Current Single Family MBS Funding Strategies:

1. Issue Fixed Rate Tax-Exempt or Taxable Bonds (Pass-Through Structure)
2. Sell MBS in the TBA Market
3. IFA Equity (limited capacity)
4. Proposed Federal Home Loan Bank (FHLB) Private Placement Facility

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1. Issue Fixed Rate Bonds

- Locks cost of funds for term of the bonds (30 years) so no future interest rate risk
- IFA takes on interest rate risk while accumulating MBS prior to pricing of the bonds – holds a fixed 30 year asset without a fixed funding cost
- Provides a future income stream to IFA
- With such low mortgage rates, traditional 30 yr tax-exempt housing bonds (serial and term bonds) are no longer cost effective to fund MBS
- Recent pass-through structure has provided another fixed rate funding alternative
- Small investor base for pass-through bonds and uncertainty as to whether the pass-through structure can be a reliable source of funding in the future

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2. Sell MBS in the TBA Market

- No long term interest rate risk and IFA can hedge its short term interest rate risk between loan reservation and pooling date
- Better able to hedge if better predictability of timing of final pooling date from reservation date
- Provides current income to IFA but no future income stream
- Recent TBA sales have provided a net price of 102.5

IOWA FINANCE AUTHORITY

3. IFA Equity

- $45 million in the Restricted Housing Fund of the ‘91 Single Family Indenture currently used for short term MBS warehousing
- Long term interest rate risk if equity is needed and MBS need to be sold (low rate securities may need to be sold at a discount if interest rates rise)
- Other potential funds available in the Societe Generale Investment Agreement

IOWA FINANCE AUTHORITY

4. FHLB Private Placement

- Provides another alternative source of funding if other fixed rate options are not cost effective and IFA wishes to put MBS on its balance sheet
- Can be used to fund both First Homes and Homes for Iowans
- Provides flexibility of funding amount (min. $1 million) and pricing timing. Can notify the FHLB for an indicative pricing and if acceptable, be able to settle within 2 weeks
- Lower cost of issuance relative to a fixed rate bond transaction with underwriters
- No unused facility fee
- Bond interest rate is tied to the 1 month LIBOR – will need to be capped or swapped
- Index bond has fewer risks than Variable Rate Demand Notes (VRDNs), which IFA has historically issued

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Types of risk associated with variable rate bonds:

	Variable Rate Demand Note (VRDN) (Historically)	FHLB Index Bonds (Proposed)
Amortization Risk	X	X
Basis Risk	X	
Counterparty Risk	X	X
Liquidity Risk	X	
Remarketing Risk	X	
Tax Risk	X	
Termination Risk	X	X
LIBOR	X	X
SIFMA	X	

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Definition of Risks:

- Amortization Risk is the risk the mortgage prepayments received are greater or less than the notional amount of the swap. This situation can result in the underlying liability either being over or under hedged.
- Basis Risk refers to the risk that the change in price of a hedge may not match the change in price of the asset (liability) it hedges. For example, there can be a mismatch between the floating rate received from the swap to IFA and the interest IFA needs to pay on the variable rate bonds
- Counterparty Risk is the risk the counterparty (remarketing agent, swap or liquidity provider, etc.) will default or not perform pursuant to the contract terms
- Liquidity Risk is the risk IFA is subject to when a VRDN holder tenders them for purchase on short notice
- Remarketing Risk is the risk the remarketing agent cannot remarket a VRDN when bonds are tendered (bank bond scenario may be triggered)
- Tax Risk is the risk marginal tax rates change which can affect the historical relationship between short term taxable and tax-exempt rates which a swap may be structured upon
- Termination Risk is the risk a swap may be terminated under any circumstance as specified in the swap potentially leaving the debt unhedged
- LIBOR and SIFMA risks are embedded in how the values are derived:

  LIBOR - bank input subject to false reporting;

  SIFMA - subject to quality and remarketing effectiveness of the VRDN samples

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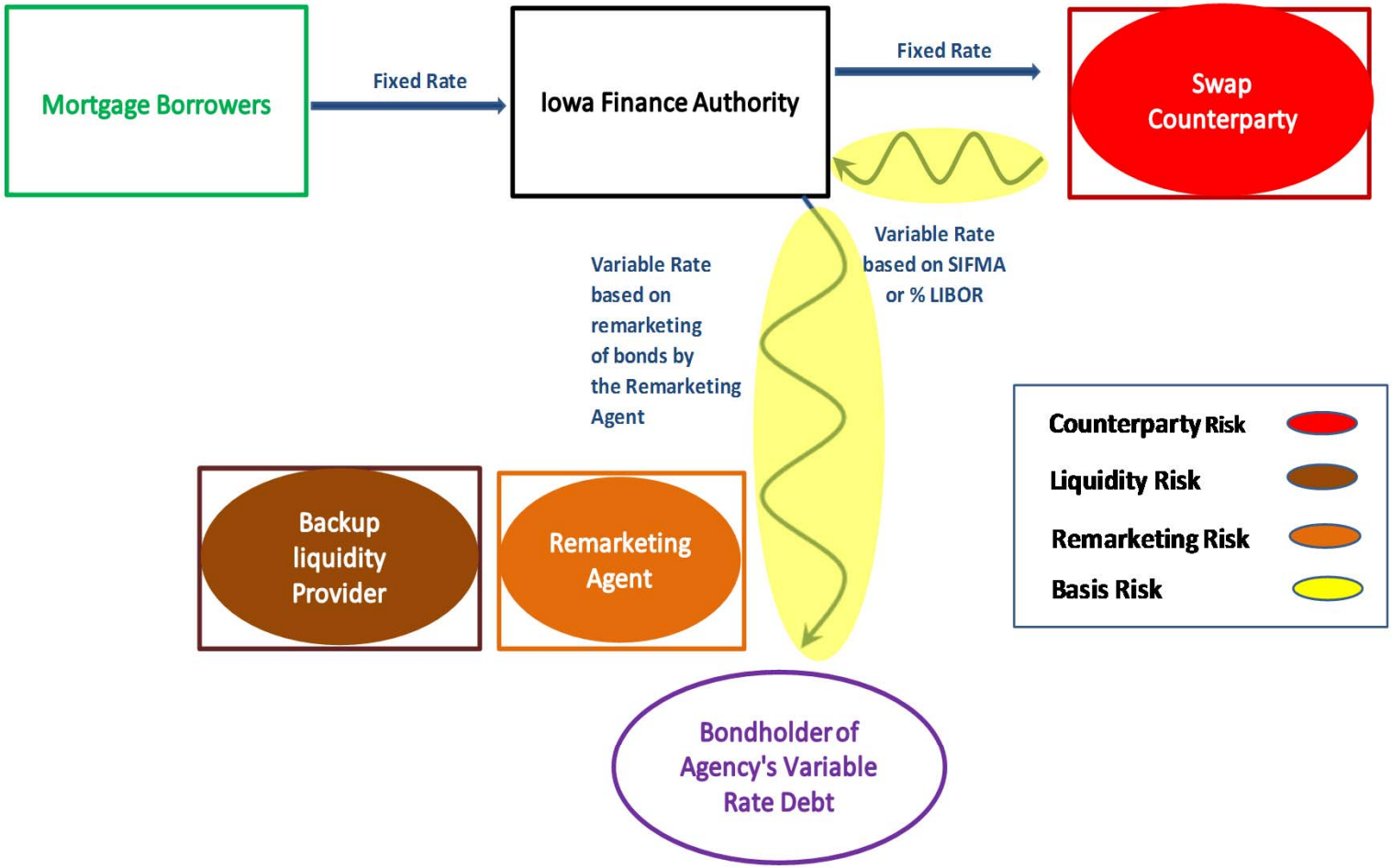
Variable (VRDN) - to - Fixed Interest Rate Swap Structure

(IFA Historical)



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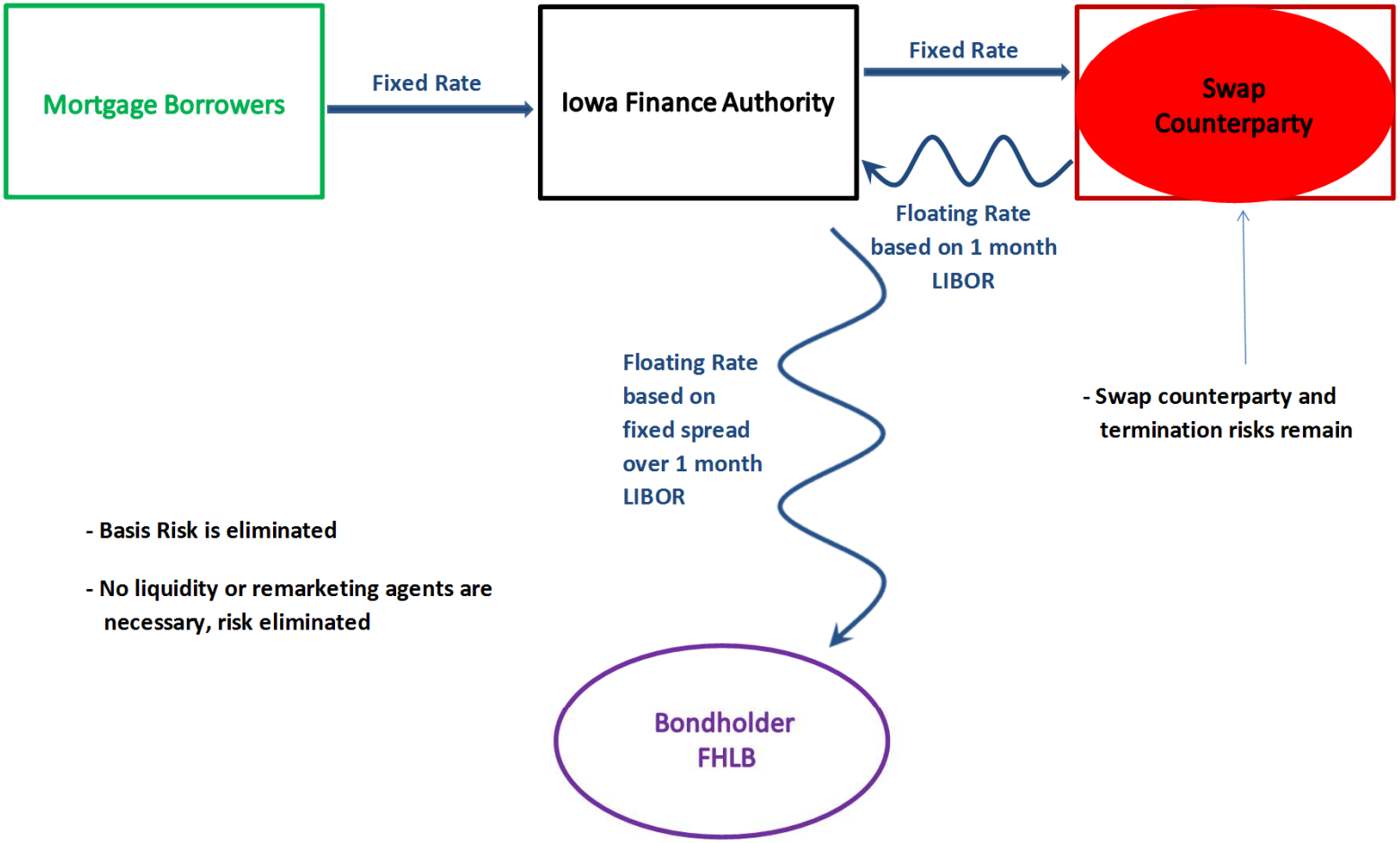
Floating (Index) - to - Fixed Interest Rate Swap Structure

(FHLB Proposal)



- Swap counterparty and termination risks remain

- Basis Risk is eliminated

- No liquidity or remarketing agents are necessary, risk eliminated

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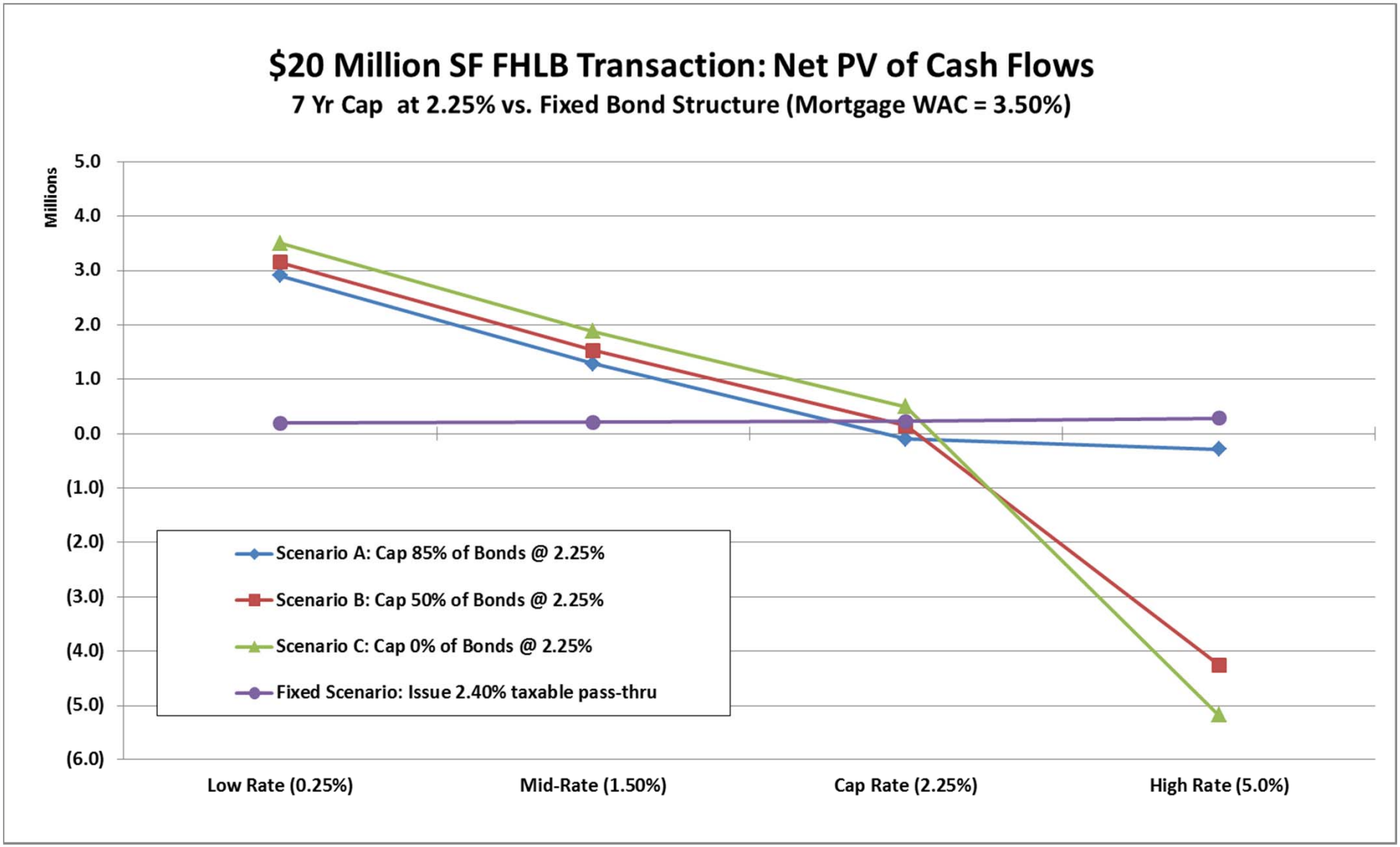

