to the reduction of the MBS portfolio.
- Fee income declined 21.3% to \$10,193 due to fewer residential refinancing transactions in the Iowa Title Guaranty Division and lower service acquisition fees from our single-family program due to a change in the fee structure with the Authority's master servicer.
- Other income decreased by \$1,461 to \$253 primarily due to the change in fair value of investment derivatives.
- Interest on bonds declined 24.0% to \$13,105 due to the reduction in bonds payable primarily driven by the pay downs of the MBS.
- General and administrative expenses declined 5.1% to \$15,170 due to lower marketing and professional service expenses.
- ITG reduced claim reserves resulting in a reduction (recovery) of provision for losses of \$4,318 in FY15.
- Grant income declined 3.4% to \$31,846 due to funding reductions in federal and state programs.
- Grants and aid expense declined 3.7% to \$33,896, a direct result of the decreased funding mentioned above.
- As a result, net position increased 2.0% or \$6,355 to \$327,361 in FY15 compared to \$321,006 in FY14 despite the implementation of GASB 68, which reduced net position by \$5,018.

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

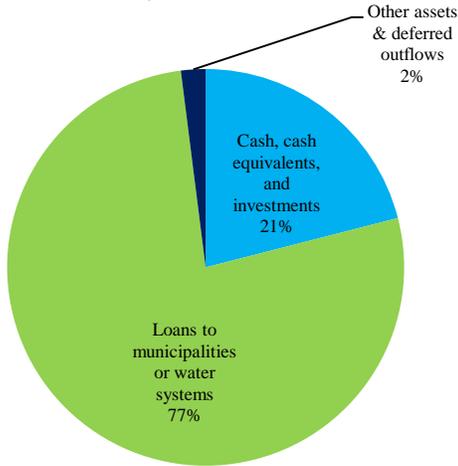
(Unaudited)

June 30, 2015

• **State Revolving Fund Assets and Deferred Outflows as of:**

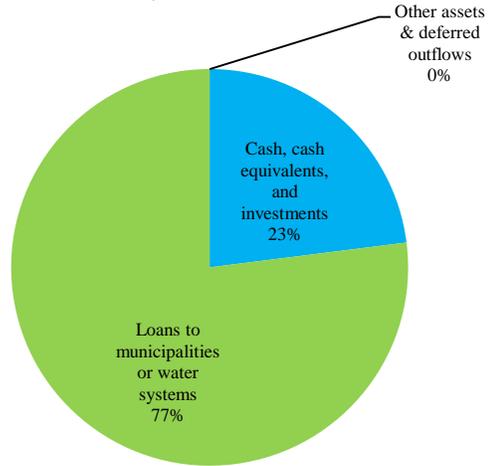
June 30, 2015

\$1.8 billion



June 30, 2014

\$1.8 billion



IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

State Revolving Fund
Net Position
(Dollars in thousands)

	2015	2014
Assets:		
Cash, cash equivalents, and investments	\$ 390,449	407,443
Mortgage-backed securities	—	—
Loans to municipalities or water systems	1,422,797	1,395,279
Housing agency loans	—	—
Other assets	3,952	4,417
Total assets	1,817,198	1,807,139
Deferred outflows	26,760	3,167
Total assets and deferred outflows	1,843,958	1,810,306
Liabilities:		
Bonds payable, net	1,002,761	983,648
Other liabilities	16,386	17,883
Total liabilities	1,019,147	1,001,531
Deferred inflows	155	—
Total liabilities and deferred inflows	1,019,302	1,001,531
Net position:		
Net investment in capital assets	25	70
Restricted net position	824,631	808,705
Unrestricted net position	—	—
Total net position	\$ 824,656	808,775

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Management's Discussion and Analysis

(Unaudited)

June 30, 2015

State Revolving Fund
Revenues, Expenses, and Changes in Net Position
(Dollars in thousands)

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Interest income	\$ 38,329	37,873
Net (decrease) increase in fair value of investments and mortgage-backed securities	85	357
Fee income	4,255	3,916
Other income (loss)	—	—
Total operating revenues	<u>42,669</u>	<u>42,146</u>
Operating expenses:		
Interest on bonds	33,099	34,625
Loss on swap novation	—	—
General and administrative	9,027	9,210
Provision (recoveries) for losses	(5)	(25)
Total operating expenses	<u>42,121</u>	<u>43,810</u>
Net operating income	<u>548</u>	<u>(1,664)</u>
Non-operating revenue (expense):		
Grant income	21,893	31,675
Grants and aid	(6,157)	(5,662)
Net non-operating revenue (expense)	<u>15,736</u>	<u>26,013</u>
Change in net position	<u>16,284</u>	<u>24,349</u>
Net position at beginning of year, as previously reported	808,775	784,426
Agriculture Development Division merger		
Adoption of GASB 68	(403)	—
Net position at beginning of year, as restated	<u>808,372</u>	<u>784,426</u>
Net position at end of year	<u>\$ 824,656</u>	<u>808,775</u>

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)
Management's Discussion and Analysis
(Unaudited)
June 30, 2015

Financial Analysis – State Revolving Fund (dollars in thousands)

- Assets and deferred outflows increased 1.9% or \$33,652 to \$1,843,958 in FY15 compared to \$1,810,306 in FY14 due to an increase in loans to municipalities or water systems of \$27,518 and an increase in deferred outflows of \$23,541 from a loss on bond refunding.
- Liabilities and deferred inflows increased 1.8% or \$17,771 to \$1,019,302 in FY15 compared to \$1,001,531 in FY14 due to the issuance of bonds.
- The SRF issued one revenue bond series with a face value of \$321,530, which sold at a premium for total proceeds of \$381,050 to purchase loans to municipalities and water systems and to refund prior, higher cost bonds.
- Interest income increased 1.2% to \$38,329 due to higher loan balances.
- Fee income increased 8.7% to \$4,255 also due to the higher loan balances.
- Interest on bonds declined 4.4% to \$33,099 due to the refunding savings.
- General and administrative expenses declined 2.0% to \$9,027 due to lower DNR set-aside expenses.
- Grant income declined 30.9% to \$21,893 due to the delay of availability of capitalization grants from the Environmental Protection Agency.
- Grants and aid expense increased 8.7% to \$6,157, due to the disbursement of SRF loans with large forgivable portions during the year.
- As a result, net position increased 2.0% or \$15,881 to \$824,656 in FY15 compared to \$808,775 in FY14 despite the implementation of GASB 68, which reduced net position by \$403.



KPMG LLP
2500 Ruan Center
666 Grand Avenue
Des Moines, IA 50309

Independent Auditors' Report

The Board of Directors
Iowa Finance Authority:

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the total business-type activities of Iowa Finance Authority (the Authority), a component unit of the State of Iowa, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the total business-type activities of the Iowa Finance Authority, as of June 30, 2015, and the respective changes in financial position, and cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

As discussed in note 1(s) to the basic financial statements, in 2015, the Authority adopted new accounting guidance related to Governmental Accounting Standards Board (GASB) No. 68, *Accounting and Financial Reporting for Pensions-An Amendment of GASB Statement No. 27*, and GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that Management's Discussion and Analysis on pages 3 through 18, Schedule of Authority's Proportionate Share of the Net Pension Liability, Schedule of Authority Contributions, and Notes to Required Supplementary Information – Pension Liability on pages 54 to 57 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Combining Financial Schedules, on pages 58 to 59, and Schedule of Expenditures of Federal Awards, on page 60, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Financial Schedules on pages 58 and 59 and Schedule of Expenditures of Federal Awards on page 60 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial schedules and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.



Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The Executive Director Letter on pages 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Executive Director Letter has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2015 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

KPMG LLP

Des Moines, Iowa
November 18, 2015

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Statement of Net Position

June 30, 2015

(Dollars in thousands)

Assets	Housing Agency Fund	State Revolving Fund	Total
Current assets (substantially restricted):			
Cash and cash equivalents	\$ 150,672	262,326	412,998
Investments in mortgage-backed securities	9,128	—	9,128
Other investments	2,467	85,662	88,129
Loans to municipalities or water systems, net	—	75,769	75,769
Housing Agency loans, net	6,381	—	6,381
Accrued interest receivable	2,485	3,456	5,941
Other current assets	1,222	471	1,693
Total current assets	172,355	427,684	600,039
Noncurrent assets (substantially restricted):			
Investments in mortgage-backed securities	391,759	—	391,759
Other investments	19,238	42,461	61,699
Loans to municipalities or water systems, net	—	1,347,028	1,347,028
Housing Agency loans, net	140,200	—	140,200
Capital assets, net of accumulated depreciation	2,791	25	2,816
Other noncurrent assets	8,330	—	8,330
Total noncurrent assets	562,318	1,389,514	1,951,832
Total assets	734,673	1,817,198	2,551,871
Deferred Outflows of Resources			
Pension plan	810	57	867
Accumulated decrease in fair value of hedging derivatives	3,105	—	3,105
Loss on bond refunding	—	26,703	26,703
Total deferred outflows of resources	3,915	26,760	30,675
Liabilities			
Current liabilities:			
Bonds payable, net	8,441	48,055	56,496
Accrued interest payable	4,376	15,258	19,634
Escrow deposits	8,831	—	8,831
Accounts payable and other liabilities	21,947	859	22,806
Total current liabilities	43,595	64,172	107,767
Noncurrent liabilities:			
Bonds payable, net	351,718	954,706	1,306,424
Reserves for claims	767	—	767
Other liabilities	13,610	269	13,879
Total noncurrent liabilities	366,095	954,975	1,321,070
Total liabilities	409,690	1,019,147	1,428,837
Deferred Inflows of Resources			
Pension plan	1,537	155	1,692
Net Position			
Net investment in capital assets	2,791	25	2,816
Restricted net position:			
Per bond resolutions	232,173	679,008	911,181
Per legislation	81,784	—	81,784
Per other agreements	5,464	145,623	151,087
Total restricted net position	319,421	824,631	1,144,052
Unrestricted net position	5,149	—	5,149
Total net position	\$ 327,361	824,656	1,152,017

See accompanying notes to basic financial statements.

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Statement of Revenues, Expenses, and Changes in Net Position

Year ended June 30, 2015

(Dollars in thousands)

	Housing Agency Fund	State Revolving Fund	Total
Operating revenues:			
Interest on mortgage-backed securities	\$ 18,474	—	18,474
Interest on loans	3,588	37,001	40,589
Interest on other investments	4,152	1,328	5,480
Gain on the sale of mortgage-backed securities	4,746	—	4,746
Net (decrease) increase in fair value of investments and mortgage-backed securities	(4,026)	85	(3,941)
Fee income	10,193	4,255	14,448
Other income	253	—	253
Total operating revenues	<u>37,380</u>	<u>42,669</u>	<u>80,049</u>
Operating expenses:			
Interest on bonds	13,105	33,099	46,204
General and administrative	15,170	9,027	24,197
Provision (recoveries) of losses	(4,318)	(5)	(4,323)
Total operating expenses	<u>23,957</u>	<u>42,121</u>	<u>66,078</u>
Net operating income	13,423	548	13,971
Non-operating revenue (expense):			
Grant income	31,846	21,893	53,739
Grants and aid	(33,896)	(6,157)	(40,053)
Net non-operating revenue (expense)	<u>(2,050)</u>	<u>15,736</u>	<u>13,686</u>
Change in net position	11,373	16,284	27,657
Net position at June 30, 2014, as restated (note (1)(s))	<u>315,988</u>	<u>808,372</u>	<u>1,124,360</u>
Net position at June 30, 2015	<u>\$ 327,361</u>	<u>824,656</u>	<u>1,152,017</u>

See accompanying notes to basic financial statements.

IOWA FINANCE AUTHORITY
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Statement of Cash Flows

Year ended June 30, 2015

(Dollars in thousands)

	Housing Agency Fund	State Revolving Fund	Totals
Cash flows from operating activities:			
Cash receipts for fees and other income	\$ 9,848	4,238	14,086
Interest received on loans and mortgage-backed securities	22,299	37,184	59,483
Gain on sale of mortgage-backed securities	4,746	—	4,746
Principal payments on loans and mortgage-backed securities	93,458	80,342	173,800
Purchase of loans and mortgage-backed securities	(171,093)	(107,519)	(278,612)
Sale of mortgage-backed securities	132,743	—	132,743
Cash payments for salaries and related benefits	(7,694)	(512)	(8,206)
Cash payments to suppliers	(386)	(9,191)	(9,577)
Net cash provided by (used by) operating activities	<u>83,921</u>	<u>4,542</u>	<u>88,463</u>
Cash flows from noncapital financing activities			
Proceeds from issuance of bonds	11,895	381,050	392,945
Repayment of bonds	(97,937)	(340,685)	(438,622)
Interest paid	(15,068)	(77,743)	(92,811)
Payments for cost of issuance	(50)	(1,548)	(1,598)
Receipts for grant programs	32,158	22,133	54,291
Payments for grant programs	(32,737)	(6,157)	(38,894)
Net cash provided by (used in) noncapital financing activities	<u>(101,739)</u>	<u>(22,950)</u>	<u>(124,689)</u>
Cash flows from investing activities:			
Purchases of investments	(17,606)	(147,441)	(165,047)
Interest received on investments	3,061	1,328	4,389
Sales/maturities of investments	16,980	130,286	147,266
Net cash provided by (used in) investing activities	<u>2,435</u>	<u>(15,827)</u>	<u>(13,392)</u>
Cash flows from capital financing activities:			
Purchase of capital assets	(147)	—	(147)
Increase (decrease) in cash and cash equivalents	<u>(15,530)</u>	<u>(34,235)</u>	<u>(49,765)</u>
Cash and cash equivalents, beginning of year	<u>166,202</u>	<u>296,561</u>	<u>462,763</u>
Cash and cash equivalents, end of year	<u>\$ 150,672</u>	<u>262,326</u>	<u>412,998</u>
Reconciliation of net operating income/change in net position to net cash provided by (used in) operating activities:			
Operating income	\$ 13,423	548	13,971
Interest income on investments and bank deposits	(4,152)	(1,328)	(5,480)
Interest expense on bonds	13,055	31,551	44,606
Payments for cost of issuance	50	1,548	1,598
Net increase (decrease) in fair value of investments and mortgage-backed securities	4,026	(85)	3,941
Provision (recoveries) for loan losses	3,499	(340)	3,159
Change in fair value of investment derivatives	(282)	—	(282)
Depreciation of capital assets	304	44	348
Principal payments on loans and mortgaged backed securities	93,458	80,342	173,800
Sales of mortgage-backed securities	132,743	—	132,743
Purchases of loans and mortgage-backed securities	(171,093)	(107,519)	(278,612)
(Increase) decrease in interest receivable on loans and mortgage-backed securities	236	183	419
(Increase) decrease in other assets and deferred outflows	1,786	(62)	1,724
Increase (decrease) in accounts payable, other liabilities, and deferred inflows	(2,832)	(340)	(3,172)
Increase (decrease) in unearned income	(300)	—	(300)
Net cash provided by (used in) operating activities	<u>\$ 83,921</u>	<u>4,542</u>	<u>88,463</u>

See accompanying notes to basic financial statements.

IOWA FINANCE AUTHORITY
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Notes to Basic Financial Statements

June 30, 2015

(1) Organization and Summary of Significant Accounting Policies

(a) Organization

The Iowa Finance Authority (the Authority) was created in 1975 under Chapter 16 of the Code of Iowa as a public instrumentality and agency of the State of Iowa (the State) to undertake programs that assist in attainment of adequate housing for low- or moderate-income families, elderly families, and families that include one or more persons with disabilities. The Authority is authorized and has issued bonds for these purposes, the proceeds of which are used to provide affordable mortgage financing. The bonds are payable principally from repayments of such mortgage loans. These obligations do not constitute a debt of the State, and consequently, the State is not liable for any repayments.

To accomplish these purposes further, the Authority is authorized to allocate federal low-income housing tax credits for qualified multifamily housing developments in the State. In addition, federal grants and certain other funds of the Authority are utilized through its various housing assistance programs to provide low-interest loans or grants to assist the homeless and low-income Iowans in obtaining adequate housing.

The Authority has contracted with the United States Department of Housing and Urban Development (HUD) to serve as contract administrator for Section 8 Housing Assistance Payment (HAP) contracts. The Authority disburses subsidy payments monthly to the multifamily projects and monitors the individual units and projects for compliance with HUD regulations.

Chapter 16 of the Code of Iowa authorizes the Economic Development Loan Program. The Authority is authorized and has issued revenue bonds under this program, the proceeds of which have been used to provide limited types of financing for qualified manufacturing facilities, nonprofit entities, and multifamily housing projects. The bonds have been assigned, without recourse, to participating financial institutions or to the trustee on behalf of bondholders. Neither the Authority nor the State is obligated to pay debt service on such bonds. Therefore, the loans and bonds are not recorded in the Authority's financial statements. For the year ended June 30, 2015, the Authority issued \$114.1 million of these conduit obligations, \$9.9 billion since the inception of the program.

The Iowa Legislature created Iowa Title Guaranty as a Division of the Iowa Finance Authority in 1986. Iowa Title Guaranty (ITG) is authorized by Chapter 16 of the Code of Iowa. The purposes of ITG are to supplement the abstract-attorney's title opinion system by providing a low-cost mechanism for guarantees of real-property titles, to facilitate mortgage lenders' participation in the secondary market, and to add to the integrity of the land-title transfer system in the State of Iowa. A title guaranty certificate is an obligation of ITG, and claims are payable solely out of the assets and revenues of the Iowa Title Guaranty Program. The title guarantees do not constitute a debt of the State of Iowa, and consequently, the State is not liable for any repayments. The State, and not Iowa Finance Authority or ITG, is liable for any claims arising as the result of releasing a mortgage in error.

Section 16.93 of the Code of Iowa authorizes ITG to issue closing protection letters, which may indemnify a person to whom a proposed title guaranty certificate is to be issued against loss of settlement funds due to certain listed acts of the ITG's named participating closer.

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Chapter 455B and Chapter 16 of the Code of Iowa authorizes the Authority, jointly and in cooperation with the Iowa Department of Natural Resources (DNR), to undertake the creation, administration, and financing of the Iowa Water Pollution Control Works Financing Program (the Clean Water State revolving Fund (CWSRF) Program) and the Iowa Drinking Water Facilities Financing Program (the Drinking Water State Revolving Fund (DWSRF) Program). These programs were created to implement provisions of federal legislation. The U.S. Environmental Protection Agency (EPA) makes annual capitalization grants to states for these programs. The Authority is authorized and has issued revenue bonds to meet the 20% State match required to receive the grants and to provide additional funds to make loans to finance all or part of the construction of wastewater and drinking water facilities. The bonds are limited obligations of the Authority payable solely from repayments of the loans and other assets and revenues pledged under the applicable bond indentures. The obligations do not constitute a debt of the State or a general obligation of the Authority.

The Iowa Agriculture Development Authority (IADA) became a division of the Authority effective July 1, 2013. It is now called the Iowa Agricultural Development Division (IADD). The Authority received all assets, liabilities, and net position of the IADA. Chapter 16 of the Code of Iowa authorizes the Authority to issue bonds for the purpose of financing loans to beginning farmers. These obligations do not constitute a general obligation of the Authority or the State. Therefore, the bonds are not recorded in the Authority's financial statements. For the year ended June 30, 2015, the IADD issued \$10.0 million of these conduit obligations, and \$522.0 million since the inception of the program.

The Authority is a component unit of the State. The Authority's financial statements are included in the State's comprehensive annual financial report.

(b) *Basis of Presentation*

The financial statements have been prepared using the economic resources measurement focus and accrual basis of accounting in accordance with the Governmental Accounting Standards Board (GASB). Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

(c) *Fund Accounting*

The Authority's accounts are organized as major funds, each of which is a separate set of self-balancing accounts for the assets, liabilities, net position, revenues, and expenses of the Authority's programs. The Authority presents two major funds: (1) Housing Agency Fund and (2) State Revolving Fund.

The following describes the nature of the major funds currently maintained by the Authority:

Housing Agency Fund – Consists of

- a. General Operating Accounts – account for the administrative operations of the Authority. Receipts of various program fees, HUD contract administration fees, transfers to or from various bond accounts in accordance with applicable bond resolutions, and administrative expenses of the Authority.

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June 30, 2015

- b. Single Family Bond Programs – account for the proceeds from bonds issued under the Single Family Mortgage Bond Resolution and the Single Family Mortgage Revenue Bond Resolution, the debt service requirements of the bonds, the investment of moneys held within the bond accounts, the related loans, and mortgage-backed securities. The bonds within the Single Family Mortgage Bond Resolution are general obligations of the Authority, but are primarily payable from assets and revenues pledged under the bond resolution. The bonds within the Single Family Mortgage Revenue Bond Resolution are not a general obligation of the Authority but are limited obligations payable solely from the sources provided in this Resolution.
- c. Multifamily Bond Program – accounts for the proceeds from bonds issued under the Multifamily Housing Bonds Master Trust Indenture, the debt service requirements of the bonds, the investment of moneys held within the bond accounts, and the related loans. The bonds within the Multifamily Housing Bonds Master Trust Indenture are general obligations of the Authority, but are primarily payable from assets and revenues pledged under the bond resolutions.
- d. Federal and State Program – accounts for federal grants or State appropriations received and moneys transferred from ITG, all specifically restricted or committed for uses in accordance with applicable legislation or grant agreements.
- e. Iowa Agricultural Development Division – accounts for the administrative operations of IADD made up of receipts of various program fees and administrative expenses.
- f. Iowa Title Guaranty Division – accounts for the fees charged for title guaranty certificates, endorsement, and closing protection letters and the administrative costs and claims paid by ITG. Moneys in this account, after providing for adequate reserves and operating expenses, are transferred to the Housing Assistance Program.

State Revolving Fund – Consists of

- a. Clean Water Program Accounts – account for the proceeds of Clean Water Program revenue bonds, the debt service requirements of the bonds, the investment of moneys held within the bond accounts and the equity account, receipt of EPA capitalization grants, the related wastewater treatment facility loans to municipalities, and administrative costs of the program. The bonds are secured by certain loan agreements and other assets and revenues pledged under the applicable bond indentures for the State Revolving Fund.
- b. Drinking Water Program Accounts – account for the proceeds of Drinking Water Program revenue bonds, the debt service requirements of the bonds, the investment of moneys held within the bond accounts and the equity account, receipt of EPA capitalization grants, the related drinking water facility loans to Iowa drinking water systems, and administrative costs of the program. The bonds are secured by certain loan agreements and other assets and revenues pledged under the applicable bond indentures for the State Revolving Fund.

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June 30, 2015

(d) *Substantially Restricted Assets*

Virtually all assets of the Authority are either specifically pledged to bondholders, held on the behalf of various federal and state programs, held in escrow accounts, or pledged in connection with the general obligation of the Authority.

(e) *Cash Equivalents*

For purposes of the statements of cash flows, all highly liquid investments with original maturity of three months or less from the date of purchase are considered to be cash equivalents. These investments include the moneys deposited in the State's interest-bearing pooled money funds, investment agreements associated with bond issues, and various money market funds. In addition, certain nonparticipating guaranteed investment contracts are considered to be cash equivalents give the fact they are highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

(f) *Investments*

Under the various bond resolutions, State statutes, and the Authority's Investment Policy, the Authority may invest in U.S. government and agency, and municipal obligations directly or through repurchase agreements secured by such obligations, certificates of deposit in qualified financial institutions, pooled money funds with the State, and investment agreements with U.S. government agencies, qualified financial institutions, or qualified corporations.

Investments and mortgage-backed securities are recorded at fair value in the statement of net position, with the change in the fair value recorded in the statement of revenues, expenses, and changes in net position. Guaranteed investment contracts are nonparticipating and, therefore, recorded at carrying value.

(g) *Loans to Municipalities or Water Systems, Net*

Loans to municipalities or water systems are recorded at their unpaid principal balance, net of allowance for loan losses, within the State Revolving fund. The loans generally have terms of 20 to 30 years and are intended to be held to maturity. The loans are pledged as collateral for the bonds outstanding. Each municipality or water system has entered into a loan agreement with the Authority and has evidenced its commitment to repay the loan by issuing a revenue obligation or a general obligation to the Authority.

(h) *Housing Agency Loans, Net*

The Authority receives federal funds to make housing loans in connection with various federal programs for the State. These funds must be repaid to the federal government in the event of failure of the project. Loan repayments must remain within the program and be immediately loaned or granted to program recipients based upon the rules of the program.

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Other Housing Agency loans are recorded at their unpaid principal balance, net of allowance for loan losses. The loans are intended to be held to maturity and are secured by first or second mortgages, other types of collateral, or are unsecured.

(i) *Provision for Loan Losses*

An evaluation of possible credit losses related to housing loans made with federal funds is made and a provision for losses is charged to grant expense. An allowance for losses of \$79.4 million was netted against housing loans made with federal funds at June 30, 2015.

An evaluation of possible credit losses relating to other Housing Agency loans is made and a provision for losses is charged to provision (recoveries) of loan losses. An allowance for losses of \$22.5 million was netted against other Housing Agency loans at June 30, 2015.

An evaluation of possible credit losses relating to loans to municipalities or water systems is made and a provision for losses is charged to provision (recoveries) of loan losses or grant expense. An allowance for losses of \$10.7 million was netted against loans to municipalities or water systems at June 30, 2015.

Interest accrues on loans and is charged to interest income until a loan becomes more than three months delinquent at which time accrued interest is reversed. Subsequent interest income is not recognized on the loan until collected or until the loan is three months or less in arrears.

(j) *Capital Assets*

Furniture and equipment that exceed \$2,500 are recorded at cost, and depreciation is provided using the straight-line method over the estimated useful lives of the assets, which range from 3 to 10 years.

Leasehold improvements that exceed \$2,500 are recorded at cost and are amortized using the straight-line method over the lesser of the estimated useful lives of the asset or the term of the lease.

Real estate purchased is recorded at cost. Land is recorded at net tax value at the time of the purchase and is not depreciated; the remaining cost is assigned to the building and depreciation is provided using the straight-line method over 40 years.

(k) *Bond Issuance Costs*

Bond issuance costs are recognized as an expense in the period incurred.

(l) *Bond Premiums, Discounts, and Loss on Bond Refunding*

Bond premiums and discounts are amortized as an adjustment to interest expense over the life of the related bond issues using the bonds outstanding method. Losses on bond refunding are recorded as deferred outflows of resources and are deferred and amortized as an adjustment to interest expense over the shorter of the remaining life of the refunded bonds or the new bonds using the bonds outstanding method.

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(m) Escrow Deposits

In connection with housing agency loans the Authority collects, from certain borrowers, funds sufficient to pay property insurance, real estate taxes, and reserves. In addition, ITG serves as escrow agent in connection with commercial real estate transactions.

(n) Reserves for Claims

ITG's liability for estimated title losses comprises both losses and settlement expenses related to known claims and an estimate for claims that may be reported in the future. The estimate of claims that may be reported in the future is often referred to as incurred but not reported claims. The loss reserves represent the aggregate future payments that are expected to be incurred on claim losses and for costs to settle both known claims and incurred but not reported claims. The amounts are not discounted to their present values.

ITG provides for estimated incurred but not reported losses by a charge to expense when the related guaranty fee revenue is recognized. The amount charged to expense is determined by applying a rate (the loss provision rate) to total title guaranty fee revenue. Known claims are \$90,625 at June 30, 2015 and are reported on the statement of net position as reserves for claims. Estimated incurred but not reported claims are \$213,000 at June 30, 2015 and are also reported as reserves for claims on the statement of net position.

ITG also engages an independent actuarial firm to review and assess the estimated loss provision rate, known claims reserves and incurred but not reported reserves. The independent actuarial firm actuary performs a reserve analysis utilizing generally accepted actuarial methods and other tests and analyses deemed necessary to provide a professional opinion. ITG's management uses the independent actuaries' review and opinion and other relevant information it may have concerning claims to determine what it considers to be the best estimate of the total amount required for as a reserve for claims.

In addition, the Authority assumed certain guarantees of the former Iowa Housing Corporation (IHC) in conjunction with the assets received from the IHC on July 1, 2003. At that time, management estimated the potential losses and reviews this estimate annually. The maximum amount of these guarantees as of June 30, 2015 was \$1.3 million for which a \$0.5 million reserve for claims liability is recorded within reserve for claims on the statement of net position.

(o) Rebates Owed

The amount of investment income the Authority may earn and retain on the proceeds of bonds issued in 1982 and after is limited by federal legislation. Earnings in excess of the allowable amount must be rebated to either the mortgagors or the U.S. Treasury. At June 30, 2015, \$40,209 of such excess earnings are recorded as other liabilities on the statement of net position.

(p) Unearned Income

Compliance monitoring fees received by the Authority at the time a Low Income Housing Tax Credit (LIHTC) project is placed in service are used to defray the administrative expenses of the Authority

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for annually monitoring the project's continued compliance with federal regulations. These fees are amortized over the 15-year compliance period. At June 30, 2015, \$2.4 million of such unearned income is recorded as other liabilities on the statement of net position.

(q) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and additions to/deductions from IPERS' fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

(r) Net Position

Restricted net position represents net position set aside, as required by the various bond resolutions, for the benefit of the respective bond owners. Assets related to such restricted net position include required reserves, loans or mortgage-backed securities, assets held for placement into loans or mortgage-backed securities, investments, and assets held for scheduled debt service. Restricted net position also represents net position specifically restricted for uses in accordance with applicable legislation, including the Title Guaranty Division Program and the Miscellaneous Restricted Funds.

Restricted net position also represents net position restricted for use by other agreements including loans and accounts held under the Clean Water Program Accounts and the Drinking Water Program Accounts, which are restricted pursuant to the Master Trust Agreement and federal laws or regulations.

Unrestricted net position provides additional security for the Authority's general obligations and coverage of the Authority's administrative costs. Unrestricted net position is available to meet commitments listed under "Commitments and Contingencies."

(s) Accounting Changes/Restatement

Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB No. 27*, was implemented during fiscal year 2015. The revised requirements establish new financial reporting requirements for state and local governments, which provide their employees with pension benefits, including additional note disclosures and required supplementary information. In addition, GASB No. 68 requires a state or local government employer to recognize a net pension liability and changes in the net pension liability, deferred outflows of resources, and deferred inflows of resources, which arise from other types of events related to pensions. During the transition year, as permitted, beginning balances for deferred outflows of resources and deferred inflows of resources will not be reported, except for deferred outflows of resources related to contributions made after the measurement date of the beginning net pension liability, which is required to be reported by Governmental Accounting Standards Board Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

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Beginning net position for the Authority was restated to retroactively report the beginning net pension liability and deferred outflows of resources related to contributions made after the measurement date, as follows (dollars in thousands):

	Housing Agency Fund	State Revolving Fund	Total
Net position June 30, 2014, as previously reported	\$ 321,006	808,775	1,129,781
Net pension liability at June 30, 2014	(5,608)	(442)	(6,050)
Deferred outflows of resources related to contributions made after the June 30, 2013 measurement date	590	39	629
Net position July 1, 2014, as restated	\$ 315,988	808,372	1,124,360

(t) Classification of Revenues and Expenses

The Authority distinguishes operating revenues and expenses from non-operating items. The principal operating revenues are interest income on loans, mortgage-backed securities, and investments; gain on the sale of mortgage-backed securities; change in fair value of investments, mortgage-backed securities, and investment derivative instruments; and fees received in connection with the Title Guaranty Program, administration of the U.S. Department of Housing and Urban Development's Section 8 program, and Low Income Housing Tax Credit programs. Operating expenses include interest expense, general, and administrative expenses, and provisions for loan losses. All revenues and expenses not meeting this definition are reported as nonoperating.

The Authority's nonoperating revenues and expenses consist primarily of the U.S. Environmental Protection Agency's capitalization grants for the SRF programs. Primarily pass through amounts related to the Department of Housing and Urban Development's grants for the Home Investment Partnerships Program, Housing Opportunities for Persons with Aids, and Emergency Solutions Grant programs. Pass-through grants from the Iowa legislature for down-payment assistance to returning active duty military personnel, homeless shelter operating grants, and disaster recovery programs.

(u) Gain on Sale of Mortgage Backed Securities

The Authority participates in the GNMA and FNMA Mortgage Backed Securities (MBS) programs whereby GNMA or FNMA guarantees securities that are backed by pools of mortgage loans. Gains on sales of MBS are recorded at the time of settlement and represent the difference between the sale price of the MBS and the carrying value of the underlying pool of mortgages backing them.

(v) Fee Income

The Authority receives fee income from program users to cover the cost of the program administration. Fee income is recorded in the period earned. Fees collected in the current period for future services are amortized over the life of the service period. Major sources of fee income are service acquisition

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fees in connection with the Authority's single-family programs; Iowa Title Guarantee fees, Section 8 Housing Assistance Payments Program administration fees, low-income housing tax credit fees, and State Revolving Fund loan commitment and servicing fees.

(w) Grant Income

The Authority receives grant income from various sources to cover the cost of program administration and for further distribution to subgrantees. Major sources of grant income are the Environmental Protection Agency's grants for the Authority's Clean Water Program and Drinking Water Program; the Department of Housing and Urban Development's grants for the Authority's Home Investment Partnerships Program, Housing Opportunities for Persons with Aids, and Emergency Solutions Grant programs; and the Iowa legislature for down-payment assistance to returning active duty military personnel, homeless shelter operating grants, and disaster recovery programs. Grant income is recorded when all eligibility requirements have been met.

(x) Derivatives

The Authority uses derivative financial instruments to manage and reduce exposure to adverse fluctuations in interest rates and to lower the overall cost of financing. All derivative financial instruments are recorded at fair value. Certain of the Authority's derivatives consist of interest rate swap and interest rate cap agreements entered into in connection with its issuance of variable rate mortgage revenue bonds. These derivative financial instruments are considered hedging derivative instruments and recorded as other assets or other liabilities on the statement of net position.

The Authority's additional derivative financial instruments are commitments to purchase mortgage-backed pass-through certificates (securitized mortgage loans) backed by pools of Authority single-family mortgage loans. These derivative financial instruments consist of forward sales of mortgage-backed securities in the To-Be-Announced (TBA) market, which hedge changes in the fair value of the mortgage loan inventory and commitments. These contracts are considered investment derivative instruments and recorded in other assets on the statement of net position.

The Authority reports hedging derivative instruments accumulated change in fair value as either deferred inflows or outflows of resources. The Authority reports investment derivative instruments accumulated changes in fair value as other income (loss) within the statement of revenues, expenses, and changes in net position.

(y) Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The current economic environment has increased the degree of uncertainty inherent in those estimates and assumptions.

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June 30, 2015

(z) Income Taxes

The Authority is recognized as tax-exempt, quasi-governmental organization under IRC Section 115(l). Accordingly, no provision for income taxes has been included in the accompanying financial statements.

(2) Deposits and Investments

(a) Reconciliation to Statement of Net Position

The following is a complete listing of deposits and investments of the Authority at June 30, 2015 (dollars in thousands):

	Housing Agency Fund	State Revolving Fund	Total
Deposits	\$ 76,570	263,811	340,381
Investments	496,694	126,638	623,332
Total	<u>\$ 573,264</u>	<u>390,449</u>	<u>963,713</u>

The deposits and investments of the Authority, are reflected in the statement of net position at June 30, 2015 as follows (dollars in thousands):

	Housing Agency Fund	State Revolving Fund	Total
Current assets:			
Cash and cash equivalents	\$ 150,672	262,326	412,998
Investments in mortgage-backed securities	9,128	—	9,128
Other investments	2,467	85,662	88,129
Noncurrent assets:			
Investments in mortgage-backed securities	391,759	—	391,759
Other investments	19,238	42,461	61,699
Total	<u>\$ 573,264</u>	<u>390,449</u>	<u>963,713</u>

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(b) Deposits

At June 30, 2015, the Authority had uninsured and uncollateralized bank balances of \$48.7 million. Deposits of \$262.9 million were deposited in money market funds covered by collateralized trust accounts (dollars in thousands):

	Housing Agency Fund	State Revolving Fund	Total	Percentage of total
Type:				
Cash in bank	\$ 15,577	59,464	75,041	22%
Certificates of deposit	932	1,485	2,417	1
Money market funds	60,061	202,862	262,923	77
Total	<u>\$ 76,570</u>	<u>263,811</u>	<u>340,381</u>	<u>100%</u>

(c) Investments

The investment of funds is restricted by the Authority's board of directors, the Authority's various bond indentures, and the State. Permitted investments include direct obligations of, or obligations guaranteed by, the federal government of the United States of America; obligations issued by certain agencies of the federal government; repurchase agreements fully collateralized and secured by the U.S. Treasury; Government National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA), and Federal Home Loan Mortgage Corporation (FHLMC) mortgage-backed securities; corporate bonds issued or guaranteed by a domestic U.S. corporation meeting certain credit rating standards; State pooled money funds; and guaranteed investment contracts with financial institutions meeting certain credit rating standards.

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The following table displays the types of investments, amounts, and the average maturity of the investment (dollars in thousands):

	June 30, 2015				
	Housing Agency Fund	State Revolving Fund	Total	Percentage of total	Average maturity (years)
Type:					
GNMA mortgage-backed securities	\$ 260,645	—	260,645	42	22.6
FNMA mortgage-backed securities	136,680	—	136,680	22	22.2
FHLMC mortgage-backed securities	3,562	—	3,562	1	22.3
U.S. government agency securities	6,434	105,658	112,092	18	2.5
U.S. Treasury securities	13,159	12,363	25,522	4	3.8
Corporate bonds	—	1,511	1,511	—	0.7
Municipal securities	1,180	7,106	8,286	1	2.6
State of Iowa pooled money funds	24,976	—	24,976	4	Less than 1
Guaranteed investment contracts	50,058	—	50,058	8	Less than 1
Total	\$ 496,694	126,638	623,332	100%	

(d) Credit Risk

Credit risk is the risk that an issuer or counterparty will not fulfill their obligation to the Authority. Custodial credit risk is the risk that in the event of a depository institution failure, the Authority's deposits may not be returned.

The Authority minimizes credit risk by limiting securities to those authorized in the investment policy; diversifying the investment portfolio to limit the impact of potential losses from any one type of security or individual issuer; and prequalifying the financial institutions, brokers, dealers, and advisers with which the Authority does business.

(e) Concentration Risk

Concentration of risk is the risk of loss that may be attributed to the magnitude of an investment in a single type of security or single issuer. The Authority diversifies its investment portfolios to minimize the impact of potential losses from one type of security or issuer. Portfolio maturities are staggered to avoid undue concentration of assets within a specific maturity period, which provides for stability of income and reasonable liquidity.

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The table below addresses credit risk and concentration risk (dollars in thousands):

Type/Provider	Credit ratings		June 30, 2015			
	Standard & Poor's	Moody's	Housing Agency Fund	State Revolving Fund	Total	Percentage of total
	Money market funds:					
Wells Fargo Bank, N.A.	NR to AAAm-G	NR to Aaa-mf	\$ 47,966	202,862	250,828	77.1%
Goldman Sachs Group, Inc.	AAAm to AAAm-G	Aaa-MF	12,095	—	12,095	3.7%
Certificate of deposit:						
15 providers	NR to AA+	NR to Aa2	932	1,485	2,417	0.8%
Guaranteed investment contracts:						
Societe Generale*	A/A-1	A2/P-1	30,302	—	30,302	9.3%
TransAmerica Life Ins Co	AA-/A-1+	A1/P-1	6,203	—	6,203	1.9%
Credit Agricole	A/A-1-	A2/P-1	5,028	—	5,028	1.6%
FSA International, Ltd	AA-	Aa3	2,392	—	2,392	0.7%
Bayerische Landesbank	Not rated	A3/P-2	5,098	—	5,098	1.6%
Royal Bank of Canada	AA-/A-1+	Aa3/P-1	1,035	—	1,035	0.3%
Corporate and municipal bonds:						
22 providers	AA to AAA	A1 to Aaa	1,180	8,617	9,797	3.0%
Total			\$ 112,231	212,964	325,195	100.0%

* Investment agreements are collateralized with U.S. government securities

(f) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates may adversely affect the fair value of the Authority's investments. The Authority minimizes interest rate risk by structuring investment portfolios so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

(g) Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Authority has no positions in foreign currency or any foreign-currency-denominated investments.

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(3) Loans

Loans at June 30, 2015 are as follows (dollars in thousands):

	<u>Cost</u>	<u>Allowance for losses</u>	<u>Net</u>
Housing Agency Fund Loans:			
Loans secured with first mortgages	\$ 74,391	(806)	73,585
Loans secured with second mortgages, other collateral, or unsecured	12,057	(1,749)	10,308
State program loans	17,529	(1,000)	16,529
Federal program loans	144,514	(98,355)	46,159
Total Housing Agency Fund Loans	<u>\$ 248,491</u>	<u>(101,910)</u>	<u>146,581</u>
State Revolving Fund Loans:			
Loans backed by municipal bonds	\$ 1,394,276	(1,438)	1,392,838
Unsecured planning and design loans	10,703	—	10,703
Unsecured nonpoint source loans	19,256	—	19,256
Forgivable portion of SRF loans	9,254	(9,254)	—
Total State Revolving Fund Loans	<u>\$ 1,433,489</u>	<u>(10,692)</u>	<u>1,422,797</u>

(4) Bonds and Notes Payable

(a) Outstanding Bonds and Notes Payable

Bonds and notes payable at June 30, 2015 are as follows (dollars in thousands):

<u>Description</u>	<u>Original amount</u>	<u>Due dates</u>		<u>Interest rate</u>		<u>Balance 2015</u>
		<u>From</u>	<u>To</u>	<u>From</u>	<u>To</u>	
Housing Agency Bonds and Notes:						
SF 1991 Mortgage Bonds:						
SF 2004 B – Term Bonds	\$ 15,000		07/01/34	Variable*	0.110	\$ 10,735
SF 2004 E – Serial Bonds	10,825	01/01/06	01/01/16	1.950	3.950	235
SF 2004 G – Term Bonds	20,000		07/01/34	Variable*	0.110	6,555
SF 2005 A – Serial Bonds	5,885	07/01/07	07/01/16	2.900	4.300	615
SF 2005 C – Term Bonds	24,000		01/01/36	Variable*	0.080	1,650
SF 2005 E – Term Bonds	24,000		01/01/36	Variable*	0.110	8,130
SF 2005 H – Term Bonds	24,000		07/01/36	Variable*	0.080	4,080
SF 2006 C – Term Bonds	12,000		01/01/36	Variable*	0.110	8,640
SF 2006 E – Term Bonds	25,250		07/01/36		5.500	4,105
SF 2006 F – Term Bonds	12,000		07/01/36	Variable*	0.080	2,275
SF 2006 G – Serial Bonds	2,720	07/01/07	07/01/16	3.750	4.500	205
SF 2006 G – Term Bonds	12,975		01/01/26		4.875	1,010
SF 2006 G – Term Bonds	8,420		07/01/36		5.750	665
SF 2006 H – Term Bonds	23,000		07/01/36		5.868	1,885
SF 2006 I – Term Bonds	5,405		07/01/21		4.700	2,010
SF 2006 I – Term Bonds	7,385		07/01/26		4.800	2,635
SF 2006 I – Term Bonds	10,085		07/01/31		4.900	3,540

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Description	Original amount	Due dates		Interest rate		Balance 2015
		From	To	From	To	
SF 2006 I – Term Bonds	\$ 17,125		07/01/37		4.950	\$ 1,385
SF 2006 J – Term Bonds	40,000		07/01/37		5.745	3,080
SF 2007 C – Term Bonds	35,000		07/01/37	Variable*	0.160	12,690
SF 2007 E – Term Bonds	5,000		07/01/37		5.750	245
SF 2007 G – Term Bonds	33,000		01/01/38	Variable*	0.140	8,155
SF 2007 I – Term Bonds	10,065		07/01/37		5.500	95
SF 2007 M – Term Bonds	25,450		01/01/39	Variable*	0.140	8,655
SF 2007 N – Term Bonds	14,550		01/01/39	Variable*	0.070	4,085
SF 2008 B – Term Bonds	28,070		01/01/39	Variable*	0.110	5,990
SF 2008 C – Term Bonds	29,465		01/01/39	Variable*	0.160	9,905
SF 2008 F – Term Bonds	17,330		01/01/39	Variable*	0.110	13,285
SF 2008 G – Term Bonds	22,500		01/01/39	Variable*	0.160	6,390
SF 2009 A – Serial Bonds	13,510	07/01/10	07/01/20	1.000	4.200	4,325
SF 2009 A – Term Bonds	5,660		07/01/24		4.800	370
SF 2009 A – Term Bonds	8,025		01/01/38		5.000	2,840
SF 2014 B-1 – Term Bonds	1,525		02/01/44		3.590	1,256
SF 2014 B-2 – Term Bonds	11,895		09/01/36		3.050	10,542
Premium						714
Total SF 1991 Mortgage Bonds	561,120					152,977
SF 2009 Mortgage Revenue Bonds:						
SF 2009 1 – Serial Bonds	7,370	01/01/11	07/01/21	0.700	4.100	3,185
SF 2009 1 – Term Bonds	4,400		07/01/28		5.000	1,705
SF 2010 1 – Serial Bonds	10,410	01/01/12	01/01/22	0.750	3.550	4,555
SF 2010 1 – Term Bonds	6,240		01/01/28		4.375	2,945
SF 2009 3A – Term Bonds	31,200		07/01/41		3.010	17,870
SF 2011 1 Serial Bonds	14,315	07/01/12	07/01/23	0.500	4.000	9,865
SF 2011 1 Term Bonds	3,920		07/01/26		4.375	1,710
SF 2011 1 Term Bonds	5,765		01/01/29		4.500	3,500
SF 2011 2 Serial Bonds	9,650	01/01/13	07/01/22	0.700	3.600	7,005
SF 2011 2 Term Bonds	4,185		07/01/26		4.000	3,780
SF 2011 2 Term Bonds	4,365		07/01/28		4.500	2,860
SF 2011 3C Term Bonds	30,000		07/01/41		2.320	24,260
SF 2012 1 Term Bonds	17,756		09/01/40		2.300	11,847
SF 2013 1 Term Bonds	20,000		02/01/43		2.150	16,847
SF 2013 2 Term Bonds	15,000		07/01/43		2.800	13,583
SF 2013 3 Term Bonds	32,430		02/01/42		2.900	25,115
SF 2013 4 Term Bonds	10,000		08/01/43		2.800	8,618
Premium						518
Total SF 2009 Mortgage Revenue Bonds	227,006					159,768
Multi Family Housing Bonds:						
MF 1978 A – Term Bonds	22,050		04/01/21		6.000	7,595
MF 2006 A – Term Bonds	6,475		07/01/41		4.600	4,905
MF 2007 A – Term Bonds	12,700		08/01/37	Variable*	0.080	11,450
MF 2007 B – Term Bonds	9,300		08/01/37	Variable*	0.080	8,390
MF 2008 A – Term Bond	3,750		06/01/24	Variable*	0.110	3,550
MF FHLB B1 – Term Bonds	11,500		02/01/26	Variable*	1.304	10,974
Total MF Housing Bonds	65,775					46,864

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Description	Original amount	Due dates		Interest rate		Balance 2015
		From	To	From	To	
Credit Facilities:						
Iowa State University note	\$ 1,000		12/31/21		0.000	\$ 523
Iowa State University note	45		03/15/24		0.000	27
Total Credit Facilities	1,045					550
Total Housing Agency	854,946					360,159
State Revolving Fund Revenue Bonds:						
2010 – Serial Bonds	215,725	08/01/11	08/01/25	2.000	5.000	175,945
2010 – Term Bonds	77,165		08/01/30		5.272	77,165
2011 – Serial Bonds	220,435	08/01/12	08/01/31	2.000	5.000	212,290
2013 – Serial Bonds	115,450	02/01/14	08/01/33	1.500	5.000	112,990
2015 – Serial Bonds	321,530	08/01/15	08/01/35	1.000	5.000	321,530
Premium						102,841
Total State Revolving Fund	950,305					1,002,761
Total bonds and notes	\$ 1,805,251					\$ 1,362,920

* Variable rates are as of June 30, 2015

(b) Rollforward

The following table summarizes the bonds and notes payable (net of premium and discount) activity for the Authority for the year ended June 30, 2015 (dollars in thousands):

	June 30, 2014	Additions	Reductions	June 30, 2015	Due within one year
Housing Agency Fund					
SF 1991 Mortgage Bonds \$	210,393	11,895	(69,311)	152,977	3,355
SF 2009 Mortgage Revenue Bonds	186,577	—	(26,809)	159,768	3,390
MF Housing Bonds	49,086	—	(2,222)	46,864	1,592
Credit Facilities	654	—	(104)	550	104
Total Housing Agency Fund	446,710	11,895	(98,446)	360,159	8,441
State Revolving Fund	983,648	381,050	(361,937)	1,002,761	48,055
Total	\$ 1,430,358	392,945	(460,383)	1,362,920	56,496

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(c) *Maturity*

A summary of scheduled bond maturities (excluding premium and discount) and interest payments is as follows (dollars in thousands):

Year ending June 30	Housing Agency Fund			State Revolving Fund			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 8,441	7,537	15,978	48,055	37,126	85,181	56,496	44,663	101,159
2017	9,193	7,322	16,515	50,980	36,331	87,311	60,173	43,653	103,826
2018	9,295	7,067	16,362	51,770	34,403	86,173	61,065	41,470	102,535
2019	9,599	6,794	16,393	53,575	32,231	85,806	63,174	39,025	102,199
2020	10,003	6,497	16,500	50,095	30,011	80,106	60,098	36,508	96,606
2021-2025	44,132	28,695	72,827	287,260	113,133	400,393	331,392	141,828	473,220
2026-2030	52,326	23,274	75,600	217,355	56,884	274,239	269,681	80,158	349,839
2031-2035	56,765	18,671	75,436	132,985	13,051	146,036	189,750	31,722	221,472
2036-2040	76,907	12,977	89,884	7,845	196	8,041	84,752	13,173	97,925
2041-2045	82,266	4,478	86,744	—	—	—	82,266	4,478	86,744
Total	\$ 358,927	123,312	482,239	899,920	353,366	1,253,286	1,258,847	476,678	1,735,525

The Authority has the option to redeem bonds at par or at a premium, in some instances. Generally, the redemption option cannot be exercised prior to the time the bonds have been outstanding for 10 years; however, certain special redemptions, as governed by the bond resolutions, are permitted prior to such time. Term bonds are subject to mandatory redemptions, without premium, through sinking fund installments subsequent to the scheduled completion of retirement of the serial bonds of the same issue. The schedule of bond maturities includes the sinking fund installments for the term bonds. Bond maturities and interest rates are based on those in effect as of June 30, 2015.

The bonds are secured, as described in the applicable bond resolution, by the revenues, moneys, investments, loans, and other assets in the programs and accounts established by the respective bond resolutions.

The Single Family Mortgage Bonds Resolution and the Multifamily Housing Bonds Master Trust Indenture contain covenants that require the Authority to make payments of principal and interest from amounts available in the General Account should deficiencies occur in the accounts established for such payments by the respective bond resolutions.

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(d) Derivative Instrument Payments and Variable-Rate Debt

As of June 30, 2015, aggregate debt service requirements of the Authority's variable-rate debt and net receipts/payments on associated derivative instruments are as follows. These amounts assume that current interest rates on variable-rate bonds and the current reference rates of hedging derivative instruments will remain the same for their term. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on hedging derivative instruments will vary. Refer to note 5 for information on derivative instruments (dollars in thousands).

<u>Fiscal year ending June 30</u>	<u>Variable-rate bonds principal</u>	<u>Variable-rate bonds interest</u>	<u>Interest rate swaps, net</u>	<u>Total</u>
2016	\$ 1,655	141	4,465	6,261
2017	2,355	138	3,879	6,372
2018	2,425	135	3,399	5,959
2019	2,600	132	3,103	5,835
2020	2,820	127	2,938	5,885
2021–2025	20,820	574	12,220	33,614
2026–2030	22,665	433	8,468	31,566
2031–2035	34,455	260	5,700	40,415
2036–2040	24,975	53	1,384	26,412
Total	<u>\$ 114,770</u>	<u>1,993</u>	<u>45,556</u>	<u>162,319</u>

(e) Defeased Debt

On February 25, 2015, the Authority issued State Revolving Fund bonds with a face value of \$321.5 million to provide resources to purchase investment securities that were placed into an irrevocable trust to provide funds for future debt service payments on \$298.3 million of State Revolving Fund bonds. The funds required for this transaction exceeded the net carrying value of the defeased debt by \$25.4 million. This refunding was undertaken to take advantage of the low interest rate environment and resulted in an economic gain of \$32.9 million.

As a result, the irrevocable trust account assets and the liabilities for these defeased bonds are not included in the Authority's basic financial statements.

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The amount of defeased debt outstanding at June 30, 2015 is shown below (dollars in thousands):

	<u>Balance</u>
State Revolving Fund defeased bonds:	
Series 2007	\$ 49,625
Series 2008	121,925
Series 2009	<u>126,785</u>
Total State Revolving Fund defeased bonds	\$ <u><u>298,335</u></u>

(5) Derivative Instruments

Swap agreements allow the Authority to raise funds at variable rates and swap them into fixed rates that are lower than those available to the Authority if fixed-rate borrowings were made directly. These contracts involve the exchange of variable-rate for fixed-rate payments between the parties, without the exchange of the underlying debt, based on a common notional amount and maturity date.

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The following table displays the terms of the Authority's swap hedging derivative instruments outstanding at June 30, 2015 (dollars in thousands):

Bond series	2015 Notional amount	Effective date	Termination date	Terms		Counterparty
				Pay	Receive	
SF 2004 B	\$ —	12/02/04	07/01/34	4.028%	Enhanced LIBOR	Goldman Sachs Bank USA
SF 2004 D	—	02/03/05	07/01/20	4.007	SIFMA + 0.10% or Various LIBOR + Spread	The Bank of New York Mellon
SF 2004 G	6,555	06/01/05	07/01/34	3.867	Enhanced LIBOR	Goldman Sachs Bank USA
SF 2005 C	1,650	11/01/05	01/01/36	4.140	SIFMA + 0.10% or Various LIBOR + Spread	The Bank of New York Mellon
SF 2005 E	8,445	01/01/11	01/01/36	3.817	Enhanced LIBOR	Goldman Sachs Bank USA
SF 2005 H	4,080	01/01/11	07/01/36	3.843	SIFMA + 0.10% or Various LIBOR + Spread	The Bank of New York Mellon
SF 2006 C	12,000	09/01/06	01/01/36	3.760	Enhanced LIBOR	Goldman Sachs Bank USA
SF 2006 F	2,275	11/01/06	07/01/36	4.632	SIFMA + 0.10%	The Bank of New York Mellon
SF 2007 C	12,690	03/08/07	07/01/25	5.289	LIBOR	Goldman Sachs Bank USA
SF 2007 G	9,835	07/12/07	01/01/19	5.493	LIBOR	The Bank of New York Mellon
SF 2007 M	8,655	12/12/07	07/01/21	4.373	LIBOR	The Bank of New York Mellon
SF 2007 N	4,780	12/12/07	01/01/39	4.364	SIFMA + 0.06%	The Bank of New York Mellon
MF 2008 A	3,550	04/17/08	06/01/24	3.971	SIFMA + 0.08%	Goldman Sachs Bank USA
SF 2008 B	6,345	01/01/11	01/01/39	4.470	SIFMA + 0.06%	Goldman Sachs Bank USA
SF 2008 C	9,905	04/16/08	01/01/26	3.880	LIBOR	Goldman Sachs Bank USA
SF 2008 F	17,330	10/01/08	01/01/39	4.529	SIFMA + 0.08%	Goldman Sachs Bank USA
SF 2008G	6,390	10/01/08	07/01/18	4.173	LIBOR	Goldman Sachs Bank USA

Goldman Sachs Bank USA is rated A1 by Moody's and A by Standard and Poor's
The Bank of New York Mellon is rated Aa2 by Moody's and AA- by Standard and Poor's
SIFMA = Securities Industry and Financial Markets Association Swap Index
LIBOR = London Interbank Offer Rate

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Interest rate cap derivatives are where the Authority receives payments at the end of each period, based on a notional amount, when the interest rate exceeds the agreed-upon strike rate. The following table displays the terms of the Authority's cap derivative instruments outstanding at June 30, 2015 (dollars in thousands):

Bond Series	2015 Notional amount	Effective date	Maturity date	Strike rate	Ceiling rate	Counterparty
MF 2007 B	\$ 9,300	06/14/2007	01/01/2024	5.0% SIFMA until 07/01/2019	N/A	Royal Bank of Canada
MF 2007 A	12,285	07/01/2012	07/01/2015	5.5% SIFMA thereafter 3% SIFMA	N/A	The Bank of New York Mellon
MF B-1	11,257	07/01/2012	07/01/2015	6% LIBOR	N/A	Royal Bank of Canada

Royal Bank of Canada is rated Aa3 by Moody's and AA- by Standard and Poor's
The Bank of New York Mellon is rated Aa2 by Moody's and AA- by Standard and Poor's

As of June 30, 2015, the Authority had investment derivative instruments with the following maturities (dollars in thousands):

Investment type	Notional value	Fair value	Investment maturities (in years)			
			Less than 1	1-5	6-10	More than 10
Investment derivative instruments – swaps	\$ 35,215	(102)	—	(46)	—	(56)
Investment derivative instrument – forward MBS sales	43,875	300	300	—	—	—
Investment derivative instruments – MBS purchase commitments	83,117	483	483	—	—	—
Total	\$ 162,207	681	783	(46)	—	(56)

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The fair value balances of derivative instruments outstanding at June 30, 2015, classified by type, and changes in the fair value of such derivative instruments for the year then ended as reported in the 2015 financial statements are as follows (dollars in thousands):

Bond series	Type	Fair value June 30 2015	Change in fair value
Hedging derivatives:			
SF 2004 B	Swap	\$ —	(89)
SF 2004 D	Swap	—	(45)
SF 2004 G	Swap	(18)	157
SF 2005 C	Swap	(130)	260
SF 2005 E	Swap	(205)	134
SF 2005 H	Swap	(223)	309
SF 2006 C	Swap	(637)	226
SF 2006 F	Swap	(285)	126
SF 2007 C	Swap	(1,635)	397
SF 2007 G	Swap	(568)	511
SF 2007 M	Swap	(539)	296
SF 2007 N	Swap	(385)	84
SF 2008 B	Swap	(226)	218
SF 2008 C	Swap	(501)	258
SF 2008 F	Swap	(583)	464
SF 2008G	Swap	(256)	244
MF 2007 B	Cap	73	(59)
MF 2008 A	Swap	(615)	(53)
Total hedging derivatives		\$ (6,733)	3,438
Investment derivatives:			
SF 2007 C	Swap	\$ (56)	(3)
SF 2007 G	Swap	(46)	(97)
Forward MBS TBA sales	Forward	300	(665)
MBS purchase commitments	Commitment	483	483
Total investment derivatives		\$ 681	(282)

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The fair values of the interest rate swaps were estimated based on an independent pricing service. The valuations provided were derived from proprietary models based upon well-recognized principles and estimates about relevant future market conditions. The fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the interest rate swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement payment on the interest rate swaps. Fair values of options are based on option pricing models such as the Black-Scholes-Merton model, or any of the short-rate models of interest rate, or other market standard models consistent with accepted practices in the market for interest rate products. The models would consider probabilities, volatilities, time, settlement prices, and other variables pertinent to the transactions.

The fair values of the interest rate cap were estimated based on the present value of their estimated future cash flows.

The fair value of the forward mortgage-backed security sales are estimated based on an internal valuation model, which includes current trade pricing for similar financial instruments in active markets that the Authority has the ability to access.

The fair value of the mortgage-back security purchase commitments are estimated using an internal valuation model, which includes grouping the commitments by interest rate and terms, applying an estimated closing ratio, and then multiplying by quoted investor prices determined to be reasonably applicable to the commitment groups based on interest rate, terms, and commitment expiration dates of the commitment group. The closing ratio, which represents the percentage of commitments that management estimates it will ultimately fund, calculation takes into consideration historical data and loan-level data. The weighted average closing ratio at June 30, 2015 was 87.62%.

Risks Associated with Derivative Transactions

Credit risk. The Authority is exposed to credit risk on hedging derivatives instruments that are in asset positions. The aggregate fair value of hedging derivative instruments in asset positions at June 30, 2015 was \$73 thousand. This represents the maximum loss that would be recognized at the reporting date if all counterparties failed to perform as contracted.

Bank of New York Mellon, Goldman Sachs Bank USA, and Royal Bank of Canada are currently counterparties under the derivatives agreements with the Authority.

With respect to counterparty risk, the Authority will also manage the agreements and all transactions entered into its counterparties to ensure that the Authority's exposure to either of its counterparties does not exceed a proper amount.

Interest rate risk. The Authority is exposed to interest rate risk on its derivatives. On its pay-fixed, receive-variable derivatives, as the LIBOR or SIFMA swap index decreases, the Authority's net payment on the derivatives increases.

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Basis risk. Basis risk refers to a mismatch between the interest rate received from the derivative counterparty and the interest rate actually owed on the Authority's bonds. Specifically, the Authority's basis risk is that the variable interest payment received from counterparty will be less than the actual variable interest payments owed on the Authority's variable rate bonds. The mismatch between the Authority's actual bond rate and the derivative rate is the Authority's basis risk. As of June 30, 2015, the weighted average interest rate of the Authority's hedged variable-rate debt is 4.32%, while the SIFMA swap index rate is 0.02%. LIBOR is 0.185% at June 30, 2015.

Termination risk. Termination risk is the risk that the swap could be terminated as a result of any of several events, which may include a ratings downgrade of the Authority's single-family mortgage bonds or of a derivative counterparty covenant violation, bankruptcy, swap payment default and default events as defined in the Authority's Single Family Mortgage Bonds Resolution; however, the Authority believes that the likelihood of any such termination event is remote.

Rollover risk. Rollover risk is the risk that the term of a particular swap contract is not coterminous with the related bonds. If an issuer entered into a swap to hedge for a specified period of time and then decides at swap maturity that it wishes to maintain the same or similar hedge position, it may incur rehedging costs at that time. The Authority minimizes this risk by matching the term of the swaps with the maturity of the related bonds.

(6) Pension Plan

(a) Plan Description

IPERS membership is mandatory for employees of the Authority, except for those covered by another retirement system. Employees of the Authority are provided with pensions through a cost-sharing multiple-employer defined-benefit pension plan administered by IPERS. IPERS issues a stand-alone financial report, which is available to the public by mail at 7401 Register Drive P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

(b) Pension Benefits

A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, anytime after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. (These qualifications must be met on the member's first month of entitlement to benefits.) Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member's monthly IPERS benefit includes:

- i. A multiplier (based on years of service).

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- ii. The member's highest five-year average salary. (For members with service before June 30, 2012, the highest three-year average salary as of that date will be used if it is greater than the highest five-year average salary.)

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25 percent for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50 percent for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

(c) *Disability and Death Benefits*

A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

(d) *Contributions*

Effective July 1, 2012, as a result of a 2010 law change, the contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. Statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2015, pursuant to the required rate, Regular members contributed 5.95 percent of pay and the Authority contributed 8.93 percent for a total rate of 14.88 percent.

The Authority's contributions to IPERS for the year ended June 30, 2015 were \$633 thousand.

(e) *Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At June 30, 2015, the Authority reported a liability of \$4.3 million for its proportionate share of the net pension liability and is recorded within other liabilities in the statement of net position, of which

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\$4.0 million and \$0.3 million was attributed to the Housing Agency Fund and State Revolving Fund, respectively. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on the Authority's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2014, the Authority's collective proportion was 0.107584 percent, which was an increase of 0.002207 from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the Authority recognized pension expense of \$303 thousand. At June 30, 2015, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (dollars in thousands):

	Housing Agency Fund		State Revolving Fund		Total	
	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 43	—	3	—	46	—
Changes of assumptions	176	—	12	—	188	—
Net difference between projected and actual earnings on pension plan investments	—	1,524	—	103	—	1,627
Changes in proportion and differences between Authority contributions and proportionate share of contributions	—	13	—	52	—	65
Authority contributions subsequent to the measurement date	591	—	42	—	633	—
Total	\$ 810	1,537	57	155	867	1,692

\$633 thousand reported as deferred outflows of resources related to pensions resulting from the Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016.

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Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (dollars in thousands):

	Year ended June 30
2016	\$ (367)
2017	(367)
2018	(367)
2019	(367)
2020	11
Total	\$ (1,457)

There were no nonemployer contributing entities at IPERS.

(f) Actuarial Assumptions

The total pension liability in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2014)	3.00 percent per annum
Rates of salary increase (effective June 30, 2010)	4.00 to 17.00 percent, average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 1996)	7.50 percent, compounded annually, net of investment expense, including inflation

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of actuarial experience studies with dates corresponding to those listed above.

Mortality rates were based on the RP-2000 Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The

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target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset class</u>	<u>Asset allocation</u>	<u>Long-term expected real rate of return</u>
U.S. Equity	23%	6.31
Non-U.S. Equity	15	6.76
Private equity	13	11.34
Real estate	8	3.52
Core plus fixed income	28	2.06
Credit opportunities	5	3.67
TIPS	5	1.92
Other real assets	2	6.27
Cash	1	(0.69)
	<u>100%</u>	

(g) Discount Rate

The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the Authority will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(h) Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate (dollars in thousands).

	<u>1% Decrease (6.5)%</u>	<u>Discount rate (7.5)%</u>	<u>1% Increase (8.5)%</u>
Authority's proportionate share of the net pension liability	\$ 8,062	4,267	1,063

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(i) Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report, which is available on IPERS' Web site at www.ipers.org.

(j) Payables to the Pension Plan

At June 30, 2015, the Authority had no legally required employer or employee contributions not yet remitted to IPERS.

(7) Commitments and Contingencies

(a) Housing Agency Fund Commitments

The Authority has assumed certain guarantees of the former Iowa Housing Corporation (IHC) in conjunction with the assets received from the IHC on July 1, 2003. The maximum amount of these guarantees as of June 30, 2015 was \$1.3 million for which a \$0.5 million reserve for claims liability is recorded within other liabilities in the statement of net position.

The Authority has made commitments to grant funds for various purposes. The Authority does not record the expense or the liability for these grants until the grantee has fulfilled all contractual requirements and the funds have actually been disbursed. A summary of those outstanding commitments as of June 30, 2015 and 2014 is as follows (dollars in thousands):

	June 30, 2015
Description:	
Project-based housing grants	\$ 205
Local housing trust fund grants	9,593
Shelter assistance grants	585
Total outstanding commitments	\$ 10,383

(b) State Revolving Fund Commitments

The Authority has signed loan agreements under the State Revolving Fund for which \$196.9 million have not been disbursed as of June 30, 2015.

(8) Subsequent Events

On September 28, 2015, the Authority issued \$122.0 million of Single Family Mortgage Bonds to purchase mortgage-backed securities under the Authority's FirstHome program and refund existing debt. In conjunction with this issuance, the Authority entered into an interest rate swap agreement with Royal Bank of Canada with an initial notional amount of \$5.2 million effective January 1, 2017 and increasing to \$25.0 million by July 2018.

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Schedule of Authority's Proportionate Share of the Net Pension Liability

Iowa Public Employees' Retirement System
Last Fiscal Year*
(Dollars in thousands)

Required Supplementary Information
(Unaudited)

	2015
Authority's proportion of the net pension liability	0.107584%
Authority's proportionate share of the net pension liability	\$ 4,267
Authority's covered-employee payroll	\$ 7,066
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	60.39%
Plan fiduciary net position as a percentage of the total pension liability	87.61%

* The amounts presented for each fiscal year were determined as of June 30.

See accompanying independent auditors' report.

Note: GASB Statement No. 68 requires 10 years of information to be presented in this table. However, until a full 10-year trend is compiled, the Authority will present information for those years for which information is available.

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Schedule of Authority Contributions

Iowa Public Employees' Retirement System
Last 10 Fiscal Years
(Dollars in thousands)

Required Supplementary Information
(Unaudited)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Statutorily required contribution	\$ 633	631	600	534	451	394	383	345	302	292
Contributions in relation to the statutorily required contribution	(633)	(631)	(600)	(534)	(451)	(394)	(383)	(345)	(302)	(292)
Contribution deficiency (excess)	\$ —	—	—	—	—	—	—	—	—	—
Authority's covered-employee payroll	\$ 7,088	7,066	6,920	6,617	6,489	5,925	6,031	5,702	5,252	5,078
Contribution as a percentage of covered-employee payroll	8.93%	8.93%	8.67%	8.07%	6.95%	6.65%	6.35%	6.05%	5.75%	5.75%

See accompanying independent auditors' report.

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Notes to Required Supplementary Information – Pension Liability

Year ended June 30, 2015

(Unaudited)

Changes of benefit terms:

Legislation passed in 2010 modified benefit terms for current Regular members. The definition of final average salary changed from the highest three to the highest five years of covered wages. The vesting requirement changed from four years of service to seven years. The early retirement reduction increased from 3 percent per year measured from the member's first unreduced retirement age to a 6 percent reduction for each year of retirement before age 65.