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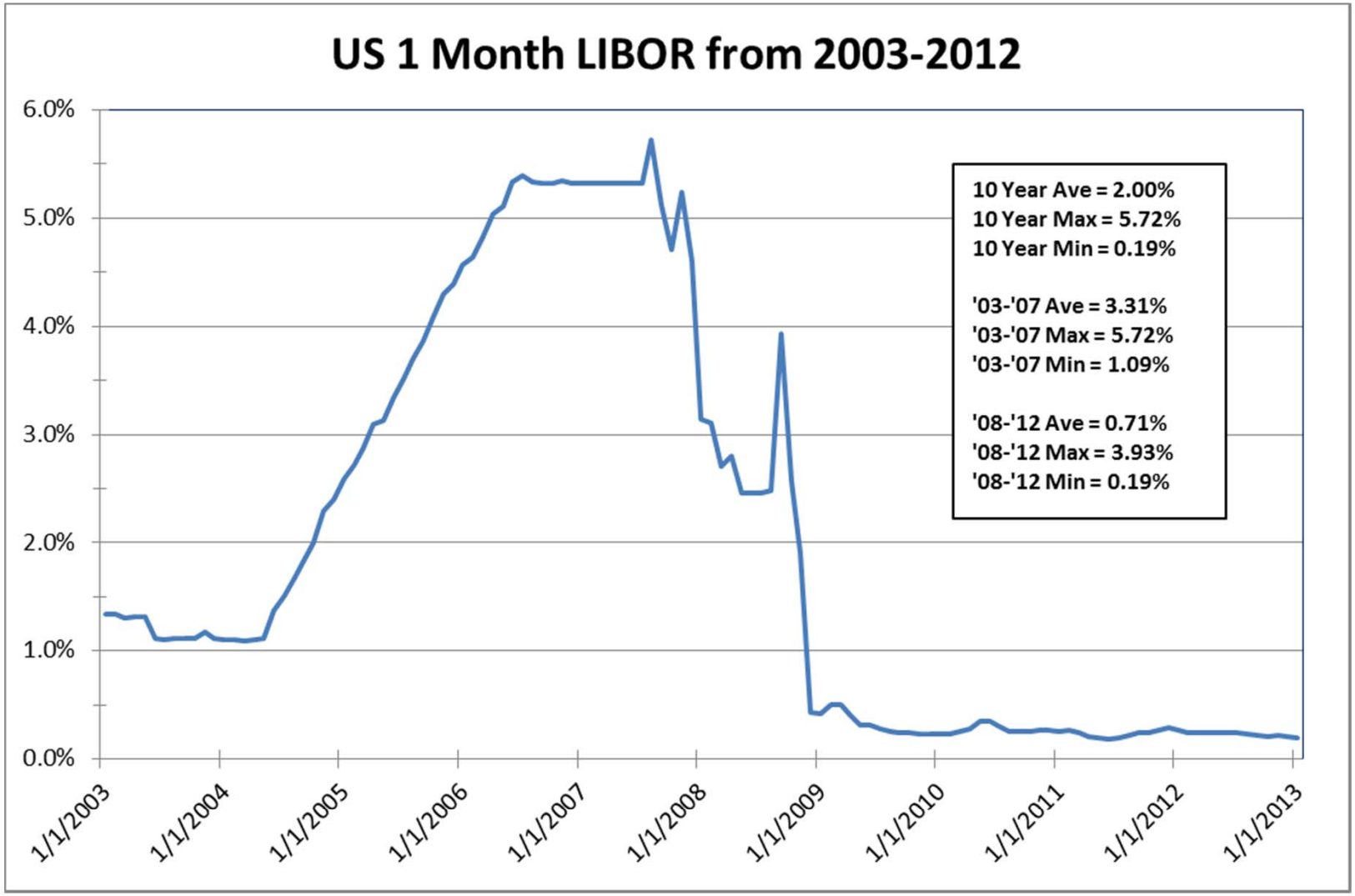
AUTHORITY



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Societe Generale General Investment Contract (GIC)

- History (1991-2008):
  - IFA entered into a Repurchase Agreement associated with the 1978 MF Bonds on 1/4/1991
    - Rate of 7.82% maturing 3/31/23
    - Agreement collateralized at 105% of the GIC balance with US Govt Securities and is held by a 3rd party (Wells Fargo)
  - In 1996 the MF Loans were sold and instead of using those sale proceeds to retire the 1978 Bonds they were used to buy US Treasuries
  - If the bonds were retired the GIC would terminate
  - The 1978 Bonds have pre-Ullman tax status which means the investment earnings can be kept by IFA and do not need to be rebated to the IRS

IOWA FINANCE AUTHORITY

Societe Generale General Investment Contract (GIC)

- History (2009-2010):
  - 2009 SocGen questioned why the GIC balance was growing but the bond balance was declining
  - Letters were exchanged between the counsels of IFA and SocGen regarding the handling of the Repurchase Agreement because SocGen thought the bonds should have been retired with the sale of the mortgages
  - SocGen wants IFA to withdraw the money out of the GIC to pay off the bonds which will terminate the agreement

IOWA FINANCE AUTHORITY

Societe Generale General Investment Contract (GIC)

- Current:
  - $25,750,000 GIC Balance
  - 1978 Outstanding Bond Balance is $10.83 million
  - SocGen is rated A2 (Moodys), A (S&P), A+ (Fitch)
  - IFA and SocGen are having discussions about the possibility of IFA redeeming the 1978 Bonds and terminating the GIC in return for a payment that represents the present value of the future GIC earnings
  - No final payment has been determined but amounts range from $5.8 to $11 million (in addition to the $25.7 balance plus accrued interest)
  - IFA is analyzing various PV scenarios and evaluating costs, benefits and risks associated with maintaining or terminating the Agreement

IOWA FINANCE AUTHORITY

Societe Generale General Investment Contract (GIC)

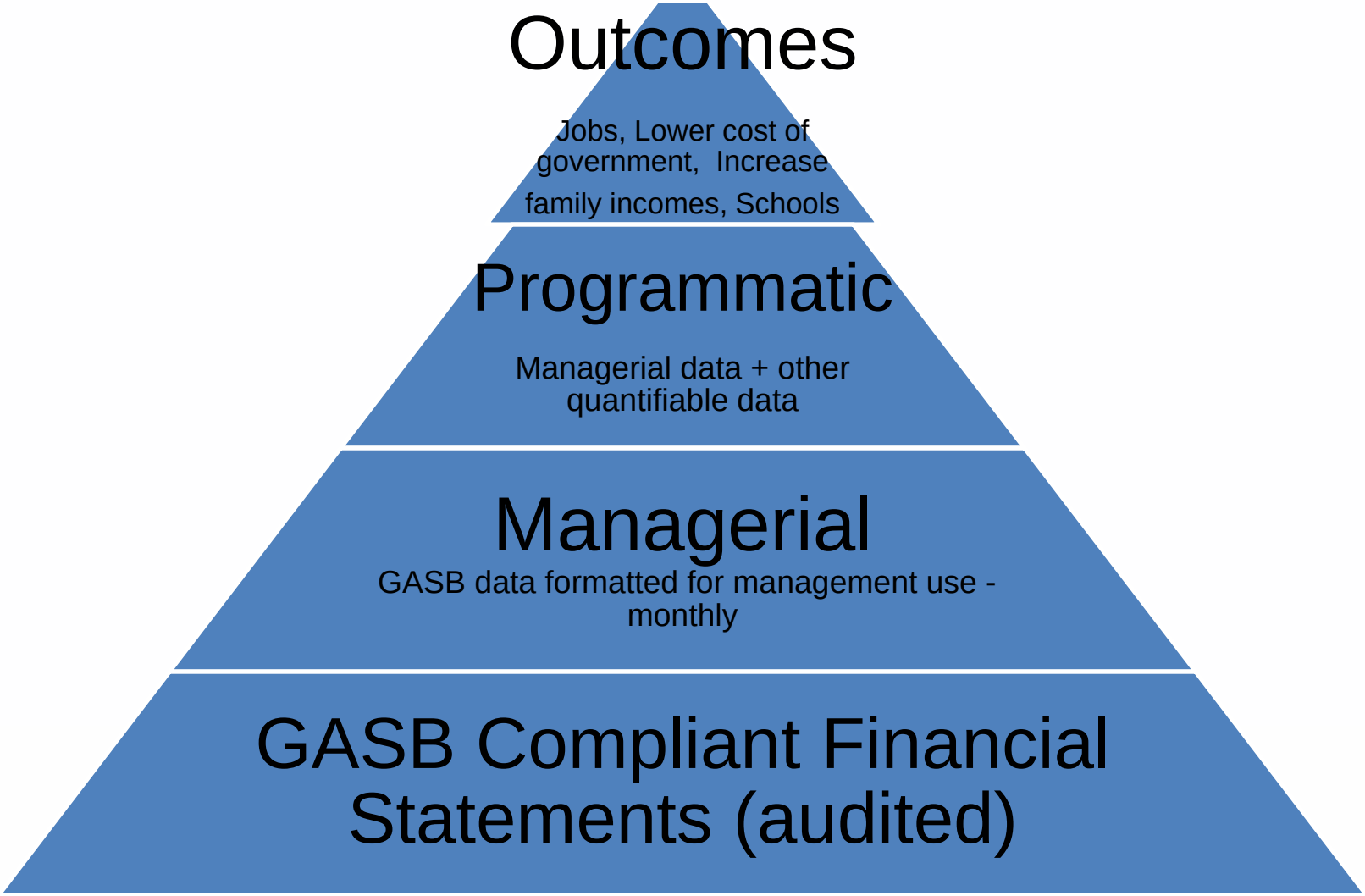
- Benefits of maintaining GIC:
  - Future income of about $2 million/year on investment of $25.75 million yielding 7.82%
  - Would allow IFA to withdraw funds when needed for specific programs and expenses while maintaining a high yielding investment instead of taking lump sum today with reinvestment risk
- Costs of maintaining GIC:
  - Future potential legal conflict with SocGen regarding the terms of the Agreement and any negative exposure related to that conflict

IOWA FINANCE AUTHORITY

Iowa Finance Authority
Five Year Financial Plan

FY14-FY18

Financial Reporting Hierarchy



IOWA FINANCE AUTHORITY

GASB Reporting

KPMG

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

Basic Financial Statements and
Schedule of Expenditures of Federal Awards

June 30, 2012 and 2011

(With Independent Auditors' Report Thereon)

http://www.iowafinanceauthority.gov/en/for_investors/

IOWA FINANCE
AUTHORITY

Managerial by Responsibility

- Administration Division
  - Exec Admin, Marketing, IT, HR, Accounting, Finance
- State Revolving Fund Division
  - CW, DW
- Housing Program Division
  - SF, MF, LIHTC, HOME, Homelessness, SHTF, Misc state & fed programs
- Section 8 Division
- Title Guaranty
  - Residential, Commercial

IOWA FINANCE AUTHORITY

Monthly Reporting

- Housing Authority
  - General Fund
  - Single Family Indentures
  - Multi Family Indentures
  - Miscellaneous Restricted Funds
  - Title Guaranty
- State Revolving Fund
  - Clean Water
  - Drinking Water

IOWA FINANCE AUTHORITY

Managerial Reporting

IOWA FINANCE AUTHORITY

To: David D Jamison
From: Steven E Harvey
Date: February 19, 2013
Re: January 2013 Financial Results

Financial Performance Targets:

Housing Agency:	6/30/2009	6/30/2010	6/30/2011	6/30/2012	1/31/2013	Budget
Equity/asset ratio > 12.2%	12.4%	11.5%	16.9%	24.4%	30.4%	28.3%
Return on assets ≥ .80%	0.47%	0.46%	3.20%	1.87%	1.38%	0.62%
Net interest margin > 1.15%	0.68%	0.67%	0.78%	1.38%	1.19%	1.49%
Loans/asset ratio > 80%	73.4%	58.9%	63.9%	72.9%	82.0%	77.5%
Loan & mbs portfolio	1,073,374,099	963,477,424	897,839,338	776,764,795	723,741,602	715,189,000
SRF loan portfolio	724,682,689	859,436,730	1,079,065,360	1,214,680,727	1,290,490,937	1,383,279,000
Staff Count	83	86	88	90	90	94

Housing Agency results –

YTD operating income of $18,027,788 is $4,400,774 or 32.3% favorable to budget.

- Fee income exceeds budget by $2,557,087 led by TG and economic development loan fees.
- Net interest income trails budget by $1,762,968 due to a change in strategy from selling MBS to bonding and placing the MBS on the balance sheet. We believe this to be a better long term strategy for IFA.
- Net grant income exceeds budget by $3,528,338 due to lower DPA expenses; and the SAF, HAF, SHTF, and the Mortgage Settlement funds receiving higher than planned grant income.

YTD operating expense of $10,203,497 is $1,161,696 or 12.8% unfavorable to budget.

- Direct employee and indirect operating expenses are $145,377 favorable to budget.
- Marketing expenses are $16,458 favorable to budget.
- Professional service expense is $780,900 unfavorable to budget due primarily to TG field issuer fees paid as a result of favorable volume.
- Provision for losses is $509,597 unfavorable to budget due to increases in TG known claim reserves and a loan guaranty payment to HUD for MSZH.

Net operating income of $7,824,291 is $3,239,078 or 70.6% favorable to budget.

Outstanding grant commitments are $61,053,550 (See - Grant Commitments Report).

State Revolving Fund results -

YTD operating income of $27,800,675 is $1,101,362 or 3.8% unfavorable to budget.

YTD operating expense of $4,906,552 is $163,090 or 3.2% favorable to budget.

Net operating income of $22,894,123 is $938,542 or 3.9% unfavorable to budget.

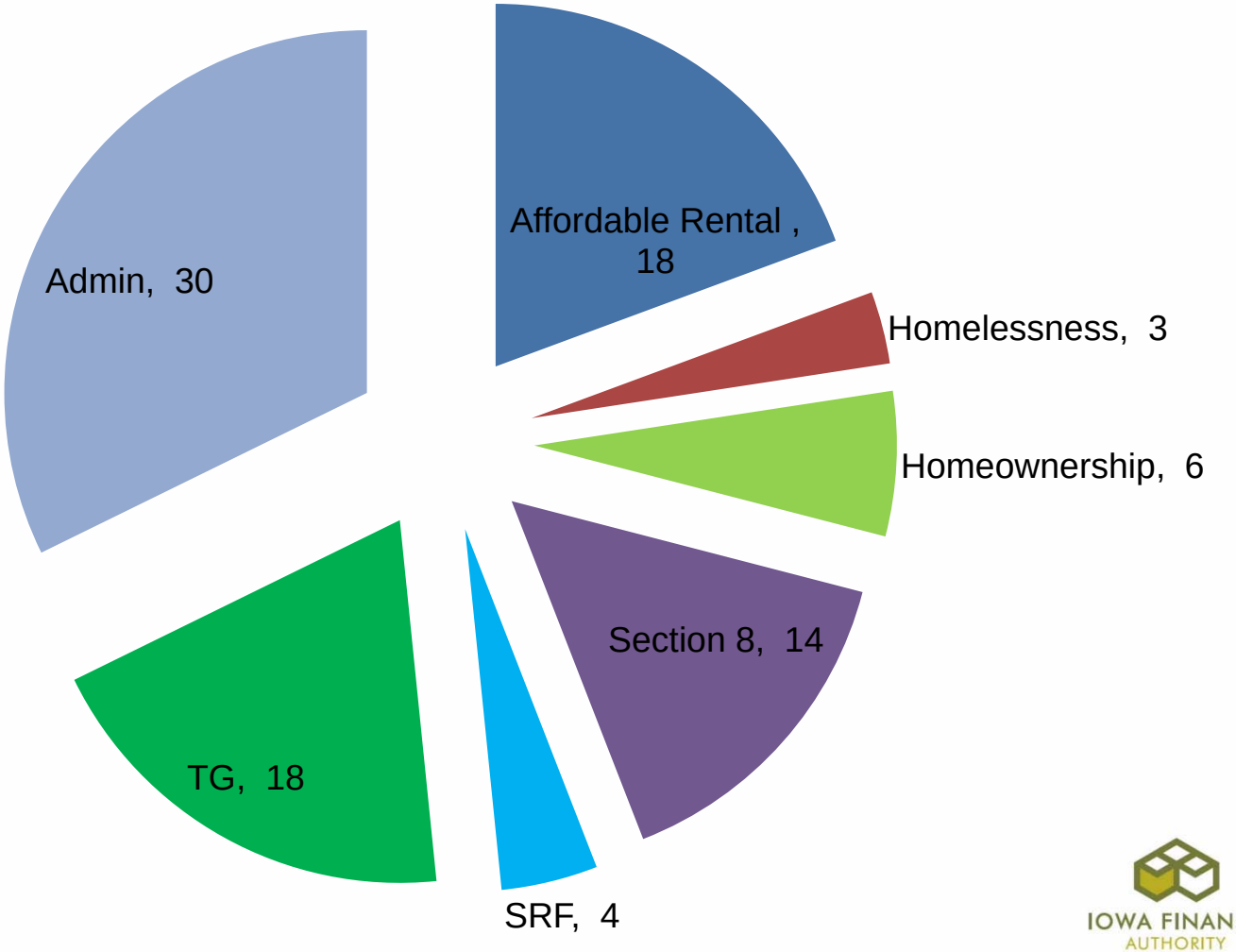
IOWA FINANCE AUTHORITY

Programmatic

- Affordable Rental
  - Home, LIHTC, MF loans, Rent Subsidy, SHTF
- Community Development
  - Economic Dev Loans (conduit bonds), Main Street Loans
- Homelessness Programs
  - ESGP, HOPWA, SAF
- Home Ownership
  - FirstHome, FH+, Homes for Iowans, HFI+, Iowa Mortgage Help, Military DPA
- IJOBS
- Section 8
- State Revolving Fund
- Title Guaranty
- http://www.iowafinanceauthority1.com/InvestmentByCounty.asp