In 2008, legislative action transferred four groups – emergency medical service providers, county jailers, county attorney investigators, and National Guard installation security officers – from Regular membership to the protection occupation group for future service only.

Benefit provisions for sheriffs and deputies were changed in the 2004 legislative session. The eligibility for unreduced retirement benefits was lowered from age 55 by one year each July 1 (beginning in 2004) until it reached age 50 on July 1, 2008. The years of service requirement remained at 22 or more. Their contribution rates were also changed to be shared 50-50 by the employee and employer, instead of the previous 40-60 split.

Changes of assumptions:

The 2014 valuation implemented the following refinements as a result of a quadrennial experience study:

- Decreased the inflation assumption from 3.25 percent to 3.00 percent.
- Decreased the assumed rate of interest on member accounts from 4.00 percent to 3.75 percent per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Reduced retirement rates for sheriffs and deputies between the ages of 55 and 64.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

The 2010 valuation implemented the following refinements as a result of a quadrennial experience study:

- Adjusted retiree mortality assumptions.
- Modified retirement rates to reflect fewer retirements.
- Lowered disability rates at most ages.
- Lowered employment termination rates.
- Generally increased the probability of terminating members receiving a deferred retirement benefit.
- Modified salary increase assumptions based on various service duration.

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Notes to Required Supplementary Information – Pension Liability

Year ended June 30, 2015

(Unaudited)

The 2007 valuation adjusted the application of the entry age normal cost method to better match projected contributions to the projected salary stream in the future years. It also included in the calculation of the UAL amortization payments the one-year lag between the valuation date and the effective date of the annual actuarial contribution rate.

The 2006 valuation implemented the following refinements as a result of a quadrennial experience study:

- Adjusted salary increase assumptions to service based assumptions.
- Decreased the assumed interest rate credited on employee contributions from 4.25 percent to 4.00 percent.
- Lowered the inflation assumption from 3.50 percent to 3.25 percent.
- Lowered disability rates for sheriffs and deputies and protection occupation members.

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Combining Schedule of Net Position
June 30, 2015
(Dollars in thousands)

Assets	Housing Agency Fund							State Revolving Fund			Combined		
	General Operating Account	Single Family 1991 MB	Single Family 2009 MRB	Multi Family Housing Bonds	Federal and State Programs	Agricultural Development Division	Iowa Title Guaranty Division	Eliminations	Total Housing Agency	Clean Water Programs	Drinking Water Programs	Total SRF	Total IFA
Current assets (substantially restricted):													
Cash and cash equivalents	\$ 3,282	57,848	9,187	49,131	18,060	3,910	9,254	—	150,672	189,816	72,510	262,326	412,998
Investments in mortgage-backed securities	337	5,256	3,535	—	—	—	—	—	9,128	—	—	—	9,128
Other investments	597	—	—	1,442	225	203	—	—	2,467	64,510	21,152	85,662	88,129
Loans to municipalities or water systems, net	—	—	—	—	—	—	—	—	—	51,698	24,071	75,769	75,769
Housing Agency loans, net	53	296	—	1,016	4,854	162	—	—	6,381	—	—	—	6,381
Accrued interest receivable	38	956	510	880	60	41	—	—	2,485	2,402	1,054	3,456	5,941
Other current assets	1,290	64	—	(5)	3	10	147	(287)	1,222	270	201	471	1,693
Total current assets	5,597	64,420	13,232	52,464	23,202	4,326	9,401	(287)	172,355	308,696	118,988	427,684	600,039
Noncurrent assets (substantially restricted):													
Investments in mortgage-backed securities	5,545	223,244	162,970	—	—	—	—	—	391,759	—	—	—	391,759
Other investments	1,087	10,484	—	7,667	—	—	—	—	19,238	21,607	20,854	42,461	61,699
Loans to municipalities or water systems, net	—	—	—	—	—	—	—	—	—	982,697	364,331	1,347,028	1,347,028
Housing Agency loans, net	772	3,671	—	61,530	72,508	1,719	—	—	140,200	—	—	—	140,200
Capital assets, net of accumulated depreciation	2,788	—	—	—	—	—	3	—	2,791	17	8	25	2,816
Other noncurrent assets	—	5,325	3,005	—	—	—	—	—	8,330	—	—	—	8,330
Total noncurrent assets	10,192	242,724	165,975	69,197	72,508	1,719	3	—	562,318	1,004,321	385,193	1,389,514	1,951,832
Total assets	15,789	307,144	179,207	121,661	95,710	6,045	9,404	(287)	734,673	1,313,017	504,181	1,817,198	2,551,871
Deferred Outflows of Resources													
Pension plan	590	—	—	—	—	—	220	—	810	37	20	57	867
Accumulated decrease in fair value of hedging derivatives	—	2,563	—	542	—	—	—	—	3,105	—	—	—	3,105
Loss on bond refunding	—	—	—	—	—	—	—	—	—	17,183	9,520	26,703	26,703
Total deferred outflows	590	2,563	—	542	—	—	220	—	3,915	17,220	9,540	26,760	30,675
Total assets and deferred outflows	\$ 16,379	309,707	179,207	122,203	95,710	6,045	9,624	(287)	738,588	1,330,237	513,721	1,843,958	2,582,546
Liabilities													
Current liabilities:													
Bonds payable, net	\$ —	3,355	3,390	1,592	104	—	—	—	8,441	33,980	14,075	48,055	56,496
Accrued interest payable	—	2,556	1,493	327	—	—	—	—	4,376	11,419	3,839	15,258	19,634
Escrow deposits	—	—	—	6,503	—	—	2,328	—	8,831	—	—	—	8,831
Accounts payable and other liabilities	2,298	1,477	70	176	17,211	56	946	(287)	21,947	524	335	859	22,806
Total current liabilities	2,298	7,388	4,953	8,598	17,315	56	3,274	(287)	43,595	45,923	18,249	64,172	107,767
Noncurrent liabilities:													
Bonds payable, net	—	149,622	156,378	45,272	446	—	—	—	351,718	715,248	239,458	954,706	1,306,424
Reserves for claims	—	—	—	—	463	—	304	—	767	—	—	—	767
Other liabilities	5,409	6,192	(1)	542	744	(1)	725	—	13,610	180	89	269	13,879
Total noncurrent liabilities	5,409	155,814	156,377	45,814	1,653	(1)	1,029	—	366,095	715,428	239,547	954,975	1,321,070
Total liabilities	7,707	163,202	161,330	54,412	18,968	55	4,303	(287)	409,690	761,351	257,796	1,019,147	1,428,837
Deferred Inflows of Resources													
Pension plan	1,261	—	—	—	—	—	276	—	1,537	94	61	155	1,692
Net Position													
Net investment in capital assets	2,788	—	—	—	—	—	3	—	2,791	17	8	25	2,816
Restricted net position:													
Per bond resolutions	—	146,505	17,877	67,791	—	—	—	—	232,173	449,456	229,552	679,008	911,181
Per legislation	—	—	—	—	76,742	—	5,042	—	81,784	—	—	—	81,784
Per other agreements	—	—	—	—	—	5,464	—	—	5,464	119,319	26,304	145,623	151,087
Total restricted net position	—	146,505	17,877	67,791	76,742	5,464	5,042	—	319,421	568,775	255,856	824,631	1,144,052
Unrestricted net position	4,623	—	—	—	—	526	—	—	5,149	—	—	—	5,149
Total net position	7,411	146,505	17,877	67,791	76,742	5,990	5,045	—	327,361	568,792	255,864	824,656	1,152,017
Total liabilities, deferred inflows, and net position	\$ 16,379	309,707	179,207	122,203	95,710	6,045	9,624	(287)	738,588	1,330,237	513,721	1,843,958	2,582,546

See accompanying independent auditors' report.

IOWA FINANCE AUTHORITY
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Combining Schedule of Revenues, Expenses, and Changes in Net Position
Year ended June 30, 2015
(Dollars in thousands)

	Housing Agency Fund							State Revolving Fund			Combined		
	General Operating Account	Single Family 1991 MB	Single Family 2009 MRB	Multi Family Housing Bonds	Federal and State Programs	Agricultural Development Division	Iowa Title Guaranty Division	Eliminations	Total Housing Agency	Clean Water Programs	Drinking Water Programs	Total SRF	Totals IFA
Operating revenues:													
Interest on mortgage-backed securities	\$ 309	11,583	6,582	—	—	—	—	18,474	—	—	—	18,474	
Interest on loans	60	115	—	3,083	246	84	—	3,588	26,749	10,252	37,001	40,589	
Interest on other investments	44	1,194	—	2,785	110	19	—	4,152	820	508	1,328	5,480	
Gain on sale of mortgage-backed securities	—	4,746	—	—	—	—	—	4,746	—	—	—	4,746	
Net (decrease) increase in fair value of investments and mortgage-backed securities	(19)	(3,847)	158	(316)	(2)	—	—	(4,026)	3	82	85	(3,941)	
Fee income	4,222	178	—	—	1	358	5,434	10,193	2,981	1,274	4,255	14,448	
Other income	175	3	—	—	—	—	75	253	—	—	—	253	
Total operating revenues	4,791	13,972	6,740	5,552	355	461	5,509	37,380	30,553	12,116	42,669	80,049	
Operating expenses:													
Interest on bonds	—	6,634	4,728	1,743	—	—	—	13,105	24,140	8,959	33,099	46,204	
General and administrative	8,493	253	54	48	1,217	438	4,667	15,170	4,697	4,330	9,027	24,197	
Provision (recoveries) of losses	—	(1)	—	(150)	560	(1)	(4,726)	(4,318)	—	(5)	(5)	(4,323)	
Total operating expenses	8,493	6,886	4,782	1,641	1,777	437	(59)	23,957	28,837	13,284	42,121	66,078	
Net operating income (loss)	(3,702)	7,086	1,958	3,911	(1,422)	24	5,568	13,423	1,716	(1,168)	548	13,971	
Non-operating revenue (expense):													
Grant income	2,117	2,189	—	512	28,552	—	—	31,846	15,041	6,852	21,893	53,739	
Grants and aid	(2,114)	(5,234)	(451)	—	(26,609)	—	(1,012)	(33,896)	(1,763)	(4,394)	(6,157)	(40,053)	
Net non-operating revenue (expense)	3	(3,045)	(451)	512	1,943	—	(1,012)	(2,050)	13,278	2,458	15,736	13,686	
Change in net position	(3,699)	4,041	1,507	4,423	521	24	4,556	11,373	14,994	1,290	16,284	27,657	
Net position at June 30, 2014, as restated	11,110	142,464	16,370	63,368	76,221	5,966	489	315,988	553,798	254,574	808,372	1,124,360	
Net position at June 30, 2015	\$ 7,411	146,505	17,877	67,791	76,742	5,990	5,045	327,361	568,792	255,864	824,656	1,152,017	

See accompanying independent auditors' report.

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)
Schedule of Expenditures of Federal Awards
Year ended June 30, 2015
(Dollars in thousands)

<u>Grantor/program title</u>	<u>CFDA number</u>	<u>Federal expenditures</u>
United States Department of Housing and Urban Development		
Direct programs:		
Section 8 Housing Assistance Payments Program	14.195	\$ 56,294
Emergency Shelter Grants Program	14.231	2,244
Home Investment Partnerships Program (HOME)	14.239	10,236
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	484
Total United States Department of Housing and Urban Development direct programs		<u>69,258</u>
United States Department of the Treasury Direct programs:		
National Foreclosure Mitigation Counseling Program	21.000	<u>409</u>
Total federal awards expenditures for year ended June 30, 2015		<u><u>\$ 69,667</u></u>

See accompanying independent auditors' report and notes to schedule of expenditures of federal awards.

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2015

(1) Basis of Presentation

The purpose of the schedule of expenditures of federal awards (the Schedule) is to present a summary of those activities of the Iowa Finance Authority (the Authority) for the year ended June 30, 2015, which have been financed by the U.S. Government (federal awards). For purposes of the Schedule, federal awards include all awards entered into directly between the Authority and the federal government and subawards from nonfederal organizations made under federally sponsored agreements. Because the Schedule presents only a selected portion of the activities of the Authority, it is not intended to, and does not, present the financial position, revenues, expenses, and changes in net position of the Authority.

Deductions or expenditures for direct costs are recognized as incurred, using the accrual method of accounting and applicable cost accounting principles.

(2) Subrecipients

Of the federal expenditure presented in the Schedule, the Authority provided federal awards to subrecipients as follows (dollars in thousands):

<u>Program title</u>	<u>CFDA number</u>	<u>Amount provided to subrecipients</u>
Section 8 Housing Assistance Payments Program	14.195	\$ 56,294
Emergency Shelter Grants Program	14.231	2,149
HOME	14.239	9,255
HOPWA	14.241	452
National Foreclosure Mitigation Counseling Program	21.000	349
Total		<u>\$ 68,499</u>

(3) Outstanding Loan Principal Balances

The following is the outstanding principal balance of the Tax Credit Assistance Program at June 30, 2015 (dollars in thousands):

Tax Credit Assistance Program	\$	18,978
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The following is the outstanding principal balance of the HOME Program at June 30, 2015 (dollars in thousands):

HOME Program	\$	125,536
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KPMG LLP
2500 Ruan Center
666 Grand Avenue
Des Moines, IA 50309

**Independent Auditors' Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

The Board of Directors
Iowa Finance Authority:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of each major fund and the total business-type activities of the Iowa Finance Authority (the Authority), a component of the State of Iowa, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 18, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Des Moines, Iowa
November 18, 2015



KPMG LLP
2500 Ruan Center
666 Grand Avenue
Des Moines, IA 50309

Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance

The Board of Directors
Iowa Finance Authority:

Report on Compliance for Each Major Federal Program

We have audited Iowa Finance Authority's (the Authority) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended June 30, 2015. The Authority's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, Iowa Finance Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2015.



Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

KPMG LLP

Des Moines, Iowa
November 18, 2015

IOWA FINANCE AUTHORITY
(A Component Unit of the State of Iowa)
Schedule of Findings and Questioned Costs
Year ended June 30, 2015

(1) Summary of Auditors' Results

- (a) The type of report issued on the financial statements: *Unmodified opinions*
- (b) Significant deficiencies in internal control over financial reporting: *None Reported*
- (c) Material weaknesses in internal control over financial reporting: *None*
- (d) Noncompliance, which is material to the financial statements: *None*
- (e) Significant deficiencies in internal control over major programs were reported: *None Reported*
- (f) Material weaknesses in internal control over major programs were reported: *None*
- (g) The type of report issued on compliance for major programs: *Unmodified Opinion*
- (h) Audit finding that is required to be reported under Section 510(a) of OMB Circular A-133: *None*
- (i) Major program:

	CFDA #
Section 8 Housing Assistance Payments Program, U.S. Department of Housing and Urban Development	14.195

- (j) Dollar threshold used to distinguish between Type A and Type B programs: *\$3,000,000*
- (k) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: *Yes*

(2) Findings Related to the Financial Statements Reported in Accordance with Government Auditing Standards

None

(3) Findings and Questioned Costs Relating to Federal Awards

None

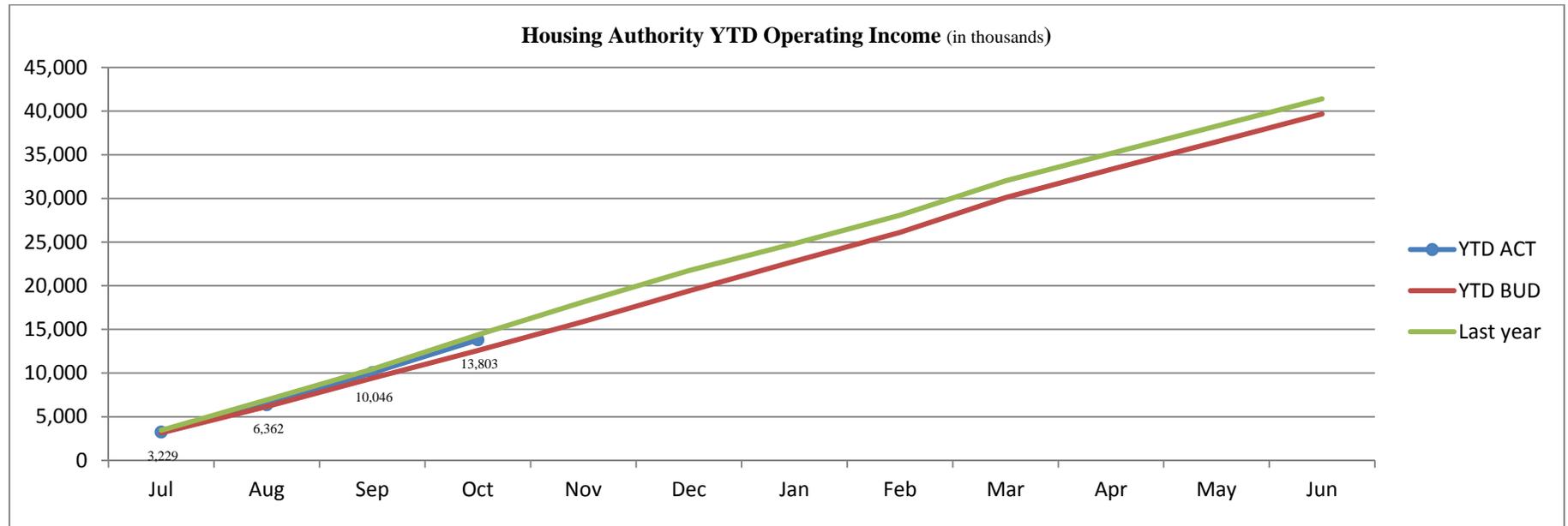
To: David D Jamison
From: Steven E Harvey
Date: November 23, 2015
Re: October 2015 Financial Results



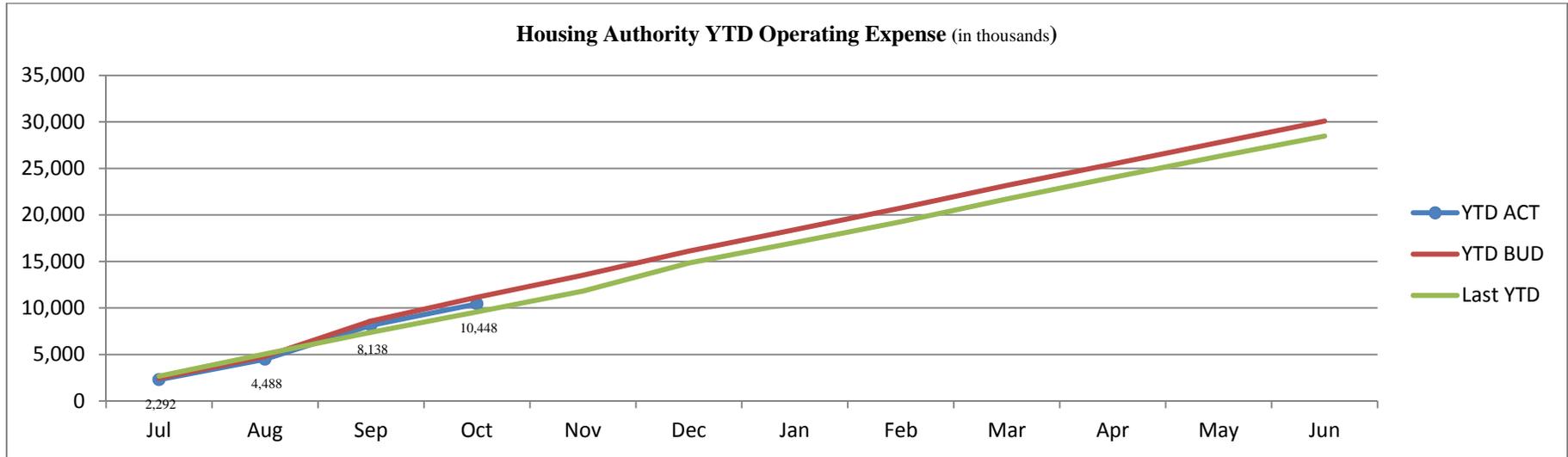
Housing Authority Highlights

YTD October results for the Housing Authority were favorable to budget.

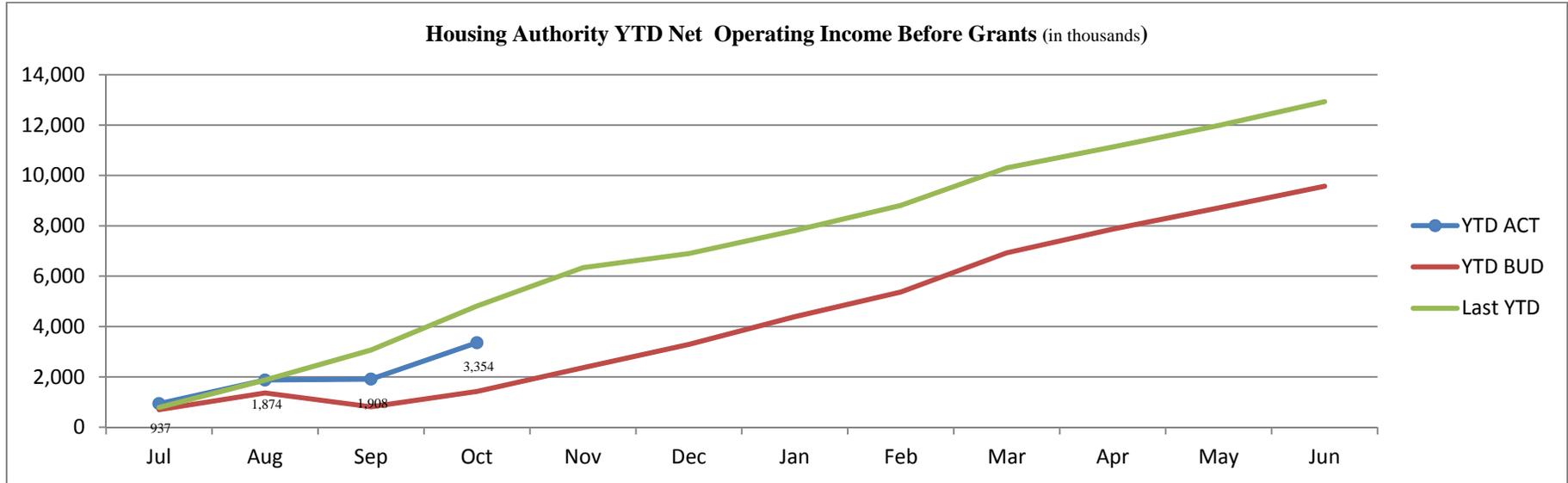
- Aggressive debt reduction continues to produce savings with interest expense, now \$718,163 or 14.2% below budget.
- ITG continues to exceed their Operating Income budget, now by \$773,012 or 39.8%.
- Staffing was below budget by 8 FTE's resulting in employee costs being \$280,438 or 8.0% below budget.
- Professional services were above budget by \$429,689 or 28% due to ITG incentives.
- Net Grant Expense of \$871,653 exceeded budget by \$1,307,346 due to disbursements occurring earlier in the year than expected.



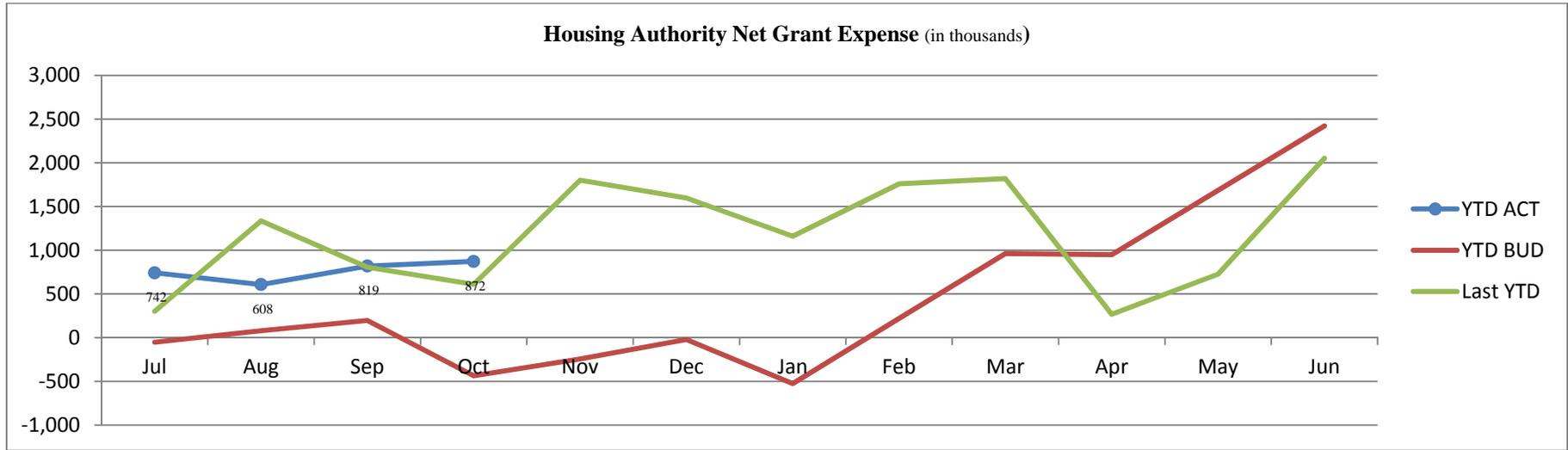
YTD Operating Income of \$13,802,569 was \$1,220,705 or 9.7% favorable to budget but \$582,436 or 4.0% below last year.



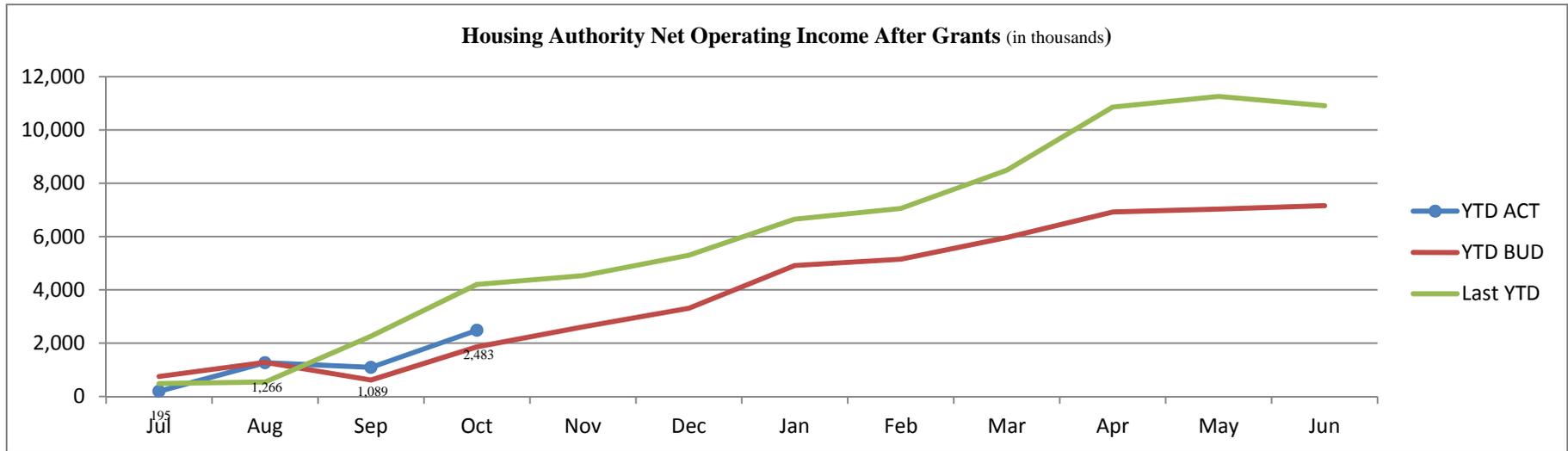
YTD Operating Expense of \$10,448,170 was \$711,185 or 6.4% favorable to budget but \$877,680 above last year due to professional services.



YTD Net Operating Income before Grants of \$3,354,398 was \$1,931,890 or 135.8% above budget but \$1,460,116 or 30.3% below last year.

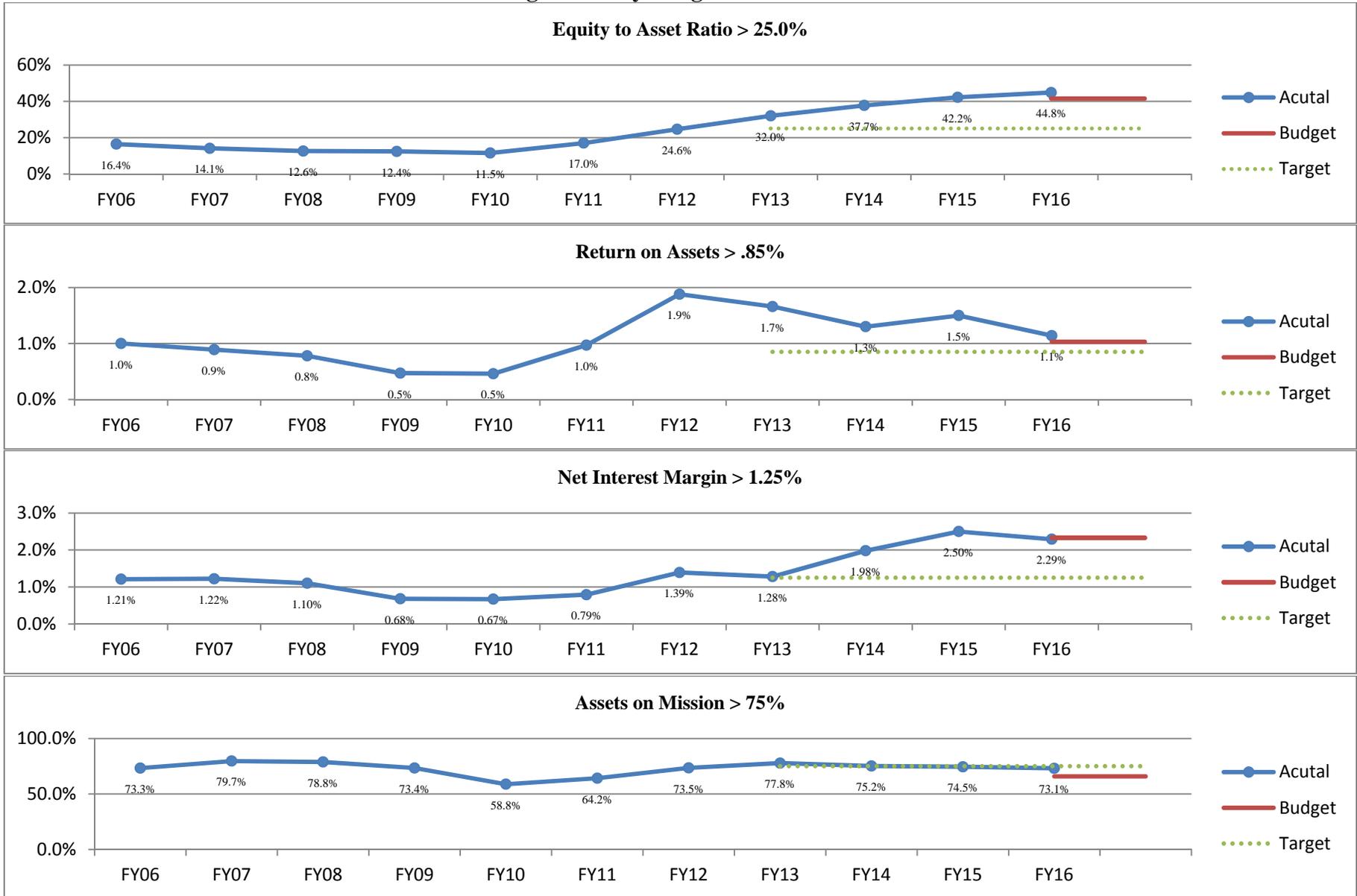


YTD Net Grant Expense of \$871,653 was \$1,307,346 or over 100% above budget and \$261,907 or 43.0% above last year



YTD Net Operating Income after Grants of \$2,482,745 was \$624,544 or 33.6% above budget but \$1,722,022 or 41.0% below last year.

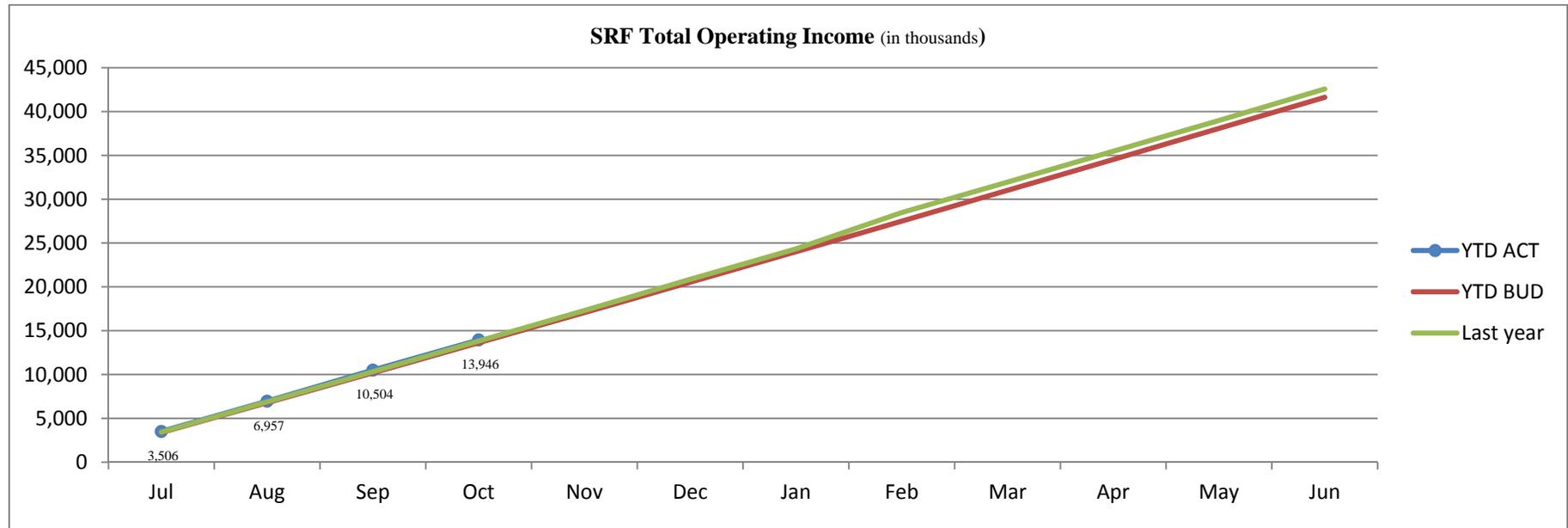
Housing Authority Long-Term Measures



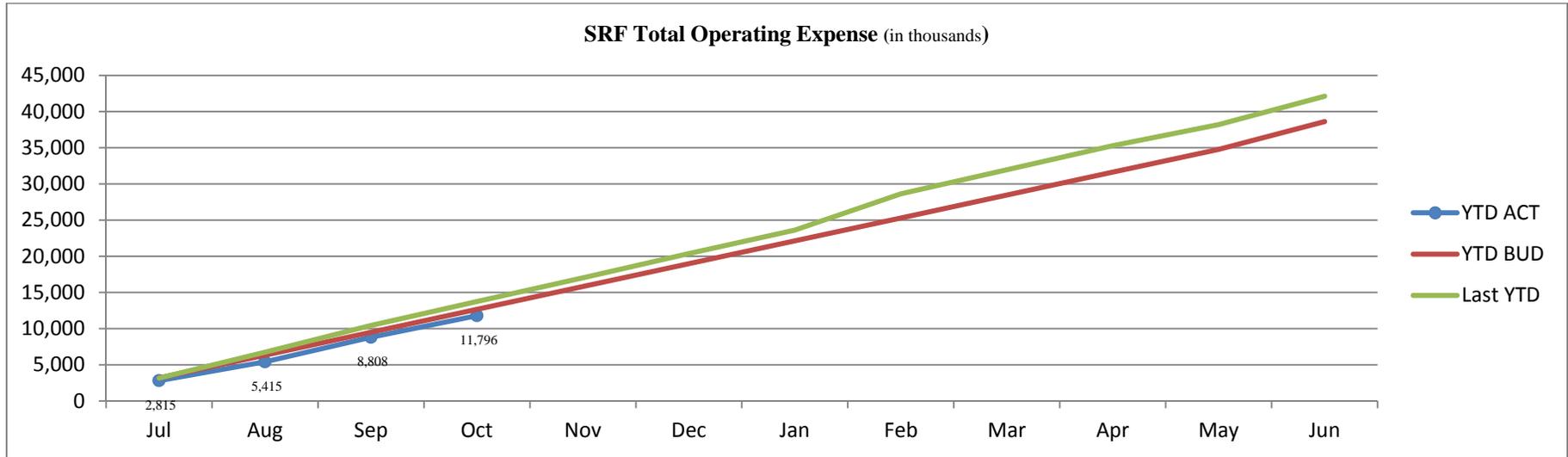
State Revolving Fund Highlights

October YTD results for the SRF were favorable to budget.