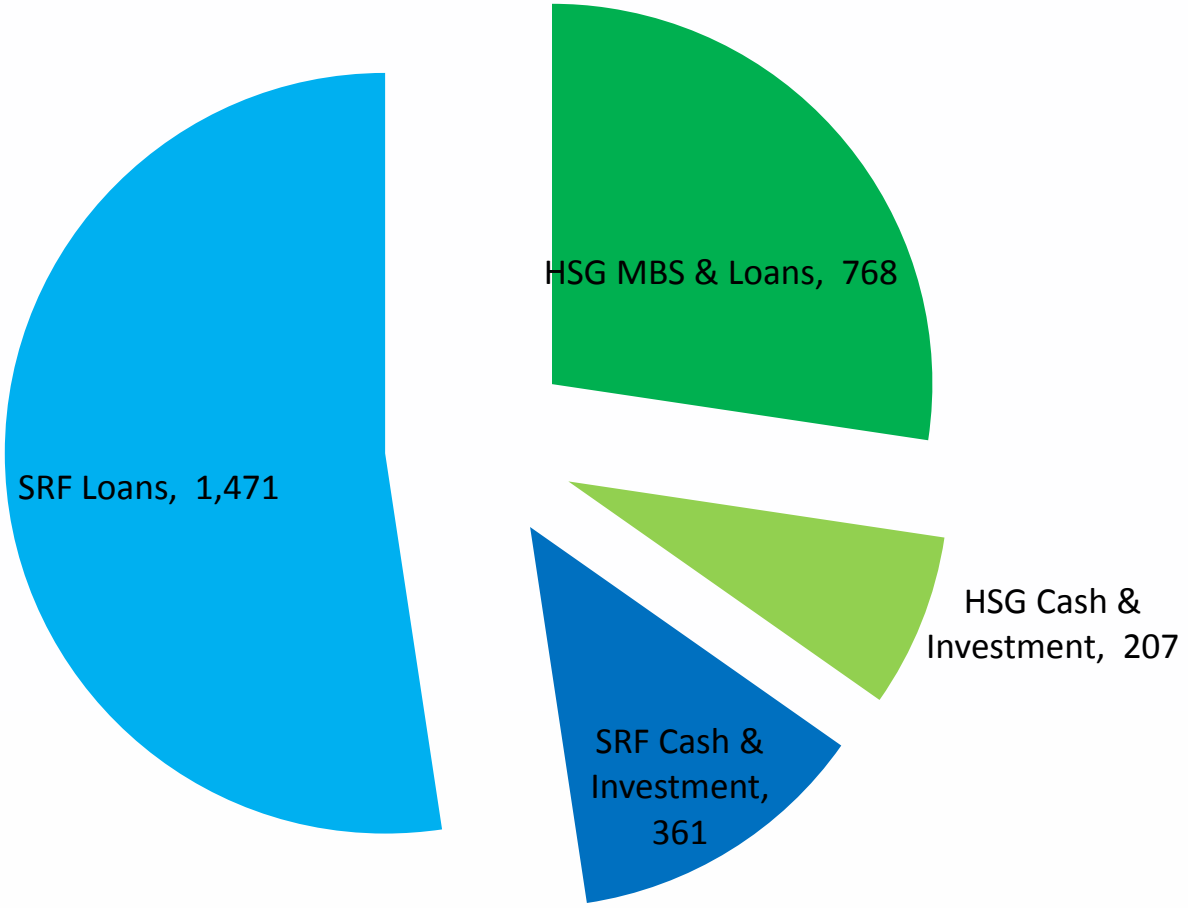
IOWA FINANCE AUTHORITY

Iowa Finance Authority
FY14 Staffing Plan = 93



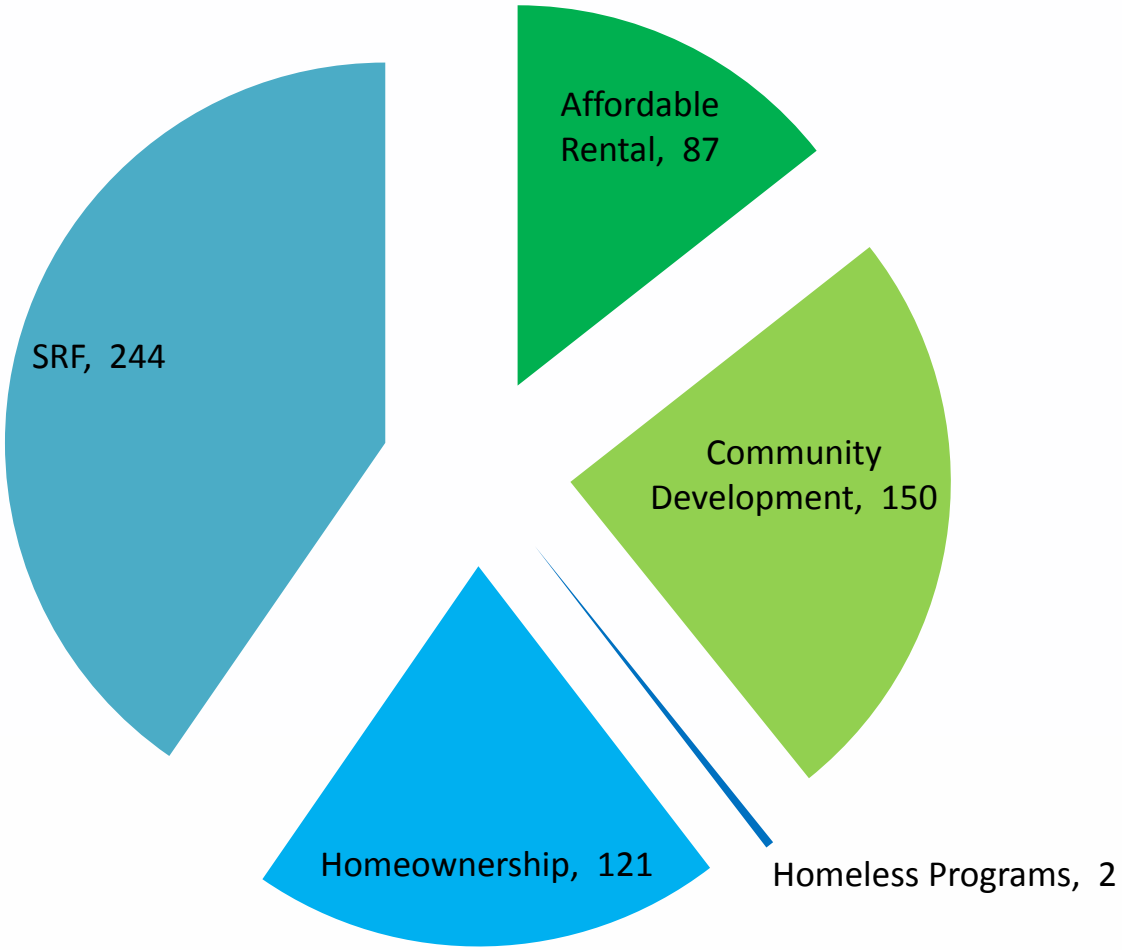
IOWA FINANCE AUTHORITY

Iowa Finance Authority
FY14 Assets = $2,807 million



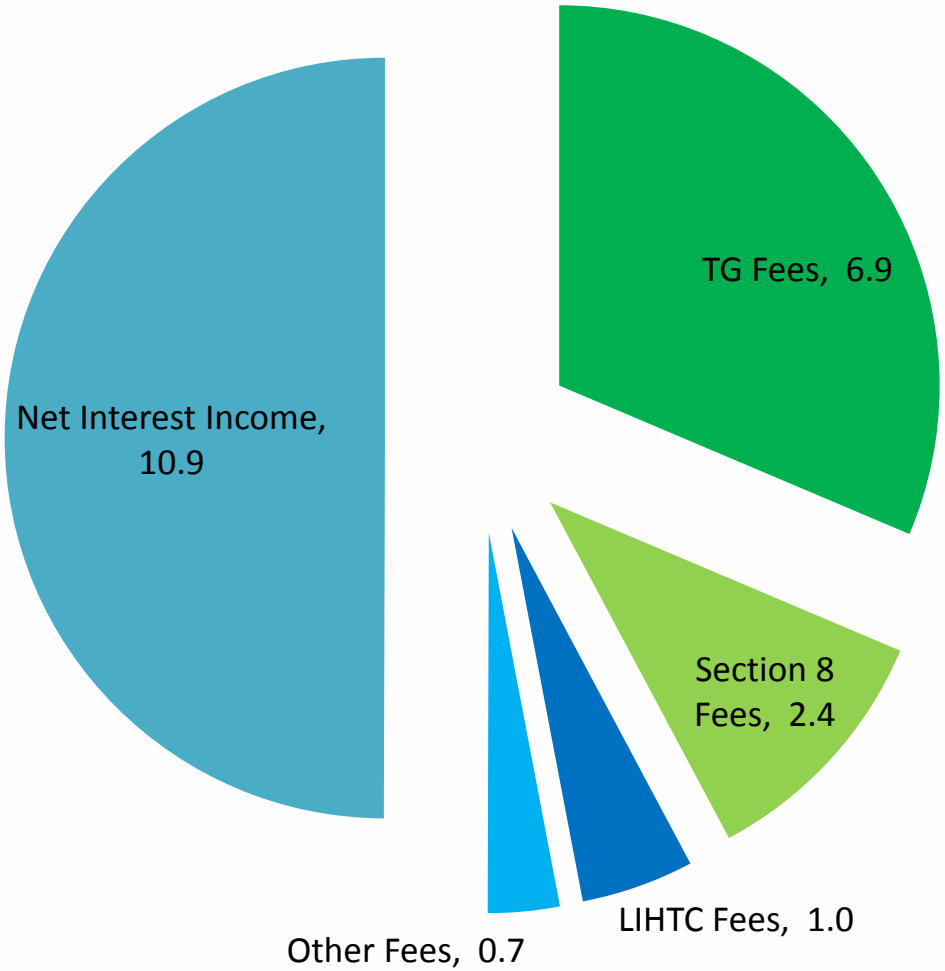
IOWA FINANCE AUTHORITY

Iowa Finance Authority
FY14 Program = $605 million



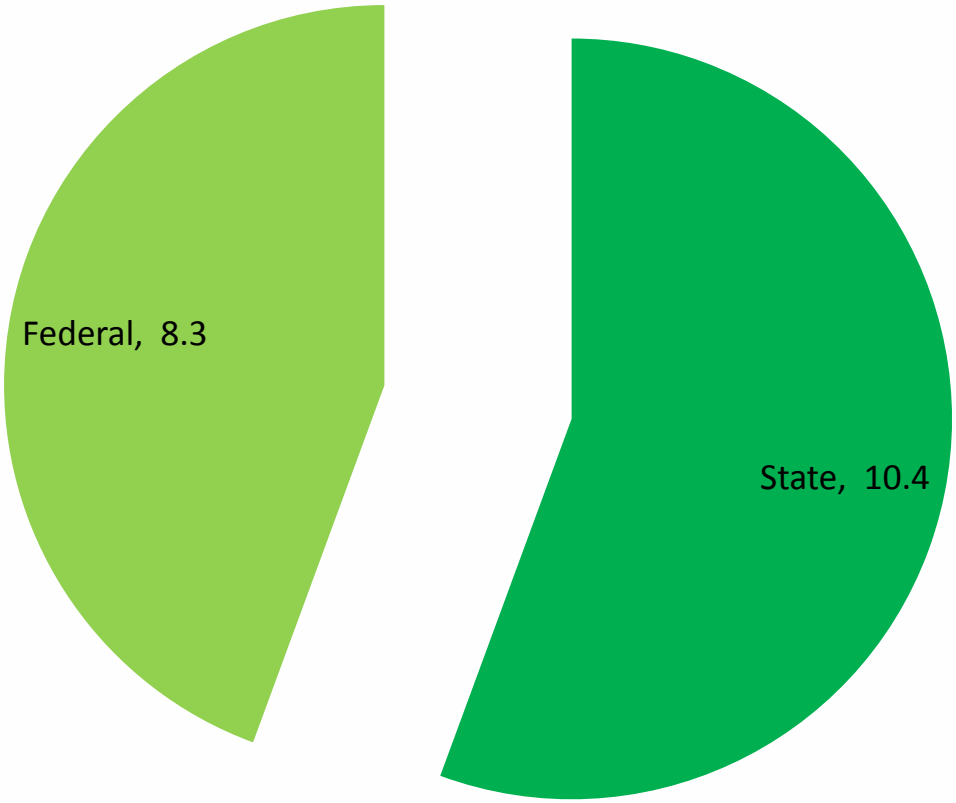
IOWA FINANCE AUTHORITY

Housing Authority
FY14 Operating Income = $21.9 million



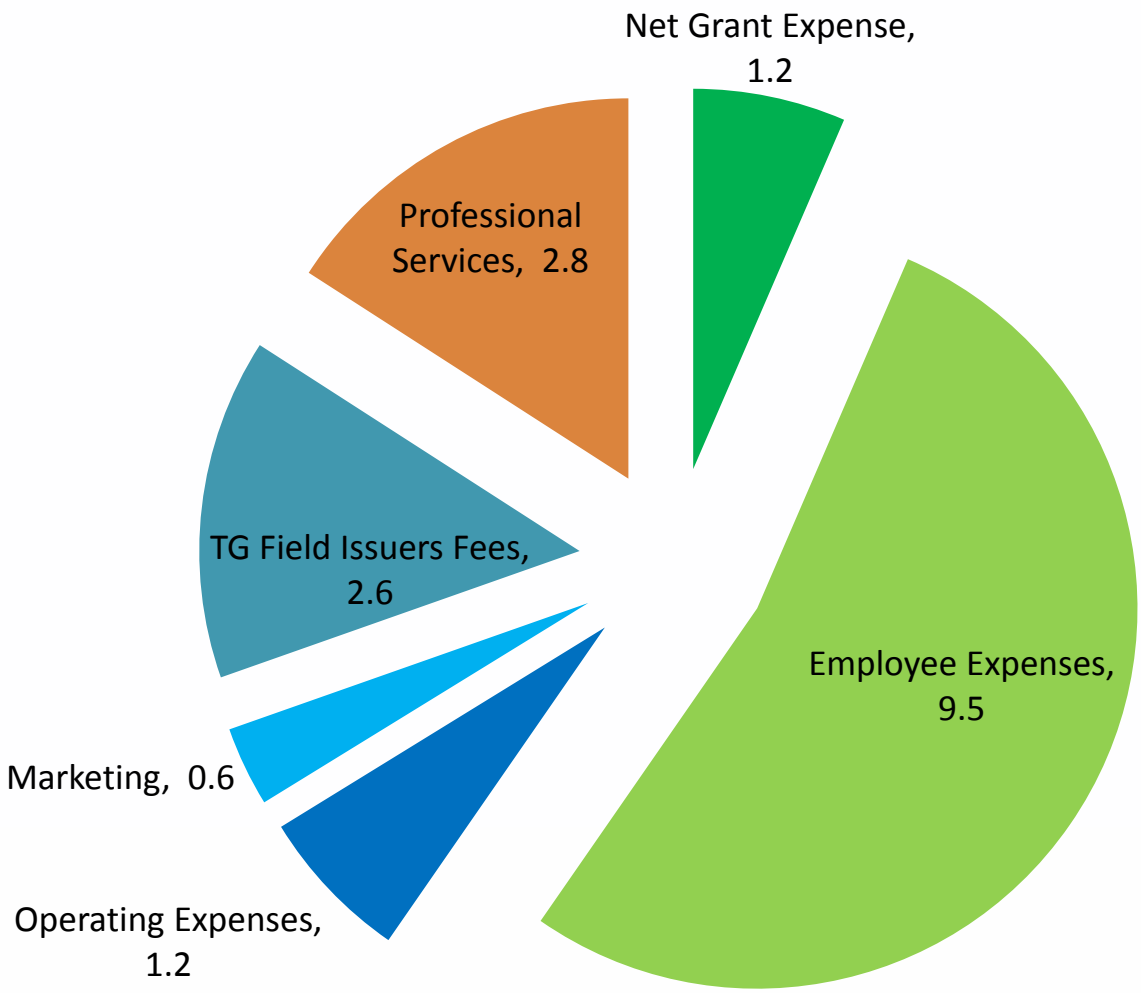
IOWA FINANCE AUTHORITY

Housing Authority
FY14 Grant Income = $18.7 million



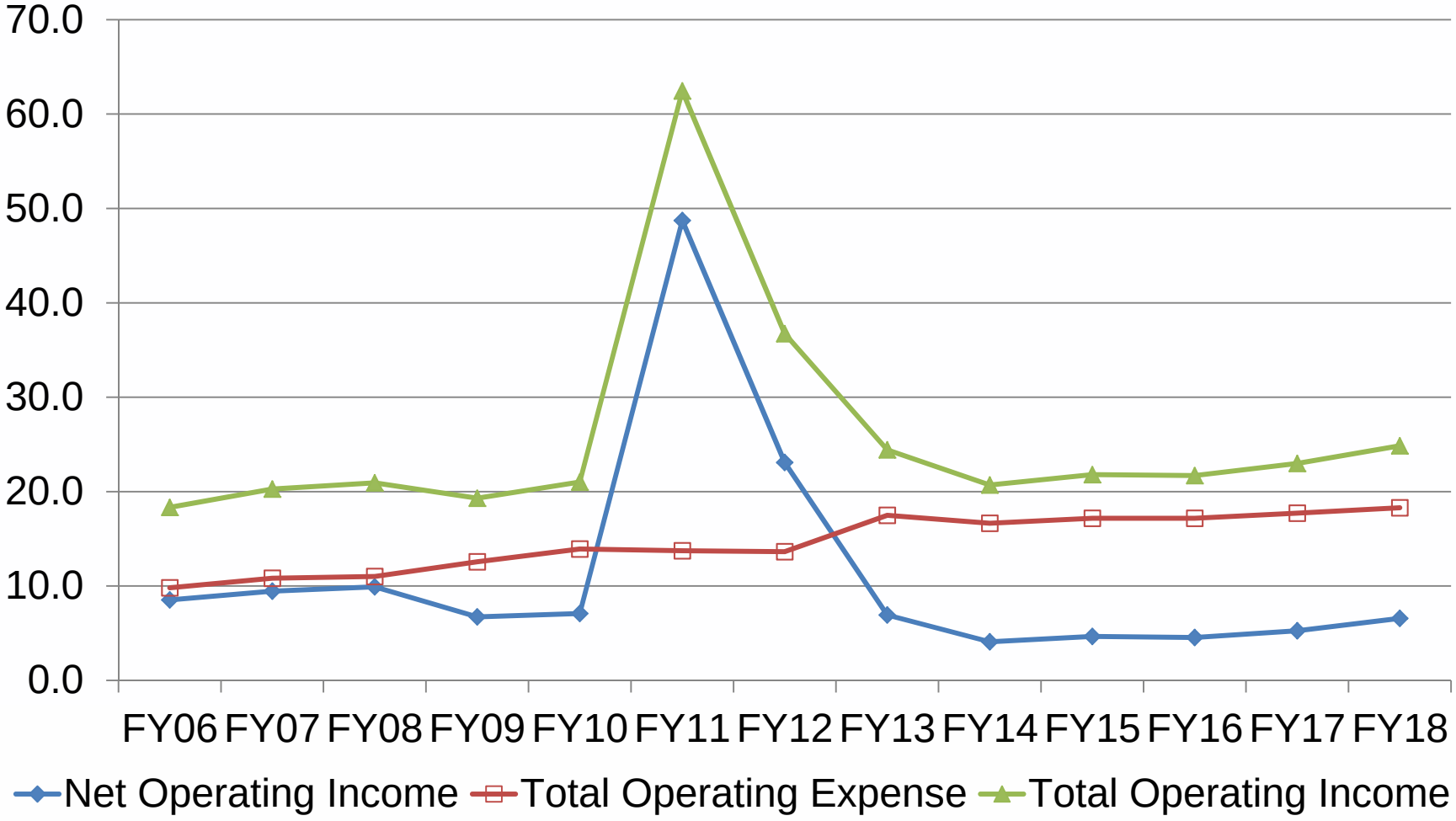
IOWA FINANCE
AUTHORITY

Housing Authority
FY14 Operating Expense = $17.8 million



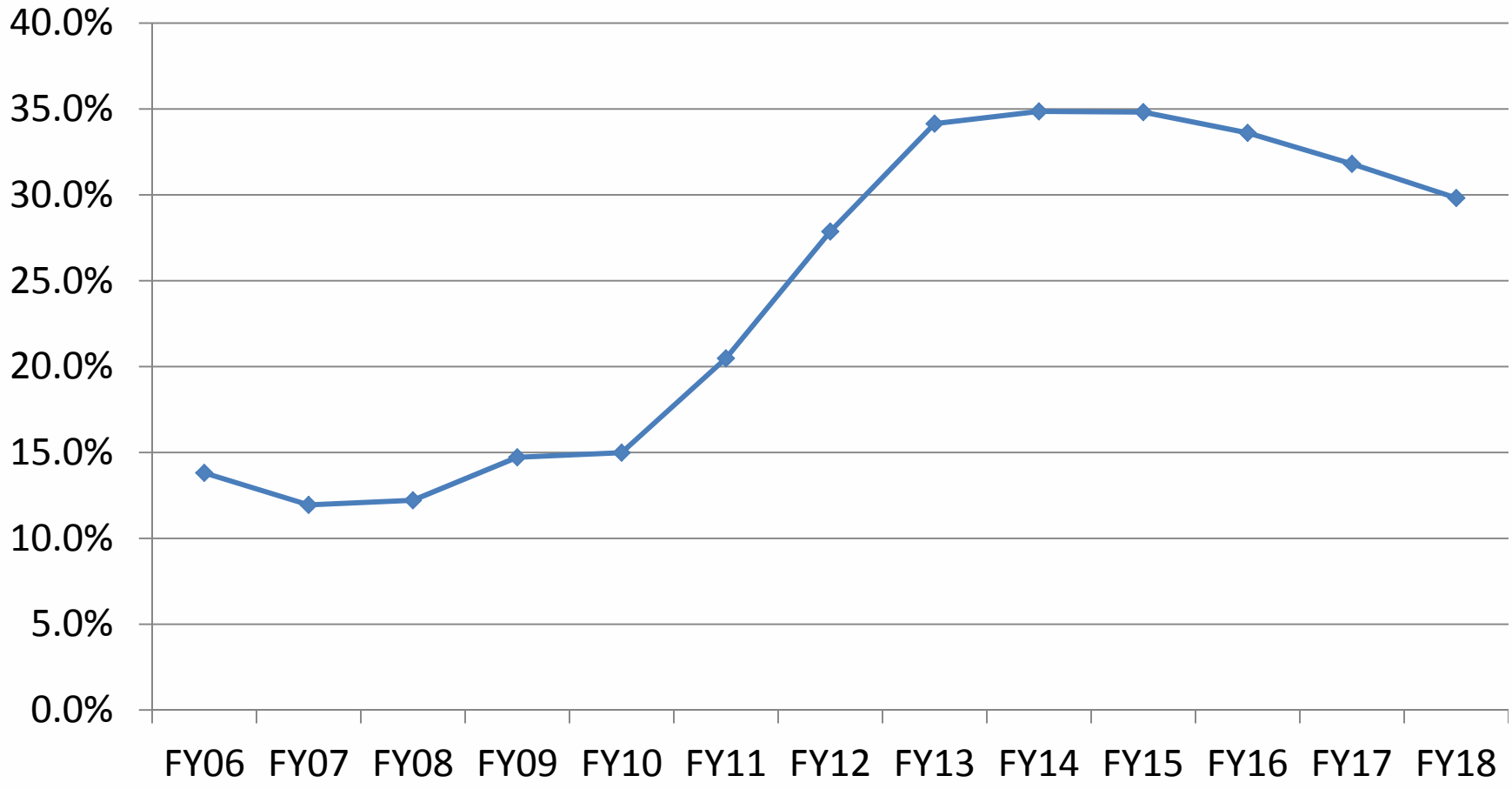
IOWA FINANCE AUTHORITY

Housing Authority
Net Operating Income



IOWA FINANCE AUTHORITY

Housing Authority
Equity to Asset Ratio



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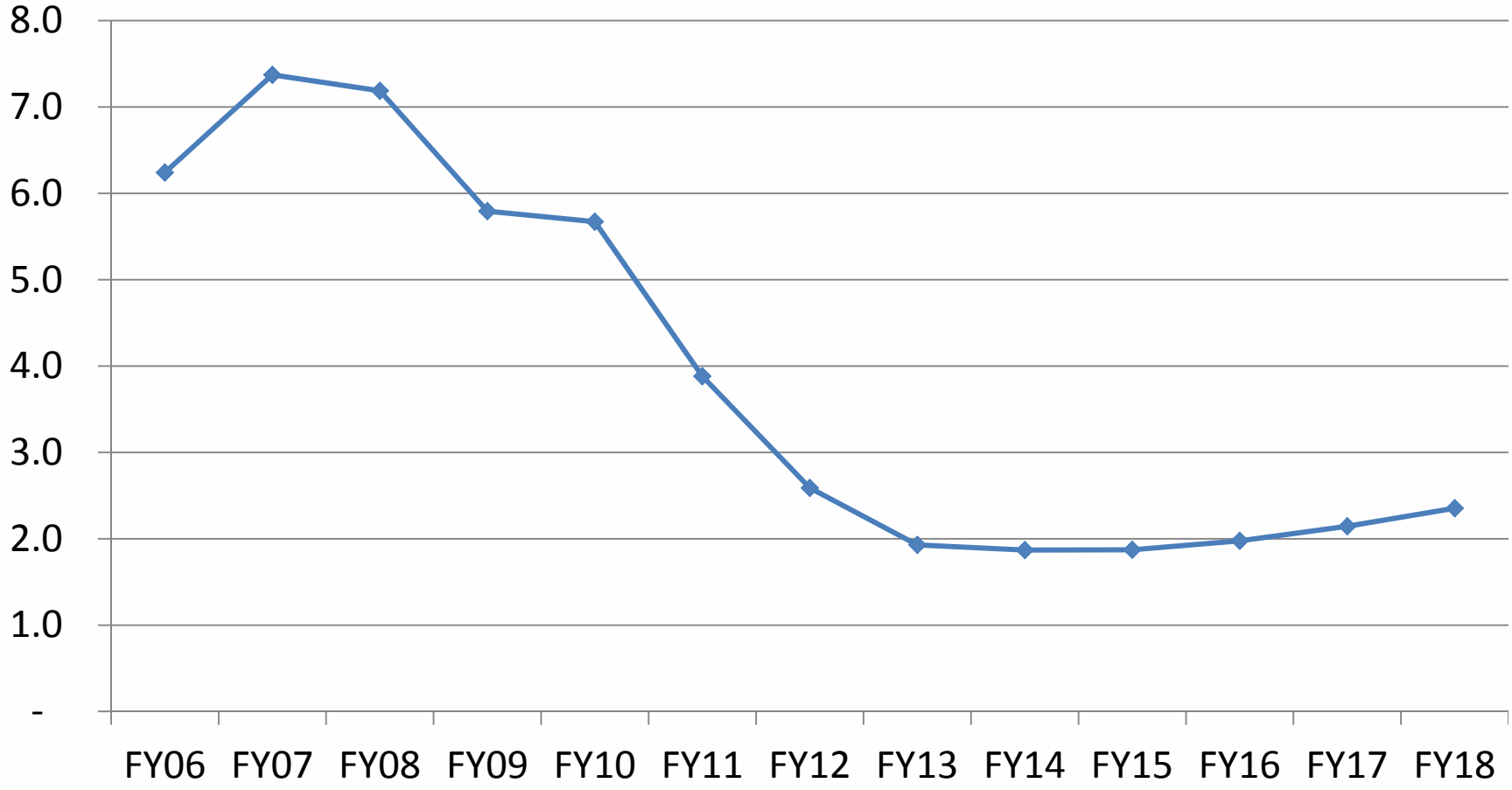
Housing Authority
Debt to Equity Ratio



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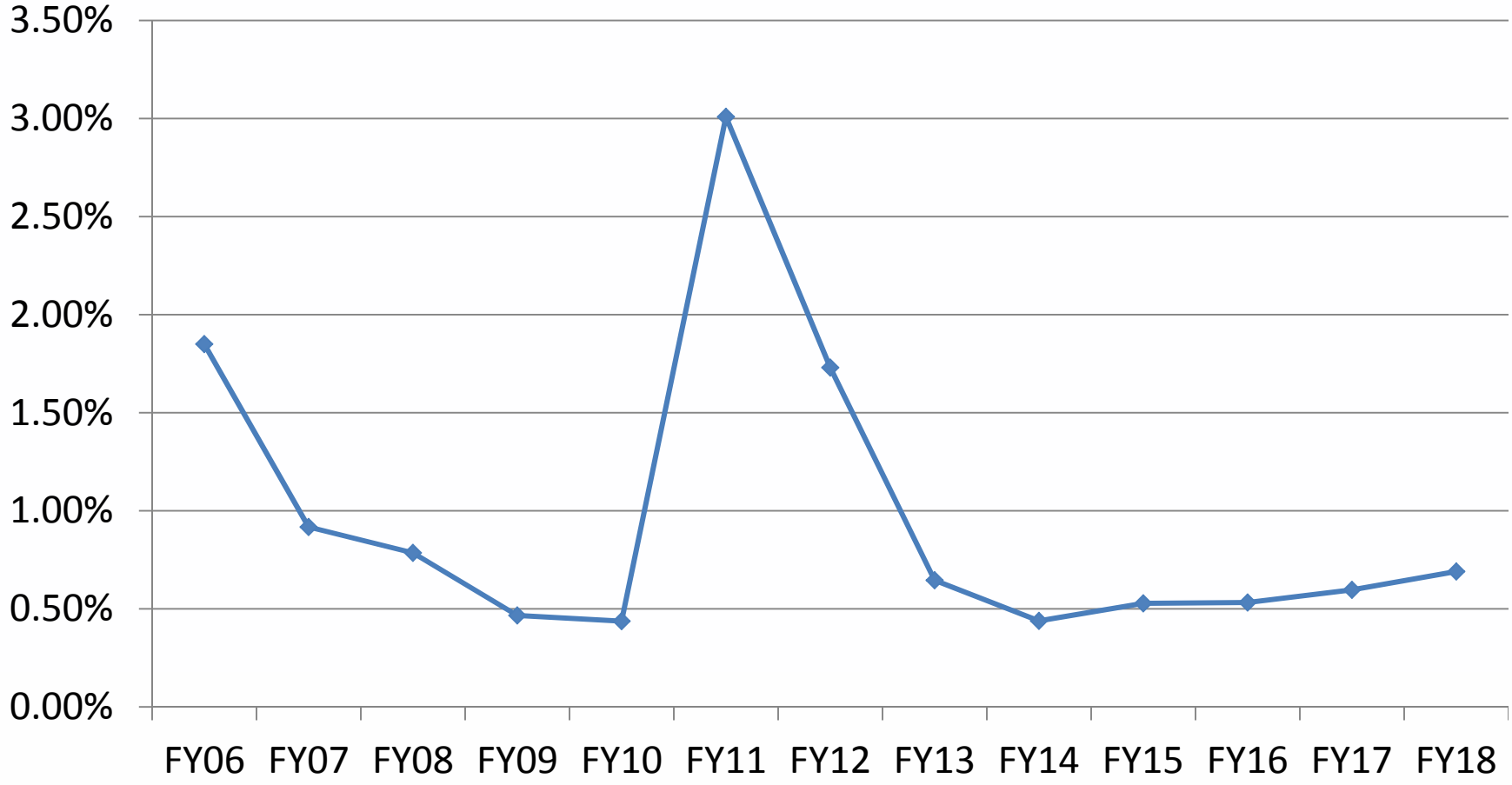
Housing Authority
Return on Asset Ratio



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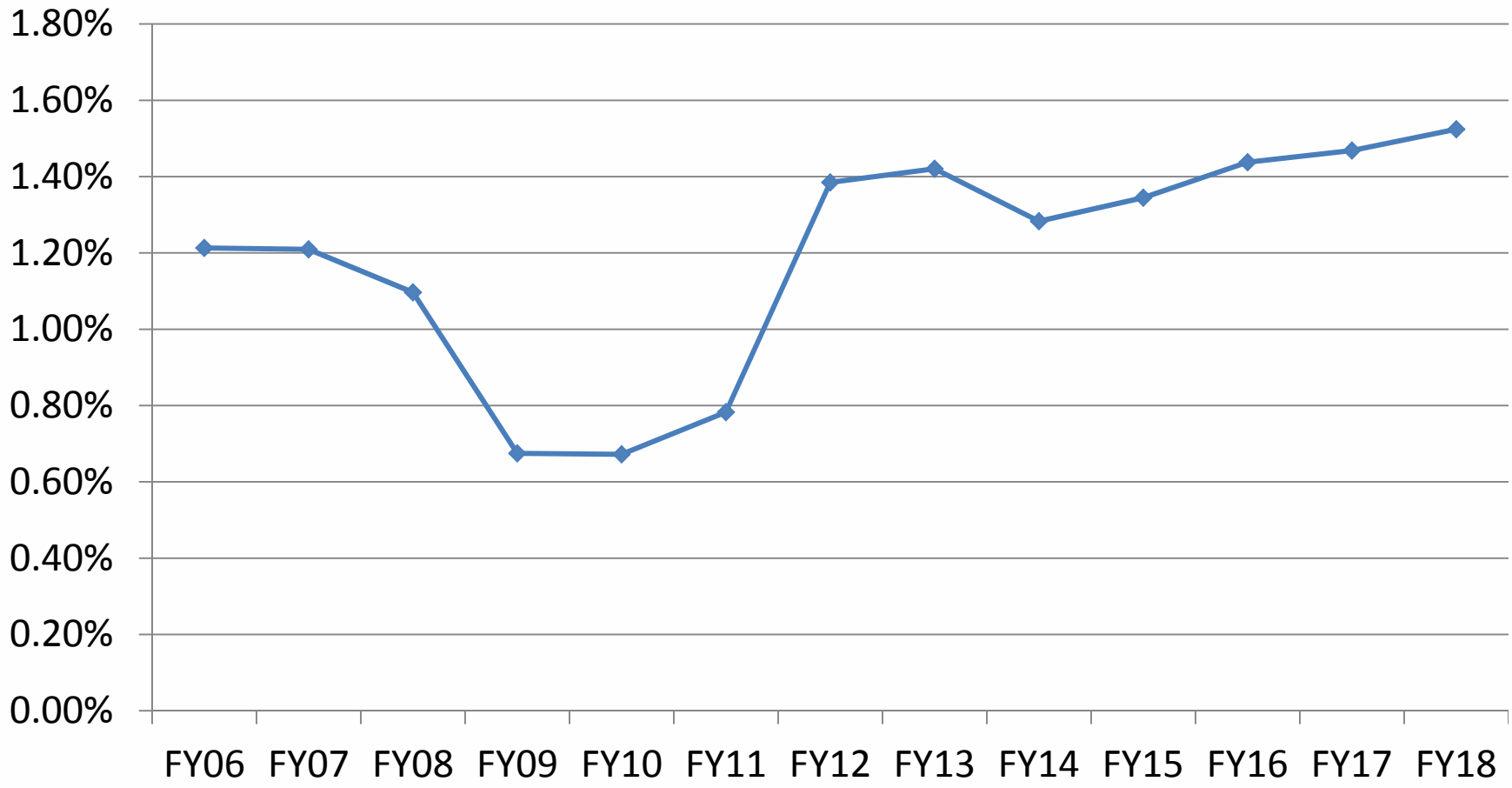
Housing Authority
Net Interest Margin



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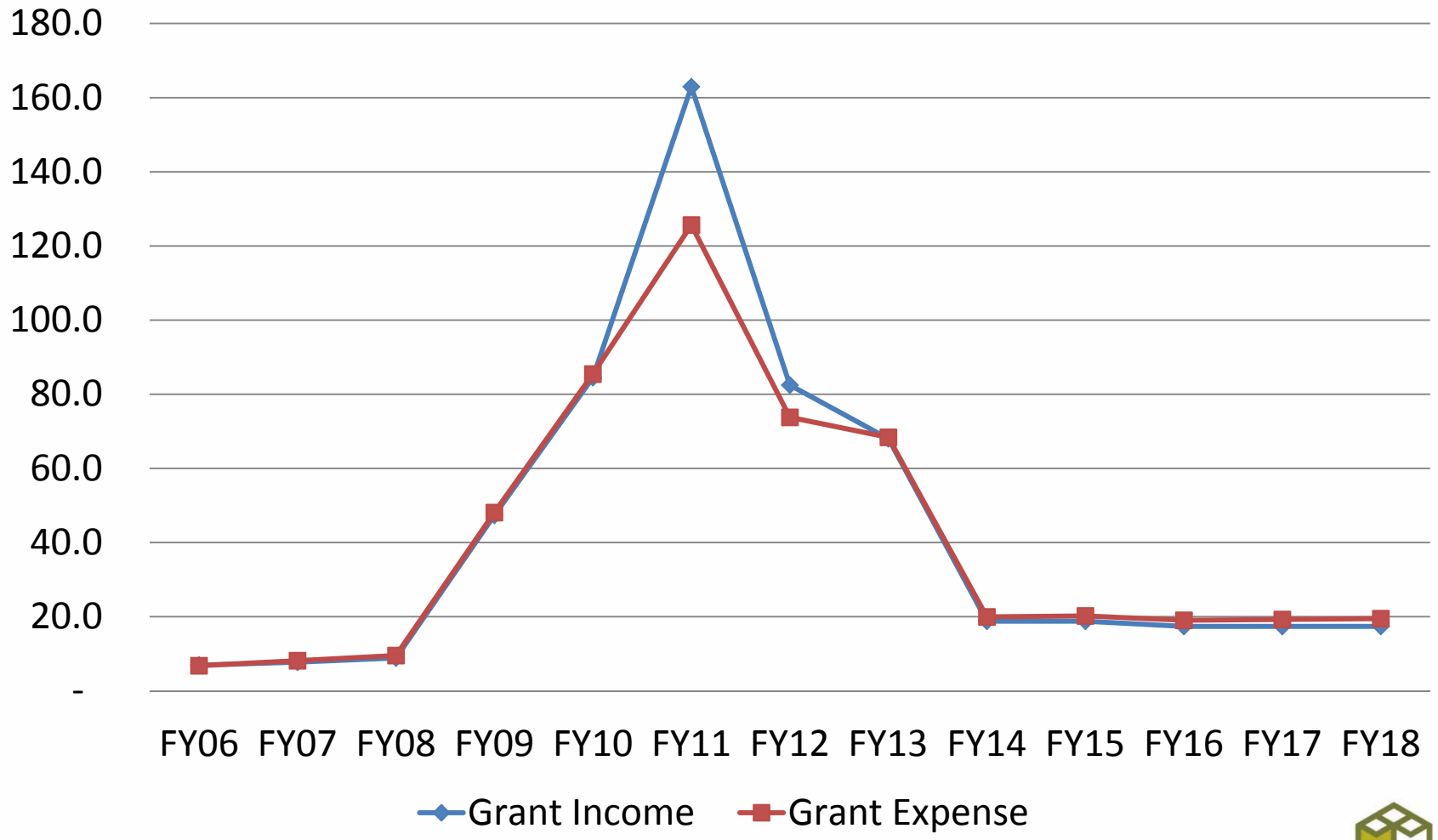
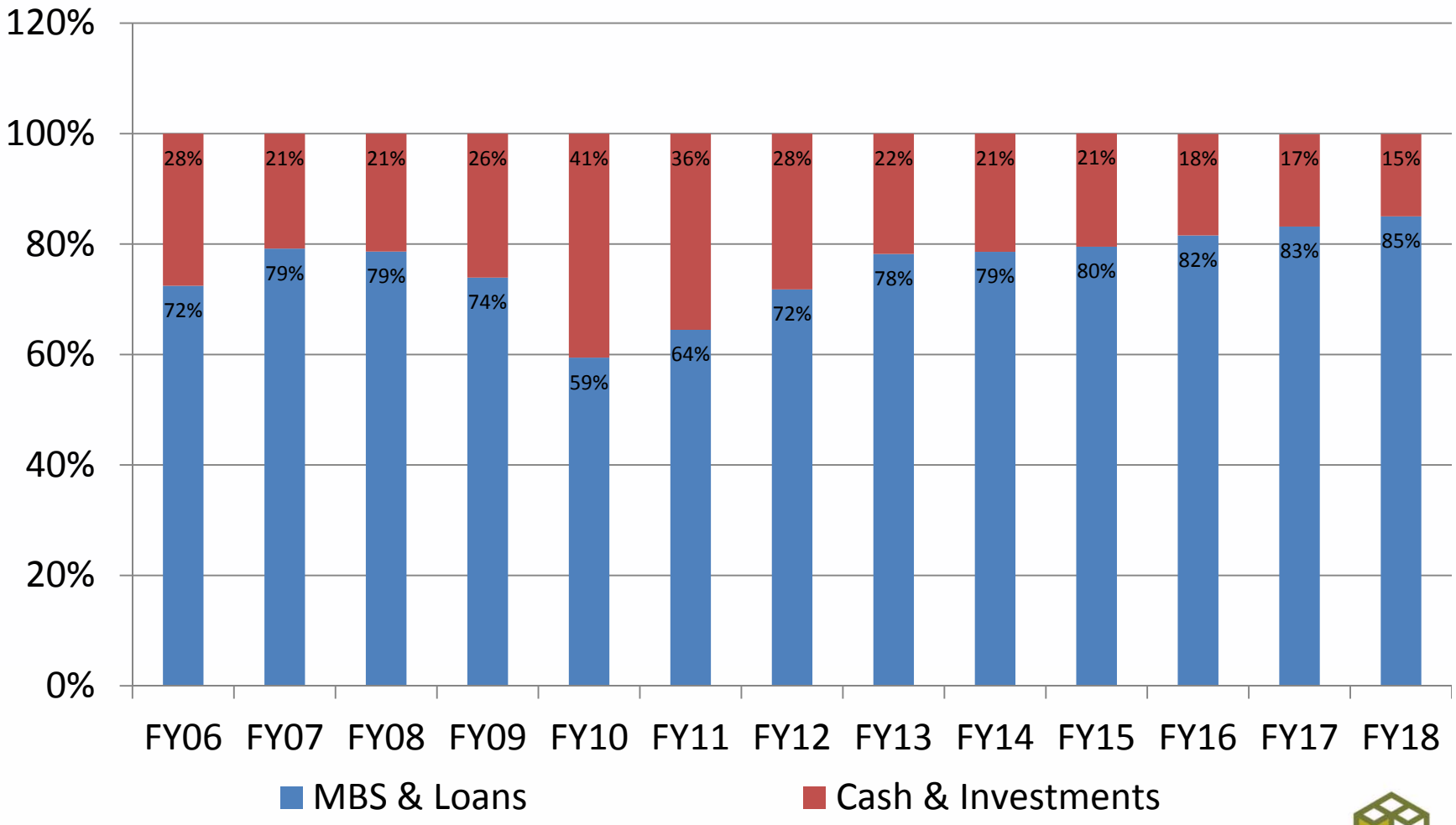
Housing Authority
Grant Income & Expense in $ millions