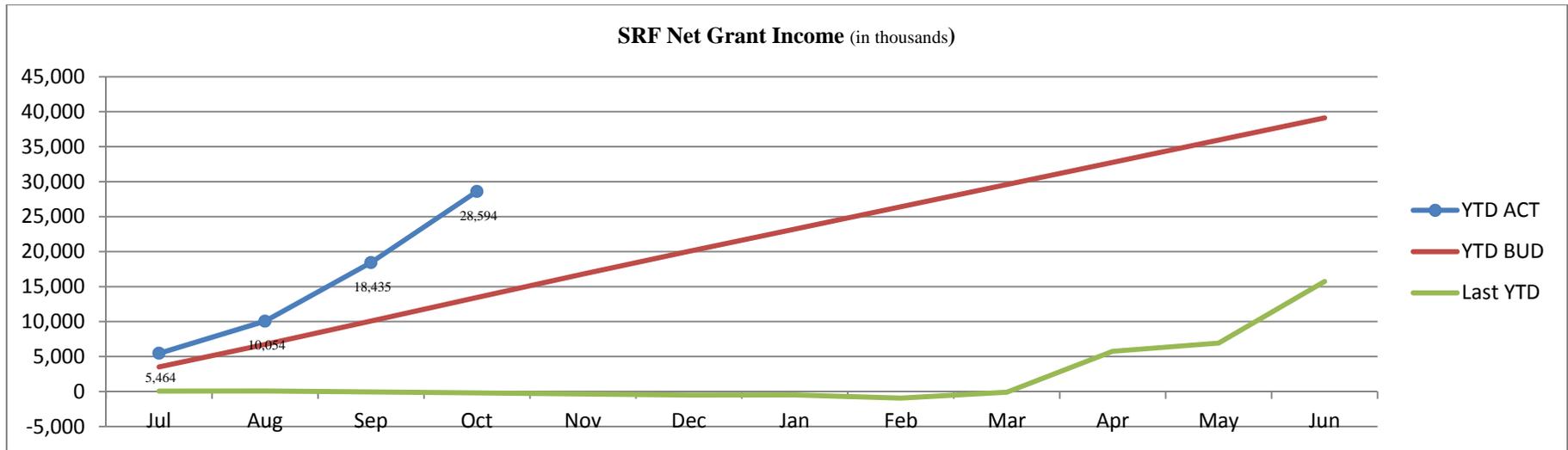
- SRF has \$186.7 million available to fund loan disbursements plus \$14.5 million of cap grants available.
- YTD the SRF has disbursed \$58.0 million in loan draws with \$27.9 million of that amount forgivable.
- Operating income and expense are both favorable to budget.



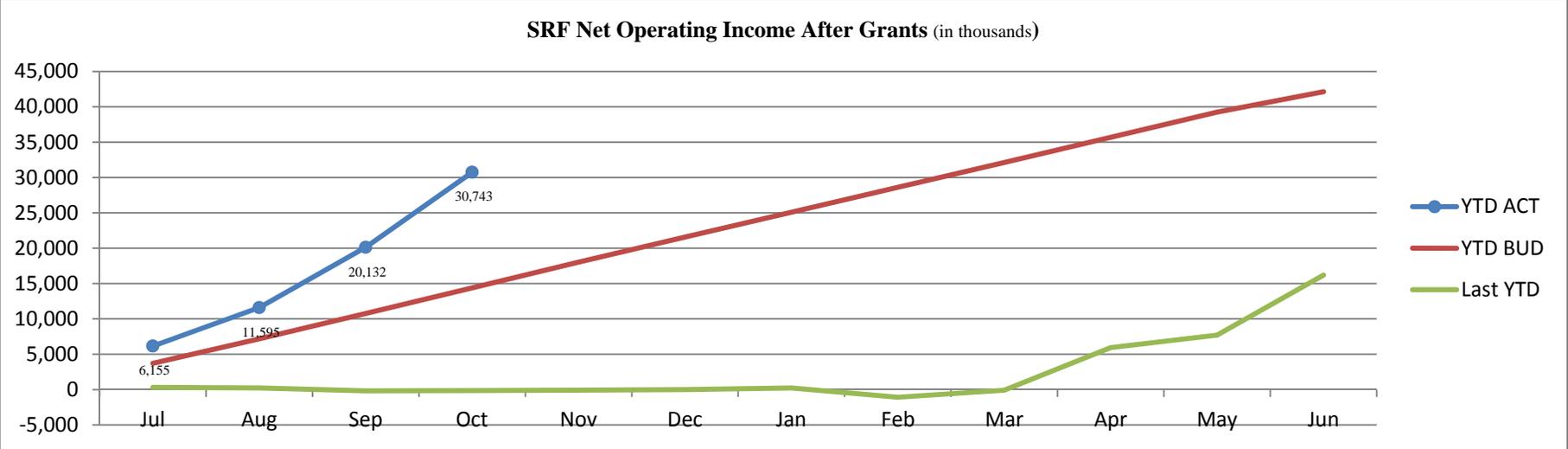
YTD Operating Income of \$13,945,538 was \$326,204 or 2.4% above budget and \$129,583 or .9% above last year.



YTD Operating Expenses of \$11,796,294 was \$869,360 or 6.9% below budget and \$1,956,154 or 14.2% below last year.



YTD Net Grant Income of \$28,593,825 was \$15,154,588 or 112.8% above budget and \$28,804,210 above last year.



YTD Net Operating Income after Grants of \$30,743,069 was \$16,350,152 or 113.6% above budget and \$30,889,948 above last year.

Income Statement	Housing Authority (Rollup)													
	Oct-2015							YTD as of Oct-2015						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	2,380,328	2,245,844	134,484	6.0	3,071,434	(691,105)	-22.5	9,434,110	9,178,636	255,474	2.8	11,161,116	(1,727,006)	-15.5
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	1,367,773	922,540	445,233	48.3	851,476	516,297	60.6	4,208,554	3,227,263	981,291	30.4	3,042,270	1,166,284	38.3
Other Income	8,327	6,966	1,361	19.5	10,499	(2,172)	-20.7	159,904	175,964	(16,060)	-9.1	181,619	(21,715)	-12.0
Total Operating Income	3,756,429	3,175,350	581,078	18.3	3,933,409	(176,980)	-4.5	13,802,569	12,581,864	1,220,705	9.7	14,385,005	(582,436)	-4.0
Operating Expense														
Interest Expense	656,278	1,038,856	(382,578)	-36.8	1,173,066	(516,788)	-44.1	4,346,419	5,064,582	(718,163)	-14.2	4,667,192	(320,773)	-6.9
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	801,177	872,243	(71,066)	-8.1	787,877	13,301	1.7	3,242,990	3,523,428	(280,438)	-8.0	3,232,843	10,147	0.3
Operating Expenses	84,279	131,055	(46,776)	-35.7	138,345	(54,065)	-39.1	440,056	429,925	10,131	2.4	432,999	7,058	1.6
Marketing Expense	14,962	70,347	(55,384)	-78.7	59,443	(44,481)	-74.8	281,850	454,720	(172,870)	-38.0	264,193	17,657	6.7
Professional Services	686,828	407,042	279,785	68.7	344,568	342,260	99.3	1,963,144	1,533,454	429,689	28.0	1,292,114	671,030	51.9
Claim and Loss Expenses	60,980	36,900	24,079	65.3	(320,312)	381,292	-119.0	157,770	116,036	41,734	36.0	(325,974)	483,744	-148.4
Service Release Premium	6,606	10,147	(3,541)	-34.9	362	6,244	1726.2	24,448	37,589	(13,141)	-35.0	3,398	21,050	619.5
Miscellaneous Operating Expense	4,101	7,074	(2,973)	-42.0	5,049	(948)	-18.8	19,927	26,396	(6,469)	-24.5	28,314	(8,387)	-29.6
Overhead Allocation	(5,482)	(6,718)	1,236	-18.4	(4,959)	(524)	10.6	(28,433)	(26,774)	(1,660)	6.2	(24,587)	(3,847)	15.6
Total Operating Expense	2,309,729	2,566,946	(257,217)	-10.0	2,183,438	126,291	5.8	10,448,170	11,159,355	(711,185)	-6.4	9,570,491	877,680	9.2
Net Operating Income (Loss) Before Grants	1,446,699	608,404	838,296	137.8	1,749,971	(303,271)	-17.3	3,354,398	1,422,508	1,931,890	135.8	4,814,514	(1,460,116)	-30.3
Net Grant (Income) Expense														
Grant Income	(2,626,505)	(2,628,527)	2,023	-0.1	(3,651,289)	1,024,785	-28.1	(9,445,328)	(8,514,108)	(931,220)	10.9	(10,082,852)	637,524	-6.3
Grant Expense	2,679,279	1,995,604	683,675	34.3	3,455,242	(775,963)	-22.5	10,316,981	8,078,415	2,238,566	27.7	10,692,598	(375,617)	-3.5
Total Net Grant (Income) Expense	52,774	(632,923)	685,698	-108.3	(196,047)	248,822	-126.9	871,653	(435,693)	1,307,346	-300.1	609,747	261,907	43.0
Net Operating Income (Loss) After Grants	1,393,925	1,241,327	152,598	12.3	1,946,018	(552,093)	-28.4	2,482,745	1,858,201	624,544	33.6	4,204,768	(1,722,022)	-41.0
Non-Operating (Income) Expense	762,036	-	762,036	0.0	(3,533,592)	4,295,628	-121.6	2,594,684	-	2,594,684	0.0	(257,548)	2,852,232	-1107.5
Net Income (Loss)	631,888	1,241,327	(609,439)	-49.1	5,479,610	(4,847,721)	-88.5	(111,938)	1,858,201	(1,970,140)	-106.0	4,462,316	(4,574,255)	-102.5
Home Dept Staff Count	81	92	(11)	-12.0	87	(6)	-6.9	82	92	(10)	-10.6	87	(5)	-5.5
FTE Staff Count	82	92	(10)	-10.6	90	(7)	-8.1	84	92	(8)	-8.6	90	(5)	-5.9

Balance Sheet	Housing Authority (Rollup)						
	Oct-2015						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	153,142,876	173,592,907	(20,450,031)	-11.8	150,215,291	2,927,585	1.9
Investments	21,445,445	23,111,855	(1,666,410)	-7.2	21,894,474	(449,030)	-2.1
Mortgage Backed Securities	390,961,227	392,548,694	(1,587,467)	-0.4	436,825,575	(45,864,348)	-10.5
Loans (net of reserves for losses)	129,266,769	136,267,987	(7,001,217)	-5.1	147,714,741	(18,447,972)	-12.5
Capital Assets (net of accumulated depreciation)	2,727,034	2,894,492	(167,459)	-5.8	2,906,637	(179,603)	-6.2
Other Assets	12,773,690	39,424,437	(26,650,747)	-67.6	39,371,038	(26,597,348)	-67.6
Deferred Outflows	4,158,200	6,694,496	(2,536,296)	-37.9	5,813,196	(1,654,996)	-28.5
Total Assets and Deferred Outflows	714,475,240	774,534,868	(60,059,628)	-7.8	804,740,952	(90,265,713)	-11.2
Liabilities and Equity							
Liabilities and Deferred Inflows							
Debt	354,863,574	378,857,760	(23,994,185)	-6.3	406,207,845	(51,344,271)	-12.6
Interest Payable	2,575,140	3,452,584	(877,444)	-25.4	3,481,197	(906,057)	-26.0
Deferred Income	4,993,901	4,114,293	879,609	21.4	5,280,979	(287,078)	-5.4
Escrow Deposits	7,809,424	7,196,146	613,279	8.5	6,765,224	1,044,201	15.4
Reserves for Claims	931,850	5,419,494	(4,487,644)	-82.8	5,245,631	(4,313,782)	-82.2
Accounts Payable & Accrued Liabilities	3,830,998	3,765,314	65,684	1.7	15,049,766	(11,218,768)	-74.5
Other liabilities	10,731,608	37,241,055	(26,509,447)	-71.2	37,241,055	(26,509,447)	-71.2
Deferred Inflows	1,524,352	-	1,524,352	0.0	-	1,524,352	0.0
Total Liabilities and Deferred Inflows	387,260,847	440,046,644	(52,785,797)	-12.0	479,271,696	(92,010,849)	-19.2
Equity							
YTD Earnings(Loss)	(111,938)	1,858,201	(1,970,140)	-106.0	4,462,316	(4,574,255)	-102.5
Prior Years Earnings	327,360,300	332,630,023	(5,269,722)	-1.6	321,006,940	6,353,360	2.0
Transfers	(33,969)	(0)	(33,969)		(0)	(33,969)	
Total Equity	327,214,393	334,488,224	(7,273,832)	-2.2	325,469,256	1,745,137	0.5
Total Liabilities and Equity	714,475,240	774,534,868	(60,059,628)	-7.8	804,740,952	(90,265,713)	-11.2

Income Statement	State Revolving Fund (Rollup)													
	Oct-2015							YTD as of Oct-2015						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Operating Income														
Interest Income	3,123,045	3,090,196	32,849	1.1	3,179,869	(56,824)	-1.8	12,538,723	12,279,510	259,213	2.1	12,554,768	(16,045)	-0.1
Authority Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Fee Income	318,130	337,442	(19,313)	-5.7	312,638	5,492	1.8	1,406,814	1,339,824	66,990	5.0	1,261,186	145,628	11.5
Other Income	-	-	-	0.0	-	-	0.0	-	-	-	0.0	0	(0)	-100.0
Total Operating Income	3,441,175	3,427,638	13,536	0.4	3,492,507	(51,332)	-1.5	13,945,538	13,619,334	326,204	2.4	13,815,954	129,583	0.9
Operating Expense														
Interest Expense	2,439,589	2,446,095	(6,506)	-0.3	2,686,725	(247,136)	-9.2	9,561,394	9,803,818	(242,425)	-2.5	11,002,312	(1,440,918)	-13.1
Authority Expense	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Employee Expenses	55,021	58,038	(3,017)	-5.2	55,636	(615)	-1.1	223,287	231,303	(8,016)	-3.5	213,974	9,314	4.4
Operating Expenses	7,110	8,247	(1,138)	-13.8	6,439	670	10.4	36,775	32,764	4,011	12.2	27,025	9,750	36.1
Marketing Expense	872	2,200	(1,329)	-60.4	7,500	(6,628)	-88.4	3,610	8,800	(5,190)	-59.0	11,702	(8,092)	-69.1
Professional Services	22,682	24,708	(2,026)	-8.2	25,131	(2,449)	-9.7	84,485	102,194	(17,709)	-17.3	134,014	(49,529)	-37.0
Claim and Loss Expenses	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Service Release Premium	-	-	-	0.0	-	-	0.0	-	-	-	0.0	-	-	0.0
Miscellaneous Operating Expense	457,703	615,000	(157,297)	-25.6	525,544	(67,841)	-12.9	1,858,309	2,460,000	(601,691)	-24.5	2,338,835	(480,525)	-20.5
Overhead Allocation	5,482	6,718	(1,236)	-18.4	4,959	524	10.6	28,433	26,774	1,660	6.2	24,587	3,847	15.6
Total Operating Expense	2,988,459	3,161,007	(172,548)	-5.5	3,311,935	(323,476)	-9.8	11,796,294	12,665,654	(869,360)	-6.9	13,752,448	(1,956,154)	-14.2
Net Operating Income (Loss) Before Grants	452,716	266,632	186,084	69.8	180,573	272,143	150.7	2,149,244	953,680	1,195,564	125.4	63,507	2,085,737	3284.3
Net Grant (Income) Expense														
Grant Income	(10,641,234)	(3,852,348)	(6,788,886)	176.2	(310,578)	(10,330,655)	3326.3	(31,387,309)	(15,439,236)	(15,948,073)	103.3	(1,259,858)	(30,127,451)	2391.3
Grant Expense	482,427	500,000	(17,573)	-3.5	445,979	36,448	8.2	2,793,485	2,000,000	793,485	39.7	1,470,244	1,323,241	90.0
Total Net Grant (Income) Expense	(10,158,807)	(3,352,348)	(6,806,459)	203.0	135,400	(10,294,207)	-7602.8	(28,593,825)	(13,439,236)	(15,154,588)	112.8	210,386	(28,804,210)	-13691.1
Net Operating Income (Loss) After Grants	10,611,523	3,618,980	6,992,543	193.2	45,172	10,566,350	23391.3	30,743,069	14,392,916	16,350,152	113.6	(146,879)	30,889,948	-21030.9
Non-Operating (Income) Expense	115,222	-	115,222	0.0	(198,911)	314,132	-157.9	(131,632)	-	(131,632)	0.0	(18,313)	(113,319)	618.8
Net Income (Loss)	10,496,301	3,618,980	6,877,321	190.0	244,083	10,252,218	4200.3	30,874,700	14,392,916	16,481,784	114.5	(128,567)	31,003,267	-24114.6
Home Dept Staff Count	4	4	-	0.0	4	-	0.0	4	4	-	0.0	4	-	0.0
FTE Staff Count	5	6	(1)	-14.0	5	(1)	-9.2	5	6	(1)	-10.4	5	(0)	-3.8

Balance Sheet	State Revolving Fund (Rollup)						
	Oct-2015						
	Actuals	Bud FY16	Difference	%	Last Year	Difference	%
Assets and Deferred Outflows							
Cash & Cash Equivalents	176,729,954	210,375,584	(33,645,630)	-16.0	230,934,140	(54,204,187)	-23.5
Investments	124,375,538	93,004,143	31,371,395	33.7	78,661,537	45,714,001	58.1
Mortgage Backed Securities	-	-	-	0.0	-	-	0.0
Loans (net of reserves for losses)	1,472,631,566	1,449,886,074	22,745,492	1.6	1,428,037,819	44,593,747	3.1
Capital Assets (net of accumulated depreciation)	11,042	11,042	(0)	0.0	55,208	(44,167)	-80.0
Other Assets	17,278,923	17,878,856	(599,933)	-3.4	17,357,837	(78,914)	-0.5
Deferred Outflows	25,350,967	25,326,591	24,376	0.1	2,921,742	22,429,225	767.7
Total Assets and Deferred Outflows	1,816,377,989	1,796,482,289	19,895,700	1.1	1,757,968,284	58,409,705	3.3
Liabilities and Equity							
Liabilities and Deferred Inflows							
Debt	950,570,293	950,570,293	-	0.0	939,101,862	11,468,431	1.2
Interest Payable	9,305,463	9,305,463	(0)	0.0	9,612,221	(306,758)	-3.2
Deferred Income	-	-	-	0.0	-	-	0.0
Escrow Deposits	-	-	-	0.0	-	-	0.0
Reserves for Claims	-	-	-	0.0	-	-	0.0
Accounts Payable & Accrued Liabilities	584,700	674,652	(89,953)	-13.3	608,042	(23,342)	-3.8
Other liabilities	269,655	-	269,655	0.0	-	269,655	0.0
Deferred Inflows	102,838	-	102,838	0.0	-	102,838	0.0
Total Liabilities and Deferred Inflows	960,832,949	960,550,408	282,540	0.0	949,322,125	11,510,824	1.2
Equity							
YTD Earnings(Loss)	30,874,700	14,392,916	16,481,784	114.5	(128,567)	31,003,267	-24114.6
Prior Years Earnings	824,656,460	821,538,965	3,117,496	0.4	808,774,726	15,881,734	2.0
Transfers	13,880	-	13,880		0	13,880	
Total Equity	855,545,041	835,931,881	19,613,160	2.3	808,646,159	46,898,881	5.8
Total Liabilities and Equity	1,816,377,989	1,796,482,289	19,895,700	1.1	1,757,968,284	58,409,705	3.3



To: Iowa Finance Authority Board

From: Cindy Harris, Chief Financial Officer

Date: December 2, 2015

Subject: Resolution to approve a revolving Line of Credit (“LOC”) for Idaho Housing and Finance Association (“Idaho Housing”) to purchase Authority loans

Recommendation

Approve the proposed Resolution authorizing the use of up to \$30 million for a revolving LOC for Idaho Housing to acquire Authority single family mortgage loans from its participating lenders. The Resolution also authorizes the Executive Director, working with Authority staff and counsel to finalize the LOC agreement.

Background

The purpose of this resolution is to allow the Authority to provide existing funds in an amount not to exceed \$30 million for a revolving LOC for Idaho Housing, the Authority’s master servicer. Currently, Idaho Housing purchases loans daily from the Authority’s participating lenders and holds these loans until the Authority provides them pooling instructions prior to the To Be Announced (“TBA”) monthly settlement dates or an agreed upon settlement date for the mortgage backed securities (“MBS”) eligible for tax-exempt bond financing. During this period, Idaho Housing earns the accrued interest on the Authority’s loans. Providing this LOC to Idaho Housing will allow the Authority to earn the interest on its own single family loans prior to them being pooled into MBS.

The Authority would earn the note rate of the mortgage loans less 0.15% on the mortgage balance held at Idaho Housing. Reviewing the Idaho Housing purchase history of the Authority’s loans over the past year, the weekly mortgage balance held by Idaho Housing ranged from \$5 million to \$27.3 million, with an average of \$13.4 million. Given the prior year’s balances, we estimate that this would have provided additional loan interest income of approximately \$400,000 to \$500,000 for the Authority.

RESOLUTION
FIN 15-12

WHEREAS, the Iowa Finance Authority (the "Authority") through its single family programs (the "MBS Program"), funds certain loans by purchasing mortgage-backed securities ("MBSs") comprised of such loans; and

WHEREAS, pursuant to a Master Mortgage Pooling and Servicing Agreement (the "Servicing Agreement") between the Authority and Idaho Housing and Finance Association ("Idaho Housing"), dated as of January 1, 2014, as amended from time to time, Idaho Housing acquires qualifying loans from participating lenders under the MBS Program and pools loans into MBSs; and

WHEREAS, the Authority desires to make a revolving loan to Idaho Housing in connection with the acquisition by Idaho Housing of qualifying mortgage loans under the MBS Program, for the purpose of funding a portion of the costs of Idaho Housing in acquiring such mortgage loans from the Authority's participating lenders; and

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board authorizes the Authority to provide a revolving line of credit (the "Line of Credit") to Idaho Housing for the acquisition of mortgage loans under the MBS Program in the manner described herein and in the Revolving Loan Documents (as defined herein).

SECTION 2. The Board authorizes the Authority to commit to and fund the Line of Credit in an aggregate principal amount not to exceed \$30,000,000 outstanding at any point in time, with a maturity not later than December 31, 2016, bearing interest at a rate or rates as set forth in the Revolving Loan Documents.

SECTION 3. The Board authorizes the Executive Director, working with Authority staff and counsel, to finalize the terms of the Line of Credit, subject to the parameters described herein, to fund said Line of Credit from available funds of the Authority, and to execute all loan, security, regulatory and other agreements and documents he deems necessary to effect the Line of Credit, including but not limited to a Mortgage Warehouse Loan and Security Agreement, together with a Master Promissory Note in favor of the Authority, in substantially the form on file with staff (such documents referred to collectively as the "Revolving Loan Documents"), and the execution and delivery of such agreements and documents by the Executive Director shall constitute approval of the terms thereof by the Authority.

SECTION 4. Any resolutions, parts of resolutions and prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

PASSED AND APPROVED this 2nd day of December 2015.

David D. Jamison, Secretary

(SEAL)

4847-2122-5770\1



To: Iowa Finance Authority Board

From: Cindy Harris, Chief Financial Officer

Date: December 2, 2015

Subject: Reimbursement Resolution for the Single Family Program

Recommendation

Approve the proposed Resolution authorizing the use of up to \$75 million of tax exempt bond proceeds to reimburse the Authority for purchases of mortgage backed securities (“MBS”).

Background

The purpose of this resolution is to allow the Authority to reimburse itself for MBS purchases temporarily financed by the Restricted Housing Fund (1991 Indenture), the Security Fund (2009 Indenture) or other sources of Authority funds. It allows the Authority to use internal funds to purchase the MBS, and then subsequently reimburse the Funds with proceeds from a future tax-exempt bond issue. Warehousing MBS prior to issuing bonds reduces the negative carry of having bond proceeds earning low reinvestment rates without a higher yielding asset (the MBS) to support the debt.

The Board has approved several prior Single Family Reimbursement resolutions:

1. February 2008 – up to \$30 million
2. August 2008 – up to \$75 million
3. January 2010 – up to \$100 million
4. August 2011 – up to \$75 million
5. November 2014 – up to \$50 million

REIMBURSEMENT RESOLUTION
FIN 15-13

WHEREAS, the Iowa Finance Authority (the “Authority”), through its FirstHome Program (the “Program”), purchases certain loans on single family residences or mortgage-backed securities formed by pooling such loans (the “Loans”); and

WHEREAS, the Iowa Finance Authority obtains funds to purchase Loans by issuing bonds under its (i) Single Family Mortgage Bond Resolution adopted July 10, 1991, as amended (the “1991 Bond Resolution”) and (ii) Single Family Mortgage Revenue Bond Resolution adopted November 20, 2009 (the “2009 Bond Resolution”) and, together with the 1991 Bond Resolution, the “General Bond Resolutions”); and

WHEREAS, the Authority has created the Restricted Housing Fund (the “Housing Fund”) under the 1991 Bond Resolution and the Security Fund (the “Security Fund”) and, together with the Housing Fund, the “Funds”) under the 2009 Bond Resolution, with moneys held in the Funds, or available from other sources, to be used to make or purchase loans, make grants, and provide other subsidies and assistance in connection with the Program; and

WHEREAS, the Authority desires to purchase Loans using, in whole or in part, moneys held in the Funds and, at a later date as determined in the discretion of the Executive Director, and in compliance with Section 1.150-2 of the Income Tax Regulations (the “Regulations”), reimburse the Housing Fund, the Security Fund, or such other source of funds used, as applicable, for such expenditures from the proceeds of a subsequent bond issue issued under the General Bond Resolutions, as applicable;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

Section 1. Reimbursement of Funds for purchases of Loans. The Authority is authorized to reimburse the Housing Fund, the Security Fund, or such other source of funds used, as applicable, from the proceeds of bonds issued under either or both of the General Bond Resolutions, for payments made for purchases of Loans. Subject to Section 2 of this resolution, the Board authorizes the Executive Director or Chief Financial Officer to determine the timing of such reimbursement and from which subsequent bond issues under the General Bond Resolutions such reimbursement shall be made.

Section 2. Timing and Amount of Reimbursement. Reimbursement allocations made under the provisions of this resolution shall be made within 18 months of the date of the related expenditure and shall not exceed \$75,000,000 in aggregate principal amount. The Chief Financial Officer shall be responsible for making the “reimbursement allocations” described in the Regulations, being generally the transfer of the appropriate amount of proceeds of the reimbursement bonds to reimburse the source of temporary financing used by the Authority to make prior payment of the authorized expenditures.

Each allocation shall be evidenced by an entry on the official books and records of the Authority maintained with respect to the bonds and shall specifically identify the actual prior authorized expenditures being reimbursed.

Section 3. Implementation. The Executive Director and Authority staff are authorized to implement this Resolution in the manner deemed necessary and appropriate by the Executive Director, upon advice from Authority staff and Bond Counsel.

Section 4. Prior Resolutions. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 2nd day of December, 2015.

David D. Jamison, Secretary

(Seal)



To: IFA Board of Directors
From: Terri Rosonke, HousingIowa Development Specialist
Date: 12/2/15
Re: State Housing Trust Fund – Local Housing Trust Fund Program

The State Housing Trust Fund (SHTF) helps ensure decent, safe and affordable housing for Iowans through two important programs. The Local Housing Trust Fund (LHTF) Program receives at least 60 percent of the SHTF allocation to provide grants for organizations certified by IFA as a LHTF. The remaining funding goes to the Project-Based Housing Program, which aids in the development of affordable single-family and multifamily housing in areas that are not served by a certified LHTF or to assist a locally supported project that is not eligible to receive funding under a LHTF's Housing Assistance Plan.

LHTF Program Background

Eligible applicants to the LHTF Program are those LHTFs that have met the requirements of the program's Allocation Plan and have been certified by the IFA Board of Directors. To be eligible for certification, the LHTF must satisfy all requirements specified in the Allocation Plan, including the following:

1. Nonprofit organization mission statement's primary purpose focuses on affordable housing.
2. Must hold at least one public hearing a year and all meetings must comply with Iowa's Open Meetings Law and Open Records Act requirements.
3. Local community-based governing board comprised of no more than 50 percent local government or public officials and recognized by the county/counties and incorporated cities in the geographic area the LHTF serves as the board responsible for coordinating LHTF programs.
4. Sufficient administrative capacity in regard to housing programs.
5. A Housing Assistance Plan (HAP) approved by IFA, providing an analysis of the housing needs of the LHTF's geographic service area.

A LHTF requesting initial certification must serve a geographic area encompassing one of the following: (1) an Entitlement City; (2) a county or counties in which an Entitlement City is located and the Entitlement City will be a part of the geographic area to be served by the LHTF; or (3) one or more COG regions as identified by Iowa Code chapter 28H, which may exclude counties within the COG region(s) that are already members of a certified LHTF. A county that is not part of any Iowa COG region may elect to join an existing LHTF, with the certified LHTF's consent and approval, or a new LHTF requesting certification, provided the selected LHTF serves geographic areas contiguous to the county's boundaries.

There are currently 27 certified LHTFs across Iowa (map attached), serving residents in 92 Iowa counties. According to the 2010 Census, the geographic service area populations of those 27 LHTFs totals more than 89 percent of the state's population.

The LHTF Program requires a minimum local match of 25 percent of the total grant amount requested. All LHTF Program funding must benefit low-income households at or below 80 percent of the area median income, while at least 30 percent of the grant moneys must be used to serve extremely low-income households at or below 30 percent of the area median income. Awards from the LHTF Program must be used for the development or preservation of affordable housing for eligible recipients, including infrastructure development, transitional housing, housing for homeless persons, homeownership, rental, capacity building, or other purposes that further the SHTF's goals. Administrative expenses of the LHTF are an eligible use of funds not to exceed 25 percent of the total grant award during the first two years of the LHTF's certification and a maximum of 10 percent thereafter.

IFA accepts LHTF Program applications on an annual basis each fall. IFA staff reviews the applications for threshold compliance and makes award recommendations to the IFA Board of Directors. Any funds recaptured by a LHTF must be retained and reused for additional affordable housing activities specified as eligible in the LHTF's housing assistance plan.

FY 2016 LHTF Program Summary

The application submission deadline for the FY 2016 LHTF Program was October 1, 2015. IFA received 27 application submissions through the SHTF online application system requesting a total of \$6,352,060.

In the FY 2016 funding round, each certified LHTF was eligible to apply for an established maximum grant amount based upon the LHTF's geographic service area type and population. The LHTF geographic service area type (Single County/City – No Entitlement City, Regional Based upon COG Boundaries, Entitlement City Only, or County including a Participating Entitlement City) established the eligible base award for the LHTF. A \$1.25 per capita amount calculated using the LHTF's defined geographic service area was added to the base award to arrive at the LHTF's total maximum grant request. A similar maximum grant amount formula has been used in LHTF Program funding rounds since FY 2010, although the per capita amount was reduced from \$1.75 to \$1.45 in FY 2015 and again from \$1.45 to \$1.25 in FY 2016 due to the lower SHTF budget amount available for the round in each succeeding fiscal year.

Funding available under the LHTF Program for FY 2016 totals \$6,453,073. The 27 certified LHTFs requested a total of \$6,352,060 in the FY 2016 funding round. One LHTF, the Dallas County Local Housing Trust Fund, requested a grant award less than its maximum established grant amount due to insufficient Local Match commitments. All application submissions met threshold for funding approval.

Pursuant to Section 1.9.2 of the Allocation Plan for the LHTF Program (the Administrative Rules), LHTFs with multiple open grant agreements may be subject to the following remedies:

(1) LHTF Program funds awarded in a subsequent fiscal year shall not be disbursed until the earliest fiscal year grant agreement has been closed out. If applicable, this remedy shall be implemented, subject to Board approval, as a contingency to the new LHTF Program award.