IOWA FINANCE AUTHORITY

Housing Authority
Assets on Mission



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Iowa Housing Study 2012

IOWA FINANCE AUTHORITY

. . .To create a better understanding of the housing needs of Iowans

March 12, 2013

Housing Demand

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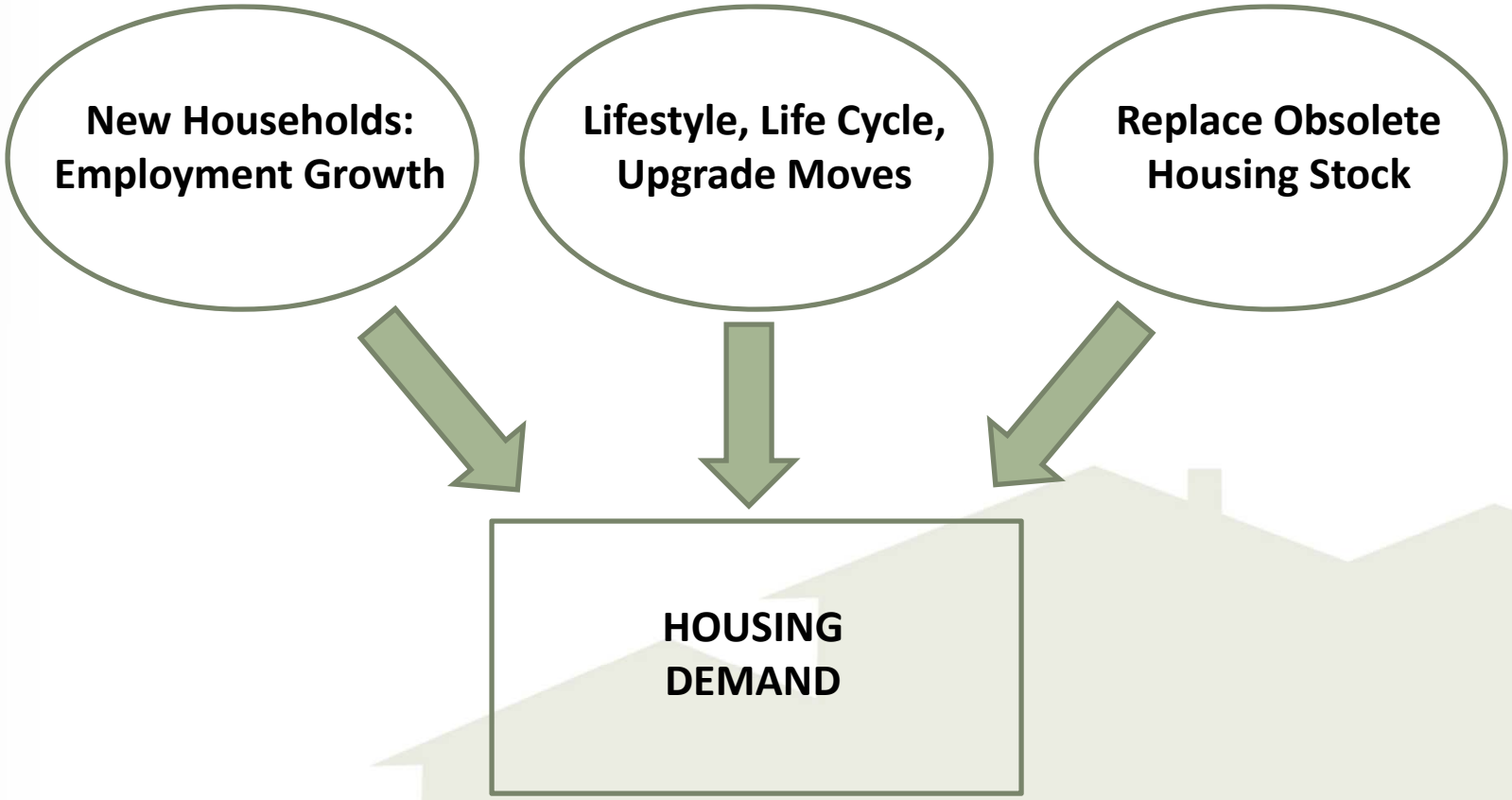

How have housing needs changed?

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1. Iowa's population has become older and more diverse

- Baby Boomers accounted for an upward shift in the age structure over the decade
- Near-term demand likely to be most shaped by Baby Boomers and Gen Y

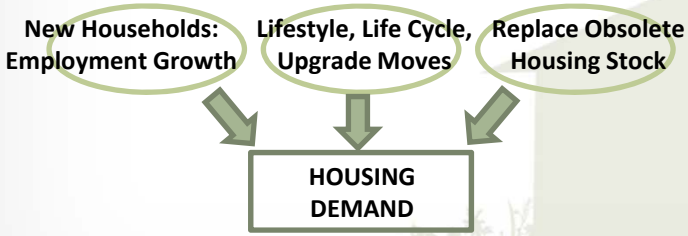
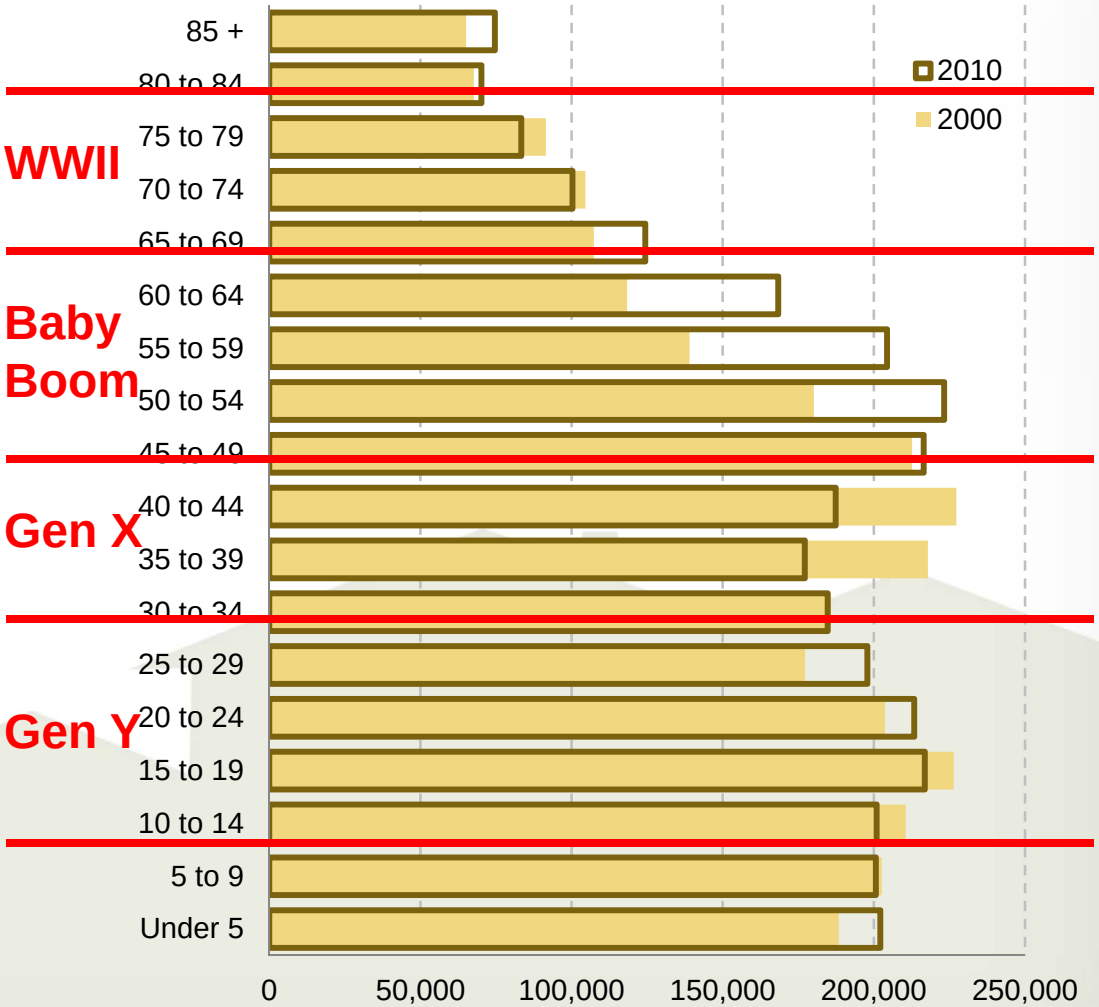


***Figure 1**: Change in Iowa population by age, 2000 to 2010*



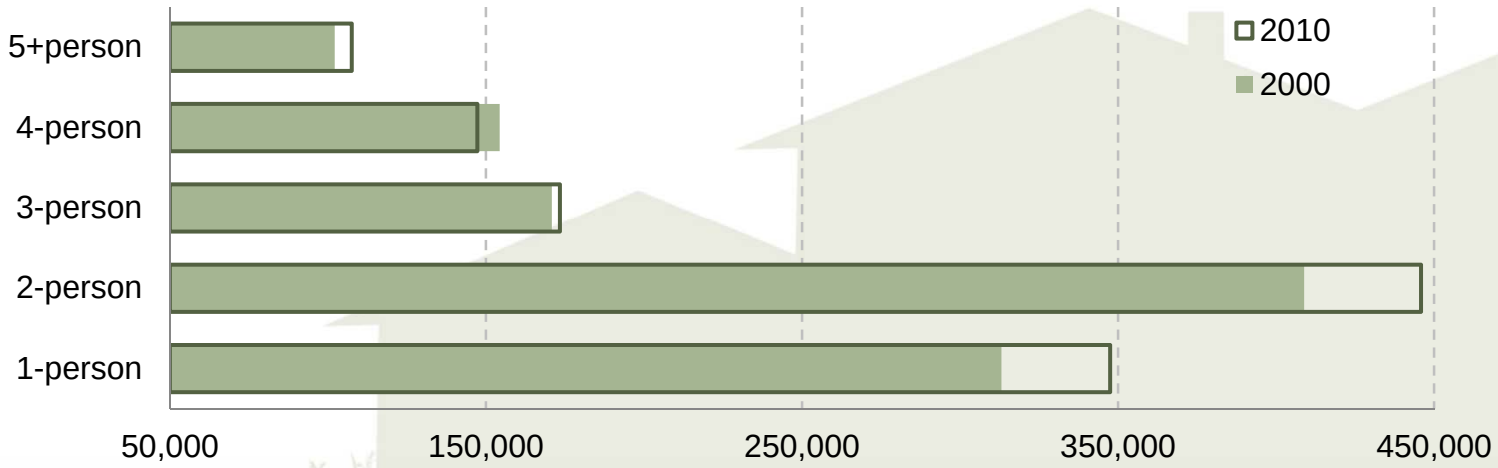
Sources: U.S. Census Bureau; Gruen Gruen + Associates.

How have housing needs changed?

2. Households are getting smaller

- Household sizes in Iowa, like much of the Nation, are declining
- Single- and two-person households accounted for most household growth

***Figure 3**: Change in Iowa households by size, 2000-2010 decade*

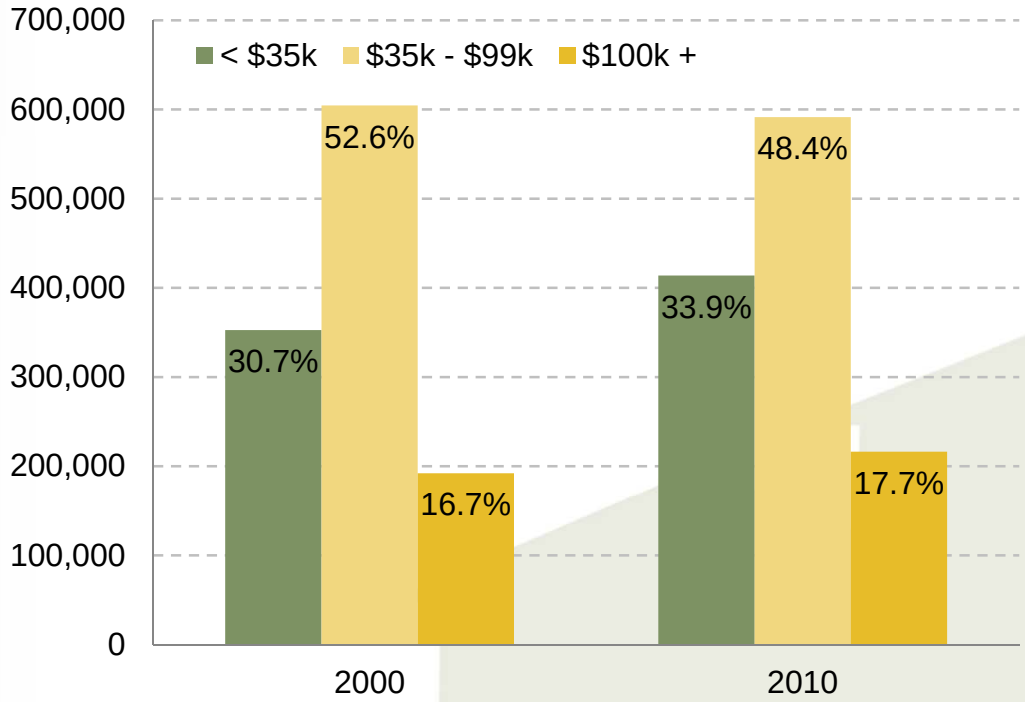


Sources: U.S. Census Bureau; Gruen Gruen + Associates.

How have housing needs changed?

3. Real household income has declined

***Figure 6**: Distribution of Iowa households by household income ($2012)*



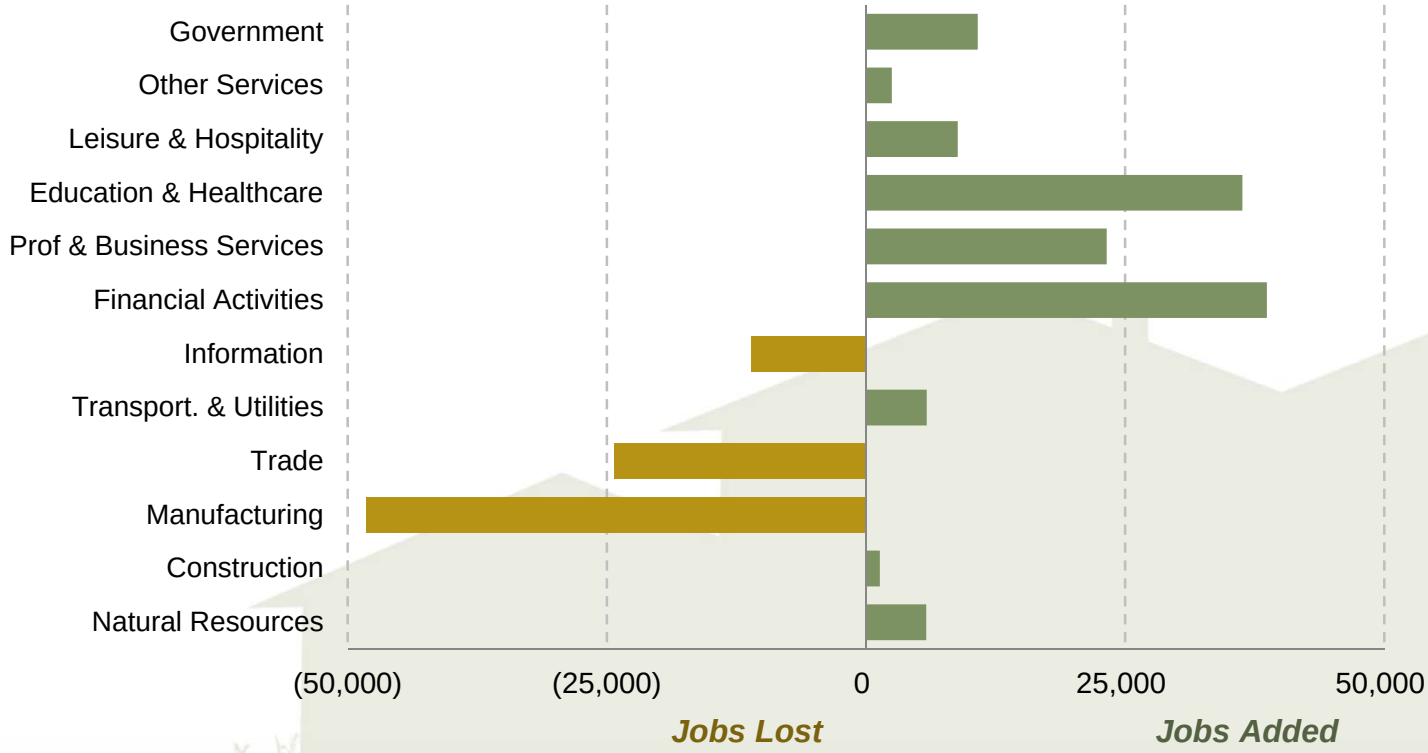
Sources: U.S. Census Bureau; Gruen Gruen + Associates.

- Real average household income declined by $2,000 or 3% over the decade
- Real median household income in 66 of Iowa's 99 counties declined
- Number of households with incomes below $35,000 grew

How have housing needs changed?

4. Iowa's economic base has continued to shift in favor of service-producing industry sectors

***Figure 7**: Change in Iowa nonfarm employment by industry sector, 2000-2010*



Sources: U.S. Bureau of Economic Analysis; Gruen Gruen + Associates.

How well is the housing stock meeting housing needs?

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- Housing costs have increased more rapidly than incomes and inflation

	2000	2010	Increase
IOWA:			
Ratio of Median Home Value to Median Household Income	2.09	2.57	+23%
Median Gross Rent as Percent of Median Household Income	14.3	15.7	+10%
UNITED STATES:			
Ratio of Median Home Value to Median Household Income	2.85	3.59	+26%
Median Gross Rent as Percent of Median Household Income	17.2	20.5	+19%

Sources: U.S. Census Bureau; Gruen Gruen + Associates.

How well is the housing stock meeting housing needs?

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- Housing cost-burden rates increased for both homeowners and renters over the decade.
- With housing costs escalating more significantly than household incomes throughout the state, more than 45 percent of Iowa's renter households and 20 percent of Iowa homeowners were cost-burdened in 2010 (paying more than 30 percent of their income towards housing and related expenses).
- In 2000, only 34 percent of renter households and 14 percent of homeowners were cost-burdened.

How well is the housing stock meeting housing needs?

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- The absolute number of cost-burdened households in Iowa grew by 129,000.
- Renters comprised approximately 37 percent of the cost-burdened household increase, a disproportionate share given that only 28 percent of Iowa's households were renters in 2000 and 2010.
- Changes in both the absolute number and percent of cost-burdened households were greatest in regions containing the preponderance of Iowa's urban population.

What are the most likely critical needs?

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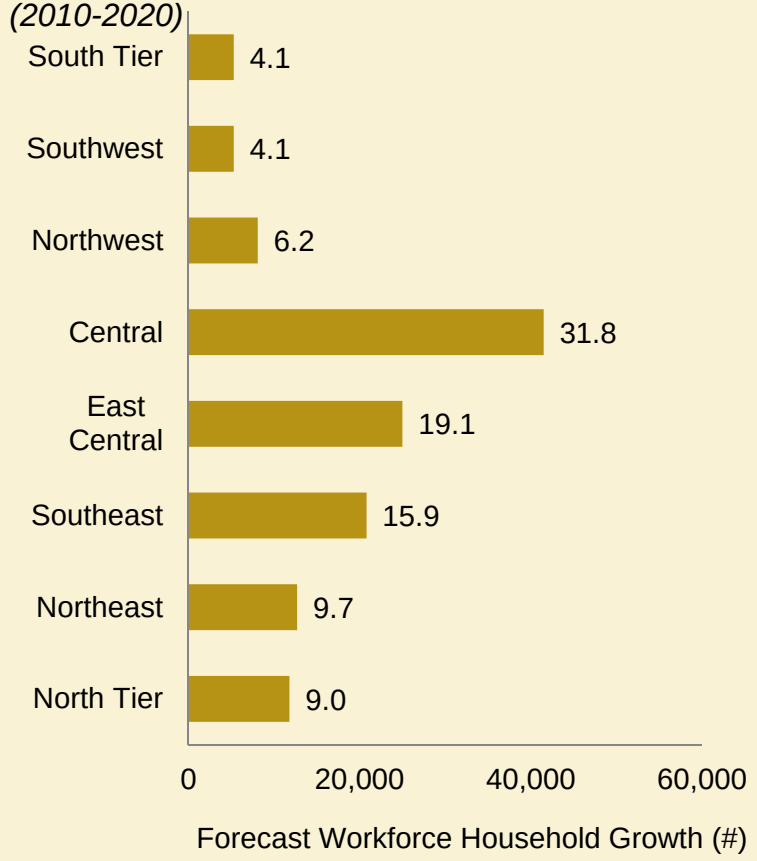
1. Workforce housing for all income levels
2. New and affordable senior housing
3. Accommodating preferences of elderly to age in place
4. Housing stock reinvestment, maintenance and absorption
5. Preservation of existing multi-family rental units available at low or moderate rents

Workforce Housing Needs

- Job growth expected to be concentrated in Central and East Central regions of Iowa
- Financial Activities, Professional and Business Services, and Education and Healthcare represent 53% of forecast growth
- Approximately 131,000 new workforce households are expected over the decade

***Figure**: Forecast Net Additional Workforce Household Growth by Region (2010-2020)*



Workforce Housing Needs

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Key Workforce Housing Challenges:

1. Providing housing that meets needs/contemporary preferences of higher-income households, including professionals, managers, and skilled workers being recruited to regions.

2. Providing rental housing that is affordable to lower-wage workers and larger-sized workforce households

3. Encouraging the rehabilitation/reuse of existing units released by older households

Current Programs

- Rental
  - Low Income Housing Tax Credits (LIHTC) – Up to 60% Average Median Income (AMI)
  - HOME – Up to 60% - 80% AMI
  - Multifamily Loans – Up to 80% AMI
- Ownership
  - FirstHome – up to 100-120% AMI
  - Homes for Iowans - Up to 140%
- Ownership & Rental – State Housing Trust Fund (SHTF) – Up to 80% AMI

New and Affordable Senior Housing

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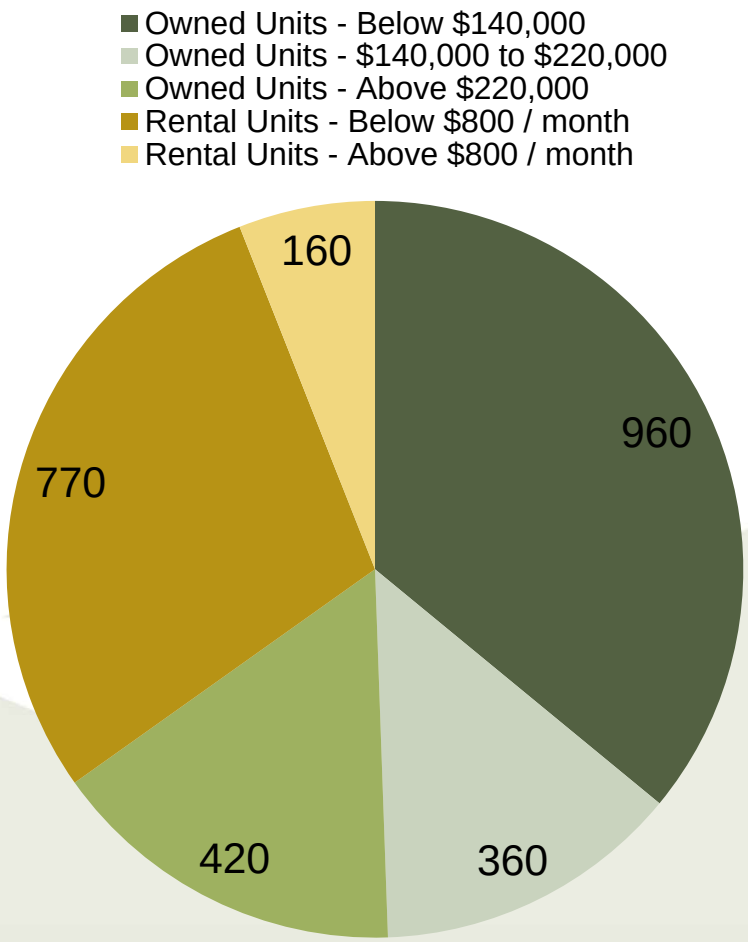
- Senior housing demand forecast:
  - 35% Rental
  - 65% Owned
- Rental units below $800 in monthly rent comprise 29% of annual demand
- For-sale units below $140k comprise 36% of demand

***Figure**: Average Annual Senior Housing Demand Forecast 2010-*



Total Avg. Annual Demand = 2,700 units Statewide

Current Programs - Seniors

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- Rental
  - LIHTC – Up to 60% AMI
  - HOME – Up to 60% - 80% AMI
  - Multifamily Loans – Up to 80% AMI
- Ownership & Rental – State Housing Trust Fund (SHTF) – Up to 80% AMI

What are the most likely critical needs?
Accommodating Elderly Age in Place

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- 86% of elderly age 62-74 own their housing
- Younger elderly HH (62-74)less likely to have housing problems
- 75+ cohort more likely to face housing challenges
  - Existing units may not meet their needs as they age

Current Programs – Aging in Place

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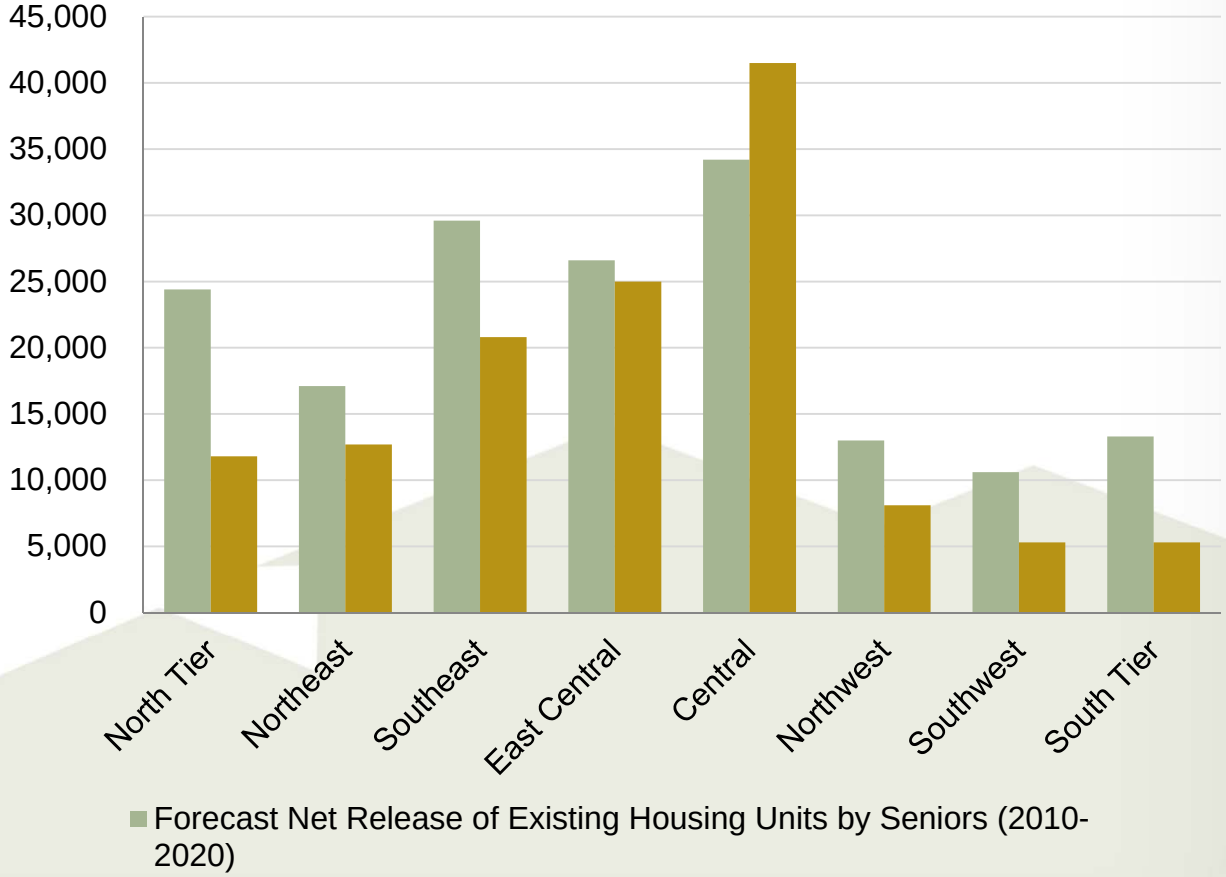
- Ownership & Rental – State Housing Trust Fund (SHTF) – Up to 80% AMI

What are the most likely critical needs?

Housing Stock Reinvestment , Maintenance, Absorption

- In some regions, number of existing housing units released by senior households will likely exceed growth in younger workforce households
- This could exacerbate over-supply conditions and patterns of disinvestment

***Figure** : Forecast workforce household growth relative to existing housing units likely to be released by senior households, 2010 to 2020 decade*



Source: Gruen Gruen + Associates

Current Programs – Housing Stock Reinvestment

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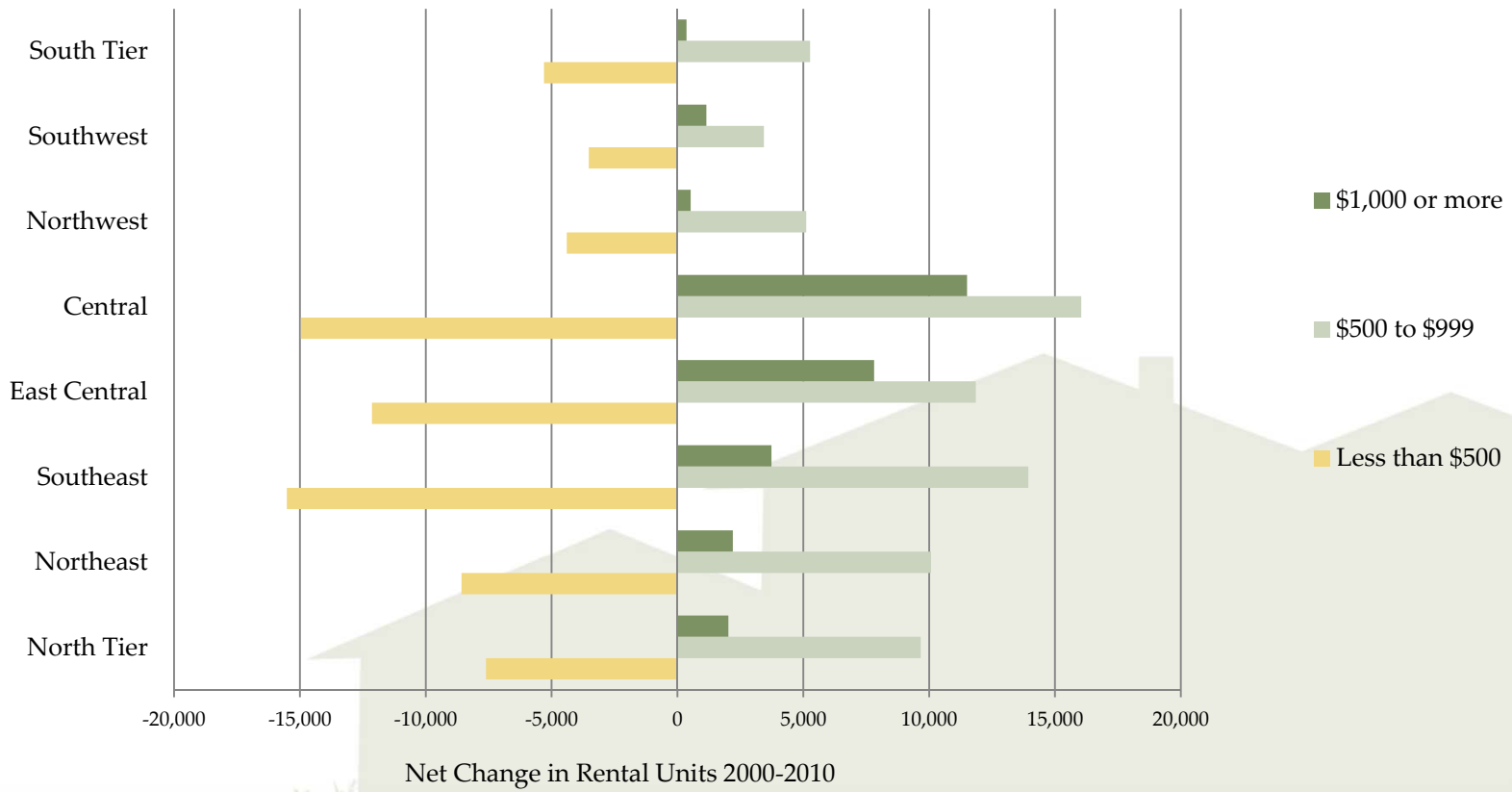
- Ownership
  - FirstHome – up to 100-120% AMI
  - Homes for Iowans - Up to 140%
  - State Housing Trust Fund (SHTF) – Up to 80% AMI

Preservation of Existing Affordable Multifamily Rental

- The number of relatively lower-price rental housing units declined over the last decade all across Iowa.