(2) If the earliest fiscal year grant agreement has not been closed out during a subsequent fiscal year following IFA's determination to apply remedy (1) above, the Grantee may be declared ineligible for funding, subject to Board approval, in the LHTF Program allocation round. IFA shall notify the LHTF of a declaration of ineligibility for future LHTF Program awards prior to the established application submission deadline but by no later than July 1 and may set forth certain conditions that if satisfied would restore the LHTF's eligibility for funding.

IFA staff recommends Board approval of Remedy (1) where specified in the Exhibit A "Remedy" column to the Resolution. IFA staff does not recommend that Remedy (2) be applied to any LHTF at this time.

If the Board approves the requested Resolution, IFA's cumulative awards to date since the LHTF Program began will increase to \$50,155,172. Recommended awards in the FY 2016 funding round will leverage an additional \$2,788,444 in other financing resources or \$.44 for every dollar of LHTF Program funding. The approved FY 2016 program budgets are projected to assist a total of 2,469 affordable housing units across Iowa with an average per unit subsidy of \$2,573 through LHTF Program dollars.

Funding Recommendations

Based upon the threshold review of all applications received, IFA staff recommends FY 2016 LHTF Program awards totaling \$6,352,060 for the Board's approval as set forth in Exhibit A to the requested Resolution. The \$101,013 remaining available in the FY 2016 LHTF Program budget may be transferred as needed to the FY 2016 Project-Based Housing Program if additional funding is required to sustain the program through the remainder of the fiscal year (\$220,000 in FY 2016 Project-Based funding remains available for allocation as of the date of this Board meeting). Any unallocated funds in the SHTF at the end of FY 2016 will be rolled over into the FY 2017 SHTF budgeting process.

**RESOLUTION
HI 15-15**

WHEREAS, the Iowa Finance Authority (the “Authority”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, works to expand, protect and preserve affordable housing for low and moderate income families in the State of Iowa; and

WHEREAS, pursuant to Iowa Code section 16.181, a housing trust fund has been created within the Authority (the “Trust Fund”); and

WHEREAS, the Authority has adopted an allocation plan for the Local Housing Trust Fund (LHTF) Program Dated June 2009 under the Trust Fund (the “Allocation Plan”); and

WHEREAS, the Allocation Plan establishes a LHTF program and provides for criteria for grants for the program; and

WHEREAS, pursuant to Iowa Code section 16.181 and the terms of the Allocation Plan, applications were received for the LHTF program; and

WHEREAS, Authority staff has reviewed the applications pursuant to the criteria set forth in the Allocation Plan and recommends the Board award funds under the Allocation Plan as set forth on the attached Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. Pursuant to the Allocation Plan, the Board hereby awards grants under the LHTF program to the recipients and in the amounts listed on Exhibit A subject to the contingencies specified, as applicable.

SECTION 2. The Board hereby authorizes Authority staff to prepare grant award agreements for the recipients consistent with this resolution and with the Allocation Plan.

PASSED AND APPROVED this 2nd day of December, 2015.

David D. Jamison, Secretary
(Seal)



EXHIBIT A

**Proposed Local Housing Trust Fund (LHTF) Program
Funding Awards for FY 2016**

App #	Applicant	Contingency Remedy*	Funding Recommendation
16-03	Floyd County Housing Trust Fund <i>Area Served: Floyd County</i>	N/A	\$ 45,379
16-04	Northwest Iowa Regional Housing Trust Fund, Inc. <i>Counties Served: Buena Vista, Dickinson, Emmet, Lyon, O'Brien, Osceola and Sioux</i>	1	\$ 291,718
16-05	Region 6 Housing Trust Fund <i>Counties Served: Hardin, Marshall, Poweshiek and Tama</i>	1	\$ 268,579
16-06	Southwest Iowa Housing Trust Fund, Inc. <i>Counties Served: Cass, Fremont, Harrison, Mills, Montgomery, Page, Pottawattamie (excluding the city of Council Bluffs) and Shelby</i>	1	\$ 301,439
16-07	Sioux City Housing Trust Fund, Inc. <i>Area Served: City of Sioux City</i>	N/A	\$ 178,355
16-08	Waterloo Housing Trust Fund <i>Area Served: City of Waterloo</i>	1	\$ 160,508
16-09	NIACOG Housing Trust Fund, Inc. <i>Area Served: Cerro Gordo County</i>	N/A	\$ 80,189
16-10	Fayette County Local Housing Trust Fund <i>Area Served: Fayette County</i>	1	\$ 51,100
16-11	AHEAD Regional Housing Trust Fund <i>Counties Served: Davis, Jefferson, Keokuk, Mahaska, Van Buren and Wapello</i>	N/A	\$ 277,104
16-12	Southern Iowa COG Housing Trust Fund <i>Counties Served: Adair, Adams, Clarke, Decatur, Madison, Ringgold, Taylor and Union</i>	N/A	\$ 236,394
16-13	Northeast Iowa Regional Housing Trust Fund <i>Counties Served: Allamakee, Clayton, Howard and Winneshiek</i>	1	\$ 228,851
16-14	Eastern Iowa Regional Housing Corporation Housing Trust Fund <i>Counties Served: Cedar, Clinton, Delaware, Dubuque (excluding the city of Dubuque) and Jackson</i>	N/A	\$ 326,554
16-15	Chariton Valley Regional Housing Trust Fund, Inc. <i>Counties Served: Appanoose, Lucas, Monroe and Wayne</i>	1	\$ 196,789
16-16	Scott County Housing Council <i>Counties Served: Muscatine and Scott</i>	1	\$ 409,961
16-17	Homeward Housing Trust Fund <i>Counties Served: Calhoun, Franklin, Hancock, Humboldt, Kossuth, Mitchell, Palo Alto, Pocahontas, Winnebago, Worth and Wright</i>	N/A	\$ 295,311
16-18	Great River Housing, Inc. <i>Counties Served: Des Moines, Henry, Lee and Louisa</i>	1	\$ 284,649
16-19	City of Dubuque Housing Trust Fund <i>Area Served: City of Dubuque</i>	1	\$ 147,046
16-20	Iowa Northland Regional Housing Council LHTF <i>Counties Served: Black Hawk (excluding the cities of Waterloo and Cedar</i>	1	\$ 285,521

	<i>Falls), Bremer, Buchanan, Butler, Chickasaw and Grundy</i>		
16-21	COG Housing, Inc. <i>Counties Served: Audubon, Carroll, Crawford, Greene, Guthrie and Sac</i>	N/A	\$ 243,339
16-22	Housing Trust Fund of Johnson County <i>Area Served: Johnson County</i>	1	\$ 263,603
16-23	Dallas County Local Housing Trust Fund, Inc. <i>Area Served: Dallas County</i>	1	\$ 81,652
16-24	East Central Iowa Housing Trust Fund <i>Counties Served: Benton, Iowa, Jones and Washington</i>	1	\$ 255,966
16-25	Polk County Housing Trust Fund <i>Area Served: Polk County</i>	1	\$ 638,300
16-26	Housing Fund for Linn County <i>Area Served: Linn County</i>	1	\$ 364,033
16-27	Clay County Local Housing Trust Fund, Inc. <i>Area Served: Clay County</i>	1	\$ 45,834
16-28	Council Bluffs Housing Trust Fund, Inc. <i>Area Served: City of Council Bluffs</i>	1	\$ 152,788
16-29	Western Iowa Community Improvement Regional Housing Trust Fund <i>Counties Served: Cherokee, Ida, Monona, Plymouth and Woodbury (excluding the city of Sioux City)</i>	1	\$ 241,098
TOTAL FY 2016 FUNDING RECOMMENDATIONS		LHTF	\$6,352,060

*Pursuant to Section 1.9.2 of the Allocation Plan for the LHTF Program (the Administrative Rules), LHTFs with multiple open grant agreements may be subject to the following remedies:

(1) LHTF Program funds awarded in a subsequent fiscal year shall not be disbursed until the earliest fiscal year grant agreement has been closed out. If applicable, this remedy shall be implemented, subject to Board approval, as a contingency to the new LHTF Program award.

(2) If the earliest fiscal year grant agreement has not been closed out during a subsequent fiscal year following IFA's determination to apply remedy (1) above, the Grantee may be declared ineligible for funding, subject to Board approval, in the LHTF Program allocation round. IFA shall notify the LHTF of a declaration of ineligibility for future LHTF Program awards prior to the established application submission deadline but by no later than July 1 and may set forth certain conditions that if satisfied would restore the LHTF's eligibility for funding.

RESOLUTION
HI 15-16

WHEREAS, the Iowa Finance Authority (the “Authority”) is the housing credit agency for the State of Iowa in connection with the Low-Income Housing Tax Credit (LIHTC”) Program administered under Section 42 of the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Authority adopted a Qualified Allocation Plan (“QAP”) for 9% tax credits for 2015, setting forth the criteria and processes for awarding 2015 9% tax credits; and

WHEREAS, City View Spirit Lake, L.P., a 2015 LIHTC applicant (the “Appellant”) filed an application for tax credits for its City View Apartments project in Spirit Lake, Iowa (the “Project”); and

WHEREAS, as the Project was not awarded tax credits by the Authority, and the Appellant filed an administrative appeal (“Appeal”) challenging the Authority’s failure to award it 2015 9% tax credits; and

WHEREAS, the Authority and the Appellant each wish to settle the Appeal under the terms set forth in the Settlement Agreement attached hereto as Exhibit A which was drafted by the Attorney General’s office, working with Authority staff and Petitioner’s counsel, (“Settlement Agreement”); and

WHEREAS, under the terms of the Settlement Agreement, the Appellant is to be placed on the 2015 waiting list for returned tax credits, and, if there are not sufficient credits available by December 31, 2015 to fund the Project, the Appellant shall be eligible to receive an additional five (5) points in the 2016 9% tax credit round, subject to certain conditions set forth in the Settlement Agreement; and

WHEREAS, the Board, in consultation with counsel, has reviewed the terms of the Settlement Agreement and finds them acceptable, and now desires to enter into the Settlement Agreement and place the Appellant on the 2015 Low Income Housing Tax Credit Waiting List.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Iowa Finance Authority as follows:

SECTION 1. The Board hereby approves the Settlement Agreement, as presented and recommended by counsel, a copy of which shall be attached to this resolution as Exhibit A.

SECTION 2. The Board hereby adds the Project, as listed on Exhibit B attached hereto, to the 2015 Low Income Housing Tax Credit Waiting List, in addition to any projects placed thereon by operation of the QAP.

SECTION 3. The Board Chair of the Authority is hereby authorized to execute the Settlement Agreement on the Authority’s behalf.

PASSED AND APPROVED this 2nd day of December, 2015.

David D. Jamison, Secretary

(Seal)

Iowa Department of Inspections and Appeals
Division of Administrative Hearings
Wallace State Office Building—Third Floor
Des Moines, Iowa 50319

IN THE MATTER OF:)	
)	DIA NO. 15IFA001
)	
CITY VIEW SPIRIT LAKE, LP,)	
)	
Appellant,)	SETTLEMENT AGREEMENT AND JOINT
)	STIPULATION OF DISMISSAL
vs.)	
)	
IOWA FINANCE AUTHORITY,)	
)	
Respondent.)	

The parties to this contested case proceeding agree as follows:

1. City View Spirit Lake, LP (“City View”) has appealed Iowa Finance Authority’s (“IFA”) denial of low-income housing tax credits for City View’s project in Spirit Lake, Iowa (“the Project”).
2. Specifically, City View appeals IFA’s decision to deny the Project 28 points under the “Location Near Services” scoring category under the 2015 Qualified Allocation Plan.
3. This case proceeded to a contested case proceeding before an administrative law judge with the Iowa Department of Inspections and Appeals.

EXHIBIT B

Addition to 2015 Low Income Housing Tax Credits Waiting List

Project #	Ownership Entity	Project Name	Project Developer
15-15-22	City View Spirit Lake, L.P.	City View Apartments	City View Partners, LLC



To: IFA Board of Directors
From: Lori Beary, Community Development Director
Date: 11/19/15
Re: Economic Development and Water Quality

Economic Development Bond Program

ED Loan #15-10, Western Home Community Project

This is a resolution authorizing the issuance of an amount not to exceed \$58,000,000 of Iowa Finance Authority Senior Living Facilities Revenue and Refunding Bonds for the Western Home Community Project in Cedar Falls. The bonds will be used to construct 75 units of independent living, a 60-bed skilled nursing facility, a complex that will include a kitchen, dining area, community gathering space, offices, rehabilitation areas and a pub. The bonds will also be used for a partial refunding of 2012 bonds issued by IFA. Western Home Communities is a 501 c(3) non-profit corporation. The inducement resolution was adopted on October 7, 2015 for 55,000,000. This resolution also increases that original amount. The public hearing was held on November 4, 2015.

- **Need Board action on Resolution ED 15-10B**

ED Loan #15-12, Claremont's Ramsey Village Project

This is an application for \$7,500,000 of Iowa Finance Authority Senior Living Facility Revenue Bonds for the Claremont's Ramsey Village, LLC Project in Des Moines. The bonds will be used to refinance existing debt that was used to acquire a retirement community. Claremont's Ramsey Village is a 501 c(3) non-profit corporation. The inducement resolution was adopted on October 7, 2015. The public hearing will be held on December 2, 2015.

- **Need Board action on Resolution ED 15-12B**

ED Loan #15-13, UnityPoint Health Series 2006 Refunding Project

This is an application for \$11,500,000 of Iowa Finance Authority Variable Rate Demand Refunding Revenue Bonds for the UnityPoint Health Project. The bonds will be used to refund bonds issued in 2006. UnityPoint Health is a 501 c(3) non-profit corporation. The inducement resolution was adopted on November 4, 2015.

- **Need Board action on Resolution ED 15-13B**

ED Loan #15-14, UnityPoint Health Series 2009 A/B Refunding

This is an application for \$100,000,000 of Iowa Finance Authority loans for the UnityPoint Health Project. The bonds will be used to refund two series of bonds issued in 2009. UnityPoint Health is a 501 c(3) non-profit corporation. The inducement resolution was adopted on November 4, 2015.

- **Need Board action on Resolution ED 15-14B**

RESOLUTION
ED 15-10B

Authorizing the Issuance of not to exceed \$58,000,000
Iowa Finance Authority Senior Living Facilities Revenue and Refunding Bonds
(Western Home Community Project), in one or more series

Resolution authorizing the issuance of not to exceed \$58,000,000 Iowa Finance Authority Senior Living Facilities Revenue and Refunding Bonds (Western Home Community Project), in one or more series for the purpose of making a loan to assist the borrower in refunding outstanding obligations; the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the project; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; and related matters.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa (the "Act") to issue revenue bonds to be used to pay the cost of defraying the cost of acquiring, constructing, improving and equipping certain projects described in the Act including facilities for an organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code") which is exempt from federal income tax under section 501(a) of the Code and refunding any bonds or notes, including the payment of any redemption premiums thereon and any interest accrued or to accrue to the debt or outstanding bonds or notes; and

WHEREAS, the Authority has been requested by Martin Health Center, Inc., Western Home Services, Inc. and/or an affiliate or related entity of Western Home Services, Inc. (collectively, the "Borrower") to issue not to exceed \$58,000,000 Senior Living Facilities Revenue and Refunding Bonds (Western Home Community Project), in one or more series (the "Bonds") for the purpose of financing the costs of: (I) the acquisition, construction, equipping and furnishing of an independent living facility with approximately 75 units and other improvements related thereto, a skilled nursing facility with approximately 60 beds and other improvements related thereto, a central complex to include, without limitation, a commercial kitchen, dining area, community gathering spaces, offices, rehabilitation/wellness areas, an aquatic center and retail space, and related land and other related building improvements (the "Project") to be located at the Borrower's South Campus immediately south of Nation Cottage and South Cottage located at 5111 Caraway Lane and 5127 Caraway Lane, Cedar Falls, Iowa; (II) refunding a portion of the Authority's Senior Living Facilities Revenue Refunding Bonds (Western Home Project) Series 2012 (the "Series 2012 Bonds"), the proceeds of which were used to: (A) refund the Authority's Health Care Facilities Revenue Refunding Note (Western Home Project), Series 2011A (the "Series 2011A Note") and the Authority's Health Care Facilities Revenue Refunding Note (Western Home Project), Series 2011B (the "Series 2011B Note" and together with the Series 2011A Note, the "Series 2011 Notes"), the proceeds of which were used to: (1) refund the City of Evansdale, Iowa Health Care Facilities Revenue Bonds (Western Home Project), Series 2004A (the "Series 2004A Bonds") and the City of Evansdale,

Iowa Health Care Facilities Revenue Bonds (Western Home Project), Series 2005 (the “Series 2005 Bonds” and, together with the Series 2004A Bonds, the “2004/2005 Bonds”), the proceeds of which were used to (i) finance the costs of the acquisition, construction, renovation, equipping and furnishing of an assisted living complex located at 5500 South Main Street, Cedar Falls, Iowa, (the “Windhaven Facility”); (ii) fund a debt service reserve fund for the Series 2004/2005 Bonds; and (iii) pay the costs of issuance related to the Series 2004/2005 Bonds; (2) refund the Authority’s Health Care Facilities Revenue Bonds (Western Home Project), Series 2009 (the “Series 2009 Bonds”), the proceeds of which were used to (i) finance the acquisition, construction, renovation, equipping and/or furnishing of an expansion of the Windhaven Facility; (ii) refund the Health Care Facilities Revenue Bonds (Western Home Project), Series 2003A (the “Series 2003A Bonds”) and the Health Care Facilities Revenue Bonds (Western Home Project), Series 2003B (the “Series 2003B Bonds” and, together with the Series 2003A Bonds, the “Series 2003 Bonds”) both issued by Black Hawk County, Iowa (the “County”) to finance the costs of the following: (a) refunding the County’s previous issue of Health Care Facility Refunding Revenue Bonds (Western Home Project), Series 1996 which were issued to refund a previous issue of Health Care Facility Revenue Bonds (Western Home Project), Series 1990 issued by the City of Cedar Falls, Iowa, for the purpose of financing the construction of an addition to the Borrower’s main campus facilities located at 420 East 11th Street, Cedar Falls, Iowa (the “Main Campus Facilities”); (b) refunding the County’s previous issue of Revenue Bonds, Series 1999 (Western Home Project) issued to finance the acquisition and improvement of a four-story, 89-unit housing complex for the elderly at 315 Walnut Street, Waterloo, Iowa (the “Walnut Court Facilities”) and financing the remodeling and equipping of the dining room and adjacent corridors at the Main Campus Facilities; (c) retiring certain existing indebtedness of the Borrower incurred to finance capital improvements to the Main Campus Facilities and the Walnut Court Facilities; (d) the acquisition and/or construction of improvements, expansion, remodeling and/or additions to and/or equipment for the Main Campus Facilities and the Walnut Court Facilities; and (e) funding a debt service reserve fund and paying the costs of issuance related to the Series 2003 Bonds; (iii) retire existing indebtedness originally used for financing the acquisition, construction, renovation, equipping and/or furnishing of improvements to: (a) the Windhaven Facility and related land and street improvements located at 5500 South Main St., Cedar Falls, Iowa and for Hyacinth Street; (b) a maintenance barn located on Hyacinth Street near the Windridge facility located at 5311 Hyacinth Street, Cedar Falls, Iowa (the “Windridge Facility”); (c) the Windridge Facility and the Windcove facility and related land improvement located at 5300 South Main Street, Cedar Falls, Iowa; and (d) the Main Campus Facilities; and (iv) fund a debt service reserve fund and pay costs of issuance related to the Series 2009 Bonds; and (3) pay the costs of issuance of the Series 2011 Notes; (B) fund a debt service reserve fund for the Series 2012 Bonds; and (C) pay for costs associated with the issuance of the Series 2012 Bonds (collectively the “Refunding”); (III) funding any reserve funds; (IV) retiring any existing indebtedness related to the Project (the “Existing Debt”); and (V) paying certain costs of issuance of the Bonds; and

WHEREAS, the Authority on the 7th day of October, 2015, has heretofore approved an application, attached hereto as Exhibit A, of the Borrower requesting the approval of the Refunding and the Project; and

WHEREAS, the Borrower anticipates that it will incur additional costs in acquiring, developing and constructing the Project; and

WHEREAS, the Borrower is requesting the Authority to amend its resolution approving its application to issue the Bonds to increase the maximum principal amount of the Bonds to an amount not to exceed \$58,000,000; and

WHEREAS, pursuant to published notice of intention (a copy of which notice is attached as Exhibit B) the Authority has conducted a public hearing on the 4th day of November, 2015 at 8:30 a.m. on a proposal to issue the Bonds in an amount not to exceed \$58,000,000 to finance the Project and the Refunding, to fund a debt service reserve fund, to retire the Existing Debt, and to pay for certain costs of issuance of the Bonds as required by Section 147 of the Internal Revenue Code of 1986, as amended (the "Code") and this Board has deemed it to be in the best interests of the Authority that the Bonds be issued as proposed; and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of Bonds in the aggregate principal amount of not to exceed \$58,000,000 as authorized and permitted by the Act to finance the costs of the Project, and the Refunding, to fund a debt service reserve fund, to retire the Existing Debt, and the costs incurred in connection with the foregoing; and

WHEREAS, the Authority will issue the Bonds and loan the proceeds of the Bonds to the Borrower pursuant to the provisions of one or more Loan Agreements (collectively, the "Loan Agreement") between the Authority and the Borrower; and

WHEREAS, the Authority will assign certain of its rights in the Loan Agreement to Great Western Bank or such other lender identified therein (the "Purchaser") pursuant to the provisions of one or more Assignment and Pledge Agreements (collectively, the "Pledge Agreement") between the Authority and the Purchaser; and

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Qualified Project. It is hereby determined that the financing of the Project and the Refunding, funding a debt service reserve fund and the payment of costs related thereto, all as described in the initial approved application, Exhibit A, as modified by the changes described in the revised source and uses of funds, Exhibit C, qualifies under the Act for financing with the proceeds of the Bonds and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed with the sale and issuance of the Bonds and the Authority shall defray all or a portion of the cost of the Project, the Refunding, a debt service reserve fund, the retirement of Existing Debt and the payment of costs related thereto by issuing the Bonds and loaning the proceeds of the sale of the Bonds to the Borrower.

Section 3. Public Hearing. At the public hearing conducted by the Authority in accordance with the provisions of Section 147(f) of the Code, pursuant to published notice, all persons who appeared were given an opportunity to express their views for or against the

proposal to issue the Bonds and the Authority has determined to proceed with the necessary proceedings relating to the issuance of the Bonds.

Section 4. Bonds Authorized. In order to acquire, construct, improve and equip the Project and the Refunding, the Bonds shall be and the same are hereby authorized and ordered to be issued by the Authority pursuant to the Loan Agreement in substantially the form as has been presented to and considered at this meeting and containing substantially the terms and provisions set forth therein, the Bonds actually issued to be in a principal amount not exceeding \$58,000,000 and to bear interest at rates as determined by the Borrower and the Purchaser which rates shall result in variable interest rates per annum as set forth in the Bonds on or prior to the date of issuance and delivery of such Bonds, and the execution and delivery thereof by the Chairperson and Secretary shall constitute approval thereof by the Authority. The Chairperson and Secretary are hereby authorized and directed to approve such principal amount and interest rates for the Bonds, within the foregoing limits, by and on behalf of the Authority, and to execute, seal and authenticate the Bonds.

Section 5. Loan Agreement. The Authority shall loan the proceeds of the Bonds to the Borrower pursuant to the Loan Agreement and the form and content of the Loan Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. The Executive Director is authorized and directed to execute, seal and deliver the Loan Agreement, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Loan Agreement, the Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

Section 6. Pledge Agreement. The assignment of certain provisions of the Loan Agreement and amounts payable thereunder to the Purchaser pursuant to the Pledge Agreement and the form and content of the Pledge Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. The Executive Director is authorized and directed to execute, seal and deliver the Pledge Agreement, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Pledge Agreement, the Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Pledge Agreement as executed.

Section 7. Execution of Documents. The Executive Director and/or the Chairperson are authorized to execute and deliver for and on behalf of the Authority any and all additional agreements, certificates, documents, opinions or other papers and perform all other acts (including without limitation the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned under the Loan Agreement, and the execution of all closing documents as may be required by Bond Counsel and approved by Program Counsel, and the acceptance of any documentation evidencing indemnification of the Authority by Borrower in connection with the transactions

contemplated hereby) as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 8. Payments Under the Loan Agreement. The Loan Agreement requires the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Bonds when and as due, and the payment of such amounts by the Borrower to the Purchaser pursuant to the Loan Agreement is hereby authorized, approved and confirmed.

Section 9. Limited Obligations. The Bonds shall be limited obligations of the Authority, payable solely out of the loan payments required to be paid by the Borrower pursuant to and in accordance with provisions of the Loan Agreement, and are secured pursuant to and in accordance with provisions of the Loan Agreement. The Bonds and interest thereon shall never constitute an indebtedness of the Authority, within the meaning of any state constitutional provision or statutory limitation, and shall not give rise to a pecuniary liability of, or claim against, the Authority or a charge against its general credit or general fund.

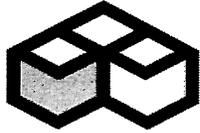
Section 10. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 11. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

David D. Jamison, Secretary

(Seal)



IOWA FINANCE AUTHORITY

David D. Jamison, Executive Director
2015 Grand Avenue
Des Moines, Iowa 50312
(515) 725-4900 - (800) 432-7230

FOR IFA USE ONLY
Project No. ED 15-10
Application Received 9/25/2015
Application Fee Received? [X]
Volume Cap? [] Yes [X] No
MDA Bonds? [] Yes [] No
Amount of Request \$ 55,000,000

Application forms can be obtained from the Authority's website at www.IowaFinanceAuthority.gov

ECONOMIC DEVELOPMENT BOND APPLICATION

Part A - Borrower Information

1. Project Name: Western Home Communities

2. Contact Person/Title: Ms. Kelly Meier

Company: Western Home Communities

Address: 420 East 11th Street

City, State, and Zip: Cedar Falls, IA 50613

Telephone: 319-277-3141 E-mail: kelly.meier@westernhome.org

5. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.

Attached

6. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: IRS Letter of Determination is attached

7. Is the Borrower currently qualified to transact business within the State of Iowa? Yes [X] No []

8. If project is a Nursing Facility, is state certificate of need required: [X] Yes [] No
If yes, attach copy.

9. Total current FTE's of Borrower: 273

Number of permanent FTE's created by the project: 95

Part B - Project Information

1. This Project qualifies for financing pursuant to the Economic Development Loan Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

501 c (3) entity:

Private college or university

Housing facility for elderly or disabled persons

Museum or library facility

Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1 (6) of the Iowa Code. Specify: _____

Other 501c (3) entity (please specify) _____

Manufacturing facility

Agricultural processing facility

Multi-family housing

Solid Waste facility

Facility under Heartland Disaster Tax Relief Act of 2008 (Midwestern Disaster Area Bonds)

The proceeds of the **Midwest Disaster Area Bonds** will be used for:

Multifamily rental project for low and moderate income individuals

Acquisition, construction, reconstruction, renovation of nonresidential property

Repair or reconstruction of public utility property

3. Amount of Loan Request: \$55,000,000 _____

Amount to be used for refunding: \$6,500,000 _____

4. Address/Location of Project

Street/City/State 11th Street/South Main Street, Cedar Falls, IA

County Bremer

5. General Project Description:

The project will consist of the partial refunding of the Series 2012 Bonds issued by the Authority and the construction of 75 units of independent living, a 60 bed skilled nursing facility, and a center complex that will include a commercial kitchen, dining area, community gathering space, offices, reshilitation areas, physician offices, and a pub that will be open to the public.

Part B - Project Information continued

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?

_____ No

_____ Yes, in the amount of \$Up to \$5,000,000 as construction has commenced prior to closing (There are IRS limitations on eligible reimbursable costs.)

7. Parties related to the Project:

a. Principal User will be: Western Home Services, Inc. or an affiliate(s)

b. Seller (if any) of the Project: N/A

c. Purchaser (if any) or Owner or Lessee of the Project: N/A

d. Relationship of Project Seller and Purchaser, if any: N/A

8. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:	Amount	Uses:	Amount
Tax Exempt Note	\$	Refund Series	\$6,500,000
Proceeds	55,000,000	2012 Bonds	
Equity		Construction of	48,000,000
	3,000,000	Project	
		Costs of	1,000,000
		Issuance	
		Capitalized	2,500,000
		Interest	

	\$		\$58,000,000
Total	58,000,000	Total	
	_____		_____

9. Type of Bond Sale Public Sale Private Placement

Part C - Professionals Participating in the Financing

Applications must have either Bond Counsel or Underwriter/Financial Institution identified

1. Bond Counsel: (an attorney hired by the borrower to ensure the bonds can be issued on a tax-exempt basis)

Name: David Claypool
Firm Name: Dorsey & Whitney
Address: 801 Grand Avenue
City/State/Zip Code: Des Moines, Iowa 50309
Telephone: 515-283-1000 E-mail: claypool.david@dorsey.com

2. Counsel to the Borrower:

Name: Mr. Mark Conway
Firm Name: Swisher & Cohrt PLC
Address: 528 W 4th Street
City/State/Zip Code: Waterloo, IA 50701
Telephone: 319-232-6555 E-mail: conway@s-c-law.com

3. Underwriter or Financial Institution purchasing the bonds:

Name: Doug Wright
Firm Name: Great Western Bank.
Address: _____

City/State/Zip Code: Waterloo, Iowa
Telephone: 319-242-7437 E-
mail: douglas.wright@greatwesternbank.com

4. Counsel to the Underwriter:

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

5. Trustee: (if needed)

Name: N/A
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

PART D - Fees and Charges

1. **A non-refundable application fee must accompany this form at the time of submission to the Authority. For applications up to \$10 million, the application fee is \$1,000. For applications over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.**

Applications will expire if the bonds are not issued within 18 months.

Submit application to the Authority at the following address:

Lori Beary
Community Development Director
Iowa Finance Authority
2015 Grand Avenue
Des Moines, IA 50312

- 2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at 515-725-4965 or lori.beary@iowa.gov for more information.
- 3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Claypool (claypool.david@dorsey.com) or David Grossklaus (Grossklaus.David@dorsey.com) at Dorsey & Whitney and the Authority's Community Development Director (lori.beary@iowa.gov).

Dated this 24 day of September, 20115

Borrower: Kellyn

By: Kelly Meier

Title: Chief Financial officer

Western Home Services Board of Directors 2015

Name	Address						
Marlene Behn	5006 Thyme, CF						
Scott Bittner Immediate Past Chair	2598 Cottage Ave Janesville 50647						
Joyce Coil	3723 Pheasant Dr, CF						
Sarah Brown	1825 Logan Ave, Waterloo 50703						
Steve Firman	128 Main St, Suite C, CF						
Kathy Flynn Secretary	1150 Columbus Dr Waterloo 50702						
Larry Fox Treasurer	Ameriprise Financial 3404 Midway Dr Waterloo 50701						
Greg Schmitz	32045 Willow Ave. New Hartford 50660						
Willard Jenkins Vice Chair	6 Winter Ridge Rd Waterloo 50701						
Floyd Winter	607 Shooting Star Way, CF						
Bill Witt Chair	1006 West 9 th St, CF						

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: OCT 19 2011

MARTIN HEALTH CENTER INC
420 E 11TH ST
CEDAR FALLS, IA 50613

Employer Identification Number:
42-0680487
DLN:
17053274303040
Contact Person:
KAREN A BATEY ID# 31641
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
509(a)(2)
Form 990 Required:
Yes
Effective Date of Exemption:
January 1, 2011
Contribution Deductibility:
Yes
Addendum Applies:
Yes

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

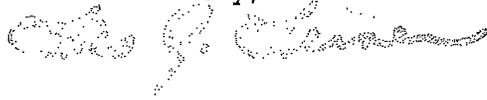
Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

MARTIN HEALTH CENTER INC

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lois G. Lerner".

Lois G. Lerner
Director, Exempt Organizations

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)

MARTIN HEALTH CENTER INC

ADDENDUM

Your organization was previously exempt as a subordinate in a group exemption issued to Iowa Conference of the United Methodist Church (GEN 2573). Your individual exemption is effective January 1, 2011, the date you withdrew from the GEN 2573.

Letter 947 (DO/CG)

**IOWA DEPARTMENT OF PUBLIC HEALTH
STATE HEALTH FACILITIES COUNCIL**

IN THE MATTER OF THE APPLICATION OF)
WESTERN HOME SERVICES, INC. DBA)
WESTERN HOME COMMUNITIES)
CEDAR FALLS, IOWA)

DECISION

This matter came before the State Health Facilities Council for hearing on Thursday, April 25, 2013.

The application proposes the construction of two 16-bed cottages to house nursing facility beds at an estimated cost of \$5,021,000.

Western Home Services, Inc. dba Western Home Communities applied through the Iowa Department of Public Health for a Certificate of Need.

The record includes the application prepared by the project sponsor and written analysis prepared by Iowa Department of Public Health staff and all the testimony and exhibits presented at the hearing. Barb Nervig of the Iowa Department of Public Health summarized the project in relation to review criteria. Ed McIntosh of Dorsey and Whitney; Kris Hansen, CEO; Wendy Ager, downtown campus administrator; and Diana Lane were present representing the applicant. The applicant made a presentation and answered questions.

No affected parties appeared at the hearing.

The Council, after hearing the above-mentioned testimony and after reading the record, voted 5-0 to grant a Certificate of Need. As a basis for their decision the Council, considering all the criteria set forth pursuant to Iowa Code Section 135.64 (1 and 2) (2013) made the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. Western Home Communities is a continuing care retirement community (CCRC) that encompasses two campuses and has the capacity to serve 803 residents.
2. Located at the Main Campus in Cedar Falls are Elizabeth E. Martin Health Center, a 100 bed skilled nursing facility constructed in 1990; Stanard Family Assisted Living Center, that houses administrative offices as well as certified assisted living units; and their first retirement community for independent living, Willowwood, built in 1988. About 27% of their residents live on the original downtown campus:

Martin Health Center nursing home	100 residents
Assisted living apartments	69 residents

One independent living congregate community

49 residents
215 residents

3. At the South Campus, senior housing options include four retirement communities: Windgrace, Windermere, Windcove, and Windridge, as well as Windcrest Villas and Townhomes for active lifestyles. They expanded their continuum of care further with the addition of Windhaven Assisted Living Center and Thalman Square in 2006 at South Campus. Windhaven includes 83 units of assisted living, and 32 units in Thalman Square which serves as their memory enhanced area. About 73% of their residents live on the south campus, near 5500 S. Main Street in Cedar Falls:

128 active lifestyles villas/townhouses	207 residents
4 independent living congregate communities	257 residents
83 assisted living apartments	92 residents
32 memory support assisted living suites	<u>32 residents</u>
	588 residents
4. About three years ago the applicant began investigating how to better provide services for people with long-term care needs and dementia. It was concluded that there was a need for up to 50 dementia nursing home beds in Black Hawk County.
5. Two years ago, the applicant engaged a consultant known for the household model to facilitate a process involving a large group of stakeholders to determine the best direction for Western Home Communities to move forward. There were seven different sessions of one or two day in length that involved residents, board members and employees.
6. Western Home Communities is proposing the addition of two 16-bed nursing units (cottages) to be certified as for Chronic Confusion/Dementing Illness (CCDI).
7. The long-term plan will be to eventually replace the existing nursing home with a non-institutional model of care to be constructed on the south campus. The applicant states that the critical need for expanded dementia care services is what prompted them to begin the transition to the non-institutional model with the construction of the two 16-bed cottages in this proposal.
8. The applicant states the cottages will be built following the household model which is person-centered rather than staff-centered.
9. Black Hawk County (population of 131,439) currently has 24 CCDI beds, all at Windsor Nursing & Rehab Center in Cedar Falls.
10. The applicant states that their nursing facility (Martin) has maintained an average occupancy rate of nearly 96% the past three years, with open beds due to transitions accounting for the other 4%.
11. The applicant states they have designed their CCRC for residents to age in place; the average age across their continuum is 83.8 years.