Figure 13: *Net Change in Rental Units by Price*



Source: U.S. Census Bureau; Gruen Gruen + Associates.

Current Programs – Preservation of affordable rental

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- Rental
  - LIHTC – Up to 60% AMI
  - HOME – Up to 60% - 80% AMI
  - Multifamily Loans – Up to 80% AMI
  - State Housing Trust Fund (SHTF) – Up to 80% AMI

Investment Summary

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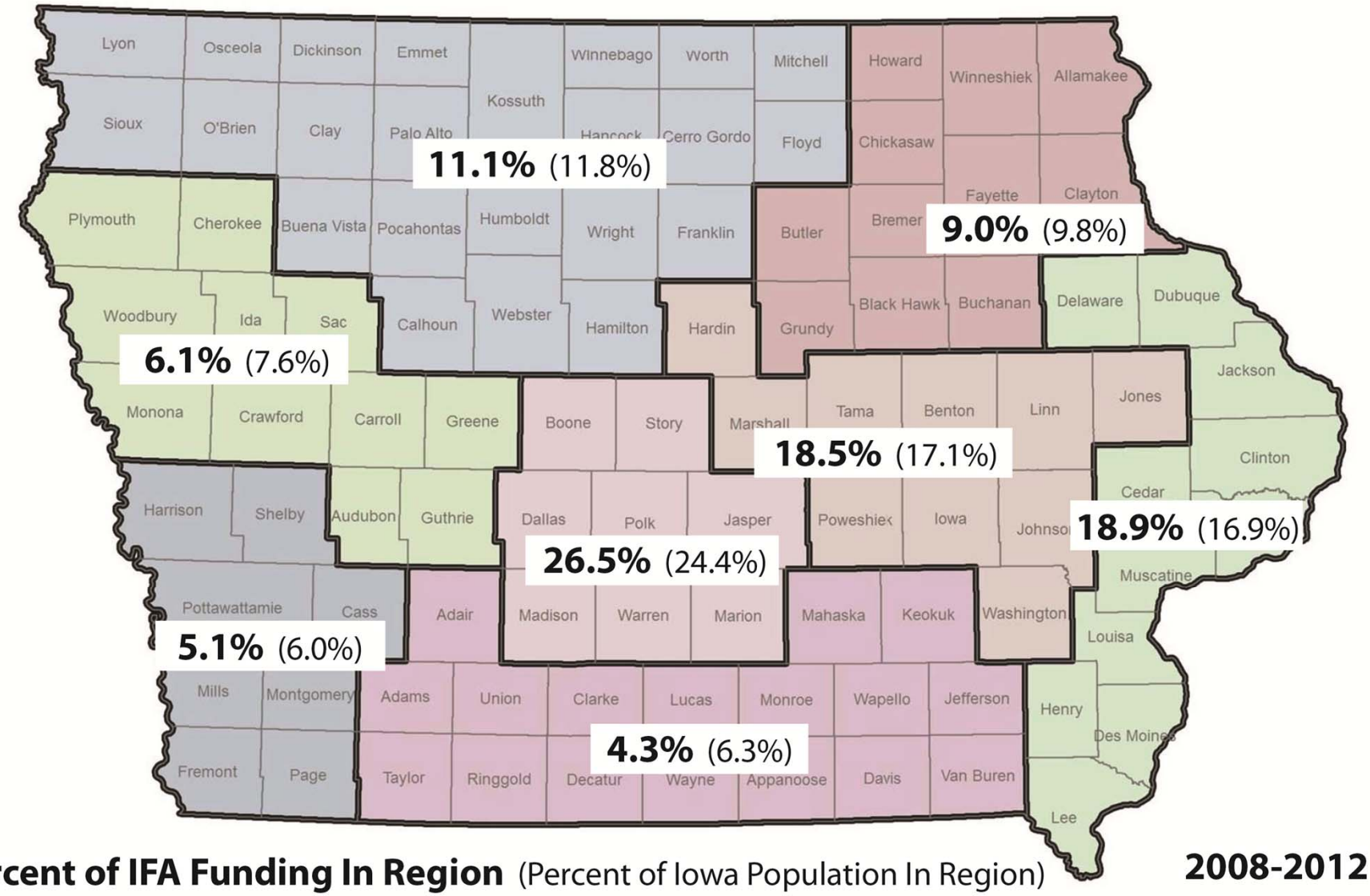

Percent of IFA Funding In Region (Percent of Iowa Population In Region)

2008-2012

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Strategic and 5 Year Financial Plan Update

Board/Management Workshop

March 11-12, 2013

Mission and Vision

Mission Statement

To finance, administer, advance and preserve affordable housing and to promote community and economic development

Vision Statement

The Iowa Finance Authority will improve the quality of life for Iowans by providing affordable housing opportunities and financing community and economic development

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Guiding Principles

- Customer Focus
- Results Orientation
- Long Range Thinking
- Data-based Decisions
- Continuous Improvement
- Collaborative Leadership
- Employment Participation
- Financial Responsibility and Integrity

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SWOT Analysis

Strengths

- Staff knowledge and commitment/Mixture of tenured and new employees
- Self-Funded
- Financial strength and individual credit rating
- Flexibility
- Strong relationships with customers/legislature and other stakeholders
- Good reputation
- Product quality

Weaknesses

- Policies not fully documented
- Limited back-ups and cross training
- Organizational silos
- Limited communication of activities
- Concentration of risk
- Limited awareness of IFA
- Lack of succession planning and board development

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SWOT Analysis

Opportunities

- Cross training
- Develop and offer new products
- Enhance reporting of results and activities
- Enhance communication
- Improve technology
- Improve risk management
- Succession Planning
- Collaboration with other state agencies

Threats

- Continued weak or weakening economy
- Continued unsettled capital and bond markets
- Housing market deterioration
- Uncertain legislative process and outcomes
- Unexpected changes in business model
- New regulation
- Staff turnover

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Administration Goals

IFA can be a strong contributor to the administration's goals

Affordable housing programs reinforce the goals

Create 200,000 New Jobs	15% reduction in cost of government	25% increase in family income	1st in the Nation Schools
IFA programs create 4,000 jobs annually	IFA's efficiency record demonstrates what government can do	Stable housing supports employment stability	Stable homeownership promotes student performance

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Strategic Goal Discussion

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Single-Family Goals

- Overarching Direction
  - Increase affordable and stable homeownership
  - Continue to maintain and enhance the quality of service to IFA's partners (borrowers, lenders, and communities)

- Outlined Needs:
  - Home rehabilitation assistance
  - Workforce Housing

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Housing Tax Credit Goals

- Overarching Direction
  - Establish funding priorities for the 2014 QAP based upon the housing study – Senior housing, preservation and rural set-asides
    - Board task force is evaluating the set-asides as well as the points awarded to insure that the priorities are clear
  - Improve relationships with communities to improve public perception of affordable housing
  - Asset management – develop a more formalized system so IFA can help preserve units

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Housing Tax Credit Goals

- Outlined Needs:
  - Workforce housing
  - Senior housing
  - Preservation of affordable multifamily units

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Section 8 Goals

- Overarching Direction
  - Renew the contract with HUD

- Outlined Needs:
  - Workforce housing
  - Senior housing
  - Preservation of affordable multifamily units

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HOME, Homelessness and State Housing Trust Fund Goals

- Overarching Direction
  - HOME – Direct all 2014 HOME rental funds to preservation of affordable units – no new construction.
  - All – training for recipients quarterly
  - Draft and recommend a standing disaster recovery housing assistance program

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HOME Goals

- Outlined Needs:
  - HOME
    - Workforce housing
    - Affordable senior housing

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State Housing Trust Fund Goals

- Outlined Needs:
  - Workforce housing
  - Affordable senior housing
  - Allowing elderly to age in place
  - Housing stock reinvestment

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Compliance Goals

- Overarching Direction
  - Consistent policy and procedures
    - Manuals updated
    - Training for staff and owners/managers

- Outlined Needs:
  - Safe and sanitary housing

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State Revolving Fund Goals

- Overarching Direction
  - Continue to be the primary low cost source of funds for municipal water and waste water infrastructure projects
  - Continue to expand financing options for non-point source (storm water and Ag runoff) pollution
- Outlined Needs:
  - Municipal needs will continue to be strong because of water quality standards
  - Reduce both fertilizer and other pollution runoff impacting water quality

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Individual Team Goals

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Administration: Admin/Legal

1. Implement annual and ongoing program training for administration staff by July 1, 2013.

2. Develop plan with steps to strengthen IFA's separate and distinct from state status by July 1, 2013.

3. Develop a continuous improvement timeline for agency departments by July 1, 2013.

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Human Resources

1. Implement annual and ongoing training for front desk staff by July 1, 2013.

2. Ensure each employee has one backup trained for primary job duties by December 31, 2013.

3. Develop emergency communication plan by December 31, 2013 (fax, phone system, staff notification)

4. Develop professional development program by December 31, 2013.

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Information Technology

1. Data center migration complete by July 1, 2013.

2. Develop and test disaster recovery plan by July 1, 2014.

3. Complete enhancements to current internal systems by December 31, 2014.

4. Complete centralized reporting system for data by December 31, 2015.

5. Make public facing outputs accessibility compliant by December 31, 2014.

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Communications/Business Development

1. Increase statewide awareness by December 31, 2014.

2. Increase number of partners by 10% by December 31, 2014.

3. Pass 100% of IFA proposed legislation and halt 100% of hostile legislation annually.

4. Develop or refresh marketing plans for all IFA programs by December 31, 2013.

5. Increase web traffic and open rates by 25% by December 31, 2013.

6. Have 100% brand compliance by December 31, 2013.

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Operations

1. Deliver monthly financial reports to Board.
2. Complete external audit by September 30.
3. Implement new loan servicing software
4. Move IT to the “cloud”.
5. Eliminate 1 position

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Finance

Loan Volume: (*Consistent goal under single-family)*

- Increase FY 14 SF loan volume by 10% of FY 13 volume.
- Add $15 million of MF loans to IFA's balance sheet (construction, permanent) by June 30, 2014.

Improve asset management

- Implement an asset management system to reduce risk of troubled properties by June 30, 2014.

Dashboard

- Implement a dashboard reporting system with key finance indicators by December 31, 2013.

Ratings

- Raise Issuer Credit Rating to AA2 by December 31, 2014.
- Incorporate Moody's ratios into planning.

Programs

- Explore feasibility of a Single Family Aging Housing Stock Rehabilitation Program

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Title Guaranty

- TG Commercial shall conduct on a monthly basis at least two commercial marketing calls.
- Complete and present a review of claims system to the Title Guaranty Board by December 15, 2013.
- Streamline Title Guaranty accounting and information technology processes by February 15, 2014.
- Establish a plan for effective utilization, deployment and location of staff by September 15, 2013.

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Title Guaranty

- Develop a multi-dimensional training program by July 1, 2014.
- Title Guaranty staff shall identify, participate and recommend in monthly staff meetings primary and secondary communication processes for use by management and staff. A report with issues and recommended outcomes shall be completed by November 15, 2013.
- Review ALTA Best Practices and incorporate those applicable into TG best practices by June 2014.

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Single-Family

1. Increase loan production from FY13 by 10% in number of purchases by June 30, 2014.

a. Increased productivity through automation of systems and explore other software options

b. Develop automated method to measure and monitor turnaround times for pre-close compliance and post-close reviews so we can target process improvement efforts to bottlenecks

c. Implement new deferred loan option to increase the amount of down payment assistance IFA home buyers can receive by end of 2013.

d. Improve lender program through lender proficiency training certificate.

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Single-Family

2. Improve quality of services and programs to end borrower/customer.

a. Implement IFA home buyer education requirement by January 1, 2014

b. Reconfigure staff workspace by July 31, 2013

c. Implement cross-training plan by December 31, 2013

d. Increase staff participation in program development and policy (Ongoing)

e. Geographically-dispersed, high quality lender network by December 31, 2013

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Single-Family

3. Issue a Request for Proposal for new servicer by May 30, 3013.

4. Investigate direct lending by December 31, 2013.

5. Amend Military Homeownership Assistance Program rules by July 1, 2013.

6. Investigate options for rehabilitation and refinance programs by December 31, 2013.

7. Increase outreach to underserved populations by December 31, 2013.

8. Lobby HUD to change stance on FHA issue by April 20, 2013.

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Housing Tax Credits

Funding Priorities

1. Establish funding priorities for the 2014 QAP using data from the housing study by June 30, 2013.

Relationship Building with Communities

2. Host quarterly meetings with communities annually.

Improve relationships with communities and increase public perception of affordable housing.

Asset Management

3. Develop/purchase IT system to support asset management initiatives by July 1, 2014 per McGladery proposal.

Use of 4% bonds

4. Increase 4% applications for preservation projects during 2014 round.

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Housing Tax Credits

Staff Cross-Training
5. Cross-train each staff person to one new task by December 31, 2013.

Appeal Process
6. Redesign appeal process for 2014 round.

Allocation/Compliance Relationship
7. Implement a smooth transition process between allocation and compliance by 2014 round.

Current Information
8. Dedicate a staff person to review tax credit information on the web site every two months.

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Section 8

Contract
1. Renew ACC by October 1, 2013.

IT system
2. Integrate data and standard reporting system by December 31, 2014.

Communications
3. Implement two trainings for owners and agents by December 31, 2013 and four trainings in 2014 to build relationships and increase EIV compliance.

4. Implement semi-annual meeting with HUD by July 1, 2013.

5. Increase open rate of News Br8k by 25% by January 1, 2014.

6. Cross-train 100% of staff on critical functions by December 31, 2014.

HUD
7. Have no findings on the Annual Compliance Review (ACR) each year.

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HOME, Homelessness and State Housing Trust Fund

ALL

1. Develop and implement a functional coordinated web-based draw and reporting system by 2016.

2. Implement training opportunities for HOME, SHTF, Homelessness recipients quarterly by December 31, 2013.

HOME

3. Have no HUD findings annually.

4. Direct all 2014 HOME rental funds to preservation projects.

5. Increase Tenant-Based Rental Assistance by twenty percent by December 31, 2014.

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HOME, Homelessness and State Housing Trust Fund

Other

6. Achieve legislative approval of standing disaster recovery housing assistance program by December 31, 2014.

State Housing Trust Fund

7. Certify one additional Local Housing Trust Fund by December 31, 2013.

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