12. The applicant states they currently have 48 long-term care residents at Martin Health Center with a diagnosis of dementia.
13. Thalman Square, the applicant's assisted living unit for dementia residents, operates at a high occupancy rate and has a waiting list of 12 people.
14. Thalman Square has a neighborhood design. When the dementia of the current residents in this unit progresses to the point of needing nursing care, the only choice within the Western Home Communities is to move to Martin which is a more institutionalized environment and does not have a dedicated CCDI unit.
15. The applicant refers to studies done by LeadingAge, an association of non-profit senior services providers, which show that CCRCs need one nursing home beds for every four units of housing to meet the demand from within; according to this ratio, the applicant needs 45 additional nursing beds to serve its own residents. According to a market analysis conducted at the request of the applicant it would be realistic for the applicant to develop as many as 50 beds in a CCDI unit.
16. Western Home Services currently serves an elderly population. The percentage of Medicaid recipients served in the last three years at the 100 bed Martin Health Center has averaged 37.33%.
17. All of the proposed beds will be certified for Medicaid. The applicant projects the percentage of Medicaid recipients to be served by the proposed beds to be about 24%.
18. Overall, the eight-county region, as calculated by the bed need formula, is underbuilt by 347 beds. The calculated bed need formula indicates a current underbuild in six of the eight counties surrounding the facility. The underbuild for Black Hawk County is 60 beds. See the following table for additional bed information.

Nursing Facility Beds by County
Number Needed by CON Formula/Number Licensed/Difference

County	Projected 2018 Population Age 65+	# of NF Beds needed per bed need formula	# of licensed & approved NF Beds as of April 2013	Difference – Formula vs. Licensed & Approved*
Black Hawk	21,407	1,221	1,161	-60
Benton	4,644	330	172	-158
Bremer	5,007	278	260	-18
Buchanan	3,609	257	136	-121
Butler	3,315	231	273	+42
Fayette	4,426	309	280	-29
Grundy	2,711	189	126	-63
Tama	3,599	252	312	+60
Totals	48,718	3,067	2,720	-347

*A positive (+) number means the county is overbuilt and a negative (-) indicates an underbuild

19. The bed numbers in the tables above and below represent the number of beds in free-standing facilities. In addition to the beds in these tables, the eight-county area has 154 hospital-based NF beds and 15 hospital-based SNF/NF beds, none of these are in Black Hawk County.
20. Over the span of the last three years the total number of beds in the eight-county area has decreased by 11 beds. See the following table for additional detail.

Nursing Facility Beds by County
Difference in Number Between April 2010 and April 2013

County	# of NF Beds (facilities) as of April 2010	# of NF Beds (facilities) as of April 2013	Difference in # of NF Beds
Black Hawk	1166(11)	1161(11)	-5
Benton	172(3)	172(3)	0
Bremer	260(4)	260(4)	0
Buchanan	137(2)	136(2)	-1
Butler	273(6)	273(6)	0
Fayette	285(4)	280(4)	-5
Grundy	128(3)	126(3)	-2
Tama	310(5)	312(5)	+2
Totals	2,731(38)	2,720(38)	-11

21. There are currently 2,720 licensed and approved nursing facility beds in the eight counties, 126 licensed and approved beds (4.6% of all beds) in dedicated CCDI units.

Number of CCDI Beds by County

County	# of CCDI Beds (facilities)
Black Hawk	24(1)
Benton	14(1)
Bremer	30(1)
Buchanan	0
Butler	0
Fayette	24(2)
Grundy	0
Tama	34(2)
Totals	126(7)

Data Source: Department of Inspections & Appeals –
 Summary of Long Term Care Facilities

22. The applicant indicates that their primary service area is Black Hawk County. The vast majority of the residents at Martin Health Center come from within the Western Home Communities continuum and Black Hawk County. Of the 97 residents at Martin Center on March 25, 2013, two were from out-of-state, one was from Grundy County, one was from Bremer County, 45 were from Black Hawk County and 48 were from within the Western Home Communities continuum.

23. The applicant states they have determined there are no less costly or more appropriate alternatives given the target population, the current and future need and quality care concerns. The applicant's current nursing facility maintains a high occupancy and does not lend itself to the household model of this proposal. The applicant cites studies that indicate a need for additional nursing beds for the current population suffering from dementia.
24. Western Home Communities began in 1912 with the establishment of a small, twelve-unit retirement home named The Western Old People's Home of the Evangelical Association. The applicant is well established and well known in the area.
25. In 2012, Western Home Communities celebrated 100 years of providing services to the senior population of Cedar Falls. The applicant states that they have been named an Employer for Choice in the Cedar Valley for the past several years; were selected as the number one Employer of Choice in 2012 and the community voted them first place Best of the Best for nursing care and assisted living for at least 8 straight years.
26. The applicant states that they will continue to work with the local and regional chapter of the Alzheimer's Association; other CCDI units, skilled nursing facilities and assisted living communities as well as the area hospitals and physicians.
27. Western Home Communities has transfer arrangements with Covenant and Allen Hospitals in Waterloo and Sartori Hospital in Cedar Falls. The applicant also has contracts for hospice service with Cedar Valley Hospice and Allen Hospice.
28. There are ten other free-standing nursing facilities in Black Hawk County and no hospital-based long-term care units; only one of these facilities currently has a CCDI unit.
29. In an April 2013 phone survey of facilities, four facilities in Black Hawk County reported occupancies below 80% and two more were below 85%. The overall occupancy for the County was 80.4%. The only facility in the county that currently has CCDI beds is Windsor Nursing and Rehab Center in Cedar Falls; it reported an overall occupancy of 60%. Additional details from the phone survey are in the following table.

Facility by County	Licensed Beds	Empty Beds	Percent Occupied
BLACKHAWK COUNTY			
Cedar Falls Health Care Center Cedar Falls	100	42	58.0%
Country View Waterloo	114	0	100%
Friendship Village Retirement Center Waterloo	72	2	97.2%
Harmony House Health Care Center Waterloo	66	11	83.3%
Laporte City Nursing & Rehab Center Laporte City	46	0	100%
Manorcare Health Services Waterloo	97	19	80.4%

Martin Health Center Cedar Falls	100	1	99.0%
Newaldaya Lifescapes Cedar Falls	135	9	93.3%
Parkview Nursing & Rehab Center Waterloo	135	61	54.8%
Ravenwood Nursing & Rehab Center Waterloo	196	43	78.1%
Windsor Nursing & Rehab Center Cedar Falls	100	40	60.0%
TOTALS	1,161	228	80.4%
BENTON COUNTY			
Belle Plaine Nursing & Rehab Center Belle Plaine	66	28	57.6%
Keystone Nursing Care Center Keystone	45	8	82.2%
The Vinton Lutheran Home Vinton	61	2	96.7%
Virginia Gay Hospital NF Vinton	40	2	95.0%
TOTALS	212	40	81.1%
BREMER COUNTY			
Denver Sunset Home Denver	31	0	100%
Hillcrest Home, Inc. Sumner	71	13	81.7%
Tripoli Nursing Home Tripoli	32	12	62.5%
Woodland Terrace Waverly	126	13	89.7%
TOTALS	260	38	85.4%
BUCHANAN COUNTY			
ABCM Rehab Center of Independence East Independence	50	12	76.0%
ABCM Rehab Center of Independence West Independence	86	16	81.4%
Buchanan County Health Center NF Independence	59	6	89.8%
TOTALS	195	34	82.6%
BUTLER COUNTY			
Clarksville Skilled Nursing & Rehab Clarksville	42	1	97.6%
Dumont Wellness Center Dumont	38	6	84.2%
Liebe Care Center Greene	39	14	64.1%
Maple Manor Village Aplington	50	14	72.0%
Rehabilitation Center of Allison Allison	60	9	85.0%
Shell Rock Healthcare Center Shell Rock	44	4	90.9%
TOTALS	273	48	82.4%
FAYETTE COUNTY			
Good Samaritan Society West Union	71	7	90.1%

Grandview Healthcare Center Oelwein	93	21	77.4%
Maple Crest Manor Fayette	55	7	87.3%
Mercy Hospital of the Franciscan Sisters SNF/NF Oelwein	15	13	13.3%
Oelwein Health Care Center Oelwein	61	5	91.8%
TOTALS	295	53	82.0%
TOTALS WITHOUT HOSPITAL BASED BEDS	280	40	85.7%
GRUNDY COUNTY			
Grundy Care Center Grundy Center	40	11	72.5%
Grundy County Memorial Hospital Grundy Center	55	3	94.5%
Oakview Home Conrad	46	3	93.5%
Parkview Manor Care Center Reinbeck	40	3	92.5%
TOTALS	181	20	89.0%
TAMA COUNTY			
Carrington Place Of Toledo Toledo	75	22	70.7%
Sunny Hill Care Center Tama	57	6	89.5%
Sunnycrest Nursing Center Dysart	50	24	52.0%
Sunrise Hill Care Center Traer	76	11	85.5%
Westbrook Acres Gladbrook	54	1	98.1%
TOTALS	312	64	79.5%

30. The applicant provided information with respect to the above occupancy figures for Black Hawk County; the Parkview facility in Waterloo recently announced plans to build a replacement facility with 45 fewer beds. Also, Cedar Falls Health Care Center reported a useable occupancy of 68 beds one year ago (triple rooms used as semi-private); this year the facility reported their licensed beds. Using the reduced number of beds at these two facilities, the applicant calculated a "practical" occupancy of 86% for Black Hawk County.

31. The following table displays other levels of service available in the eight-county area.

County	RCF Beds (Facilities)	Home Health Agencies	Adult Day Services	Assisted Living Units (Facilities)	ALP/D
Black Hawk	12(1)	3	52(2)	609(5)	298(2)
Benton	76(2)	2	0	156(4)	0
Bremer	0	1	0	60(1)	0
Buchanan	0	0	20(1)	20(1)	104(1)
Butler	9(1)	1	0	242(6)	0
Fayette	90(1)	2	0	152(3)	86(1)
Grundy	0	0	0	80(2)	0
Tama	40(1)	1	0	30(1)	0

TOTALS	227(6)	10	72(3)	1,349(23)	488(4)
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Data source: DIA web site

32. Six letters of support for this proposal were received. All six letters were from family members/residents of the Western Home Communities. They spoke of the need for the proposed CCDI cottages as a place for those in Thalman Square (assisted living for dementia) to move to when the dementia progresses. Currently, these residents move to Martin Center or out of town.
33. No letters of opposition were received.
34. The applicant anticipates borrowing \$4,421,000 for the current proposal in addition to using \$600,000 that is an unrestricted estate gift received two years ago. The application includes a letter from the president of Piper Jaffray committing to underwrite and purchase revenue bonds on a best efforts basis.
35. The applicant is projecting an operating deficit of \$399,000 the first year with a break-even point occurring in year two with revenues exceeding expenses by \$490,865 and by year three, a positive net cash flow of \$516,737.
36. The applicant states that existing operations and reserve accounts at Western Home Communities and Martin Health Center will provide the necessary funds for start-up cash flow.
37. The proposed rate for CCDI will be \$225 a day (January 2015). The current rates at the Martin Health Center are: \$198-\$213 for a private room (depending on level of care); \$188-\$204 for a shared room; and \$229 for skilled care (rehab to home).
38. The applicant indicates that the proposal will result in the need for an additional 32.0 FTEs; 23.4 of these in the nursing category, 1 RN, 7 LPNs and 15.4 aides. Dietary will add 5.6 FTEs; administrative will add 1 FTE (DON) and the final 2 FTEs will be household coordinator (social work designee).
39. In the household model, employees are not compartmentalized by job or department, but work together with the residents and family members to make decisions. The applicant anticipates that any of their current employees will want to transition to the CCDI cottages. Open positions will be posted internally first, then qualified applicants from outside the organization will be sought.
40. The applicant states they have a close working relationship with the University of Northern Iowa Hawkeye Community College, Allen College, Upper Iowa University and Kaplan University which helps ensure a qualified applicant pool. As stated above, Western Homes Communities is viewed as an employer of choice in the community.
41. The applicant states they will provide mandatory specialized education for all staff in the CCDI cottages, as well as other specialized training on a regular basis.

42. The proposal calls for the construction of two 16-bed cottages, each with 11,144 square feet for a total of 22,288 square feet of new construction.
43. Each cottage will be built like a typical family home, with a front porch, front door with doorbell, garage, foyer, living room, den, kitchen, private bedrooms with bathrooms, and backyard patio. There will be no medicine carts or nurses' stations or no overhead paging.
44. The land is already owned by the applicant; site costs, including legal and zoning, are listed at \$105,000 and land improvement costs are listed at \$52,000. The total facility costs are \$4,485,000; no cost was listed for movable equipment and \$379,000 for financing costs for a total of \$5,021,000. That is a turn-key cost of \$156,906.25.

CONCLUSIONS OF LAW

In determining whether to issue a certificate of need, the Council considers the eighteen criteria listed in Iowa Code § 135.64(1)(a)-(r). In addition, the legislature has provided that the Council may grant a certificate of need only if it finds the following four factors exist:

- a. Less costly, more efficient or more appropriate alternatives to the proposed institutional health service are not available and the development of such alternatives is not practicable;
- b. Any existing facilities providing institutional health services similar to those proposed are being used in an appropriate and efficient manner;
- c. In the case of new construction, alternatives including but not limited to modernization or sharing arrangements have been considered and have been implemented to the maximum extent practicable;
- d. Patients will experience serious problems in obtaining care of the type which will be furnished by the proposed new institutional health service or changed institutional health service, in the absence of that proposed new service.

1. The Council concludes that less costly, more efficient or more appropriate alternatives to the proposed health service are not available and the development of such alternatives is not practicable. The Council takes note that the applicant spent at least three years reviewing options; engaging community members and consultants in the process. The Council concludes that the proposal is an appropriate option to accommodate admissions of Thalman Square residents, others from within Western Homes communities, and others within the community who need CCDI nursing care. Iowa Code Sections 135.64(1) and 135.64(2)a.

2. The Council concludes that existing facilities providing health services similar to those proposed will continue to be used in an appropriate and efficient manner and will not be impacted by this project. The bed need formula indicates Black Hawk County is underbuilt by 60 beds; while the eight-county region is underbuilt by 347 beds. The phone survey conducted by

Department staff indicates a county wide occupancy of 80.4% for the free standing nursing facilities in Black Hawk County. The Council has previously concluded that occupancy rates of over 85% indicate appropriate and efficient utilization of existing nursing facilities. The Council finds that five of the eleven facilities in the county are operating at or significantly above 85% and takes note of the information provided by the applicant regarding the "practical" occupancy of two additional facilities, which if utilized results in a "practical" occupancy of 86% for Black Hawk County. Of significance, the Council takes note that no opposition to this proposal was received from existing facilities and that no existing facilities indicated that this project would impact their utilization in a negative manner. Additionally, the Council takes note of the mitigating factors that exist in this application, including the fact that the applicant is a continuing care community with a capacity to serve 803 residents; therefore the Council concludes that Western Homes has little impact on the appropriate and efficient use of other nursing facilities. Iowa Code Sections 135.64(1) and 135.64(2)b.

3. The Council concludes that the proposed project involves the construction of two 16-bed cottages, each with 11,144 square feet for a total of 22,288 square feet of new construction at a cost of \$5,021,000. The Council concludes that alternatives including modernization and sharing arrangements have been considered and implemented to the maximum extent practicable. The Council takes note that Black Hawk County (population of 131,439) currently has 24 CCDI beds, all at Windsor Nursing & Rehab Center in Cedar Falls and these beds were not specifically designed to serve CCDI patients. The Council concludes that the applicant's current nursing facility maintains a high occupancy and does not lend itself to the household model of this proposal. Iowa Code Sections 135.64(1) and 135.4(2)c.

4. The Council concludes that patients will experience problems in obtaining care of the type which will be furnished by the proposed changed health service, in the absence of that proposed service. The Council takes note of studies done by LeadingAge, an association of non-profit senior services providers, which show that CCRCs need one nursing home bed for every four units of housing to meet the demand from within; according to this ratio, the applicant needs 45 additional nursing beds just to serve its own residents. The Council further takes note that the Martin Center currently has 48 residents with a diagnosis of dementia and that Thalman Square (32 assisted living beds for dementia patients) is full and has a waiting list. The Council concludes that the high occupancy of existing nursing beds at the Martin Center and the significant underbuild of CCDI units in this service area, demonstrate that patients will experience problems in obtaining care absent the proposed additional beds. Iowa Code Sections 135.64(1) and 135.64(2)d.

The facts, considered in light of the criteria contained in Iowa Code Section 135.64 (1 and 2) (2013), led the Council to find that a Certificate of Need should be awarded.

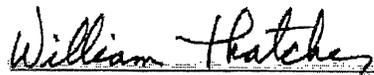
The decision of the Council may be appealed pursuant to Iowa Code Section 135.70 (2013).

It is required in accordance with Iowa Administrative Code 641- 202.12 that a progress report shall be submitted to the Iowa Department of Public Health six (6) months after approval. This report shall fully identify the project in descriptive terms. The report shall also reflect an amended project schedule if necessary.

The Certificate of Need is valid for a twelve (12) month period from the date of these findings. This is subject to the meeting of all requirements of the Iowa Department of Public Health. Requests for extension of a Certificate of Need must be filed in writing to the Iowa Department of Public Health from the applicant no later than forty-five (45) days prior to the expiration of the Certificate. These requests shall fully identify the project and indicate the current status of the project in descriptive terms.

No changes that vary from or alter the terms of the approved application including a change in the approved dollar cost shall be made unless requested in writing to the department and approved. Failure to notify and receive permission of the department to change the project as originally approved may result in the imposition of sanctions provided in Iowa Code section 135.73 (Iowa Administrative Code [641]202.14).

Dated this 8th day of July 2013



William Thatcher, Chairperson
State Health Facilities Council
Iowa Department of Public Health

cc: State Health Facilities Council
Iowa Department of Inspections and Appeals:
Health Facilities Division

EXHIBIT B

Notice of Hearing on Iowa Finance Authority Economic Development Loan Program Bonds

A public hearing will be held on the 4th day of November, 2015, at the Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa, at 8:30 o'clock a.m. on the proposal for the Iowa Finance Authority (the "Authority") to issue its Senior Living Facilities Revenue and Refunding Bonds (Western Home Community Project) in an aggregate principal amount not to exceed \$58,000,000 (the "Bonds"), in one or more series, and to loan the proceeds thereof to Martin Health Center, Inc., Western Home Services, Inc. and/or an affiliate or related entity of Western Home Services, Inc. (collectively, the "Borrower") for the purpose of financing the costs of: (1) the acquisition, construction, equipping and furnishing of an independent living facility with approximately 75 units and other improvements related thereto, a skilled nursing facility with approximately 60 beds and other improvements related thereto, a central complex to include, without limitation, a commercial kitchen, dining area, community gathering spaces, offices, rehabilitation/wellness areas, an aquatic center and retail space, and related land and other related building improvements (the "Project") to be located at the Borrower's South Campus immediately south of Nation Cottage and South Cottage located at 5111 Caraway Lane and 5127 Caraway Lane, Cedar Falls, Iowa; (II) refunding a portion of the Authority's Senior Living Facilities Revenue Refunding Bonds (Western Home Project) Series 2012 (the "Series 2012 Bonds"), the proceeds of which were used to: (A) refund the Authority's Health Care Facilities Revenue Refunding Note (Western Home Project), Series 2011A (the "Series 2011A Note") and the Authority's Health Care Facilities Revenue Refunding Note (Western Home Project), Series 2011B (the "Series 2011B Note" and together with the Series 2011A Note, the "Series 2011 Notes"), the proceeds of which were used to: (1) refund the City of Evansdale, Iowa Health Care Facilities Revenue Bonds (Western Home Project), Series 2004A (the "Series 2004A Bonds") and the City of Evansdale, Iowa Health Care Facilities Revenue Bonds (Western Home Project), Series 2005 (the "Series 2005 Bonds" and, together with the Series 2004A Bonds, the "2004/2005 Bonds"), the proceeds of which were used to: (i) finance the costs of the acquisition, construction, renovation, equipping and furnishing of an assisted living complex located at 5500 South Main Street, Cedar Falls, Iowa, (the "Windhaven Facility"); (ii) fund a debt service reserve fund for the Series 2004/2005 Bonds; and (iii) pay the costs of issuance related to the Series 2004/2005 Bonds; (2) refund the Authority's Health Care Facilities Revenue Bonds (Western Home Project), Series 2009 (the "Series 2009 Bonds"), the proceeds of which were used to (i) finance the acquisition, construction, renovation, equipping and/or furnishing of an expansion of the Windhaven Facility; (ii) refund the Health Care Facilities Revenue Bonds (Western Home Project), Series 2003A (the "Series 2003A Bonds") and the Health Care Facilities Revenue Bonds (Western Home Project), Series 2003B (the "Series 2003B Bonds" and, together with the Series 2003A Bonds, the "Series 2003 Bonds") both issued by Black Hawk County, Iowa (the "County") to finance the costs of the following: (a) refunding the County's previous issue of Health Care Facility Refunding Revenue Bonds (Western Home Project), Series 1996 which were issued to refund a previous issue of Health Care Facility Revenue Bonds (Western Home Project), Series 1990 issued by the City of Cedar Falls, Iowa, for the purpose of financing the construction of an addition to the Borrower's main campus facilities located at 420 East 11th Street, Cedar Falls, Iowa (the "Main Campus Facilities"); (b) refunding the County's previous issue of Revenue Bonds, Series 1999 (Western Home Project) issued to finance the acquisition and improvement of a four-story, 89-unit housing complex for the elderly at 315 Walnut Street, Waterloo, Iowa (the "Walnut Court Facilities") and financing the remodeling and equipping of the dining room and adjacent corridors at the Main Campus Facilities; (c) retiring certain existing indebtedness of the Borrower incurred to finance capital improvements to the Main Campus Facilities and the Walnut Court Facilities; (d) the acquisition and/or construction of improvements, expansion, remodeling and/or additions to and/or equipment for the Main Campus Facilities and the Walnut Court Facilities; and (e) funding a debt service reserve fund and paying the costs of issuance related to the Series 2003 Bonds; (iii) retire existing indebtedness originally used for financing the acquisition, construction, renovation, equipping and/or furnishing of improvements to: (a) the Windhaven Facility and related land and street improvements located at 5500 South Main St., Cedar Falls, Iowa and for Hyacinth Street; (b) a

assisted living complex located at 5500 South Main Street, Cedar Falls, Iowa, (the "Windhaven Facility"); (ii) fund a debt service reserve fund for the Series 2004/2005 Bonds; and (iii) pay the costs of issuance related to the Series 2004/2005 Bonds; (2) refund the Authority's Health Care Facilities Revenue Bonds (Western Home Project), Series 2009 (the "Series 2009 Bonds"), the proceeds of which were used to (i) finance the acquisition, construction, renovation, equipping and/or furnishing of an expansion of the Windhaven Facility; (ii) refund the Health Care Facilities Revenue Bonds (Western Home Project), Series 2003A (the "Series 2003A Bonds") and the Health Care Facilities Revenue Bonds (Western Home Project), Series 2003B (the "Series 2003B Bonds" and, together with the Series 2003A Bonds, the "Series 2003 Bonds") both issued by Black Hawk County, Iowa (the "County") to finance the costs of the following: (a) refunding the County's previous issue of Health Care Facility Refunding Revenue Bonds (Western Home Project), Series 1996 which were issued to refund a previous issue of Health Care Facility Revenue Bonds (Western Home Project), Series 1990 issued by the City of Cedar Falls, Iowa, for the purpose of financing the construction of an addition to the Borrower's main campus facilities located at 420 East 11th Street, Cedar Falls, Iowa (the "Main Campus Facilities"); (b) refunding the County's previous issue of Revenue Bonds, Series 1999 (Western Home Project) issued to finance the acquisition and improvement of a four-story, 89-unit housing complex for the elderly at 315 Walnut Street, Waterloo, Iowa (the "Walnut Court Facilities") and financing the remodeling and equipping of the dining room and adjacent corridors at the Main Campus Facilities; (c) retiring certain existing indebtedness of the Borrower incurred to finance capital improvements to the Main Campus Facilities and the Walnut Court Facilities; (d) the acquisition and/or construction of improvements, expansion, remodeling and/or additions to and/or equipment for the Main Campus Facilities and the Walnut Court Facilities; and (e) funding a debt service reserve fund and paying the costs of issuance related to the Series 2003 Bonds; (iii) retire existing indebtedness originally used for financing the acquisition, construction, renovation, equipping and/or furnishing of improvements to: (a) the Windhaven Facility and related land and street improvements located at 5500 South Main St., Cedar Falls, Iowa and for Hyacinth Street; (b) a

maintenance barn located on Hyacinth Street near the Windridge facility located at 5311 Hyacinth Street, Cedar Falls, Iowa (the "Windridge Facility"); (c) the Windridge Facility and the Windcove facility and related land improvement located at 5300 South Main Street, Cedar Falls, Iowa; and (d) the Main Campus Facilities; and (iv) fund a debt service reserve fund and pay costs of issuance related to the Series 2009 Bonds; and (3) pay the costs of issuance of the Series 2011 Notes; (B) fund a debt service reserve fund for the Series 2012 Bonds; and (C) pay for costs associated with the issuance of the Series 2012 Bonds; (III) funding any reserve funds; (IV) retiring any existing indebtedness related to the Project; and (V) paying certain costs of issuance of the Bonds. The Project and the facilities financed and refinanced by the Bonds will be owned and operated by the Borrower.

The Bonds, when issued, will be limited obligations of the Authority and will not constitute a general obligation or indebtedness of the State of Iowa or any political subdivision thereof, including the Authority, nor will they be payable in any amount by taxation, but the Bonds will be payable solely and only from amounts received from the Borrower named above under a Loan Agreement between the Authority and the Borrower, the obligation of which will be sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds as and when they shall become due.

At the time and place fixed for the hearing, all individuals who appear will be given an opportunity to express their views for or against the proposal to issue the Bonds, and all written comments previously filed with the Authority at its offices at 2015 Grand Avenue, Des Moines, Iowa 50312, will be considered.

David D. Jamison
Executive Director
Iowa Finance Authority

EXHIBIT C

Any Amendment to Initial Application and Final Source and Uses of Funds

Final Sources and Uses of Funds

Sources:

Proceeds	\$55,000,000
Equity	3,000,000
<u>Total</u>	<u>\$58,000,000</u>

Uses:

Refund Series 2012 Bonds	\$6,500,000
Construction of Project	48,000,000
Costs of Issuance	1,000,000
Capitalized Interest	2,500,000
Total	<u>\$58,000,000</u>

RESOLUTION
ED 15-12B

Authorizing the Issuance of not to exceed \$7,500,000
Iowa Finance Authority Senior Living Facility Revenue Bonds
(Claremont's Ramsey Village, LLC Project), in one or more series

Resolution authorizing the issuance of not to exceed \$7,500,000 Iowa Finance Authority Senior Living Facility Revenue Bonds (Claremont's Ramsey Village, LLC Project), in one or more series for the purpose of making a loan to assist the borrower in the acquisition, construction and equipping of a project; authorizing the execution and delivery of certain financing documents pertaining to the refunding; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; and related matters.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa, (the "Act") to issue revenue bonds or notes to be used to pay the cost of defraying the cost of acquiring, constructing, improving and equipping certain projects described in the Act including facilities for an organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code") which is exempt from federal income tax under section 501(a) of the Code; and

WHEREAS, the Authority has been requested by Claremont's Ramsey Village, LLC (the "Borrower") to issue not to exceed \$7,500,000 Iowa Finance Authority Senior Living Facility Revenue Bonds (Claremont's Ramsey Village, LLC Project), in one or more series (the "Bonds") for the purpose of loaning the proceeds thereof to the Borrower for the purpose of financing the costs of (i) refinancing existing indebtedness used to acquire a 139-bed, 105-unit retirement community consisting of 78 skilled nursing beds, 41 residential care facility beds, 10 assisted living beds and 10 independent living units located at 1611 27th Street, Des Moines, Iowa (the "Project"), and paying for costs associated with the issuance of the Bonds; and

WHEREAS, the Authority on the 7th day of October, 2015, has heretofore approved an application, attached hereto as Exhibit A, of the Borrower requesting the approval of the Project; and

WHEREAS, pursuant to published notice of intention (a copy of which notice is attached hereto as Exhibit B) the Authority has conducted a public hearing on the 2nd day of December, 2015 at 8:30 a.m. on a proposal to issue the Bonds in an amount not to exceed \$7,500,000 to finance the Project as required by Section 147 of the Internal Revenue Code of 1986, as amended (the "Code") and this Board has deemed it to be in the best interests of the Authority that the Bonds be issued as proposed; and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bonds in the aggregate principal amount of not to exceed \$7,500,000 as authorized and permitted by the Act to finance the Project and the costs incurred in connection with the foregoing; and

WHEREAS, the Authority will issue the Bonds and loan the proceeds of the Bonds to the Borrower pursuant to the provisions of a Loan Agreement (the "Loan Agreement") among the Authority, the Borrower and Great Western Bank or another entity chosen by the Borrower and not objected to by the Authority (the "Lender"); and

WHEREAS, the Authority will assign certain of its rights in the Loan Agreement to the Lender pursuant to such Loan Agreement;

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Qualified Project. It is hereby determined that the financing of the Project and the payment of costs related thereto, all as described in the initial approved application, Exhibit A, qualifies under the Act for financing with the proceeds of the Bonds and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed with the sale and issuance of the Bonds and the Authority shall defray all or a portion of the cost of the Refunding by issuing the Bonds and loaning the proceeds of the sale of the Bonds to the Borrower.

Section 3. Public Hearing. At the public hearing conducted by the Authority in accordance with the provisions of Section 147(f) of the Code, pursuant to published notice, all persons who appeared were given an opportunity to express their views for or against the proposal to issue the Bonds and the Authority has determined to proceed with the necessary proceedings relating to the issuance of the Bonds.

Section 4. Bonds Authorized. In order to acquire, construct, improve and equip the Project, the Bonds shall be and the same are hereby authorized and ordered to be issued by the Authority pursuant to the Loan Agreement in substantially the form as has been presented to and considered at this meeting and containing substantially the terms and provisions set forth therein, the Bonds actually issued to be in a principal amount not exceeding \$7,500,000 and to bear interest at rates as determined by the Borrower and the Lender which rates shall initially be a variable rate not to exceed 7.00% per annum, and which may be adjusted, in each case as set forth in the Loan Agreement on or prior to the date of issuance and delivery of such Bonds, and the execution and delivery thereof by the Chairperson and Secretary shall constitute approval thereof by the Authority. The Chairperson and Secretary are hereby authorized and directed to approve such principal amount and interest rates and interest rate setting mechanisms for the Bonds, within the foregoing limits, by and on behalf of the Authority, and to execute, seal and authenticate the Bonds.

Section 5. Loan Agreement. The Authority shall loan the proceeds of the Bonds to the Borrower pursuant to the Loan Agreement and the form and content of the Loan Agreement, the provisions of which are incorporated herein by reference, are hereby authorized, approved

and confirmed. The Executive Director is authorized and directed to execute, seal and deliver the Loan Agreement, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Loan Agreement, the Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

Section 6. Tax Exemption Agreement. The Authority and the Borrower shall set forth certain representations and certifications with respect to the Bonds as required by the Code in the tax certificates (the "Tax Exemption Agreement"), the form and content of the Tax Exemption Agreement, the provisions of which are incorporated herein by reference, are hereby authorized, approved and confirmed. The Executive Director is hereby authorized and directed to execute, seal and deliver the Tax Exemption Agreement but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority.

Section 7. Execution of Documents. The Executive Director and/or the Chairperson are authorized to execute and deliver for and on behalf of the Authority any and all additional agreements, certificates, documents, opinions or other papers and perform all other acts (including without limitation the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned under the Loan Agreements, and the execution of all closing documents as may be required by Bond Counsel and approved by Counsel to the Authority, and the acceptance of any documentation evidencing indemnification of the Authority by Borrower in connection with the transactions contemplated hereby) as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 8. Payments Under the Loan Agreements. The Loan Agreement requires the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Bonds when and as due, and the payment of such amounts by the Borrower to the Lender pursuant to the Loan Agreements is hereby authorized, approved and confirmed.

Section 9. Limited Obligations. The Bonds shall be limited obligations of the Authority, payable solely out of the loan payments required to be paid by the Borrower pursuant to and in accordance with provisions of the Loan Agreement and are secured pursuant to and in accordance with provisions of the Loan Agreement. The Bonds and interest thereon shall never constitute an indebtedness of the Authority, within the meaning of any state constitutional provision or statutory limitation, and shall not give rise to a pecuniary liability of, or claim against, the Authority or a charge against its general credit or general fund.

Section 10. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 11. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

David D. Jamison, Secretary

(Seal)



IOWA FINANCE AUTHORITY

David D. Jamison, Executive Director
2015 Grand Avenue
Des Moines, Iowa 50312
(515) 725-4900 - (800) 432-7230

FOR IFA USE ONLY

Project No. ED 15-12
Application Received 9/29/15
Application Fee Received? [X]
Volume Cap? [] Yes [X] No
Amount of Request \$ 7,500,000

Application forms can be obtained from the Authority's website at www.IowaFinanceAuthority.gov

ECONOMIC DEVELOPMENT BOND APPLICATION

Part A - Borrower Information

- 1. Project Name: Claremont's Ramsey Village, LLC
2. Contact Person/Title: Brian Walgenbach
Company: Claremont House, Inc. is side member of Claremont's Ramsey Village, LLC
Address: 10 Crow Canyon Ct., Suite 101
City, State, Zip: San Ramon, CA 94583
Telephone: (925) 362-0354 E-mail: brian@crmscommunities.com
5. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.
Brian Walgenbach Board: Frederick Walgenbach
Doug Hill Tom May
Justin Hill Darrell Ketch
Alan Passis
Greg Hulbert
6. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: attached
7. Is the Borrower currently qualified to transact business within the State of Iowa? Yes [X] No []
8. If project is a Nursing Facility, is state certificate of need required: [] Yes [X] No
9. Total current FTE's of Borrower: 100
Number of permanent FTE's created by the project: 100

Part B - Project Information

1. This Project qualifies for financing pursuant to the Economic Development Loan Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

501 c (3) entity:

Private college or university

Housing facility for elderly or disabled persons

Museum or library facility

Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1 (6) of the Iowa Code. Specify: _____

Other 501c (3) entity (please specify) _____

Manufacturing facility

Agricultural processing facility

Multi-family housing

Solid Waste facility

3. Amount of Loan Request: \$ 7,500,000

Amount to be used for refunding: \$ N/A

4. Address/Location of Project

Street/City/State 1611 27th Street, Des Moines, Iowa

County Polk

5. General Project Description:

Loan proceeds will be used to refinance a conventional loan
the proceeds of which were used to acquire a 139
bed, 105 unit retirement community consisting of 78
skilled nursing beds, 41 RCF beds, 10 AL beds and
10 independent living units

Part B - Project Information continued

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?
 No
 Yes, in the amount of \$ _____ (There are IRS limitations on eligible reimbursable costs.)

7. Parties related to the Project:

- a. Principal User will be: Claremont's Ramsey Village
- b. Seller (if any) of the Project: N/A
- c. Purchaser (if any) or Owner or Lessee of the Project: N/A
- d. Relationship of Project Seller and Purchaser, if any: _____

8. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:	Amount	Uses:	Amount
<u>Proceeds</u>	\$ <u>7,500,000</u>	<u>Refinance Existing Debt</u>	\$ <u>7,100,000</u>
		<u>Cost of Issuance</u>	<u>142,000</u>
		<u>Reserves</u>	<u>200,000</u>
		<u>Due Diligence</u>	<u>58,000</u>
	\$		\$
Total	<u>7,500,000</u>	Total	<u>7,500,000</u>

9. Type of Bond Sale Public Sale Private Placement

Part C - Professionals Participating in the Financing

Applications must have either Bond Counsel or Underwriter/Financial Institution identified

1. Bond Counsel: (an attorney hired by the borrower to ensure the bonds can be issued on a tax-exempt basis)

Name: Thomas Stanberry
Firm Name: Davis Brown
Address: 215 10th Street, Suite 300
City/State/Zip Code: Des Moines, Iowa 50309
Telephone: 515 246-7897 E-mail: Thomas.Stanberry@davisbrownlaw.com

2. Counsel to the Borrower:

Name: Joe Radovsky
Firm Name: Greene Radovsky Maloney & Shore
Address: Four Embarcadero Center, Suite 4000
City/State/Zip Code: San Francisco, CA 94111
Telephone: 415 981-1400 E-mail: J.Radovsky@greeneradovsky.com

3. Underwriter or Financial Institution purchasing the bonds:

Name: Patrick Reding
Firm Name: Great Western Bank
Address: 10101 University Ave.
City/State/Zip Code: Clive, Iowa 50325
Telephone: 515 440-8445 E-mail: patrick.reding@greatwesternbank.com

4. Counsel to the Underwriter:

Name: Thomas Stanberry
Firm Name: Davis Brown
Address: 215 10th Street, Suite 300
City/State/Zip Code: Des Moines, Iowa 50309
Telephone: 515 246-7897 E-mail: Thomas.Stanberry@davisbrownlaw.com

5. Trustee: (if needed)

Name: _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

PART D - Fees and Charges

1. A non-refundable application fee must accompany this form at the time of submission to the Authority. For applications up to \$10 million, the application fee is \$1,000. For applications over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.

Applications will expire if the bonds are not issued within 18 months.

Submit application to the Authority at the following address:

Lori Beary
Community Development Director
Iowa Finance Authority
2015 Grand Avenue
Des Moines, IA 50312

2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at 515-725-4965 or lori.beary@iowa.gov for more information.
3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Claypool (claypool.david@dorsey.com) or David Grossklaus (Grossklaus.David@dorsey.com) at Dorsey & Whitney and the Authority's Community Development Director (lori.beary@iowa.gov).

Dated this 29 day of September, 2015

Borrower: Claremont's Ramsey Village

By: [Signature]
Title: Eq. Dir

Internal Revenue Service
District Director

Department of the Treasury

P. O. Box 2508
Cincinnati, OH 45201

Date: September 24, 1999

Person to Contact:
Pat Mahan 31-04019
Customer Service Representative
Telephone Number:
877-829-5500
Fax Number:
513-263-3756
Federal Identification Number:
94-2394340

Claremont House Inc
4500 Gilbert St
Oakland, CA 94611

Dear Sir or Madam:

We have received the information you sent us showing that your organization is not a private foundation and we have updated our records to reflect this.

Our records indicate that a determination letter issued in June 1990 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section 509(a)(2).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Claremont House Inc
94-2394340

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

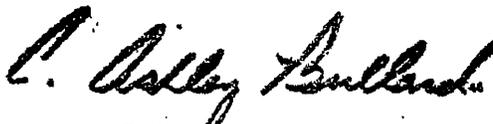
The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. You are also required to make available for public inspection a copy of your organization's exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,



C. Ashley Bullard
District Director

Internal Revenue Service
District Director

Department of the Treasury

P O BOX 36001 STOP SF-4-4-46
SAN FRANCISCO, CA 94102

Date: JUN. 22, 1990

CENTER FOR HABITAT AND HUMAN
SETTLEMENTS
2310 POWELL ST STE 205
SAN FRANCISCO, CA 94133

Employer Identification Number:
94-2394340
Case Number:
950097515
Contact Person:
BARBARA REHDISH
Contact Telephone Number:
(415) 556-0327

60 Month Period Ends:
Feb. 28, 1995
Addendum Applies:
No

Dear Applicant:

We have received your notification of intent to terminate your private foundation status under section 507(b)(1)(B) of the Internal Revenue Code during a 60 month period beginning March 1, 1990.

The information submitted indicates that you intend to operate as an organization described in section 509(a)(2) of the Code during the 60 month period.

Based on your proposed activities and support, it is held that you can reasonably be expected to terminate your private foundation status under section 507(b)(1)(B) of the Code. Accordingly, you will be treated as a public charity described in section 509(a)(2) of the Code for an advance ruling period of 60 months beginning March 1, 1990.

Within 90 days after the end of your 60 month period, you must establish to the satisfaction of the Internal Revenue Service that you have qualified as an organization which meets the requirements of paragraph (1), (2), or (3) of section 509(a) of the Code for the 60 month period. If you do establish that fact, you will be so classified for all purposes beginning with the first day of the first taxable year of the 60 month period and, thereafter, so long as you continue to meet the requirements of section 509(a)(1), (2), or (3). If, however, you do not meet these requirements for the 60 month period, you will be classified as a private foundation as of the first day of the first taxable year of the 60 month period.

If you satisfy the requirements of section 507(b)(1)(B) of the Code at the end of your 60 month period, you will not be subject to the provisions of section 507(a), (c), or (g) of the Code.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until the Service makes a final determination of your foundation status.

CENTER FOR HABITAT AND HUMAN

You are required to file Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as a Private Foundation, until you complete your 60 month termination and are classified as a section 509(a)(2) organization. Form 990-PF must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000 or 5 percent of your gross (whichever is less), for failure to file a return on time unless there is reasonable cause for the delay.

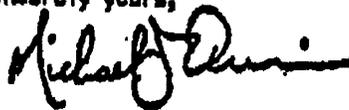
If you do not pay the tax imposed by section 4940 of the Code for any taxable year or years during the 60 month period, and it is subsequently determined that such tax is due for such year or years, you will be liable for interest in accordance with section 6601 of the Code. Since any failure to pay such taxes during the 60 month period is due to reasonable cause, the penalty under section 6651 with respect to the tax imposed by section 4940 shall not apply.

If the heading of this letter indicates that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Michael J. Quinn
District Director

Enclosure(s):
Form 672



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
P.O. BOX 942887
SACRAMENTO, CA 94267-2021

CENTER FOR HABITAT AND HUMAN SETTLEMENTS
2310 FOWELL STREET
SAN FRANCISCO, CA 94133

Subject : CERTIFICATE OF REVIVOR
Corporate Name : CENTER FOR HABITAT AND HUMAN SETTLEMENTS
Corporate Number : 0808704
Effective Date : 02 16 90

This corporation has been relieved of suspension or forfeiture and is now in good standing with the Franchise Tax Board.

A. Wong
A. WONG
Enforcement Bureau

TELEPHONE ASSISTANCE

Southern California
(Area Codes 213, 818, 714, 805, 916)
(800) 852-6711

Northern California
(Area Codes 209, 408, 415, 707, 916)
(800) 852-7050

Sacramento Metropolitan Area
and Out of State
(916) 389-0500

For hearing impaired with TDD (800) 822-6268

*If this is a toll call from your Sacramento location, call (800) 852-7050.

INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
2 CUPANIA CIRCLE
MONTEREY PARK, CA 91755-7406

DEPARTMENT OF THE TREASURY

Date:

MAY 09 1995

CLAREMONT HOUSE INC
4500 GILBERT ST
OAKLAND, CA 94611-4666

Employer Identification Number:

94-2394340

Case Number:

955129014

Contact Person:

TERESA SMITH

Contact Telephone Number:

(213) 725-1758

Our Letter Dated:

JUNE 30 1977

Advance Ruling Period Begins:

DEC 31 1991

Advance Ruling Period Ends:

FEB 28 1995

Addendum Applies:

NO

Dear Applicant:

Our letter of the above date stated that we had determined your organization is exempt under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) and that you would be treated as a publicly supported organization and not as a private foundation during your advance ruling period. This was based on our determination that you could reasonably be expected to be an organization described in sections 170(b)(1)(A)(vi) and 509(a)(1) or in section 509(a)(2).

We also stated that at the end of your advance ruling period you would have to establish that you were in fact an organization described in one of the above sections.

Our records indicate that your advance ruling period begins and ends on the dates shown above. Your exempt status as an organization described in section 501(c)(3) is still in effect. However, to establish that you are a publicly supported organization described in sections 170(b)(1)(A)(vi) and 509(a)(1) or in section 509(a)(2), please complete the attached Form 8734, Support Schedule for Advance Ruling Period, for each of the tax years in your advance ruling period.

The information requested in this letter is required to support your claim to be other than a private foundation. It is needed in addition to any required Form 990 or other annual return. Please send it to us within 90 days from the end of your advance ruling period.

If we do not receive this information, we will presume you are a private foundation and you will be treated as a private foundation as of the first day of your first tax year for purposes of sections 507(d) and 4940 of the Code. In addition, if you do not provide the information by the time requested, it will be considered by the Internal Revenue Service that you have not taken all reasonable steps to secure the determination you requested. Under section 7428(b)(2) of the Code, not taking all reasonable steps, in a timely manner, to secure the determination may be considered as a failure to exhaust administrative remedies available to you within the Service, and may preclude the issu-

Letter 1046 (DO/CG)

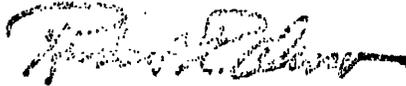
CLAREMONT HOUSE INC

ance of a declaratory judgment in the matter under judicial proceedings.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Thank you for your cooperation.

Sincerely yours,



Richard R. Orosco
District Director

Enclosures:
Form 8734
Copy of this letter

EXHIBIT B

Notification of Hearing as Published

A copy of the publisher's proof of publication will be available at the meeting. The following is a copy of the notice itself.

Notice of Hearing on Iowa Finance Authority Economic Development Loan Program Bonds

A public hearing will be held on the 2nd day of December, 2015, at the Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa, at 8:30 o'clock a.m. on the proposal for the Iowa Finance Authority (the "Authority") to issue its Senior Living Facility Revenue Bonds (Claremont's Ramsey Village, LLC Project) in an aggregate principal amount not to exceed \$7,500,000 (the "Bonds") and to loan the proceeds thereof to Claremont's Ramsey Village, LLC or an entity related thereto (the "Borrower") for the purpose of refinancing existing indebtedness used to acquire a 139-bed, 105-unit retirement community consisting of 78 skilled nursing beds, 41 residential care facility beds, 10 assisted living beds and 10 independent living units (the "Project") located at 1611 27th Street, Des Moines, Iowa, and paying for costs associated with the issuance of the Bonds. The Project and the facilities refinanced by the Bonds will be owned and operated by the Borrower.

The Bonds, when issued, will be limited obligations of the Authority and will not constitute a general obligation or indebtedness of the State of Iowa or any political subdivision thereof, including the Authority, nor will they be payable in any amount by taxation, but the Bonds will be payable solely and only from amounts received from the Borrower named above under a Loan Agreement between the Authority and the Borrower, the obligation of which will be sufficient to pay the principal of, interest and redemption premium, if any, on the Bonds as and when they shall become due.

At the time and place fixed for the hearing, all individuals who appear will be given an opportunity to express their views for or against the proposal to issue the Bonds for the purpose of financing the Project, and all written comments previously filed with the Authority at its offices at 2015 Grand Avenue, Des Moines, Iowa 50312, will be considered.

David D. Jamison
Executive Director
Iowa Finance Authority

RESOLUTION
ED 15-13B

Authorizing the Issuance of not to exceed \$11,500,000
Iowa Finance Authority Variable Rate Demand Refunding Revenue Bonds
(UnityPoint Health), in one or more series

Resolution authorizing the issuance of not to exceed \$11,500,000 Iowa Finance Authority Variable Rate Demand Refunding Revenue Bonds (UnityPoint Health), in one or more series for the purpose of making a loan to assist the borrower in the refunding of prior bonds; authorizing the execution and delivery of certain financing documents pertaining to the Bonds; authorizing an assignment of certain financing documents for further securing the payment of the bonds; authorizing the sale of the bonds; authorizing the appointment of a trustee; and related matters.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa, (the "Act") to issue revenue bonds to be used to pay the cost of defraying the cost of acquiring, constructing, improving and equipping certain projects described in the Act including facilities for an organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code") which is exempt from federal income tax under section 501(a) of the Code and to pay the cost of refunding any bonds or notes, including the payment of any redemption premiums thereon and any interest accrued or to accrue to the date of redemption of the outstanding bonds or notes; and

WHEREAS, the Authority has been requested by Iowa Health System d/b/a UnityPoint Health (the "Borrower") to issue not to exceed \$11,500,000 Iowa Finance Authority Variable Rate Demand Refunding Revenue Bonds (UnityPoint Health), in one or more series (the "Bonds") for the purpose of loaning the proceeds thereof to the Borrower for the purpose of (a) refunding the Authority's Adjustable Rate Demand Healthcare Facility Revenue Bonds (Unity HealthCare Project), Series 2006 (the "Prior Bonds") (the refunding of the Prior Bonds is referred to herein as the "Refunding"), the proceeds of which were loaned to Unity HealthCare for the purpose of (i) providing a portion of the funds necessary to finance or refinance the costs of construction, renovation, furnishing and equipping Unity HealthCare's healthcare facilities located at 1518 Mulberry Avenue, Muscatine, Iowa, (ii) funding capitalized interest for the Prior Bonds and (iii) paying the costs of issuance and certain other costs associated with the issuance of the Prior Bonds, and (b) paying the costs of issuance and certain other costs associated with the issuance of the Bonds; and

WHEREAS, Unity HealthCare is an affiliated entity to the Borrower; and

WHEREAS, the Authority on the 4th day of November, 2015 has heretofore approved an application, attached hereto as Exhibit A, of the Borrower requesting the approval of the Refunding; and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of Bonds in the aggregate principal amount of not to exceed \$11,500,000 as authorized and permitted by the Act to finance the Refunding and the costs incurred in connection with the foregoing; and

WHEREAS, the Bonds are to be issued pursuant to the provisions of a Bond Trust Indenture (the "Indenture") between the Authority and U.S. Bank National Association or another trustee selected by the Borrower and approved by the Executive Director (the "Trustee"); and

WHEREAS, the Authority will loan the proceeds of the Bonds to the Borrower pursuant to the provisions of a Loan Agreement (the "Loan Agreement") between the Authority and the Borrower; and

WHEREAS, the Borrower will arrange for the sale of the Bonds to one or more banks or financial institutions (the "Purchaser");

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Qualified Financing. It is hereby determined that the financing of the Refunding and the payment of costs related thereto, all as described in the initial approved application, Exhibit A, qualifies under the Act for financing with the proceeds of the Bonds and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed with the sale and issuance of the Bonds and the Authority shall defray all or a portion of the cost of the Refunding by issuing the Bonds and loaning the proceeds of the sale of the Bonds to the Borrower.

Section 3. Trustee. U.S. Bank National Association or another trustee selected by the Borrower and approved by the Executive Director is hereby appointed Trustee under the Indenture and the form and content of the Indenture, the provisions of which are incorporated herein by reference, and the assignment of the Authority's rights and interest in and to the Loan Agreement (with certain exceptions as stated in the Indenture), be and the same are hereby in all respects authorized, approved and confirmed, and the Executive Director is authorized, empowered and directed to execute, seal and deliver the Indenture for and on behalf of the Authority to the Trustee for the security of the Bonds and the interest thereon, including necessary counterparts in substantially the form and content now before this meeting but with such changes, modifications, additions and deletions therein as shall be approved by counsel to the Authority, and that from and after the execution and delivery of the Indenture, the Executive Director is authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Indenture as executed.

Section 4. Bonds Authorized. In order to refund the Prior Bonds, the Bonds shall be and the same are hereby authorized and ordered to be issued by the Authority pursuant to the Indenture in substantially the form as has been presented to and considered at this meeting and

containing substantially the terms and provisions set forth therein, the Bonds actually issued to be in a principal amount not exceeding \$11,500,000 and to bear interest at rates as determined by the Borrower and the Purchaser which rate shall initially be a variable rate not to exceed 5% per annum and which may be converted from time to time to different rates pursuant to the terms of the Indenture, and the execution and delivery thereof by the Chairperson and Secretary shall constitute approval thereof by the Authority. The Chairperson and Secretary are hereby authorized and directed to approve such principal amount and interest rates for the Bonds, within the foregoing limits, by and on behalf of the Authority, and to execute, seal and deliver the Bonds to the Trustee for authentication.

Section 5. Loan Agreement. The Authority shall loan the proceeds of the Bonds to the Borrower pursuant to the Loan Agreement and the form and content of the Loan Agreement, the provisions of which are incorporated herein by reference, be authorized, approved and confirmed. The Executive Director is authorized and directed to execute, seal and deliver the Loan Agreement, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Loan Agreement, the Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

Section 6. Purchase of Bonds. The sale of the Bonds to the Purchaser subject to the terms and conditions agreed to by the Borrower and the Purchaser, is authorized, approved and confirmed.

Section 7. Execution of Documents. The Executive Director and the Chairperson are authorized to execute and deliver for and on behalf of the Authority any and all additional agreements, certificates, documents, opinions or other papers and perform all other acts (including without limitation, the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned under the Loan Agreement, and the execution of all closing documents, documents relating to the sale of the Bonds to the purchaser thereof and documents relating to establishing and maintaining the tax exempt status of the Bonds as may be required by Bond Counsel and approved by Counsel to the Authority, and the acceptance of any documentation evidencing indemnification of the Authority by Borrower in connection with the transactions contemplated hereby) as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 8. Payments Under the Loan Agreement. The Loan Agreement requires the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Bonds when and as due, and the payment of such amounts by the Borrower to the Trustee pursuant to the Loan Agreement is hereby authorized, approved and confirmed.

Section 9. Limited Obligations. The Bonds shall be limited obligations of the Authority, payable solely out of the loan payments required to be paid by the Borrower pursuant to and in accordance with provisions of the Loan Agreement and as provided in the Indenture,

and are secured pursuant to and in accordance with provisions of the Loan Agreement. The Bonds and interest thereon shall never constitute an indebtedness of the Authority, within the meaning of any state constitutional provision or statutory limitation, and shall not give rise to a pecuniary liability of, or claim against, the Authority or a charge against its general credit or general fund.

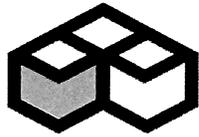
Section 10. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 11. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

David D. Jamison, Secretary

(Seal)



IOWA FINANCE AUTHORITY

David D. Jamison, Executive Director
2015 Grand Avenue
Des Moines, Iowa 50312
(515) 725-4900 - (800) 432-7230

FOR IFA USE ONLY

Project No. ED 15-13
Application Received 10/26/15
Application Fee Received [checked]
Volume Cap? [] Yes [checked] No
Amount of Request \$ 11,500,000

Application forms can be obtained from the Authority's website at www.IowaFinanceAuthority.gov

ECONOMIC DEVELOPMENT BOND APPLICATION

Part A - Borrower Information

- 1. Project Name: UnityPoint Health Series 2006 refunding
2. Contact Person/Title: Matthew T. Kirschner
Company: Iowa Health System d/b/a UnityPoint Health
Address: 1776 West Lakes Parkway
City, State, Zip: West Des Moines, IA 50325
Telephone: (515) 241-8272 E-mail: matthew.kirschner@unitypoint.org
5. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.
State of Incorporation: Iowa
List of Officers/Directors: Attached
6. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: Attached
7. Is the Borrower currently qualified to transact business within the State of Iowa? Yes [X] No []
8. If project is a Nursing Facility, is state certificate of need required: [] Yes [] No
9. Total current FTE's of Borrower: 28,000
Number of permanent FTE's created by the project: 0

Part B - Project Information

1. This Project qualifies for financing pursuant to the Economic Development Loan Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

501 c (3) entity:

Private college or university

Housing facility for elderly or disabled persons

Museum or library facility

Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1 (6) of the Iowa Code. Specify: _____

Other 501c (3) entity (please specify) _____

Manufacturing facility

Agricultural processing facility

Multi-family housing

Solid Waste facility

3. Amount of Loan Request: \$ ~11,500,000 _____

Amount to be used for refunding: \$ ~11,500,000 _____

4. Address/Location of Project

Street/City/State Muscatine, Iowa _____

County _____

5. General Project Description:

Refinancing of series of bonds issued in 2006 _____

Part B - Project Information continued

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?
X No
 ___ Yes, in the amount of \$ _____ (There are IRS limitations on eligible reimbursable costs.)

7. Parties related to the Project:

- a. Principal User will be: UnityPoint Health and its affiliates
- b. Seller (if any) of the Project: _____
- c. Purchaser (if any) or Owner or Lessee of the Project: _____
- d. Relationship of Project Seller and Purchaser, if any: _____

8. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:	Amount	Uses:	Amount
Loan proceeds from 2016 loan	\$11,500,000	Payment of Series 2006	\$11,500,000
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total	\$ 11,500,000	Total	\$11,500,000

9. Type of Bond Sale Public Sale Private Placement

Part C - Professionals Participating in the Financing

Applications must have either Bond Counsel or Underwriter/Financial Institution identified

1. Bond Counsel: (an attorney hired by the borrower to ensure the bonds can be issued on a tax-exempt basis)

Name: David Claypool/Cristina Kuhn _____
Firm Name: Dorsey & Whitney _____
Address: 801 Grand Ave, Suite 4100 _____
City/State/Zip Code: Des Moines, IA 50309 _____
Telephone: 515-699-3265 E-mail: claypool.david@dorsey.com _____

2. Counsel to the Borrower:

Name: Scott Kortmeyer _____
Firm Name: Norton Rose Fulbright _____
Address: 2200 Ross Ave, Suite 3600 _____
City/State/Zip Code: Dallas, TX 75201 _____
Telephone: 214-855-7459 E-mail: scott.kortmeyer@nortonrosefulbright.com _____

3. Underwriter or Financial Institution purchasing the bonds:

Name: Rob Bakker _____
Firm Name: US Bank National Association _____
Address: 520 Walnut Street _____
City/State/Zip Code: Des Moines, IA 50309 _____
Telephone: 515-245-6252 E-mail: robert.bakker@usbank.com _____

4. Counsel to the Underwriter:

Name: David Field _____
Firm Name: Chapman and Cutler LLP _____
Address: 111 West Monroe, Suite 1700 _____
City/State/Zip Code: Chicago, IL 60603 _____
Telephone: 312-845-3792 E-mail: dfield@chapman.com _____

5. Trustee: (if needed)

Name: NA _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

PART D - Fees and Charges

- 1. A non-refundable application fee must accompany this form at the time of submission to the Authority. For applications up to \$10 million, the application fee is \$1,000. For applications over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.

Applications will expire if the bonds are not issued within 18 months.

Submit application to the Authority at the following address:

Lori Beary
Community Development Director
Iowa Finance Authority
2015 Grand Avenue
Des Moines, IA 50312

- 2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at 515-725-4965 or lori.beary@iowa.gov for more information.
- 3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Claypool (claypool.david@dorsey.com) or David Grossklaus (Grossklaus.David@dorsey.com) at Dorsey & Whitney and the Authority's Community Development Director (lori.beary@iowa.gov).

Dated this 23 day of October, 2015

Borrower: 
By: 
Title:

**Board of Directors
2015**

Chair: Mike Williams
Chair Elect/Vice Chair: Mike Stone

Secretary: Linda Newborn
Treasurer: Rick McConnell

Angela Aldrich, M.D.
Sioux City

Ron Klosterman
Dubuque (At-Large)

Dave Boyer
Madison

Rick McConnell
Des Moines

Terri Christoffersen
Cedar Rapids

Pete McLaughlin
Quad Cities

Brenda Clancy
Cedar Rapids (At-Large)

Linda Newborn
Quad Cities

Stanton Danielson, M.D.
Des Moines (UP Clinic)

Kurt Pittner
Fort Dodge

Randy Easton
Cedar Rapids

Cate Ranheim, M.D.
Madison (At-Large)

Sarah Hasken
Dubuque

Bruce Sherman
Des Moines

Kent Henning
Des Moines

Mike Stone
Peoria

Steve Herwig, D.O.
Des Moines

Devendra Trivedi, M.D.
Peoria

George Kamperschroer
Madison

Mike Williams
Waterloo

Francis Kane, M.D.
Quad Cities (At-Large)

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Iowa Health System
1200 Pleasant Street
Des Moines, IA 50309

Person to Contact: Lawrence M. Brauer

Telephone Number: (202) 622-6466

Refer Reply to: CP:E:EO:T:1:LMB

Date: OCT 22 1996

Employer Identification Number: 42-1435199
Key District: Midstates (Dallas, TX)
Accounting Period Ending: December 31
Foundation Status Classification: 509(a)(3)
Form 990 Required: Yes

Dear Applicant:

Based on the information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in the section(s) indicated above.

If your sources of support, or your purposes, character, or method of operation change, please let your key district know so that office can consider the effect of the change on your exempt status. In the case of an amendment to your organizational document or bylaws, please send a copy of the amended document or bylaws to your key district. Also, you should inform your key district office of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act.

Because you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, if you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958. Additionally, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please contact your key district office.

Iowa Health System

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Donors (including private foundations) may rely on this ruling unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your 509(a) status as indicated above, donors (other than private foundations) may not rely on the classification indicated above if they were in part responsible for, or were aware of, the act that resulted in your loss of such status, or they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification. Private foundations may rely on the classification as long as you were not directly or indirectly controlled by them or by disqualified persons with respect to them. However, private foundations may not rely on the classification indicated above if they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fund-raising events may not necessarily qualify as fully deductible contributions, depending on the circumstances. If your organization conducts fund-raising events such as benefit dinners, shows, membership drives, etc., where something of value is received in return for payments, you are required to provide a written disclosure statement informing the donor of the fair market value of the specific items or services being provided. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that the donor can determine how much is deductible and how much is not. Your disclosure statement should be made, at the latest, at the time payment is received. Subject to certain exceptions, your disclosure responsibility applies to any fund-raising circumstance where each complete payment, including the contribution portion, exceeds \$75. In addition, donors must have written substantiation from the charity for any charitable contribution of \$250 or more. For further details regarding these substantiation and disclosure requirements, see the enclosed copy of Publication 1771. For additional guidance in this area, see Publication 1391, Deductibility of Payments Made to Organizations Conducting Fund-Raising Events, which is available at many IRS offices or by calling 1-800-TAX-FORM (1-800-829-3676).

Iowa Health System

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt from Income Tax. If "Yes" is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. If your gross receipts each year are not normally more than \$25,000, we ask that you establish that you are not required to file Form 990 by completing Part I of that Form for your first year. Thereafter, you will not be required to file a return until your gross receipts exceed the \$25,000 minimum. For guidance in determining if your gross receipts are "normally" not more than the \$25,000 limit, see the instructions for the Form 990. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. The maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, any supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$20 per day for each day there is a failure to comply (up to a maximum of \$10,000 in the case of an annual return).

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

In this letter, we have not determined the effect on your tax-exempt status of financing your activities with the proceeds of tax-exempt bonds since you have not indicated that you intend to use such methods now or in the future.

Iowa Health System

You need an employer identification number even if you have no employees. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

We are informing your key district office of this ruling. Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any immediate questions about this ruling, please contact the person whose name and telephone number are shown in the heading of this letter. For other matters, including questions concerning reporting requirements, please contact your key district office.

In accordance with the Power of Attorney currently on file with the Internal Revenue Service, we are sending a copy of this letter to your authorized representative.

Sincerely,

(signed) Marvin Friedlander

Marvin Friedlander
Chief, Exempt Organizations
Technical Branch 1

Enclosure:
Pub. 1771

RESOLUTION
ED 15-14B

Authorizing the obtaining of one or more loans in an aggregate amount not to exceed \$100,000,000 and the loaning of the proceeds thereof to Iowa Health System d/b/a UnityPoint Health

Resolution authorizing the obtaining of one or more loans in an aggregate amount of not to exceed \$100,000,000 for the purpose of loaning the proceeds thereof to assist the borrower in the refunding of prior bonds; authorizing the execution and delivery of certain financing documents pertaining to the refunding; authorizing an assignment of certain financing documents for further securing the payment of the loan; and related matters.

WHEREAS, the Iowa Finance Authority, a public instrumentality and agency of the State of Iowa duly organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Authority") is authorized and empowered by Chapter 16 of the Code of Iowa, (the "Act") to issue revenue bonds or notes or obtain revenue loans, the proceeds of which will be used to pay the cost of defraying the cost of acquiring, constructing, improving and equipping certain projects described in the Act including facilities for an organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code") which is exempt from federal income tax under section 501(a) of the Code; and pay the cost of refunding any bonds or notes, including the payment of any redemption premiums thereon and any interest accrued or to accrue to the date of redemption of the outstanding bonds or notes; and

WHEREAS, the Authority has been requested by Iowa Health System d/b/a UnityPoint Health (the "Borrower") to obtain one or more loans in an amount not to exceed \$100,000,000 (together, the "Authority Loan") for the purpose of making one or more loans of the proceeds thereof (together, the "Borrower Loan") to the Borrower for the purpose of (i) financing the costs of refunding the outstanding principal amount of the Authority's Variable Rate Demand Health Facilities Revenue Bonds, Series 2009A (Iowa Health System) and the Authority's Variable Rate Demand Health Facilities Revenue Bonds, Series 2009B (collectively, the "Prior Bonds; and (ii) paying costs of issuance and other costs related to obtaining the Authority Loan (together, the "Refunding"); and

WHEREAS, the Authority on the 4th day of November, 2015 has heretofore approved an application, attached hereto as Exhibit A, of the Borrower requesting the approval of the Refunding; and

WHEREAS, it is necessary and advisable that provisions be made for obtaining the Authority Loan in the aggregate principal amount of not to exceed \$100,000,000 as authorized and permitted by the Act to finance the Refunding and the costs incurred in connection with the foregoing; and

WHEREAS, the Authority will obtain the Authority Loan and make the Borrower Loan to the Borrower pursuant to the provisions of one or more Loan Agreements (together, the "Loan

Agreement”) among the Authority, the Borrower and Barclays Bank PLC or another entity chosen by the Borrower and not objected to by the Authority (each a “Lender”); and

WHEREAS, the Authority will assign certain of its rights in the Loan Agreement to the Lender pursuant to the Loan Agreement;

NOW, THEREFORE, Be It Resolved by the Board of the Authority, as follows:

Section 1. Qualified Financing. It is hereby determined that the financing of the Refunding and the payment of costs related thereto, all as described in the initial approved application, Exhibit A, qualifies under the Act for financing with the proceeds of the Authority Loan and will promote those public purposes outlined in the Act.

Section 2. Costs. The Authority shall proceed to obtain the Authority Loan and the Authority shall defray all or a portion of the cost of the Refunding by making the Borrower Loan to the Borrower.

Section 3. Authority Loan Authorized. In order to accomplish the Refunding, the Authority Loan shall be and the same is hereby authorized and ordered to be obtained by the Authority pursuant to the Loan Agreement, the Authority Loan actually obtained to be in a principal amount not exceeding \$100,000,000 and to bear interest at rates as determined by the Borrower and the Lender which rates shall initially be variable rates not to exceed 5% per annum on or prior to the date of obtaining the Authority Loan and which may be converted from time to time to different rates as set forth in the Loan Agreement, and the execution and delivery of the Loan Agreement by the Chairperson and Secretary shall constitute approval of such principal amounts and interest rates by the Authority. The Chairperson and Secretary are hereby authorized and directed to approve such principal amount and interest rates for the Authority Loan, within the foregoing limits, by and on behalf of the Authority.

Section 4. Loan Agreement. The Authority shall use the proceeds of the Authority Loan to make the Borrower Loan to the Borrower pursuant to the Loan Agreement and the form and content of the Loan Agreement, the provisions of which are incorporated herein by reference, are hereby authorized, approved and confirmed. The Executive Director is authorized and directed to execute, seal and deliver the Loan Agreement, but with such changes, modifications, additions or deletions therein as shall be approved by counsel to the Authority and that from and after the execution and delivery of the Loan Agreement, the Executive Director is hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

Section 5. Execution of Documents. The Executive Director and/or the Chairperson are authorized to execute and deliver for and on behalf of the Authority any and all additional agreements, certificates, documents, opinions or other papers and perform all other acts (including without limitation the filing of any financing statements or any other documents to create and maintain a security interest on the properties and revenues pledged or assigned under the Loan Agreement, and the execution of all closing documents and agreements, certificates and

other documents as may be necessary to establish and maintain the tax exempt status of the Authority Loan as may be required by Bond Counsel and approved by Counsel to the Authority, and the acceptance of any documentation evidencing indemnification of the Authority by Borrower in connection with the transactions contemplated hereby) as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 6. Payments Under the Loan Agreement. The Loan Agreement requires the Borrower in each year to pay amounts as loan payments sufficient to pay the principal of, premium, if any, and interest on the Authority Loan when and as due, and the payment of such amounts by the Borrower to the Lender pursuant to the Loan Agreement is hereby authorized, approved and confirmed.

Section 7. Limited Obligations. The obligations of the Authority to repay the Authority Loan shall be limited obligations of the Authority, payable solely out of the loan payments required to be paid by the Borrower with respect to the Borrower Loan pursuant to and in accordance with provisions of the Loan Agreement and are secured pursuant to and in accordance with provisions of the Loan Agreement. The Authority Loan and interest thereon shall never constitute an indebtedness of the Authority, within the meaning of any state constitutional provision or statutory limitation, and shall not give rise to a pecuniary liability of, or claim against, the Authority or a charge against its general credit or general fund.

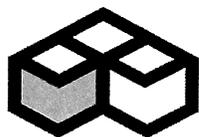
Section 8. Severability. The provisions of this Resolution are declared to be separable, and if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions.

Section 9. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict and this Resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

David D. Jamison, Secretary

(Seal)



IOWA FINANCE AUTHORITY

David D. Jamison, Executive Director
2015 Grand Avenue
Des Moines, Iowa 50312
(515) 725-4900 - (800) 432-7230

FOR IFA USE ONLY

Project No. ED 15-14
Application Received 10/26/15
Application Fee Received? [checked]
Volume Cap? [] Yes [checked] No
Amount of Request \$ 100,000,000

Application forms can be obtained from the Authority's website at www.IowaFinanceAuthority.gov

ECONOMIC DEVELOPMENT BOND APPLICATION

Part A - Borrower Information

- 1. Project Name: UnityPoint Health Series 2009A/B refunding
2. Contact Person/Title: Matthew T. Kirschner
Company: Iowa Health System d/b/a UnityPoint Health
Address: 1776 West Lakes Parkway
City, State, Zip: West Des Moines, IA 50325
Telephone: (515) 241-8272 E-mail: matthew.kirschner@unitypoint.org
5. Principals: (If a partnership, list partners; if a corporation, list officers/directors and state of incorporation; if a nursing facility, list directors and principal staff.) Attach separate list if necessary.
State of Incorporation : Iowa
List of Officers/Directors: Attached
6. If Borrower is a nonprofit corporation, provide copy of IRS determination letter or date of application for determination letter and state purpose: Attached
7. Is the Borrower currently qualified to transact business within the State of Iowa? Yes [X] No []
8. If project is a Nursing Facility, is state certificate of need required: [] Yes [] No
If yes, attach copy.
9. Total current FTE's of Borrower: 28,000
Number of permanent FTE's created by the project: 0

Part B - Project Information

1. This Project qualifies for financing pursuant to the Economic Development Loan Program as land, buildings or improvements suitable for use as one of the following facilities (Check one):

X 501 c (3) entity:

_____ Private college or university

_____ Housing facility for elderly or disabled persons

_____ Museum or library facility

X _____ Voluntary nonprofit hospital, clinic or health care facility as defined in Section 135c.1 (6) of the Iowa Code. Specify: _____

_____ Other 501c (3) entity (please specify) _____

_____ Manufacturing facility

_____ Agricultural processing facility

_____ Multi-family housing

_____ Solid Waste facility

3. Amount of Loan Request: \$ ~100,000,000 _____

Amount to be used for refunding: \$ ~100,000,000 _____

4. Address/Location of Project

Street/City/State Various locations across Iowa _____

County _____

5. General Project Description:

Refinancing of two series of bonds issued in 2009 _____

Part B - Project Information continued

6. Does the Borrower expect to use bond proceeds to reimburse capital expenditures already made?
 X No
 _____ Yes, in the amount of \$ _____ (There are IRS limitations on eligible reimbursable costs.)

7. Parties related to the Project:

- a. Principal User will be: UnityPoint Health and its affiliates
- b. Seller (if any) of the Project: _____
- c. Purchaser (if any) or Owner or Lessee of the Project: _____
- d. Relationship of Project Seller and Purchaser, if any: _____

8. Sources and Uses of Project Funds (Sum of Sources and Uses must match):

Sources:	Amount	Uses:	Amount
Loan proceeds from 2016 loan	\$100,000,000	Payment of Series 2009A	\$50,000,000
_____	_____	Payment of Series 2009B	50,000,000
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
	\$ 100,000,000		\$100,000,000
Total	_____	Total	_____

9. Type of Bond Sale Public Sale Private Placement

Part C - Professionals Participating in the Financing

Applications must have either Bond Counsel or Underwriter/Financial Institution identified

1. Bond Counsel: (an attorney hired by the borrower to ensure the bonds can be issued on a tax-exempt basis)

Name: David Claypool/Cristina Kuhn _____
Firm Name: Dorsey & Whitney _____
Address: 801 Grand Ave, Suite 4100 _____
City/State/Zip Code: Des Moines, IA 50309 _____
Telephone: 515-699-3265 _____ E-mail: claypool.david@dorsey.com _____

2. Counsel to the Borrower:

Name: Scott Kortmeyer _____
Firm Name: Norton Rose Fulbrigh _____
Address: 2200 Ross Ave, Suite 3600 _____
City/State/Zip Code: Dallas, TX 75201 _____
Telephone: 214-855-7459 _____ E-mail: scott.kortmeyer@nortonrosefulbright.com _____

3. Underwriter or Financial Institution purchasing the bonds:

Name: James Saakvitne _____
Firm Name: Barclays PLC _____
Address: 745 Seventh Ave, 19th Floor _____
City/State/Zip Code: New York, NY 10019 _____
Telephone: 212-528-1053 _____ E-mail: james.saakvitne@barclays.com _____

4. Counsel to the Underwriter:

Name: Isaac Marcus _____
Firm Name: McDermott Will Emery _____
Address: 340 Madison Ave #2 _____
City/State/Zip Code: New York, NY 10173 _____
Telephone: 212-547-5504 _____ E-mail: imarcus@mwe.com _____

5. Trustee: (if needed)

Name: NA _____
Firm Name: _____
Address: _____
City/State/Zip Code: _____
Telephone: _____ E-mail: _____

PART D - Fees and Charges

- 1. A non-refundable application fee must accompany this form at the time of submission to the Authority. For applications up to \$10 million, the application fee is \$1,000. For applications over \$10 million, the application fee is \$2,500. The application fee is subtracted from the Issuer's fee at closing.

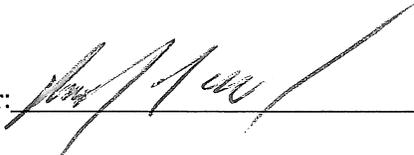
Applications will expire if the bonds are not issued within 18 months.

Submit application to the Authority at the following address:

Lori Beary
Community Development Director
Iowa Finance Authority
2015 Grand Avenue
Des Moines, IA 50312

- 2. An Issuer's fee will be due at the time of closing. The fee is 10 basis points for the first \$10 million and declines after that. Please contact Lori Beary at 515-725-4965 or lori.beary@iowa.gov for more information.
- 3. Borrower is required to pay the fees and expenses of Dorsey & Whitney, who serve as Issuer's Counsel. Bond documents should be sent to David Claypool (claypool.david@dorsey.com) or David Grossklaus (Grossklaus.David@dorsey.com) at Dorsey & Whitney and the Authority's Community Development Director (lori.beary@iowa.gov).

Dated this 23 day of October, 2015

Borrower: 
By: 
Title:

**Board of Directors
2015**

Chair: Mike Williams
Chair Elect/Vice Chair: Mike Stone

Secretary: Linda Newborn
Treasurer: Rick McConnell

Angela Aldrich, M.D.
Sioux City

Ron Klosterman
Dubuque (At-Large)

Dave Boyer
Madison

Rick McConnell
Des Moines

Terri Christoffersen
Cedar Rapids

Pete McLaughlin
Quad Cities

Brenda Clancy
Cedar Rapids (At-Large)

Linda Newborn
Quad Cities

Stanton Danielson, M.D.
Des Moines (UP Clinic)

Kurt Pittner
Fort Dodge

Randy Easton
Cedar Rapids

Cate Ranheim, M.D.
Madison (At-Large)

Sarah Hasken
Dubuque

Bruce Sherman
Des Moines

Kent Henning
Des Moines

Mike Stone
Peoria

Steve Herwig, D.O.
Des Moines

Devendra Trivedi, M.D.
Peoria

George Kamperschroer
Madison

Mike Williams
Waterloo

Francis Kane, M.D.
Quad Cities (At-Large)

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Iowa Health System
1200 Pleasant Street
Des Moines, IA 50309

Person to Contact: Lawrence M. Brauer

Telephone Number: (202) 622-6466

Refer Reply to: CP:E:EO:T:1:LMB

Date: OCT 22 1996

Employer Identification Number: 42-1435199
Key District: Midstates (Dallas, TX)
Accounting Period Ending: December 31
Foundation Status Classification: 509(a)(3)
Form 990 Required: Yes

Dear Applicant:

Based on the information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in the section(s) indicated above.

If your sources of support, or your purposes, character, or method of operation change, please let your key district know so that office can consider the effect of the change on your exempt status. In the case of an amendment to your organizational document or bylaws, please send a copy of the amended document or bylaws to your key district. Also, you should inform your key district office of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act.

Because you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, if you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958. Additionally, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please contact your key district office.

Iowa Health System

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of Code sections 2055, 2106, and 2522.

Donors (including private foundations) may rely on this ruling unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your 509(a) status as indicated above, donors (other than private foundations) may not rely on the classification indicated above if they were in part responsible for, or were aware of, the act that resulted in your loss of such status, or they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification. Private foundations may rely on the classification as long as you were not directly or indirectly controlled by them or by disqualified persons with respect to them. However, private foundations may not rely on the classification indicated above if they acquired knowledge that the Internal Revenue Service had given notice that you would be removed from that classification.

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fund-raising events may not necessarily qualify as fully deductible contributions, depending on the circumstances. If your organization conducts fund-raising events such as benefit dinners, shows, membership drives, etc., where something of value is received in return for payments, you are required to provide a written disclosure statement informing the donor of the fair market value of the specific items or services being provided. To do this you should, in advance of the event, determine the fair market value of the benefit received and state it in your fund-raising materials such as solicitations, tickets, and receipts in such a way that the donor can determine how much is deductible and how much is not. Your disclosure statement should be made, at the latest, at the time payment is received. Subject to certain exceptions, your disclosure responsibility applies to any fund-raising circumstance where each complete payment, including the contribution portion, exceeds \$75. In addition, donors must have written substantiation from the charity for any charitable contribution of \$250 or more. For further details regarding these substantiation and disclosure requirements, see the enclosed copy of Publication 1771. For additional guidance in this area, see Publication 1391, Deductibility of Payments Made to Organizations Conducting Fund-Raising Events, which is available at many IRS offices or by calling 1-800-TAX-FORM (1-800-829-3676).

Iowa Health System

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt from Income Tax. If "Yes" is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. If your gross receipts each year are not normally more than \$25,000, we ask that you establish that you are not required to file Form 990 by completing Part I of that Form for your first year. Thereafter, you will not be required to file a return until your gross receipts exceed the \$25,000 minimum. For guidance in determining if your gross receipts are "normally" not more than the \$25,000 limit, see the instructions for the Form 990. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. The maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, any supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$20 per day for each day there is a failure to comply (up to a maximum of \$10,000 in the case of an annual return).

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

In this letter, we have not determined the effect on your tax-exempt status of financing your activities with the proceeds of tax-exempt bonds since you have not indicated that you intend to use such methods now or in the future.

Iowa Health System

You need an employer identification number even if you have no employees. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

We are informing your key district office of this ruling. Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any immediate questions about this ruling, please contact the person whose name and telephone number are shown in the heading of this letter. For other matters, including questions concerning reporting requirements, please contact your key district office.

In accordance with the Power of Attorney currently on file with the Internal Revenue Service, we are sending a copy of this letter to your authorized representative.

Sincerely,

(signed) Marvin Friedlander

Marvin Friedlander
Chief, Exempt Organizations
Technical Branch 1

Enclosure:
Pub. 1771



To: IFA Board of Directors
From: Tammy Nebola, Iowa Ag Program Specialist
Lori Beary, Community Development Director
Date: November 18, 2015
Re: Iowa Agricultural Division Beginning Farmer Loan Program

Agenda

Iowa Agricultural Development Division

Authorizing Resolutions

AG 15-075 Neil A. Ellensohn

This is a resolution authorizing the issuance of \$250,000 for Neil A. Ellensohn. The bond will be used: To construct a 1,200 Hd Hog Barn in Plymouth County. The lender is Primebank in Le Mars.

- **Need Board action on Resolution AG 15-075B**

AG 15-076 Jonathan E. and Anne R. Ball

This is a resolution authorizing the issuance of \$517,700 for Jonathan E. and Anne R. Ball. The bond will be used: To purchase approximately 178 acres of agricultural land, house and out-buildings in Louisa County. The lender is Mediapolis Savings Bank in Mediapolis.

- **Need Board action on Resolution AG 15-076B**

AG 15-077 Kyle A. and Shellina Herink

This is a resolution authorizing the issuance of \$383,500 for Kyle A. and Shellina Herink. The bond will be used: To purchase approximately 86.34 acres of agricultural land in Tama County. The lender is Farmers Savings Bank & Trust in Traer.

- **Need Board action on Resolution AG 15-077B**

AG 15-078 Josh Van Kekerix

This is a resolution authorizing the issuance of \$295,630 for Josh Van Kekerix. The bond will be used: To purchase approximately 54 acres of agricultural land in O'Brien County. The lender is American State Bank in Sioux Center.

- **Need Board action on Resolution AG 15-078B**

AG 15-079 Ben Van Kekerix

This is a resolution authorizing the issuance of \$295,630 for Ben Van Kekerix. The bond will be used: To purchase approximately 54 acres of agricultural land in O'Brien County. The lender is American State Bank in Sioux Center.

- **Need Board action on Resolution AG 15-079B**

AG 15-080 Brock T. Fister

This is a resolution authorizing the issuance of \$87,500 for Brock T. Fister. The bond will be used: To purchase approximately 40 acres of agricultural land and house in Taylor County. The lender is Bank Iowa in Clarinda.

- **Need Board action on Resolution AG 15-080B**

AG 15-081 James Thompson

This is a resolution authorizing the issuance of \$215,900 for James Thompson. The bond will be used: To purchase approximately 63.5 acres of agricultural land in Delaware County. The lender is GNB Bank in Manchester.

- **Need Board action on Resolution AG 15-081B**

AG 15-082 Kenneth L. Gansz

This is a resolution authorizing the issuance of \$361,756 for Kenneth L. Gansz. The bond will be used: To purchase approximately 78.66 acres of agricultural land in Webster County. The lender is Northwest Bank in Fort Dodge.

- **Need Board action on Resolution AG 15-082B**

AG 15-083 Michael D. Bucheit

This is a resolution authorizing the issuance of \$517,700 for Michael D. Bucheit. The bond will be used: To purchase approximately 180 acres of agricultural land, house and out-buildings in Clayton County. The lender is Peoples State Bank in Guttenberg.

- **Need Board action on Resolution AG 15-083B**

AG 15-084 Kyla S. and Bret Cox

This is a resolution authorizing the issuance of \$98,400 for Kyla S. and Bret Cox. The bond will be used: To purchase approximately 27.5 acres of agricultural land in Madison County. The lender is Farmers and Merchants State Bank in Winterset.

- **Need Board action on Resolution AG 15-084B**

AG 15-085 Michael and Randi Grevengoed

This is a resolution authorizing the issuance of \$250,000 for Michael and Randi Grevengoed. The bond will be used: To construct a 1,200 Hd Hog Barn in Lyon County. The lender is American State Bank in Hull.

- **Need Board action on Resolution AG 15-085B**

AG 15-086 Eric M. and Angela M. Sieh

This is a resolution authorizing the issuance of \$277,500 for Eric M. and Angela M. Sieh. The bond will be used: To purchase approximately 67.7 acres of agricultural land and house in Pottawattamie County. The lender is Shelby County State Bank in Harlan.

- **Need Board action on Resolution AG 15-086B**

AG 15-087 Neric D. and Shawna R. Smith

This is a resolution authorizing the issuance of \$152,000 for Neric D. and Shawna R. Smith. The bond will be used: To purchase approximately 83.2 acres of agricultural land in Davis County. The lender is First National Bank in Fairfield.

- **Need Board action on Resolution AG 15-087B**

AG 15-088 Craig E. Schweer

This is a resolution authorizing the issuance of \$300,000 for Craig E. Schweer. The bond will be used: To purchase approximately 86 acres of agricultural land, house and out-buildings in Bremer County. The lender is First National Bank in Waverly.

- **Need Board action on Resolution AG 15-088B**

AG 15-089 Ashley and Kyle Moon Bushman

This is a resolution authorizing the issuance of \$69,000 for Ashley and Kyle Moon Bushman. The bond will be used: To purchase 40 Hd of Jersey breeding cattle (28 bred cows, 7 bred heifers, 5 open cows) in Winneshiek County. The lender is Citizens Savings Bank in Spillville.

- **Need Board action on Resolution AG 15-089B**

AG 15-090 Curtis B. Kuehl

This is a resolution authorizing the issuance of \$210,000 for Curtis B. Kuehl. The bond will be used: To purchase approximately 43.7 acres of agricultural land, house and out-buildings in Cedar County. The lender is De Witt Bank & Trust Company in De Witt.

- **Need Board action on Resolution AG 15-090B**

AG 15-091 Jacob F. Schulte

This is a resolution authorizing the issuance of \$225,000 for Jacob F. Schulte. The bond will be used: To purchase approximately 70.7 acres of agricultural land, house and out-buildings in Lee County. The lender is Pilot Grove Savings Bank in Pilot Grove.

- **Need Board action on Resolution AG 15-091B**

AG 15-092 Nicholas J. and Carlyn Lechtenberg

This is a resolution authorizing the issuance of \$387,500 for Nicholas J. and Carlyn Lechtenberg. The bond will be used: To purchase approximately 154.04 acres of agricultural land in Clayton County. The lender is Luana Savings Bank in Luana.

- **Need Board action on Resolution AG 15-092B**

**RESOLUTION
AG 15-075B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested

by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-075
- 2. Beginning Farmer:** Neil A. Ellensohn
12721 Juniper Ave
Le Mars, IA 51031-8446
- 3. Bond Purchaser:** Primebank
37 1st Ave NW, PO Box 1408
Le Mars, IA 51031-1408
- 4. Principal Amount:** \$250,000
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To construct a 1,200 Hd Hog Barn

**RESOLUTION
AG 15-076B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-076
- 2. Beginning Farmer:** Jonathan E. and Anne R. Ball
2515 123rd Ave
Wapello, IA 52653-9548
- 3. Bond Purchaser:** Mediapolis Savings Bank
605 Main St, PO Box 397
Mediapolis, IA 52637-0397
- 4. Principal Amount:** \$517,700
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 178 acres of agricultural land, house and out-buildings

RESOLUTION
AG 15-077B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-077
- 2. Beginning Farmer:** Kyle A. and Shellina Herink
2277 Highway E29
Clutier, IA 52217-9540
- 3. Bond Purchaser:** Farmers Savings Bank & Trust
611 2nd St, PO Box 435
Traer, IA 50675-1230
- 4. Principal Amount:** \$383,500
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 86.34 acres of agricultural land

RESOLUTION
AG 15-078B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-078
- 2. Beginning Farmer:** Josh Van Kekerix
5161 320th St
Sheldon, IA 51201-7591
- 3. Bond Purchaser:** American State Bank
525 N Main Ave, PO Box 140
Sioux Center, IA 51250-0140
- 4. Principal Amount:** \$295,630
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 54 acres of agricultural land

**RESOLUTION
AG 15-079B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-079
- 2. Beginning Farmer:** Ben Van Kekerix
5161 320th St
Sheldon, IA 51201-7591
- 3. Bond Purchaser:** American State Bank
525 N Main Ave, PO Box 140
Sioux Center, IA 51250-0140
- 4. Principal Amount:** \$295,630
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 54 acres of agricultural land

**RESOLUTION
AG 15-080B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-080
- 2. Beginning Farmer:** Brock T. Fister
1049 200th St
New Market, IA 51646-4008
- 3. Bond Purchaser:** Bank Iowa
101 N 15th St, PO Box 119
Clarinda, IA 51632-1614
- 4. Principal Amount:** \$87,500
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 40 acres of agricultural land and house

**RESOLUTION
AG 15-081B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-081
- 2. Beginning Farmer:** James Thompson
1993 240th St
Manchester, IA 52057
- 3. Bond Purchaser:** GNB Bank
300 E Main St, PO Box 439
Manchester, IA 52057
- 4. Principal Amount:** \$215,900
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 63.5 acres of agricultural land

RESOLUTION
AG 15-082B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number: AG 15-082**
- 2. Beginning Farmer: Kenneth L. Gansz
1530 Madison Ave
Fort Dodge, IA 50501-8535**
- 3. Bond Purchaser: Northwest Bank
10 N 29th St, PO Box 977
Fort Dodge, IA 50501**
- 4. Principal Amount: \$361,756**
- 5. Initial Approval Date: 12/2/2015**
- 6. Public Hearing Date: 11/24/2015**
- 7. Bond Resolution Date: 12/2/2015**
- 8. Project: To purchase approximately 78.66 acres of agricultural land**

RESOLUTION
AG 15-083B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-083
- 2. Beginning Farmer:** Michael D. Bucheit
16081 King Rd
Mc Gregor, IA 52157-8541
- 3. Bond Purchaser:** Peoples State Bank
15 Goethe St, PO Box 430
Guttenberg, WI 52052-0430
- 4. Principal Amount:** \$517,700
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 180 acres of agricultural land, house and out-buildings

**RESOLUTION
AG 15-084B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-084
- 2. Beginning Farmer:** Kyla S. and Bret Cox
2908 46th St
Des Moines, IA 50310-3122
- 3. Bond Purchaser:** Farmers and Merchants State Bank
101 W Jefferson St, PO Box 29
Winterset, IA 50273-0029
- 4. Principal Amount:** \$98,400
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 27.5 acres of agricultural land

**RESOLUTION
AG 15-085B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-085
- 2. Beginning Farmer:** Michael and Randi Grevengoed
603 N 6th Ave, PO Box 351
Doon, IA 51235-7726
- 3. Bond Purchaser:** American State Bank
624 Main St, PO Box 806
Hull, IA 51239-0806
- 4. Principal Amount:** \$250,000
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To construct a 1,200 Hd Hog Barn

RESOLUTION
AG 15-086B

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-086
- 2. Beginning Farmer:** Eric M. and Angela M. Sieh
32407 390th St
Shelby, IA 51570-4033
- 3. Bond Purchaser:** Shelby County State Bank
508 Court St, PO Box 29
Harlan, IA 51537-0029
- 4. Principal Amount:** \$277,500
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 67.7 acres of agricultural land and house

**RESOLUTION
AG 15-087B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-087
- 2. Beginning Farmer:** Neric D. and Shawna R. Smith
20981 Lime Trl
Bloomfield, IA 52537-7628
- 3. Bond Purchaser:** First National Bank
100 E Burlington Ave, PO Box 1007
Fairfield, IA 52556-1007
- 4. Principal Amount:** \$152,000
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 83.2 acres of agricultural land

**RESOLUTION
AG 15-088B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-088
- 2. Beginning Farmer:** Craig E. Schweer
2419 210th St
Tripoli, IA 50676-9673
- 3. Bond Purchaser:** First National Bank
316 E Bremer Ave, PO Box 837
Waverly, IA 50677-0837
- 4. Principal Amount:** \$300,000
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 86 acres of agricultural land, house and out-buildings

**RESOLUTION
AG 15-089B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-089
- 2. Beginning Farmer:** Ashley and Kyle Moon Bushman
1402 Highway 150
Calmar, IA 52132-7608
- 3. Bond Purchaser:** Citizens Savings Bank
101 Church St, PO Box 7
Spillville, IA 52168-0007
- 4. Principal Amount:** \$69,000
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase 40 Hd of Jersey breeding cattle (28 bred cows, 7 bred heifers, 5 open cows)

**RESOLUTION
AG 15-090B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-090
- 2. Beginning Farmer:** Curtis B. Kuehl
1522 Madison Ave
Tipton, IA 52772-9368
- 3. Bond Purchaser:** De Witt Bank & Trust Company
815 6th Ave, PO Box 260
De Witt, IA 52742-0260
- 4. Principal Amount:** \$210,000
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 43.7 acres of agricultural land, house and out-buildings

**RESOLUTION
AG 15-091B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-091
- 2. Beginning Farmer:** Jacob F. Schulte
2185 County Road 103
West Point, IA 52656-9379
- 3. Bond Purchaser:** Pilot Grove Savings Bank
1341 Pilot Grove Rd, PO Box 5
Pilot Grove, IA 52648-0005
- 4. Principal Amount:** \$225,000
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 70.7 acres of agricultural land, house and out-buildings

**RESOLUTION
AG 15-092B**

A Resolution authorizing the issuance and sale of an Agricultural Development Revenue Bond to finance the acquisition of a Project by a Beginning Farmer; the execution of a Financing Agreement providing the terms and sale of such Bond and for the repayment of the loan of the proceeds of such bond; and related matters.

WHEREAS, the Iowa Finance Authority (the “Authority”) is a public instrumentality and agency of the State of Iowa established and empowered by the provisions of Chapter 16 of the Code of Iowa (together, the “Act”) to issue its negotiable bonds and notes for the purpose of financing in whole or in part the acquisition by construction or purchase of Agricultural Land, Agricultural Improvements, or Depreciable Agricultural Property by a Beginning Farmer; and

WHEREAS, the Authority has received and has approved an Application from the Beginning Farmer identified on Exhibit A hereto (the “Beginning Farmer”) to issue its Agricultural Development Revenue Bond (the “Bond”) in the principal amount identified on Exhibit A hereto (the “Principal Amount”) to finance the acquisition of the Project identified on Exhibit A hereto (the “Project”); and

WHEREAS, it is necessary and advisable that provisions be made for the issuance of the Bond in the Principal Amount as authorized and permitted by the Act to finance the cost of the Project to that amount; and

WHEREAS, the Authority will loan the proceeds of the Bond to the Beginning Farmer pursuant to the provisions of a Financing Agreement among the Authority, the Bond Purchaser identified in Exhibit A hereto (the “Lender”) and the Beginning Farmer (the “Agreement”), the obligation of which will be evidenced by a Promissory Note the repayment of which will be sufficient to pay the principal of, redemption premium, if any, and interest on the Bond as and when the same shall be due and payable; and

WHEREAS, the Bond will be sold to the Lender pursuant to and secured as provided by the Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the Iowa Finance Authority as follows:

Section 1. The Project Consistent with the Act. It is hereby determined that the Project, as described in the representations and certifications of the Beginning Farmer in the Application to the Authority and in the Agreement qualifies under the Act for financing with the proceeds of the Bond, and further, it is found and determined that the financing of the Project will promote those public purposes outlined in the Act.

Section 2. Authorization of the Bond. In order to finance the cost of the Project, the Bond shall be and the same is hereby authorized, determined and ordered to be issued in the Principal Amount. The Bond shall be issued as a single Bond in fully registered form, transferable only in accordance with its terms, and shall be dated, shall be executed, shall be in such form, shall be payable, shall have such prepayment provisions, shall bear interest at such rates, and shall be subject to such

other terms and conditions as are set forth in the Agreement and the Bond. However, if so requested by the Beginning Farmer and the Lender, the Chairman or Vice Chairman is hereby empowered to adjust the Principal Amount of the Bond and any of the other terms and conditions as set forth therein or in the Agreement, to an amount or in such manner as is mutually acceptable to the Lender and the Beginning Farmer, provided that the principal amount of the Bond after adjustment is never more than the Principal Amount. In the event such adjustments are made, they shall be set forth in the Agreement. The Bond and the interest thereon do not and shall never constitute an indebtedness of or a charge either against the State of Iowa or any subdivision thereof, including the Authority, within the meaning of any constitutional or statutory debt limit, or against the general credit or general fund of the Authority, but are limited obligations of the Authority payable solely from revenues and other amounts derived from the Agreement and the Project and shall be secured by an assignment of the Agreement and the revenues derived therefrom to the Lender. Forms of the Bond and the Agreement are before this meeting and are by this reference incorporated in this Bond Resolution, and the Secretary is hereby directed to insert them into the minutes of the Authority and to keep them on file.

Section 3. Agreement; Sale of the Bond. In order to provide for the loan of the proceeds of the Bond to the Beginning Farmer to finance the Project and the payment by the Beginning Farmer of amounts sufficient to pay the principal of, premium, if any, and interest on the Bond, and in order to provide for the sale of the Bond to the Lender and the conditions with respect to the delivery thereof, the Executive Director shall execute in the name and on behalf of the Authority the Agreement in substantially the form submitted to the Authority, which is hereby approved in all respects. However, the Executive Director is empowered to amend the Agreement prior to the execution thereof to conform the same to any adjustments of the Principal Amount or other provisions of the Bond as authorized in Section 2 hereof. The sale of the Bond to the Lender is hereby approved and the Chairman or Vice Chairman and Secretary of the Authority are hereby authorized and directed to execute and deliver the Bond to the Lender. Payment by the Lender of the purchase price, namely the Principal Amount, or such lesser amount as determined by the Chairman or Vice Chairman pursuant to Section 2 hereof, in immediately available funds in accordance with the Agreement shall constitute payment in full for the Bond. The Lender shall immediately deposit such purchase price to the account or credit of the Beginning Farmer in accordance with the Agreement to effect the making of the loan of the proceeds of sale of the Bond to the Beginning Farmer pursuant to the Agreement.

Section 4. Repayment of Loan. The Agreement requires the Beginning Farmer in each year to pay amounts as loan payments sufficient to pay the principal of, redemption premium, if any, and interest on the Bond when and as due and the payment of such amounts by the Beginning Farmer to the Lender pursuant to the Agreement is hereby authorized, approved, and confirmed.

Section 5. Filing of Agreement. The Executive Director is authorized and directed to file a copy of this resolution and the Agreement with the Iowa Secretary of State pursuant to Sections 16.26(7) and 175.17(7) of the Act to evidence the pledge of or grant of a security interest, in the revenues to be received under, and all of the Authority's interests in the Agreement, by the Authority to the Lender.

Section 6. Miscellaneous. The Chairman, Vice Chairman, and/or Secretary are hereby authorized and directed to execute, attest, seal and deliver any and all documents and do any and all things deemed necessary to effect the issuance and sale of the Bond and the execution and delivery of

the Agreement, and to carry out the intent and purposes of this resolution, including the preamble hereto.

Section 7. Severability. The provisions of this resolution are hereby declared to be separable, and if any section, phrase, or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions.

Section 8. Repealer. All resolutions, parts of resolutions or prior actions of the Authority in conflict herewith are hereby repealed to the extent of such conflict.

Section 9. Effective Date. This resolution shall become effective immediately upon adoption.

Passed and approved this 2nd day of December, 2015.

(Seal)

David D. Jamison, Secretary

EXHIBIT A

- 1. Project Number:** AG 15-092
- 2. Beginning Farmer:** Nicholas J. and Carlyn Lechtenberg
107 Sunset St
Elgin, IA 52141-9319
- 3. Bond Purchaser:** Luana Savings Bank
100 Harvest Dr, PO Box 68
Luana, IA 52156-0068
- 4. Principal Amount:** \$387,500
- 5. Initial Approval Date:** 12/2/2015
- 6. Public Hearing Date:** 11/24/2015
- 7. Bond Resolution Date:** 12/2/2015
- 8. Project:** To purchase approximately 154.04 acres of agricultural land

RESOLUTION
ITG 15-11

WHEREAS, Iowa Title Guaranty (“ITG”), in accordance with the statutory directives set forth in Chapter 16 of the Code of Iowa, as amended, operates a program to offer guaranties of real property titles to facilitate mortgage lenders’ participation in the secondary market and to add to the integrity of the land-title transfer system in the state of Iowa; and

WHEREAS, ITG generates revenue by the sale of ITG Certificates, the revenues of which are deposited in the ITG Fund held by the treasurer of state with all interest generated from the ITG Fund being deposited in the housing trust fund; and

WHEREAS, section 16.91(1) of the Iowa Code provides that “[i]f the authority Board in consultation with the ITG Board determines that there are surplus funds in the ITG Fund after providing for adequate reserves and operating expenses of ITG, the surplus funds shall be transferred to the housing assistance fund created pursuant to section 16.40.”; and

WHEREAS, the ITG Board has determined that there are surplus funds in the ITG Fund in the amount of \$350,000 and it is recommending to the Iowa Finance Authority Board that it would be appropriate to transfer the surplus funds to the Housing Assistance Fund pursuant to Iowa Code section 16.91(1).

NOW, THEREFORE, BE IT RESOLVED that the ITG Board adopts and recommends that as the surplus funds in the ITG Fund, in the amount of \$350,000, be transferred to the Housing Assistance Fund created pursuant to Iowa Code section 16.40.

PASSED AND APPROVED this 1st day of December, 2015.

Pat Schneider, Iowa Title Guaranty Board Chair

Tara Lawrence, Iowa Title Guaranty Board Secretary

(Seal)



To: Board of Directors of the Iowa Finance Authority
 From: Tim Morlan & Derek Folden
 Date: December 2, 2015
 Re: Multifamily Loan Program Review

Production Status

Loans in Process:

<u>Project</u>	<u>Loan Program</u>	<u>Target Closing</u>	<u>Amount</u>	<u>Loan Type</u>
Centerville Senior Lofts, Centerville	Senior Living	2-1-2016	\$600,000	C/P
Keokuk Senior Lofts, Keokuk	Senior Living	2-1-2016	\$700,000	C/P
Southridge Senior Lofts, Des Moines	Senior Living	2-1-2016	\$350,000	C/P
MLK Crossing Senior Apts., DSM	Senior Living	11-25-15	\$631,095	C/P
MLK Crossing Senior Apts., DSM	Multifamily	11-25-15	\$6,000,000	C/P

Applications in Process:

<u>Project</u>	<u>Loan Program</u>	<u>Amount</u>	<u>Loan Type</u>
Forest City	Workforce	\$751,000	C/P
Chariton	Workforce	\$600,000	C/P